

June 18, 2010

VIA ELECTRONIC FILING

Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250

Attention: David W. Danner
Executive Director and Secretary

RE: Docket U-100522 Reply Comments

Dear Mr. Danner:

PacifiCorp, d.b.a. Pacific Power (PacifiCorp or Company) submits the following reply comments in accordance with the Washington Utilities and Transportation Commission's (Commission) Notice of Opportunity to File Written Comments (Notice) issued in Docket U-100522 on May 13, 2010. The Company provides these reply comments in response to certain comments filed June 4, 2010. The Company reserves the right to provide further information in response to the June 4, 2010 comments during the course of this proceeding.

Question 12: Impact on Low-Income Households

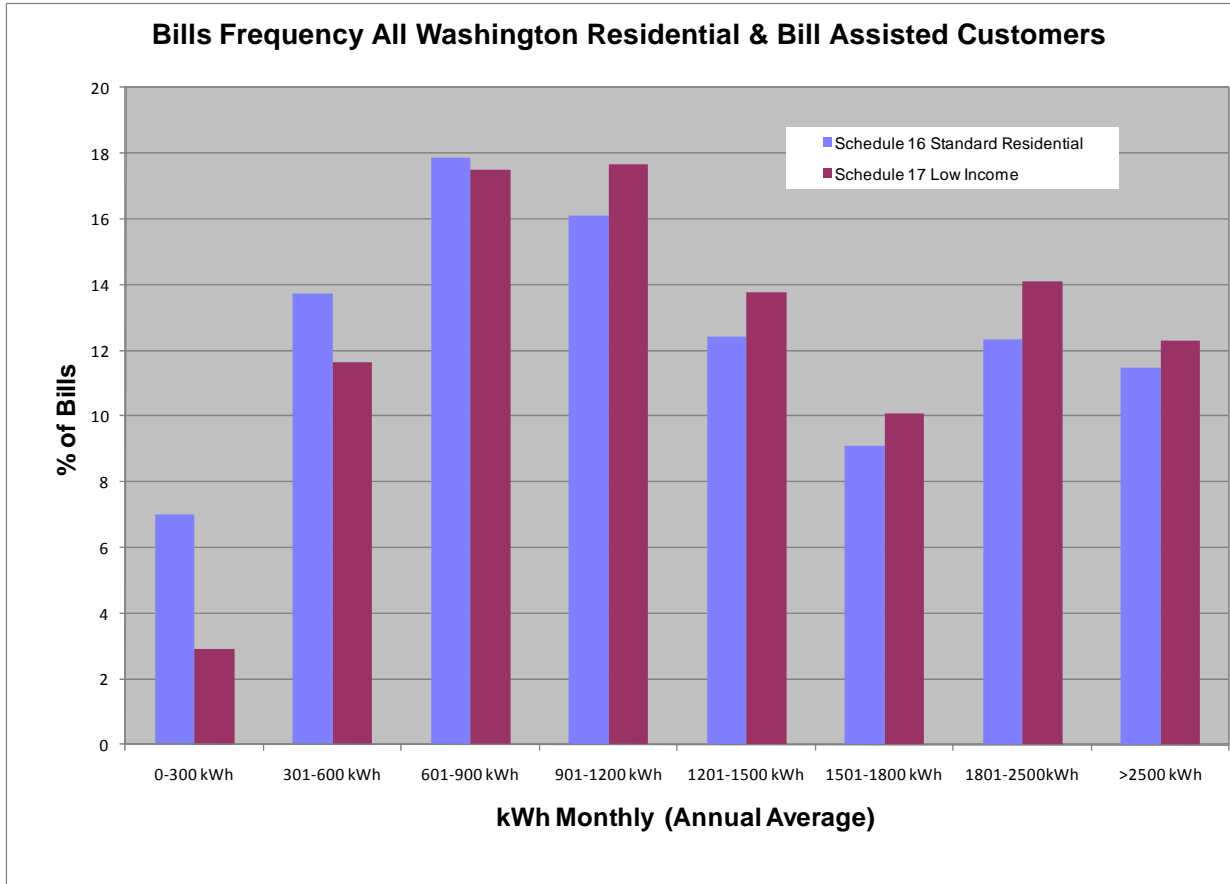
In its comments related to potential impacts on low-income households, The Energy Project stated:

“The fact that a low-income household has generally lower consumption than regular households, because they live in smaller dwellings on the whole and have fewer toys to play with, might suggest that levying the cost on a volumetric basis might be more fair.”¹ (emphasis added)

PacifiCorp agrees that the impact on low-income households should be considered when designing any mechanism however, for the Company's Washington low-income customers, the statement that “a low-income household has generally lower consumption” is not generally the case. Customers on the Company's residential low-income bill assistance program, Schedule 17, have, on average, higher usage than those customers receiving service on the Company's standard residential schedule, Schedule 16. As shown in the table below, a higher percentage of low-income customers fall in each usage category over 900 kWh than non low-income customers. In addition, only 15 percent of low-income customers use 600 kWh per month or less, while over 20 percent

¹ Docket U-100522, The Energy Project Responses to the Consolidated Issues List, p. 8 (June 4, 2010).

of non low-income customers use 600 kWh or less. Clearly, on average, low-income customers do not have lower consumption than non low-income customers, and, in fact, the opposite appears to be true.



Usage data from 2010 GRC, UE-100749, 12-months ended December 31, 2009

This analysis also indicates that low-income customers would not be disproportionately impacted if the Commission adopted policies to recover fixed costs through higher basic charges which is a straight forward way to address issues raised in this proceeding.

If you have any questions regarding these comments, please contact Cathie Allen, Regulatory Manager, (503) 813-5934.

Sincerely,

Andrea L. Kelly
Vice President, Regulation