

UE-152253 / Pacific Power & Light Company
April 21, 2016
PC Data Request 73

PC Data Request 73

Please refer to Shelley E. McCoy, Exhibit No. SEM-8. At pages 4.2 to 4.2.7, the Company increased its original salary and wage adjustment to reflect the “proposed update to wages as discussed in, Rebuttal Testimony of Shelley E. McCoy, Exhibit No. SEM-6T Page 10....” At pages 4.11 to 4.11.5, the Company adjusted expenses to reflect the impact of the current FTE levels. On page 4.11.3, the Company used amounts for “Labor Costs Directly Impacted by Change in Employee Levels” based on the original filing instead of the amounts contained on Exhibit No. SEM-8 at page 4.2.1 (which includes impacts of the post-test year wage increases).

- a. Does the Company agree that the adjustment presented at Exhibit No. SEM-8 at pages 4.11 to 4.11.5 should be revised to incorporate the impacts of the salary and wage increases reflected at pages 4.2 to 4.2.7? In other words, should the amounts presented on page 4.11.3 on line 1 (Pro Forma Regular Time, Overtime and Premium Pay, per Company) and line 3 (Payroll Tax Expense, per Company) be replaced with the revised amounts shown on page 4.2.1? If no, explain in detail why not.
- b. If the Company agrees that the adjustment presented at Exhibit No. SEM-8 at pages 4.11 to 4.11.5 should be revised (per response to subpart a, above), please provide a revised version of this adjustment that includes the impacts of the increase in salaries and wages reflected in the revised adjustment 4.2.
- c. If the Company agrees that the adjustment presented at Exhibit No. SEM-8 at pages 4.11 to 4.11.5 should be revised (per response to subpart a, above), please provide a revised version of Table 4 – Impact of Labor and Wage Adjustments presented on page 9 of Exhibit No. SEM-6T that reflects the correction.

Response to PC Data Request 73

- a. Yes, the Company agrees that the adjustment presented on Page 4.11 to 4.11.5 of Exhibit No. SEM-8 should be revised to incorporate the impacts of the salary and wage increases on Pages 4.2 to 4.2.7.
- b. Please refer to Attachment PC 73-1.
- c. Please refer to Attachment PC 73-2.

PREPARER: Shelley McCoy

SPONSOR: Shelley McCoy

PacifiCorp
Washington Expedited Rate Filing - June 2015
Full Time Equivalent Reduction - NEW

