

**INDUSTRIAL CUSTOMERS OF NORTHWEST UTILITIES
RESPONSE TO REQUEST FOR INFORMATION**

JURISDICTION:	WASHINGTON	DATE PREPARED:	1/24/2011
CASE NO:	UE-100749	WITNESS:	Greg Meyer
REQUESTER:	Bench	RESPONDER:	Irion A. Sanger
TYPE:	Bench Request	DEPT:	N/A
REQUEST NO.:	Bench Request No. 2	TELEPHONE:	(503) 241-7242
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REQUEST:

Bench Request No. 2: PacifiCorp's filing includes a results-of-operations statement showing test year actual results (per books). The following accounts are included in rate base. For each account, please explain if these items should be included in per books rate base and, if so, why?

- *Plant Held for Future Use.* The filing includes \$37,310 of Plant Held for Future Use in per books rate base.¹
- *Miscellaneous Deferred Debits.* The filing includes \$6,671,729 in Miscellaneous Deferred Debits in per books rate base.²
- *Fuel Stock.* The Company includes \$3,524,551 of Fuel Stock in per books rate base.³
- *Materials & Supplies.* The Company includes in per books rate base \$7,763,143 of Materials & Supplies.⁴
- *Weatherization.* PacifiCorp includes \$2,046,741 of Weatherization in per books rate base.⁵
- *Customer Advances for Construction.* The Company includes in per books rate base Customer Advances for Construction of (\$334,500).⁶
- *Miscellaneous Rate Base Deductions.* PacifiCorp includes (\$4,865,967) of Miscellaneous Rate Base Deductions in per books rate base.⁷

¹ Supplemental Response to Bench Request No. 1, Supplemental Workpaper entitled "Cash Working Capital," November 30, 2010, and Dalley Exh. No. RBD-3 at 1.0, line 34 (revised 11/23/10).

² Supplemental Workpaper and Dalley. Exh. No. RBD-3 at 1.0, line 35 (revised 11/23/10).

³ Supplemental Workpaper and Dalley, Exh. No. RBD-3 at 1.0, line 39 (revised 11/23/10).

⁴ Supplemental Workpaper and Dalley, Exh. No. RBD-3 at 1.0, line 40 (revised 11/23/10).

⁵ Supplemental Workpaper and Dalley, Exh. No. RBD-3 at 1.0, line 42 (revised 11/23/10).

⁶ Supplemental Workpaper and Dalley, Exh. No. RBD-3 at 1.0, line 51 (revised 11/23/10).

RESPONSE:

Plant Held for Future Use. ICNU's position is that plant held for future use should be disallowed from rate base. This is plant that is not used and useful in providing utility service to current customers. ICNU did not address this issue in direct testimony.

Customer Advances for Construction. Customer advances for construction ensure that customers receive a credit for and a return on those funds provided to a utility before construction has occurred. This is traditionally part of the rate base; however, ICNU does not take a position on whether the specific amount of customer advances for construction is correct or has been properly estimated.

ICNU does not take a position on the appropriateness of including, or specific amount proposed to be included, in rate base for *Miscellaneous Deferred Debits, Fuel Stock, Materials & Supplies, Weatherization, and Miscellaneous Rate Base Deductions.*

⁷ Supplemental Workpaper and Dalley, Exh. No. RBD-3 at 1.0, line 53 (revised 11/23/10).