

Exhibit No.____(NCS-9)
Docket UE-14____
Witness: Natasha C. Siores

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFIC POWER & LIGHT COMPANY,
a division of PacifiCorp

Respondent.

Docket UE-14____

PACIFIC POWER & LIGHT COMPANY

EXHIBIT OF NATASHA C. SIORES

Summary and Calculation of Deferred Amounts Requested

May 2014

PacifiCorp
Washington General Rate Case - December 2013
Request to Amortize Deferred Amounts
Summary of Deferred Amounts (\$s)

	<u>Amount to Amortize</u>	
Colstrip Deferral - UE-131384	1,978,487	Ref page 2
Depreciation Deferral - UE-132350	(877,345)	Ref page 2
Hydro Deferral - UE-140094	3,288,839	Ref page 2
Interest	<u>550,358</u>	Ref page 2
Total	<u><u>4,940,339</u></u>	Ref page 2

PacifiCorp
Washington General Rate Case - December 2013
Amortization Schedule - Deferrals for Colstrip Outage, Hydro, and Depreciation
(\$s)

	UE 131389	UE 140094	UE 132350	Total	Amortization	Interest Rate [1]	Interest	Ending Balance
	Colstrip	Hydro	Depreciation	Deferrals				
	Deferral	Deferral	Deferral					
2013 June	0			0		7.743%		
2013 July	57,884			57,884		7.743%	187	58,071
2013 August	274,501			274,501		7.743%	1,260	333,832
2013 September	301,708			301,708		7.743%	3,127	638,667
2013 October	305,271			305,271		7.743%	5,106	949,044
2013 November	299,807			299,807		7.743%	7,091	1,255,941
2013 December	158,619			158,619		7.358%	8,187	1,422,747
2014 January	332,871	723,313	(58,490)	997,695		7.358%	11,783	2,432,225
2014 February	247,827	151,131	(58,490)	340,469		7.358%	15,957	2,788,651
2014 March		(404,445)	(58,490)	(462,935)		7.358%	15,680	2,341,396
2014 April		337,407	(58,490)	278,917		7.358%	15,212	2,635,525
2014 May		348,740	(58,490)	290,250		7.358%	17,050	2,942,825
2014 June		416,983	(58,490)	358,493		7.358%	19,144	3,320,461
2014 July		523,527	(58,490)	465,037		7.358%	21,786	3,807,284
2014 August		438,387	(58,490)	379,898		7.358%	24,510	4,211,692
2014 September		252,295	(58,490)	193,805		7.358%	26,419	4,431,916
2014 October		139,729	(58,490)	81,240		7.358%	27,424	4,540,580
2014 November		317,415	(58,490)	258,925		7.358%	28,635	4,828,140
2014 December		44,357	(58,490)	(14,132)		7.358%	29,561	4,843,569
2015 January		0	(58,490)	(58,490)		7.358%	29,520	4,814,599
2015 February		0	(58,490)	(58,490)		7.358%	29,342	4,785,452
2015 March		0	(58,490)	(58,490)		7.358%	29,163	4,756,125
2015 April				0	(411,695)	7.674%	29,099	4,373,529
2015 May				0	(411,695)	7.674%	26,652	3,988,487
2015 June				0	(411,695)	7.674%	24,190	3,600,982
2015 July				0	(411,695)	7.674%	21,712	3,210,999
2015 August				0	(411,695)	7.674%	19,218	2,818,522
2015 September				0	(411,695)	7.674%	16,708	2,423,535
2015 October				0	(411,695)	7.674%	14,182	2,026,022
2015 November				0	(411,695)	7.674%	11,640	1,625,967
2015 December				0	(411,695)	7.674%	9,082	1,223,354
2016 January				0	(411,695)	7.674%	6,507	818,166
2016 February				0	(411,695)	7.674%	3,916	410,387
2016 March				0	(411,695)	7.674%	1,308	0
	1,978,487	3,288,839	(877,345)	4,389,981	(4,940,339)		550,358	
	Ref page 1	Ref page 1	Ref page 1	Ref page 1			Ref page 1	

[1] Interest rates reflects total authorized weighted average cost of capital in effect at time of deferral

PacifiCorp
Washington
UE 131389 Colstrip Deferral - Cost of Service on Invested Capital
Total Revenue Requirement Calculation
(\$s)

	<u>Test Year</u> <u>TME Mar 2015</u>	
Capital Investment (in service February 2014)	250,000	Ref page 4
Accumulated Depreciation	<u>(7,706)</u>	Ref page 4
Net Rate Base	242,294	
Pre-Tax Return from UE 14xxxxx	<u>10.46%</u>	Ref page 8
Pre-Tax Return on Rate Base	25,344	
Depreciation expense	<u>6,850</u>	Ref page 4
System revenue requirement	32,194	
Factor - CAGW from UE 14xxxx	<u>23.0849%</u>	
WA Revenue Requirement Before Franchise Tax & Bad Debt	7,432	
WUTC Regulatory Fee	0.210%	Ref page 8
Bad Debt Percentage	0.641%	Ref page 8
Revenue Tax	<u>4.063%</u>	Ref page 8
	4.914%	Ref page 8
Total Washington Revenue Requirement	<u><u>7,797</u></u>	

Colstrip Outage Deferral

In-Service Date Feb-14
Depreciation Rate 2.740%
(\$s)