PAGE 4.11

Adjustment to Expense:	ACCOUNT	Type	TOTAL			WASHINGTON	
			COMPANY	FACTOR	FACTOR %	ALLOCATED	REF#
Steam Operations	500	PRO	(3,431)	CAEE	0.00%	-	
Steam Operations	500	PRO	(1,943,754)	CAGE	0.00%	-	
Steam Operations	500	PRO	(61)	CAGW	22.57%	(14)	
Steam Operations	500	PRO	(214,005)	JBG	22.44%	(48,016)	
Steam Operations	500	PRO	(163)	SG	8.23%	(13)	
Fuel Related-Non NPC	501	PRO	(52,689)	CAEE	0.00%	-	
Fuel Related-Non NPC	501	PRO	(18,654)	JBE	22.73%	(4,240)	
Fuel Related-Non NPC	501	PRO	(9,329)	SE	7.68%	(717)	
Steam Maintenance	510	PRO	(919,904)	CAGE	0.00%	-	
Steam Maintenance	510	PRO	2,355	CAGW	22.57%	531	
Steam Maintenance	510	PRO	(516,662)	JBG	22.44%	(115,923)	
Hydro Operations	535	PRO	(213,854)	CAGE	0.00%	-	
Hydro Operations	535	PRO	(225,229)	CAGW	22.57%	(50,823)	
Hydro Maintenance	541	PRO	(28,357)	CAGE	0.00%	-	
Hydro Maintenance	541	PRO	(79,831)	CAGW	22.57%	(18,014)	
Other Operations	546	PRO	(1,569)	CAGE	0.00%	-	
Other Operations	546	PRO	(507)	CAGW	22.57%	(114)	
Other Operations	549	PRO	(142,772)	CAGE	0.00%	-	
Other Operations	549	PRO	(49,210)	CAGW	22.57%	(11,104)	
Other Operations	549	PRO	(53,611)	SG	8.23%	(4,411)	
Other Operations	549	PRO	(14)	OR	Situs	-	
Other Maintenance	551	PRO	(56,651)	CAGE	0.00%	-	
Other Maintenance	551	PRO	(25,750)	CAGW	22.57%	(5,810)	
Other Power Supply Expenses	557	PRO	(277,860)	CAGE	0.00%	-	
Other Power Supply Expenses	557	PRO	(3,852)	CAGW	22.57%	(869)	
Other Power Supply Expenses	557	PRO	(46,967)	JBG	22.44%	(10,538)	
Other Power Supply Expenses	557	PRO	(766,405)	SG	8.23%	(63,064)	
Transmission Operations	560	PRO	(111,734)	CAGE	0.00%	-	
Transmission Operations	560	PRO	(5,850)	CAGW	22.57%	(1,320)	
Transmission Operations	560	PRO	(686)	JBG	22.44%	(154)	
Transmission Operations	560	PRO	(436,875)	SG	8.23%	(35,948)	
Transmission Maintenance	568	PRO	59,476	CAGE	0.00%	-	
Transmission Maintenance	568	PRO	(1,452)	CAGW	22.57%	(328)	
Transmission Maintenance	568	PRO	(2,263)	JBG	22.44%	(508)	
Transmission Maintenance	568	PRO	(103,145)	SG	8.23%	(8,487)	
Distribution Operations	580	PRO	(642,449)	WA	Situs	(45,694)	
Distribution Operations	580	PRO	(652,357)	SNPD	6.33%	(41,300)	
Distribution Maintenance	590	PRO	(1,043,647)	WA	Situs	(50,854)	
Distribution Maintenance	590	PRO	(244,995)	SNPD	6.33%	(15,510)	
Customer Accounts	901	PRO	(963,263)	CN	6.88%	(66,308)	
Customer Accounts	901	PRO	(536,903)	WA	Situs	(30,128)	
Customer Services	907	PRO	(73,706)	CN	6.88%	(5,074)	
Customer Services	907	PRO	(1,558)	OTHER	0.00%	-	
Customer Services	907	PRO	(172,233)	WA	Situs	(10,056)	
Administrative & General	920	PRO	(69,233)	WA	Situs	(11,877)	
Administrative & General	920	PRO	(2,898,360)	SO	6.65%	(192,880)	
			(13,549,971)			(849,567)	

Description of Adjustment:

For the purpose of this case, the Company accepts Public Counsel's recommendation to update for FTE reductions, consistent with Ms. Donna M. Ramas' Exhibit No. DMR-3, Schedule 8. However, the Company recommends further updating FTE levels to reflect latest known information as of the time Company prepares its rebuttal filing. This adjustment has been adjusted to reflect labor expenses as revised in adjustment 4.2 in the Company's rebuttal filing.

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Page 4.11.1

PacifiCorp
Washington Expedited Rate Filing - June 2015
Full Time Equivalent Reduction - NEW
Impact of Employee Reductions on Labor Costs by FERC Account

<u>Description</u>	<u>Acct.</u>	<u>Total Company</u>	<u>WCA Factor</u>	<u>WCA Factor %</u>	<u>Washington Allocation</u>
<u>Adjustment to Expense:</u>					
Reduction to Labor Expense	500-935	(13,549,971)	Multiple	Multiple	(849,567) Ref 4.11.5
<u>Details:</u>					
Labor Costs Impacted by Employee Level, as Adjusted		688,495,266	Ref 4.11.3		
Actual % FTE Employee Reduction from Average Base Year Level		-2.89%	Ref 4.11.2		
Reduction to Labor Costs to Reflect Employee Reductions		(19,897,513)			
Per Company Expense Factor		68.10%	Ref 4.11.5		
Reduction to Labor Expense		(13,549,971)	Above		

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Washington Expedited Rate Filing - June 2015

Employee Full Time Equivalent Count

Page 4.11.2

<u>Line</u>	<u>FTE Count</u>
1 Avg. Test Year Employee Compliment	5,247.0 ¹
2 Actual FTE Employee Compliment March 2016	5,095.5
3 Reduction to Average Test Year Employee Level	<u>(151.5)</u>
4 Actual % Change from Average Test Year FTE Employee Compliment	<u>-2.89% Ref. 4.11.1</u>

Notes:

1) References Public Counsel Exhibit No. DMR-3, Schedule 8, Page 2, Line 19

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Page 4.11.3

PacifiCorp
Washington Expedited Rate Filing - June 2015
Employee Full Time Equivalent Count
Labor Costs Directly Impacted by Change in Employee Level

