



Oregon

Kate Brown, Governor

Public Utility Commission

201 High St SE Suite 100

Salem, OR 97301-3398

Mailing Address: PO Box 1088

Salem, OR 97308-1088

503-373-7394

December 3, 2019



BY EMAIL

PacifiCorp, dba Pacific Power

Etta.lockey@pacificorp.com

Cathie.allen@pacificorp.com

RE: Advice No. 19-011

At the public meeting on December 3, 2019, the Commission adopted Staff's recommendation in this matter docketed as ADV 1022. The Staff Report and a receipted copy of the sheets in your advice filing are attached.

Nolan Moser
Chief Administrative Law Judge
Public Utility Commission of Oregon
(503) 378-3098

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 3, 2019**

REGULAR _____ **CONSENT** X **EFFECTIVE DATE** December 4, 2019

DATE: November 18, 2019

TO: Public Utility Commission

FROM: Kathy Zarate

THROUGH: Michael Dougherty and John Crider **SIGNED**

SUBJECT: PACIFIC POWER:
(Docket No. ADV 1022/Advice No. 19-011)
Requests housekeeping revisions to Rule 7.

STAFF RECOMMENDATION:

Staff recommends that the Commission approve Pacific Power's (PacifiCorp or Company) Docket No. ADV 1022, effective December 4, 2019, as requested.

DISCUSSION:

Issue

Whether the Commission should allow PacifiCorp to allow the offering of unmetered service for small usage devices.

Applicable Law

The Company's filing involves tariff sheets that are governed by ORS 757.205 and OAR 860-022-0025. Under ORS 757.205(1), a public utility must file schedules showing all rates, tolls, and charges for service that have been established and are in force at the time. Tariff revisions or corrections may be made by filing revised sheets with the information required under the Commission's administrative rules, including OAR 860-022-0005 and OAR 860-022-0025.

Filings that make any change in rates, tolls, charges, rules, or regulations must be filed with the Commission at least 30 days before the effective date of the changes. Under

OAR 860-021-0125, the current 15-day due and payable period is the minimum, but there is no maximum.

Analysis

On October 11, 2019, PacifiCorp submitted this filing to update the Company Rule 7 on unmetered service for small usage devices to include the offering of unmetered service option for small usage devices with rated capacity of less than 2,000 watts per point of connection, when, at the sole discretion of the company, usage is impractical and/or unsafe to meter.

The Company proposes the following change to Rule 7:

1. Kilowatt hours for unmetered service will be based on the capacity of the equipment served at a 100 percent load factor. Billing will be determined by multiplying 730 hours by the kilowatt capacity to determine kilowatt hours. In contrast, the kilowatt hours of a metered service is based on the usage measured by the meter.

PacifiCorp asserts that it is necessary to offer this service due to requests from the communications industry installing infrastructure necessary to expand fourth generation broadband cellular network technology (4G) networks and the addition of fifth generation broadband cellular network technology (5G) networks. The high density demand areas are typically commercial areas that offer little or no space for meter pedestals or other non-pole amount equipment. In many cases, additional structures may not be permitted. PacifiCorp has also heard from carriers that meter installation challenges are a major impediment to their buildout of cell networks. Accordingly, PacifiCorp proposes to offer these small usage customers on deemed usage with periodic true-ups to ensure correct collections. True-ups ensure that there is no cost-shifting to other customers, given the unmetered nature of the service.

Assuming 200 watts is the total capacity of the connected equipment, the billing would be based upon 200 watts divided by 1,000 watts per kilowatt multiplied by 730 hours, which would yield 146 kilowatt hours. Each month, installation would be billed for 146 kilowatt hours under Schedule 23.

Further, PacifiCorp anticipates the revenue will recover the cost of service on an ongoing basis. The additional costs for the unmetered service will be any field visits to periodically verify the nameplate capacity rating of equipment – which is the wattage basis for the billing. Offsetting the cost of field visits are the avoided field visit costs of

meter testing, the savings of not placing a meter, and the potential additional revenue from billing based upon 100 percent load factor.

After review, Staff concludes that PacifiCorp's proposed unmetered service PacifiCorp should be approved. Staff reviewed the seven-request information and the proposed schedule changes, and identified no issues or errors with the filing and recommends the Commission approve the tariff changes as filed.

Conclusion

Staff supports Commission adoption of the Company's filing.

PROPOSED COMMISSION MOTION:

Approve PacifiCorp's Advice No. 19-011 to go into effect for service rendered on and after December 4, 2019.

Basis of Rates

Unless otherwise specifically provided in the rate schedule or contract, Company's rates are based upon the furnishing of electric service to Consumer's premises at a single point of delivery and at a single voltage and phase classification.

