

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PACIFIC POWER & LIGHT  
COMPANY,**

**Respondent.**

**DOCKETS UE-140762 and UE-140617  
(consolidated)**

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**In the Matter of the Petition of**

**PACIFIC POWER & LIGHT  
COMPANY,**

**For an Order Approving Deferral of  
Costs Related to Colstrip Outage.**

**DOCKET UE-131384 (consolidated)**

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**In the Matter of the Petition of**

**PACIFIC POWER & LIGHT  
COMPANY,**

**For an Order Approving Deferral of  
Costs Related to Declining Hydro  
Generation.**

**DOCKET UE-140094 (consolidated)**

**PACIFIC POWER & LIGHT COMPANY**

**EXHIBIT OF NATASHA C. SIORES**

**Summary and Calculation of Deferred Amounts Requested  
(Hypothetical Amortization into Base Rates)**

**November 2014**

**PacifiCorp**  
**Washington General Rate Case - December 2013**  
**Amortization of Deferred Amounts in Base Rates**  
**Summary of Deferred Amounts (\$s)**

	<u>Deferral Amount</u>	<u>Interest</u>	<u>Amount to Amortize</u>	<u>Addition to Rate Base</u>	<u>Revenue Requirement</u>	
Colstrip Deferral - UE-131384	1,878,383	203,093	2,081,476	1,040,738	2,297,973	Ref Page 2
Depreciation Deferral - UE-132350	(836,250)	(39,539)	(875,789)	(437,894)	(966,881)	Ref Page 2
Hydro Deferral - UE-140094	2,323,739	122,030	2,445,769	1,222,884	2,700,157	Ref Page 2
Merwin Deferral - UE-140617	1,608,118	103,564	<u>1,711,682</u>	<u>855,841</u>	<u>1,889,716</u>	Ref Page 2
<b>Total</b>			<b><u>5,363,138</u></b>	<b><u>2,681,569</u></b>	<b><u>5,920,965</u></b>	

**PacifiCorp**  
**Washington General Rate Case - December 2013**  
**Amortization of Deferred Amounts in Base Rates**  
**Revenue Requirement Calculation (\$)**

<b>Revenue Requirement</b>				
	<b>Colstrip Deferral Ref Page 3</b>	<b>Depr. Deferral Ref Page 4</b>	<b>Hydro Deferral Ref Page 5</b>	<b>Merwin Deferral Ref Page 6</b>
Addition to Rate Base	1,040,738	(437,894)	1,222,884	855,841
Pre-Tax Return <sup>1</sup>	10.46%	10.46%	10.46%	10.46%
Pre-Tax Return on Rate Base	108,860	(45,803)	127,912	89,520
Amortization Amount	2,081,476	(875,789)	2,445,769	1,711,682
Rev. Reqt. Before Franchise Tax & Bad Debt	2,190,336	(921,592)	2,573,681	1,801,202
WUTC Regulatory Fee <sup>1</sup>	4,596	(1,934)	5,400	3,779
Bad Debt Percentage <sup>1</sup>	14,041	(5,908)	16,498	11,546
Revenue Tax <sup>1</sup>	89,001	(37,447)	104,577	73,189
<b>WA-Allocated Revenue Requirement</b>	<b>2,297,973</b>	<b>(966,881)</b>	<b>2,700,157</b>	<b>1,889,716</b>

Note 1 - For details on Rate of Return, WUTC Regulatory Fee, Bad Debt Percentage and Revenue Tax, please refer to Page 10

**PacifiCorp**  
**Washington General Rate Case - December 2013**  
**New Deferrals Amortization**  
**UE-131384 - Colstrip Deferral Amortization Schedule**

