

Exh. AEB-12
Docket UE-19 _____
Witness: Ann E. Bulkley

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFICORP dba
PACIFIC POWER & LIGHT COMPANY

Respondent.

Docket UE-19 _____

**PACIFICORP
EXHIBIT OF ANN E. BULKLEY**

Regulatory Risk Analysis

December 2019

COMPARISON OF PACIFIC POWER AND PROXY GROUP COMPANIES
RISK ASSESSMENT

Proxy Group Company	Operation State	Operation	Fuel Cost Recovery Mechanism	Test Year	Rate Base	Revenue Decoupling	Capital Cost Recovery Mechanism
ALLETE, Inc. Alliant Energy Corporation	Minnesota	Electric	Yes	Fully Forecast	Average	No	No
	Iowa	Electric	Yes	Historical	Average	No	No
Ameren Corporation	Iowa	Gas	Yes	Historical	Average	No	No
	Wisconsin	Electric	Yes	Fully Forecast	Average	No	No
	Wisconsin	Gas	Yes	Fully Forecast	Average	No	No
	Illinois	Electric	N/A	Historical	Year End	No	No
	Illinois	Gas	Yes	Fully Forecast	Average	No	Yes
	Missouri	Electric	Yes - Sharing Band	Historical	Year End	Partial	Yes
American Electric Power Company, Inc.	Missouri	Gas	Yes	Historical	Year End	Partial	Yes
	Arkansas	Electric	Yes	Historical	Year End	Partial	Yes
	Indiana	Electric	Yes	Partially Forecast	Year End	Partial	Yes
	Kentucky	Electric	Yes	Fully Forecast	Year End	Partial	Yes
	Louisiana	Electric	Yes	Fully Forecast	Year End	Partial	No
	Louisiana	Electric	Yes	Historical	Year End	Partial	No
	Michigan	Electric	Yes	Fully Forecast	Average	No	No
	Ohio	Electric	N/A	Partially Forecast	Year End	Partial	Yes
	Oklahoma	Electric	Yes	Historical	Year End	Partial	Yes
	Tennessee	Electric	Yes	Fully Forecast	Average	No	No
Avista Corporation	Texas	Electric	N/A	Fully Forecast	Year End	No	Yes
	Virginia	Electric	Yes	Historical	Year End	No	Yes
	West Virginia	Electric	Yes	Historical	Average	No	No
	Alaska	Electric	Yes	Historical	Average	No	No
	Idaho	Electric	Yes	Historical	Year End	Full	No
	Idaho	Gas	Yes - Sharing Band	Historical	Year End	Full	No
	Oregon	Gas	Yes	Fully Forecast	Year End	Full	No
	Washington	Electric	Yes - Sharing Band	Historical	Average	Partial	No
	Washington	Gas	Yes - Sharing Band	Historical	Average	Partial	No
	Arkansas	Gas	Yes	Fully Forecast	Year End	Full	Yes
CenterPoint Energy, Inc.	Indiana	Electric	Yes	Historical	Year End	Partial	Yes
	Indiana	Gas	Yes	Historical	Year End	Full	Yes
	Louisiana	Gas	Yes	Historical	Average	Partial	No
	Louisiana	Gas	Yes	Historical	Average	Partial	No
	Minnesota	Gas	Yes	Fully Forecast	Average	Partial	No
	Ohio [6]	Gas	N/A	Partially Forecast	Year End	Full	Yes
	Oklahoma	Gas	Yes	Historical	Year End	Partial	No
	Texas	Electric	N/A	Historical	Year End	No	No
	Texas	Gas	Yes	Historical	Year End	No	Yes
	Michigan	Electric	Yes	Fully Forecast	Average	No	No
CMS Energy Corporation	Michigan	Gas	Yes	Fully Forecast	Average	Partial	Yes
	North Carolina	Electric	Yes	Historical	Year End	No	No
	North Carolina	Gas	Yes	Historical	Year End	Full	Yes
	Ohio [6]	Gas	N/A	Partially Forecast	Year End	Full	Yes
	South Carolina	Electric	Yes	Historical	Year End	Full	Yes
	South Carolina	Gas	Yes	Historical	Year End	Full	Yes
	Utah	Gas	Yes	Fully Forecast	Average	Full	No
	Virginia	Electric	Yes	Historical	Year End	No	Yes
	West Virginia	Gas	Yes	Historical	Average	No	Yes
	Wyoming	Gas	Yes	Historical	Year End	Partial	No

