



Media Release

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PUC CUTS PACIFICORP'S REQUESTED JANUARY 1 GENERAL RATE INCREASE

SALEM, Ore. – The Oregon Public Utility Commission (PUC) today issued its decision in the general rate case filing by PacifiCorp (dba Pacific Power), approving an overall increase for all customer types combined, including residential, commercial, and industrial customers, of approximately 8.5 percent to take effect on January 1, 2025. In its initial general rate case filing, PacifiCorp requested a 17.9 percent increase. After nearly a year of scrutiny, the Commission reduced the utility's request through its decisions on more than 60 contested issues.

In addition to the general rate case for capital and operations expenses, rate changes on January 1 will also include the annual adjustment for forecasted 2025 power purchase costs and other miscellaneous rate increases and decreases. For residential customers specifically, the overall increase from the combined decisions is expected to be approximately 9.8 percent. Finalized rate changes for residential, commercial, and industrial customers effective on January 1, 2025, will come after PUC review of utility compliance filings with the Commission decision and final decisions on other miscellaneous rate filings at the Commission's December 31, 2024, regular public meeting.

Drivers for the general rate case increase include capital investments in transmission, generation and other infrastructure, as well as wildfire-related cost increases. The Commission moderated these increases by declining to raise PacifiCorp's cost of equity, adopting new requirements for shareholders to share in expenses, and holding PacifiCorp accountable to make better demonstrations of prudence and customer benefits. The cost of purchasing power to meet customer demand is forecast to go down in 2025, reducing the overall January 1 rate change. Separate rate changes, effective for commercial and industrial customers on December 1, 2024, and for residential customers on April 1, 2025, will reflect the impact of 2023's costly purchased power and fuel price spikes.

"As regulators, our job is to look out for customers," said Megan Decker, PUC Chair. "We know that rate increases are difficult for Oregonians, and we only approve them after independently scrutinizing the facts and concluding that increasing rates is necessary to support safe and reliable utility service."

Recognizing the impacts of rate increases in winter, Commissioners adopted protections for the most vulnerable. In the rate case order and in temporary emergency rules adopted in AR 667 on December 17, the Commission prohibited PacifiCorp from disconnecting medical certificate holders and bill discount program participants until March 31 and required the company to establish higher bill discounts and offer emergency help on past due balances to the lowest income Oregonians.

As part of the general rate case, parties were unable to reach agreement on any issues. The Commission's order addresses more than 60 disputed issues, including:

1. 2020 Wildfire Restoration Costs – Held back from rates 50 percent of the cost of restoring service across the state after the 2020 wildfires, recognizing customer value in restoration and climate change impacts on fire spread but holding PacifiCorp accountable to prove its actions were prudent.
2. Increase in Wildfire Insurance Premiums – Recognized industry-wide increase in utility wildfire insurance premiums, but adopted new requirement that shareholders cover 10 percent of premium costs.
3. Responsible Coal Plant Exit – Lowered customer costs by adopting realistic timelines and firm costs for removing coal plants from rates, as Oregon law requires by 2030.
4. Large Loads – Adopted new charges to ensure that under- and over-forecasting by very large new customers, like data centers, does not cause cost increases for other customers.
5. Gateway South Transmission Project – Reinforced repeated concerns with the analysis of economic benefits of timing of constructing the transmission line, reducing earnings until better analysis is filed.

“Affordable utility services depend on independent regulators understanding the costs and risks of providing utility service and holding utilities accountable,” Decker added. “I appreciate the hard work of PUC Staff, customer advocates, and the utility to provide thousands of pages of evidence, and I value the collaboration among the Commissioners in reaching resolution on dozens of disputed issues.”

Commissioners split on only two of more than 60 disputed issues, with Commissioner Perkins preferring to recalculate PacifiCorp’s rate base and reduce its return on equity from 9.5 percent to 9.3 percent.

To finalize rate changes, PacifiCorp will submit a compliance filing to the PUC that calculates the impact of all rate-related Commission decisions and provides final rate changes for each customer type. The PUC will then review PacifiCorp’s compliance filing to ensure all decisions are reflected accurately in the final numbers before the rate changes become effective on January 1, 2025.

Resources for Pacific Power Customers

To increase energy efficiency and save more on future bills, review Energy Trust of Oregon’s [current incentives and opportunities, including income-qualified offers](#) and learn more about [low-cost and no-cost tips](#) to reduce energy consumption. For information about bill payment assistance options, help with past due bills, available utility discount programs, weatherization, and the [Equal Pay Program](#) that equalizes bill payments across winter and summer months, call Pacific Power at 888-221-7070 or [view information online](#). Customers may also contact their local Community Action agency to request information on what assistance programs they may be eligible for and how to enroll.

Pacific Power serves more than 620,000 customers in Oregon.

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The Oregon Public Utility Commission (PUC) regulates customer rates and services of the state’s investor-owned electric and natural gas utilities, including Portland General Electric, Idaho Power, Pacific Power, Avista, Cascade Natural, and NW Natural. The PUC also regulates landline telephone providers and select water companies. The PUC’s mission is to ensure Oregonians have access to safe, reliable, and fairly priced utility services that advance state policy and promote the public interest. We use an inclusive process to evaluate differing viewpoints and visions of the public interest and arrive at balanced, well-reasoned, independent decisions supported by fact and law. For more information about the PUC, visit oregon.gov/puc.