Month	Beginning Balance	Additions	Adjustment to Amortization Expense		Adjustment to Rate Base (AMA)		Ending Balance	AMA Balance
			12 ME March 2016	2,081,476 below	Rate	Interest		
Jul-13	-	55,173	7.743%	178	-	-	55,350	
Aug-13	55,350	261,643	7.743%	1,201	-	-	318,195	
Sep-13	318,195	287,576	7.743%	2,981	-	-	608,752	
Oct-13	608,752	290,972	7.743%	4,867	-	-	904,590	
Nov-13	904,590	285,764	7.743%	6,759	-	-	1,197,112	
Dec-13	1,197,112	151,189	7.358%	7,803	-	-	1,356,105	
Jan-14	1,356,105	317,280	7.358%	9,287	-	-	1,682,672	
Feb-14	1,682,672	228,787	7.358%	11,018	-	-	1,922,477	
Mar-14	1,922,477	-	7.358%	11,787	-	-	1,934,264	
Apr-14	1,934,264	-	7.358%	11,859	-	-	1,946,124	
May-14	1,946,124	-	7.358%	11,932	-	-	1,958,056	
Jun-14	1,958,056	-	7.358%	12,005	-	-	1,970,061	
Jul-14	1,970,061	-	7.358%	12,079	-	-	1,982,140	
Aug-14	1,982,140	-	7.358%	12,153	-	-	1,994,293	
Sep-14	1,994,293	-	7.358%	12,228	-	-	2,006,521	
Oct-14	2,006,521	-	7.358%	12,302	-	-	2,018,823	
Nov-14	2,018,823	-	7.358%	12,378	-	-	2,031,201	
Dec-14	2,031,201	-	7.358%	12,454	-	-	2,043,655	
Jan-15	2,043,655	-	7.358%	12,530	-	-	2,056,185	
Feb-15	2,056,185	-	7.358%	12,607	-	-	2,068,792	
Mar-15	2,068,792	-	7.358%	12,684	-	-	2,081,476	
Apr-15	2,081,476	-	-	-	(173,456)	-	1,908,020	
May-15	1,908,020	-	-	-	(173,456)	-	1,734,564	
Jun-15	1,734,564	-	-	-	(173,456)	-	1,561,107	
Jul-15	1,561,107	-	-	-	(173,456)	-	1,387,651	
Aug-15	1,387,651	-	-	-	(173,456)	-	1,214,195	
Sep-15	1,214,195	-	-	-	(173,456)	-	1,040,738	
Oct-15	1,040,738	-	-	-	(173,456)	-	867,282	
Nov-15	867,282	-	-	-	(173,456)	-	693,825	
Dec-15	693,825	-	-	-	(173,456)	-	520,369	
Jan-16	520,369	-	-	-	(173,456)	-	346,913	
Feb-16	346,913	-	-	-	(173,456)	-	173,456	
Mar-16	173,456	-	-	-	(173,456)	-	-	<b>1,040,738</b>
<b>1,878,383</b>				<b>203,093</b>	<b>(2,081,476)</b>			<b>Ref Page 2</b>
<b>Ref Exhibit No.__(NCS-9) Page 5</b>					<b>Ref Page 2</b>			

Note 1 - For details on Interest Rate, please refer to Page 10



**PacifiCorp**  
**Washington General Rate Case - December 2013**  
**New Deferrals Amortization**  
**UE-140094 - Hydro Deferral - Replacement Power Cost**