COMPARISON OF PACIFIC POWER AND PROXY GROUP COMPANIES
RISK ASSESSMENT

	[1]	[2]	[3]	[4]	[5]		
Proxy Group Company	Operation State	Operation	Fuel Cost Recovery Mechanism	Test Year	Rate Base	Revenue Decoupling	Capital Cost Recovery Mechanism
DTE Energy Company	Michigan	Electric	Yes	Fully Forecast	Average	No	No
	Michigan	Gas	Yes	Fully Forecast	Average	Partial	Yes
Duke Energy Corporation	Florida	Electric	Yes	Fully Forecast	Average	No	Yes
	Indiana	Electric	Yes	Historical	Year End	Partial	Yes
	Kentucky	Electric	Yes	Fully Forecast	Average	Partial	No
	Kentucky	Gas	Yes	Fully Forecast	Average	Partial	No
	North Carolina	Electric	Yes	Historical	Year End	No	No
	North Carolina	Gas	Yes	Historical	Year End	Full	Yes
	Ohio	Electric	N/A	Partially Forecast	Year End	Partial	Yes
	Ohio [6]	Gas	Yes	Partially Forecast	Year End	Full	Yes
	South Carolina	Electric	Yes	Historical	Year End	No	No
	South Carolina	Gas	Yes	Historical	Year End	Partial	No
	Tennessee	Gas	Yes	Fully Forecast	Average	Partial	Yes
	Tennessee	Gas	Yes	Fully Forecast	Average	Partial	Yes
Entergy Corporation	Arkansas	Electric	Yes	Historical	Year End	No	No
	Louisiana NOCC	Electric	Yes	Historical	Average	Partial	Yes
	Louisiana NOCC	Gas	Yes	Historical	Average	Partial	Yes
	Louisiana PSC	Electric	Yes	Historical	Year End	No	No
	Louisiana PSC	Gas	Yes	Historical	Average	Partial	Yes
	Mississippi	Electric	Yes	Fully Forecast	Average	Partial	No
	Texas	Electric	Yes	Historical	Year End	No	Yes
FirstEnergy Corp.	Maryland	Electric	N/A	Partially Forecast	Average	No	Yes
	New Jersey	Electric	N/A	Partially Forecast	Year End	No	Yes
	Ohio	Electric	N/A	Partially Forecast	Year End	Partial	Yes
	Pennsylvania	Electric	N/A	Fully Forecast	Year End	No	Yes
	West Virginia	Electric	Yes	Historical	Average	No	Yes
Energy, Inc.	Kansas	Electric	Yes	Historical	Year End	Partial	Yes
	Missouri	Electric	Yes - Sharing Band	Historical	Year End	Partial	Yes
	Idaho	Electric	Yes - Sharing Band	Historical	Year End	Partial	Yes
IDACORP, Inc.	Oregon	Electric	Yes - Sharing Band	Partially Forecast	Average	Full	No
	Florida	Electric	Yes	Partially Forecast	Average	Full	No
NextEra Energy, Inc.	Florida	Gas	Yes	Fully Forecast	Average	No	Yes
	Texas	Electric	N/A	Historical	Year End	No	Yes
NorthWestern Corporation	Montana	Electric	Yes - Sharing Band	Historical	Average	No	No
	Montana	Gas	Yes	Historical	Average	No	No
	Nebraska	Gas	Yes	Historical	Year End	No	No
	South Dakota	Electric	Yes	Historical	Average	No	No
	South Dakota	Gas	Yes	Historical	Average	No	No
OGE Energy Corporation	Arkansas	Electric	Yes	Historical	Year End	Partial	Yes
	Oklahoma	Electric	Yes	Partially Forecast	Year End	Partial	Yes
	Arizona	Electric	Yes	Historical	Year End	Partial	No
Pinnacle West Capital Corporation	New Mexico	Electric	Yes	Fully Forecast	Average	No	Yes
PNM Resources, Inc.	Texas	Electric	N/A	Historical	Year End	Partial	No
	Oregon	Electric	Yes - Sharing Band	Historical	Year End	No	Yes
Portland General Electric Company	Kentucky	Electric	Yes	Fully Forecast	Year End	Partial	No
PPL Corporation	Kentucky	Gas	Yes	Fully Forecast	Year End	Partial	No
	Pennsylvania	Electric	N/A	Fully Forecast	Year End	No	Yes
	Virginia	Electric	Yes	Historical	Year End	No	No