A. Individual Consumer: Except as specifically provided elsewhere in this Tariff, each separately operated business activity and each separate building will be considered an individual Consumer for billing purposes, except that if several buildings are occupied and used by one Consumer in the operation of a single and integrated business enterprise, the Company will furnish electric service for the entire group of buildings through one service connection at one point of delivery, provided all such buildings are at one location on the same lot or tract, or on adjoining lots or tracts forming a contiguous plot wholly occupied and used by the Consumer in the operation of such single business enterprise.

B. Reactive Power: All rate schedules in this Tariff are based upon the minimizing by Consumer of the taking of reactive power.

1. The reactive kilovolt-ampere demands may be determined either by permanently installed instruments or by test and, when determined by test, the resulting reactive demand will remain in effect until a new determination is made.
2. If Consumer installs and owns facilities needed to supply the required reactive power, suitable disconnecting switches shall be installed to automatically disconnect such facilities from Company's lines whenever Consumer's load is disconnected therefrom. When reactive power correction equipment is installed by Consumer, such equipment must be connected and switched in a manner acceptable to Company.

C. Unmetered Service:

1. **Fixed Loads:** Service to fixed loads, with fixed periods of operation, such as street lights, traffic lights, television amplifiers and other similar installations may, for the convenience and mutual benefit of the Consumer and Company, be unmetered. The average monthly use (one-twelfth of the annual use determined by test or estimated from equipment ratings) shall be billed monthly in accordance with the applicable schedule. (N)

2. **Small Usage Devices:** Devices whose total connected load does not exceed 2,000 watts per point of connection may be provided unmetered service if, at the sole discretion of the Company, usage is impractical or unsafe to meter. The monthly kWh billed each month for such small usage devices shall be determined as the total kW capacity requirement of the Customer's equipment multiplied by 730 hours. The capacity requirement shall be stated on the Customer's application for service. Connection to Company's system will be made by Company, subject to Customer's installation meeting all of Company's design and installation requirements. (N)

The Customer shall not change the capacity requirement or other aspects of their installation without first notifying the Company in writing a minimum of 30 days before changes are made. Customer's changes that render the service ineligible for unmetered service shall result in service being metered. Under such circumstances, Company approved metering point(s) must be installed by Customer within 30 days following notification or service will be disconnected. (N)

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Basis of Rates (continued)

- 2. **Small Usage Devices:** (continued)
The Company shall not be required to adjust billings due to failure of Customer's equipment. The Company shall have the right to test the capacity requirements of small usage devices from time to time. If the Company determines that the capacity was under-reported by the Customer or that the Customer otherwise failed to notify the Company of an increase in capacity, the Company may backbill for the incremental kWh associated with such increased capacity back to the date that service was first furnished in accordance with the provisions for a re-issued bill as the result of misinformation as given in Rule 10.
- D. **Billing Quantities:** Charges for services provided by the Company will be based on the Company's meter readings in the manner specified in this Tariff. Charges for services provided by an ESS will generally be determined according to terms specified by the contract between the ESS and the Consumer, and may be based on different time periods, quantities or units of measure than charges for services provided by the Company.
- E. **Continuing Service:** Except as specifically provided otherwise, the rates of this Tariff are based on continuing service at each service location. Disconnect and reconnect transactions shall not operate to relieve a Consumer from minimum monthly charges.
- F. **Responsible Party:** Where the property is leased or rented from the property owner and a contract minimum is attached as a condition of service, the Company may require that the owner of the property be responsible for minimums associated with the contract.
- G. **Sole Supply:** Unless otherwise stated, the rate schedules of the Company are applicable for service supplied entirely by the Company without interconnection with any source of supply.
- H. **Special Demand:** All rate schedules of this Tariff are based upon loads for which standard demand measurements adequately reflect the size of load imposed on Company's system. In the event of loads with large short-period fluctuations, Company reserves the right to employ special demand determinations.
- I. **Irrigation Service:** At the option of the Consumer, Irrigation Service may be provided under the General Service Schedule provided, however, that seasonal disconnects shall not relieve such Consumer from monthly billings for the General Service Schedule minimums.
- J. **Eligibility for Alternate General Service Schedules 23, 28 and 30:** A General Service Consumer will be moved automatically to an alternate General Service Schedule as indicated by load size and schedule applicability. The Company may move a Customer from Schedule 28 to Schedule 23 if the Customer demonstrates an ability to limit demand to a level that does not exceed 30 kW either through the use of demand limiting equipment or through other operational changes. The Company will not switch a Consumer between alternate General Service Schedules 23, 28 and 30 more than once in a 12-month period, unless the following exception is met: In the event that a Consumer's load increases due to changes in operations, the Company may, at its discretion, place the Consumer on a schedule with a higher demand requirement, if so warranted.

(N)

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