Month	Beginning Balance	Additions <sup>1</sup>	Interest Rate <sup>2</sup>	Adjustment to		Ending Balance	AMA Balance
				Amortization Expense (2,445,769) below	Rate Base (AMA) 1,222,884 below		
Jan-14	-	712,337	7.358%	2,184	-	714,521	
Feb-14	714,521	286,980	7.358%	5,261	-	1,006,762	
Mar-14	1,006,762	(271,006)	7.358%	5,342	-	741,097	
Apr-14	741,097	(110,673)	7.358%	4,205	-	634,628	
May-14	634,628	(320,310)	7.358%	2,909	-	317,228	
Jun-14	317,228	436,352	7.358%	3,283	-	756,862	
Jul-14	756,862	192,756	7.358%	5,231	-	954,849	
Aug-14	954,849	74,434	7.358%	6,083	-	1,035,366	
Sep-14	1,035,366	724,257	7.358%	8,568	-	1,768,191	
Oct-14	1,768,191	(344,623)	7.358%	9,785	-	1,433,353	
Nov-14	1,433,353	685,725	7.358%	10,890	-	2,129,969	
Dec-14	2,129,969	257,511	7.358%	13,849	-	2,401,328	
Jan-15	2,401,328	-	7.358%	14,723	-	2,416,051	
Feb-15	2,416,051	-	7.358%	14,813	-	2,430,865	
Mar-15	2,430,865	-	7.358%	14,904	-	2,445,769	
Apr-15	2,445,769	-	-	-	(203,814)	2,241,955	
May-15	2,241,955	-	-	-	(203,814)	2,038,141	
Jun-15	2,038,141	-	-	-	(203,814)	1,834,327	
Jul-15	1,834,327	-	-	-	(203,814)	1,630,513	
Aug-15	1,630,513	-	-	-	(203,814)	1,426,699	
Sep-15	1,426,699	-	-	-	(203,814)	1,222,884	
Oct-15	1,222,884	-	-	-	(203,814)	1,019,070	
Nov-15	1,019,070	-	-	-	(203,814)	815,256	
Dec-15	815,256	-	-	-	(203,814)	611,442	
Jan-16	611,442	-	-	-	(203,814)	407,628	
Feb-16	407,628	-	-	-	(203,814)	203,814	
Mar-16	203,814	-	-	-	(203,814)	-	<b>1,222,884</b>
		<b>2,323,739</b>		<b>122,030</b>	<b>(2,445,769)</b>		<b>Ref Page 2</b>

Ref UE-140094 - PC 2 - 5th Supp Response

Ref Page 2

Note 1 - For details on Additions amounts, please reference UE-140094, Data Request - PC 2, 5th Supplemental Response  
Note 2 - For details on Interest Rate, please refer to Page 10

PacifiCorp  
Washington General Rate Case - December 2013  
New Deferrals Amortization  
UE-140617 - Merwin Deferral Amortization Schedule

Month	Beginning Balance	Return on Rate Base	Adjustment to Amortization Expense		Adjustment to Rate Base (AMA)		Interest	Amortization	Ending Balance	AMA Balance
			O&M Expense	Depreciation Expense	Interest Rate <sup>1</sup>	Interest				
12 ME March 2016		1,103,724	(1,711,682)	below	855,841	below				
Mar-14	-	1,103,724	-	17,922	7.358%	55	-	1,121,702		
Apr-14	1,121,702		4,281	35,845	7.358%	6,987	-	1,168,815		
May-14	1,168,815		4,281	35,845	7.358%	7,276	-	1,216,217		
Jun-14	1,216,217		4,281	35,845	7.358%	7,567	-	1,263,910		
Jul-14	1,263,910		4,281	35,845	7.358%	7,859	-	1,311,896		
Aug-14	1,311,896		6,760	35,845	7.358%	8,153	-	1,362,654		
Sep-14	1,362,654		6,760	35,845	7.358%	8,465	-	1,413,724		
Oct-14	1,413,724		4,281	35,845	7.358%	8,778	-	1,462,627		
Nov-14	1,462,627		4,281	35,845	7.358%	9,078	-	1,511,831		
Dec-14	1,511,831		4,281	35,845	7.358%	9,379	-	1,561,337		
Jan-15	1,561,337		4,281	35,845	7.358%	9,683	-	1,611,146		
Feb-15	1,611,146		4,281	35,845	7.358%	9,988	-	1,661,260		
Mar-15	1,661,260		4,281	35,845	7.358%	10,295	-	1,711,682		
Apr-15	1,711,682		-	-	-	-	(142,640)	1,569,042		
May-15	1,569,042		-	-	-	-	(142,640)	1,426,401		
Jun-15	1,426,401		-	-	-	-	(142,640)	1,283,761		
Jul-15	1,283,761		-	-	-	-	(142,640)	1,141,121		
Aug-15	1,141,121		-	-	-	-	(142,640)	998,481		
Sep-15	998,481		-	-	-	-	(142,640)	855,841		
Oct-15	855,841		-	-	-	-	(142,640)	713,201		
Nov-15	713,201		-	-	-	-	(142,640)	570,561		
Dec-15	570,561		-	-	-	-	(142,640)	427,920		
Jan-16	427,920		-	-	-	-	(142,640)	285,280		
Feb-16	285,280		-	-	-	-	(142,640)	142,640		
Mar-16	142,640		-	-	-	-	(142,640)	-		855,841
		1,103,724	56,334	448,060		103,564	(1,711,682)			855,841
		Ref Page 7	Ref Page 9	Ref Page 8			Ref Page 2			Ref Page 2