COMPARISON OF PACIFIC POWER AND PROXY GROUP COMPANIES
RISK ASSESSMENT

Proxy Group Company	Operation State	Operation	Fuel Cost Recovery Mechanism	Test Year	Rate Base	Revenue Decoupling	Capital Cost Recovery Mechanism	[1]	[2]	[3]	[4]	[5]		
								Alabama	Yes	Fully Forecast	Average	No	Yes	
Southern Company	Georgia	Electric	Yes	Fully Forecast	Average	No	Yes							
	Georgia [6]	Electric	Yes	Fully Forecast	Average	No	Yes							
	Illinois	Gas	N/A	Fully Forecast	Average	Full	Yes							
	Mississippi	Gas	Yes	Fully Forecast	Average	Partial	Yes							
	Tennessee	Electric	Yes	Fully Forecast	Average	Partial	No							
	Virginia	Gas	Yes	Fully Forecast	Average	Full	No							
	Virginia	Gas	Yes	Historical	Year End	Partial	No							
	Colorado	Electric	Yes	Historical	Year End	No	Yes							
	Colorado	Gas	Yes	Historical	Year End	Partial	Yes							
	Minnesota	Electric	Yes	Fully Forecast	Average	Partial	No							
Xcel Energy Inc.	Minnesota	Gas	Yes	Fully Forecast	Average	No	Yes							
	Minnesota	Gas	Yes	Fully Forecast	Average	No	Yes							
	New Mexico	Electric	Yes	Historical	Year End	No	No							
	North Dakota	Electric	Yes	Fully Forecast	Average	No	Yes							
	North Dakota [6]	Electric	Yes	Fully Forecast	Average	No	No							
	North Dakota [6]	Gas	Yes	Fully Forecast	Average	Full	No							
	South Dakota	Electric	Yes	Historical	Average	Partial	Yes							
	Texas	Electric	Yes	Historical	Year End	No	Yes							
	Wisconsin	Electric	Yes	Fully Forecast	Average	No	No							
	Wisconsin	Gas	Yes	Fully Forecast	Average	No	No							
Proxy Group Average														
		Yes	87	43	Year End	59	43	49.55%	Year End	53.15%	RDM	54.05%	CCRM	54.95%
	No	No	0	12	Average	52	12	Forecast			Full	15	Yes	61
	N/A	N/A	15	56			56	Historical			Partial	45	No	50
	Yes - Sharing Band	Yes - Sharing Band	9								No	51		
	Yes / N/A	Yes / N/A	91.89%											
PacifiCorp [7]	Washington	Electric	Yes - Sharing Band	Historical	Year End									

Notes:
 [1] Source: S&P Global Market Intelligence, Regulatory Focus: Adjustment Clauses, dated November 12, 2019. Operating subsidiaries not covered in this report were excluded from this exhibit.
 [2] Source: "Alternative Regulation for Evolving Utility Challenges," Prepared by Pacific Economics Group Research for Edison Electric Institute, Table 6, November 2015; S&P RRA Research; Company Investor Presentations.
 [3] Source: Regulatory Research Associates, effective as of November 26, 2019.
 [4] - [5] Source: S&P Global Market Intelligence, Regulatory Focus: Adjustment Clauses, dated November 12, 2019.
 [6] Operations classified as full revenue decoupling since the company operates under a straight fixed-variable rate design.
 [7] Data provided by PacifiCorp