

## You are invited to comment to the UTC:

- In person at a public hearing (see front cover for details)
- On the UTC website: [www.utc.wa.gov](http://www.utc.wa.gov) and click on Submit a Comment
- By email: [comments@utc.wa.gov](mailto:comments@utc.wa.gov)
- In writing:  
UTC  
P.O. Box 47250  
Olympia, WA 98504-7250
- By phone: **1-888-333-WUTC (9882)**
- By fax: **1-360-586-1150**

Please reference Docket Number UE-152253.

## Public Counsel

The public is represented by the Public Counsel Section of the Washington Attorney General's Office. You may contact the Public Counsel in writing at:

Public Counsel  
Assistant Attorney General  
800 5th Avenue, Suite 2000  
Seattle, WA 98104-3188  
Email: [utility@atg.wa.gov](mailto:utility@atg.wa.gov)

For more information about Public Counsel, visit:  
[www.atg.wa.gov/utilities-regulated](http://www.atg.wa.gov/utilities-regulated)

For more information or to contact Pacific Power,  
please call us toll free at **1-888-221-7070** or write to:

**Pacific Power**  
**825 NE Multnomah, Suite 2000**  
**Portland, OR 97232**

## Need help managing electric expenses?

Pacific Power offers special services, bill assistance and time payment plans for customers experiencing financial difficulties. For questions about payment plan eligibility or if you are experiencing difficulty making payments, please call **1-888-221-7070**. For other ways to save energy and money, visit [bewattsmart.com](http://bewattsmart.com).



*Let's turn the answers on.*

## Keeping You Informed Proposed rate change

On November 25, 2015, Pacific Power & Light Company (Pacific Power) filed a petition with the Washington Utilities and Transportation Commission (UTC) requesting approval of a rate increase that includes a two-year rate plan and a decoupling mechanism. The proposed filing requests a rate increase of \$10 million, or 2.99 percent, effective mid-2016, and a second-step rate increase that would increase rates by \$10.3 million, or 2.99 percent, effective mid-2017. The increases are due, in part, to upgrades to generation facilities and other infrastructure improvements necessary for safe and reliable service.

The UTC will be reviewing our request. If approved, changes would go into effect no earlier than July 1, 2016. You have the opportunity to comment on this filing.

## Public comment hearing

Pacific Power customers have the opportunity to comment to the UTC in numerous ways, including in person at the following public hearings:

**April 25, 2016**

**6 - 7:30 p.m.**

**Yakima Council Chambers**

**129 North 2nd Street**

**Yakima, WA 98901**

**April 26, 2016**

**12 - 1:30 p.m.**

**Walla Walla Council**

**Chambers**

**15 North 3rd Avenue**

**Walla Walla, WA 99362**

The UTC is committed to providing reasonable accommodation to participants with disabilities. Please contact the UTC at 1-360-664-1132 or [human\\_resources@utc.wa.gov](mailto:human_resources@utc.wa.gov) for more information.

If approved, the increase would recover the rising cost of serving customers. This request includes, but is not limited, to the following:

### Effective mid-year 2016:

- \$9.9 million to accelerate depreciation of Pacific Power's coal-fueled generating plants reflected in Washington rates to provide greater planning flexibility in the context of current and future state and federal environmental policies.

*continued*

- \$5 million for Washington's share of costs associated with the overhauls at Jim Bridger Unit 3 to comply with federal and other state-specific environmental requirements.
- Cost reductions totaling \$4.9 million for decreases in other rate components, including decreases due to expiring regulatory asset amortizations and other cost management measures.
- A new decoupling adjustment mechanism that would eliminate disincentives for greater energy conservation efforts.

#### Effective mid-year 2017:

- \$4.2 million for increased costs associated with the expiration of production tax credits related to certain renewable resources.
- \$6 million for Washington's share of costs associated with the overhauls at Jim Bridger Unit 4 to comply with federal and other state-specific environmental requirements.
- \$0.6 million for costs associated with a transmission upgrade project at the Union Gap substation.
- \$0.3 million for a new Supervisory Control and Data Acquisition Energy Management System (SCADA EMS).
- Cost reductions totaling \$0.9 million for decreases in other rate components, including decreases due to variances in taxes, interest expense, and other cost management measures.

Summary of proposed rate increases		2016	2017
Overall increase in dollars		\$10.0 million	\$10.3 million
Overall increase in percent (for all customer classes)		2.99%	2.99%
Type of service	Schedule	Percentage increase	
Residential	16	2.99%	2.99%
Small General Service	24	2.99%	2.99%
Medium General Service	36	2.99%	2.99%
Large General Service	48	2.99%	2.99%
Public Streetlighting	All	2.99%	2.99%

### Rate filing information

This rate increase filing initiates a regulatory proceeding that gives the UTC and other parties an opportunity to examine a utility's operations and costs to determine if the proposed rates are fair, just, reasonable, and sufficient. This process includes a detailed review of a utility's revenues,

profits, expenses, and investments in plant and equipment to establish the appropriate level of revenue.

The UTC staff, Pacific Power, Public Counsel Section of the Attorney General's Office, and other parties will participate and make recommendations. New rates would go into effect at the completion of the UTC's investigation. Based on the outcome of its investigation, the UTC has the authority to approve rates that are higher or lower than Pacific Power's request.

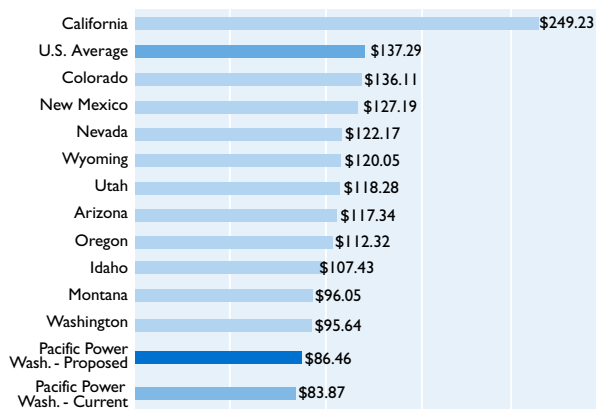
### Effect on Residential Customers

Based on the overall increase requested, the following chart shows the increases for a residential customer using electric service at 1,000 kwh, 1,200 kwh, and 1,500 kwh per month.

		Current	Proposed
<b>Basic charge per month</b>		<b>\$7.75</b>	<b>\$7.75</b>
1,000 kwh	Average rate per kwh	8.39¢	8.65¢
	Total bill	\$83.87	\$86.46
1,200 kwh	Average rate per kwh	8.62¢	8.89¢
	Total bill	\$103.44	\$106.69
1,500 kwh	Average rate per kwh	8.85¢	9.14¢
	Total bill	\$132.79	\$137.03

*A typical Pacific Power residential customer uses 1,200 kwh per month. The basic charge covers costs of service including the cost of meters, service drops, meter reading, and billing for residential customers*

### U. S. average residential monthly electric bills for 1,000 kwh (As of July 1, 2015)



*Source: Edison Electric Institute Typical Bills and Average Rates Report, Summer 2015. The UTC does not consider electric rates charged by other utilities in setting rates.*

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