Note 1 - For details on Interest Rate, please refer to Page 10

**PacifiCorp**  
**Washington General Rate Case - December 2013**  
**New Deferrals Amortization**  
**Return on Rate Base Calculation - Merwin Deferral**

**Return on Rate Base<sup>1</sup>**

Capital Investment (in service March 2014)	58,369,301
Accumulated Depreciation (through March 2015)	(1,033,973)
Accumulated DIT Balance	<u>(7,745,755)</u>
Net Rate Base	49,589,574
Pre-Tax Return from UE-130043	9.88% Ref Page 10
Pre-Tax Return on Rate Base	<u>4,898,132</u>
Factor - CAGW from UE-130043	22.5336% Ref Page 10
<b>WA Revenue Requirement - Return on Rate Base</b>	<b><u><u>1,103,724</u></u></b> Ref Page 6

*Note 1 - Amounts used to calculate Return on Rate Base are taken from Docket No. UE-140617, Attachment F,  
Page 1 of 6*



PacifiCorp  
Washington General Rate Case - December 2013  
New Deferrals Amortization  
Depreciation Expense Calculation - Merwin Deferral

In-Service Date	Mar-14		CAGW Factor	22.5336%		
Depreciation Rate	3.270%					
TOTAL COMPANY				WA Allocated		
	Plant in Service	Accumulated Depreciation <sup>1</sup>	Depreciation Expense <sup>1</sup>	ADIT	Depreciation Expense	
CY 2014	Jan-14	-	-	-	-	
	Feb-14	-	-	-	-	
	Mar-14	58,369,301	(79,536)	79,536		17,922
	Apr-14	58,369,301	(238,609)	159,073		35,845
	May-14	58,369,301	(397,682)	159,073		35,845
	Jun-14	58,369,301	(556,754)	159,073		35,845
	Jul-14	58,369,301	(715,827)	159,073		35,845
	Aug-14	58,369,301	(874,900)	159,073		35,845
	Sep-14	58,369,301	(1,033,973)	159,073		35,845
	Oct-14	58,369,301	(1,193,045)	159,073		35,845
	Nov-14	58,369,301	(1,352,118)	159,073		35,845
	Dec-14	58,369,301	(1,511,191)	159,073		35,845
	<b>2014 Ending Bal.</b>	<b>58,369,301</b>	<b>(1,511,191)</b>	<b>1,511,191</b>		<b>340,525</b>
CY 2015	Jan-15	58,369,301	(1,670,263)	159,073		35,845
	Feb-15	58,369,301	(1,829,336)	159,073		35,845
	Mar-15	58,369,301	(1,988,409)	159,073		35,845
	Apr-15	58,369,301	(2,147,482)	159,073		35,845
	May-15	58,369,301	(2,306,554)	159,073		35,845
	Jun-15	58,369,301	(2,465,627)	159,073		35,845
	Jul-15	58,369,301	(2,624,700)	159,073		35,845
	Aug-15	58,369,301	(2,783,772)	159,073		35,845
	Sep-15	58,369,301	(2,942,845)	159,073		35,845
	Oct-15	58,369,301	(3,101,918)	159,073		35,845
	Nov-15	58,369,301	(3,260,990)	159,073		35,845
	Dec-15	58,369,301	(3,420,063)	159,073		35,845
	<b>2015 Ending Bal.</b>	<b>58,369,301</b>	<b>(3,420,063)</b>	<b>1,908,872</b>		<b>430,137</b>
<b>AMA (Mar 2014 to Mar 2015)</b>	<b>58,369,301</b>	<b>(1,033,973)</b>	<b>1,908,872</b>	<b>(7,745,755)</b>	<b>448,060</b>	