	<u>Service</u>	<u>Depreciation</u>	<u>Expense</u>	
CY 2014	Jan-14	-	-	
	Feb-14	250,000	(285)	285
	Mar-14	250,000	(856)	571
	Apr-14	250,000	(1,427)	571
	May-14	250,000	(1,998)	571
	Jun-14	250,000	(2,569)	571
	Jul-14	250,000	(3,140)	571
	Aug-14	250,000	(3,710)	571
	Sep-14	250,000	(4,281)	571
	Oct-14	250,000	(4,852)	571
	Nov-14	250,000	(5,423)	571
	Dec-14	250,000	(5,994)	571
	2014 Ending Bal.	250,000	(5,994)	5,994
CY 2015	Jan-15	250,000	(6,565)	571
	Feb-15	250,000	(7,135)	571
	Mar-15	250,000	(7,706)	571
	Apr-15	250,000	(8,277)	571
	May-15	250,000	(8,848)	571
	Jun-15	250,000	(9,419)	571
	Jul-15	250,000	(9,990)	571
	Aug-15	250,000	(10,560)	571
	Sep-15	250,000	(11,131)	571
	Oct-15	250,000	(11,702)	571
	Nov-15	250,000	(12,273)	571
	Dec-15	250,000	(12,844)	571
	2015 Ending Bal.	250,000	(12,844)	6,850
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Test Year TME Mar 15	250,000	(7,706)	6,850	

PacifiCorp
Washington
UE 131389 Colstrip Deferral - Net Replacement Power Costs
Total Revenue Requirement Calculation
(\$s)

	2013 July	2013 August	2013 September	2013 October	2013 November	2013 December	2014 January	2014 February
Total								
Variable Cost Savings	(99,944)	(570,470)	(425,850)	(480,311)	(446,046)	(184,022)	(387,402)	(386,953)
Replacement Power Cost	337,455	1,695,377	1,665,246	1,733,606	1,677,291	836,210	1,756,041	1,372,265
Net Replacement Power Cost	237,511	1,124,907	1,239,397	1,253,296	1,231,245	652,188	1,368,639	985,312
Washington Net Replacement Power Cost	55,173	261,643	287,576	290,972	285,764	151,189	317,280	228,787
Total Revenue Requirement	57,884	274,501	301,708	305,271	299,807	158,619	332,871	240,030

System:

Variable Cost Savings
Replacement Power Cost
Net Replacement Power Cost

Washington Net Replacement Power Cost

Total Revenue Requirement

Factors

CAEW
CAGW

UE=14xxxx

Ref page 8
Ref page 8

Revenue Sensitive Items

WUTC Regulatory Fee
Bad Debt Percentage
Revenue Tax

UE=14xxxx

Ref page 8
Ref page 8
Ref page 8
Ref page 8

0.210%
0.641%
4.063%
4.914%

PacifiCorp
Washington
UE 140094 Hydro Deferral - Replacement Power Costs
Total Revenue Requirement Calculation
(\$)

	2014 January	2014 February	2014 March	2014 April	2014 May	2014 June	2014 July	2014 August	2014 September	2014 October	2014 November	2014 December	2015 January	2015 February	2015 March
Total	1	2	3	4	5	6	7	8	9	10	11	12			
Replacement Power Cost	2,966,513	624,010	(1,669,928)	1,393,130	1,439,923	1,721,696	2,161,608	1,810,074	1,041,710	576,933	1,310,585	183,149			
Washington Net Replacement Power Cost	689,433	144,052	(385,501)	321,602	332,405	397,452	499,005	417,853	240,478	133,184	302,547	42,280			
Total Revenue Requirement	723,313	151,131	(404,445)	337,407	348,740	416,983	523,527	438,387	252,295	139,729	317,415	44,357	0	0	0

Factors
CAGW
UE-14xxxx
23.085%
Ref page 8
Ref page 8

Revenue Sensitive Items
WUTC Regulatory Fee
Bad Debt Percentage
Revenue Tax
UE-14xxxx
0.210%
0.641%
4.063%
4.914%
Ref page 8
Ref page 8
Ref page 8

**PacifiCorp
Washington
UE 132350 Depreciation Deferral
Total Revenue Requirement Calculation
(\$s)**

	Total	
Annual amount per Order 01	(669,000)	
Deferral for calendar year 2014	(669,000)	
Deferral for January-March 2015	<u>(167,250)</u>	
Total Deferral	<u>(836,250)</u>	
WUTC Regulatory Fee	0.210%	Ref page 8
Bad Debt Percentage	0.641%	Ref page 8
Revenue Tax	<u>4.063%</u>	Ref page 8
	4.914%	Ref page 8
Total Revenue Requirement	<u><u>(877,345)</u></u>	
Monthly Deferral	(58,490)	

Capital Cost and Structure Requested in UE-14xxxx					
	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%
Revenue Sensitive Items - UE14xxxx					
WUTC Regulatory Fee			0.200%	0.210%	
Bad Debt Percentage			0.611%	0.641%	
Revenue Tax			3.873%	4.063%	
WCA Allocation Factors - UE 14xxxx					
Washington CAGW Factor			23.0849%		
Washington CAEW Factor			22.7414%		

Capital Cost and Structure Ordered from UE-130043					
	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%
Revenue Sensitive Items - UE 130043					
WUTC Regulatory Fee			0.200%	0.210%	
Bad Debt Percentage			0.660%	0.693%	
Revenue Tax			3.848%	4.038%	
WCA Allocation Factors - UE 130043					
Washington CAGW Factor			22.5336%		
Washington CAEW Factor			22.6481%		

Capital Cost and Structure Ordered from UE-111190					
	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%
Revenue Sensitive Items - UE 111190					
WUTC Regulatory Fee			0.200%	0.210%	
Bad Debt Percentage			0.507%	0.531%	
Revenue Tax			3.873%	4.059%	
WCA Allocation Factors - UE 111190					
Washington CAGW Factor			22.4742%		
Washington CAEW Factor			22.3245%		