

Boise Data Request 4.1

Is the citation in footnote 17 of the Direct Testimony of Gregory N. Duvall correct? (Exhibit No.__(GND-1CT) at 40). If so, please explain how this citation supports the statement in Mr. Duvall's testimony that "[t]he Commission did not require deadbands or sharing in allowing a hydro generation deferral for PacifiCorp in the past"

Response to Boise Data Request 4.1

No, the citation should have cited to paragraph 11 of Order 05 in Docket UE-080220, rather than paragraph 26. Docket UE-080220 was the Company's 2008 general rate case, which was resolved through Commission approval of an all-party stipulation. The Company's initial filing in that docket included amortization of \$12.5 million of hydro costs from 2005 that the Commission had previously authorized the Company to defer (Docket UE-050684). *See* Order 05, ¶ 8. This parties' settlement included a \$2 million annual surcharge to recover over approximately three years approximately half of the deferred amounts, or \$6.25 million. Order 05, ¶ 11 (and the attached stipulation at paragraph 12). The difference between the \$12.5 million request and the \$6.25 million recovery included in the settlement was the result of the typical negotiations that occur during settlement discussions, not the application of deadbands or sharing. The Commission approved the settlement without modification, which supports Mr. Duvall's statement.

PREPARER: Sarah Wallace

SPONSOR: Gregory N. Duvall