Ref Page 6

Note 1 - Accumulated Depreciation and Depreciation Expense amounts are taken from Docket No. UE-140617, Attachment F, Page 3 of 6

PacifiCorp  
Washington General Rate Case - December 2013  
New Deferrals Amortization  
Operations & Maintenance Expense Calculation - Merwin Deferral

TOTAL COMPANY													Total 12 Months
O&M Costs <sup>1</sup>	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	
Merwin Fish Collector	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 30,000	\$ 30,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 250,000

WASHINGTON ALLOCATED													Total 12 Months
O&M Costs	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	
Merwin Fish Collector	\$ 4,281	\$ 4,281	\$ 4,281	\$ 4,281	\$ 6,760	\$ 6,760	\$ 4,281	\$ 4,281	\$ 4,281	\$ 4,281	\$ 4,281	\$ 4,281	\$ 56,334

CAGW FACTOR 22.5336%

Ref Page 6

Note 1 - O&M Expense amounts are taken from Docket No. UE-140617, Attachment F, Page 5 of 6

<b>Capital Cost and Structure Requested in UE-140762</b>					
	Capital Structure	Embedded Cost	Weighted Cost	Pre-Tax Bump-up	Pre-Tax Revenue Requirement
Debt	48.25%	5.18%	2.499%		2.50%
Preferred	0.02%	6.75%	0.001%	153.85%	0.00%
Common	51.73%	10.00%	5.173%	153.85%	7.96%
Total	100.00%		7.67%		10.46%
Merged Effective Tax Rate					35.000%
Pre-Tax Bump-up Factor					153.85%
<b>Revenue Sensitive Items - UE140762</b>					
WUTC Regulatory Fee			0.200%	0.210%	
Bad Debt Percentage			0.611%	0.641%	
Revenue Tax			3.873%	4.063%	
<b>WCA Allocation Factors - UE 140762</b>					
Washington CAGW Factor			23.0849%		
Washington CAEW Factor			22.7414%		

<b>Capital Cost and Structure Ordered from UE-130043</b>					
	Capital Structure	Embedded Cost	Weighted Cost	Pre-Tax Bump-up	Pre-Tax Revenue Requirement
Debt	50.62%	5.29%	2.678%		2.68%
Preferred	0.28%	5.43%	0.015%	153.85%	0.02%
Common	49.10%	9.50%	4.665%	153.85%	7.18%
Total	100.00%		7.36%		9.88%
Merged Effective Tax Rate					35.000%
Pre-Tax Bump-up Factor					153.85%
<b>Revenue Sensitive Items - UE 130043</b>					
WUTC Regulatory Fee			0.200%	0.210%	
Bad Debt Percentage			0.660%	0.693%	
Revenue Tax			3.848%	4.038%	
<b>WCA Allocation Factors - UE 130043</b>					
Washington CAGW Factor			22.5336%		
Washington CAEW Factor			22.6481%		

<b>Capital Cost and Structure Ordered from UE-111190</b>					
	Capital Structure	Embedded Cost	Weighted Cost	Pre-Tax Bump-up	Pre-Tax Revenue Requirement
Debt	50.60%	5.76%	2.915%		2.91%
Preferred	0.30%	5.43%	0.016%	153.85%	0.03%
Common	49.10%	9.80%	4.812%	153.85%	7.40%
Total	100.00%		7.74%		10.34%
Merged Effective Tax Rate					35.000%
Pre-Tax Bump-up Factor					153.85%
<b>Revenue Sensitive Items - UE 111190</b>					
WUTC Regulatory Fee			0.200%	0.210%	
Bad Debt Percentage			0.507%	0.531%	
Revenue Tax			3.873%	4.059%	
<b>WCA Allocation Factors - UE 111190</b>					
Washington CAGW Factor			22.4742%		
Washington CAEW Factor			22.3245%		