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Pro Forma Regular Time, Overtime and Premium Pay, per Company	\$ 497,693,283
2	Annual Incentive Plan, per Company	32,290,295
3	Payroll Tax Expense, per Company	41,209,183
4	Medical Expense, per Company	58,081,129
5	Stock/401(k)/ESOP, per Company	32,404,711
6	All Other Labor and Benefit Items, per Company	26,816,664
7	Labor Costs Impacted by Employee Level	<u>688,495,266</u> Ref 4.11.1

Source:

Lines 1 - 6: Exhibit No. SEM-8, page 4.2.2

PacifiCorp

Washington Expedited Rate Filing - June 2015

Full Time Equivalent Reduction - NEW

Impact of Employee Reductions on Labor Costs by FERC Account

Account	Washington Allocated				
	Actual 12 Months Ended June 2015	% Of Total	FTE Reduction Adjustment	WA-Alloc. %	Allocated Amount
500CAEE	119,827	0.02%	(3,431)	0.0000%	-
500CAGE	67,884,043	9.77%	(1,943,754)	0.0000%	-
500CAGW	2,140	0.00%	(61)	22.5651%	(14)
500JBG	7,473,966	1.08%	(214,005)	22.4370%	(48,016)
500SG	5,688	0.00%	(163)	8.2285%	(13)
501CAEE	1,840,131	0.26%	(52,689)	0.0000%	-
501JBE	651,466	0.09%	(18,654)	22.7309%	(4,240)
501SE	325,824	0.05%	(9,329)	7.6801%	(717)
510CAGE	32,126,887	4.62%	(919,904)	0.0000%	-
510CAGW	(82,230)	-0.01%	2,355	22.5651%	531
510JBG	18,043,998	2.60%	(516,662)	22.4370%	(115,923)
535CAGE	7,468,677	1.07%	(213,854)	0.0000%	-
535CAGW	7,865,932	1.13%	(225,229)	22.5651%	(50,823)
541CAGE	990,353	0.14%	(28,357)	0.0000%	-
541CAGW	2,788,049	0.40%	(79,831)	22.5651%	(18,014)
546CAGE	54,802	0.01%	(1,569)	0.0000%	-
546CAGW	17,719	0.00%	(507)	22.5651%	(114)
549CAGE	4,986,210	0.72%	(142,772)	0.0000%	-
549CAGW	1,718,633	0.25%	(49,210)	22.5651%	(11,104)
549OR	505	0.00%	(14)	0.0000%	-
549SG	1,872,311	0.27%	(53,611)	8.2285%	(4,411)
551CAGE	1,978,478	0.28%	(56,651)	0.0000%	-
551CAGW	899,294	0.13%	(25,750)	22.5651%	(5,810)
557CAGE	9,704,036	1.40%	(277,860)	0.0000%	-
557CAGW	134,530	0.02%	(3,852)	22.5651%	(869)
557JBG	1,640,287	0.24%	(46,967)	22.4370%	(10,538)
557SG	26,766,065	3.85%	(766,405)	8.2285%	(63,064)
560CAGE	3,902,219	0.56%	(111,734)	0.0000%	-
560CAGW	204,315	0.03%	(5,850)	22.5651%	(1,320)
560JBG	23,951	0.00%	(686)	22.4370%	(154)
560SG	15,257,491	2.20%	(436,875)	8.2285%	(35,948)
568CAGE	(2,077,143)	-0.30%	59,476	0.0000%	-
568CAGW	50,702	0.01%	(1,452)	22.5651%	(328)
568JBG	79,030	0.01%	(2,263)	22.4370%	(508)
568SG	3,602,262	0.52%	(103,145)	8.2285%	(8,487)
580CA	769,363	0.11%	(22,030)	0.0000%	-
580IDU	1,171,533	0.17%	(33,545)	0.0000%	-
580OR	7,611,605	1.10%	(217,947)	0.0000%	-
580SNPD	22,783,021	3.28%	(652,357)	6.3309%	(41,300)
580UT	8,978,275	1.29%	(257,079)	0.0000%	-
580WA	1,595,821	0.23%	(45,694)	100.0000%	(45,694)
580WYP	2,099,729	0.30%	(60,122)	0.0000%	-
580WYU	210,695	0.03%	(6,033)	0.0000%	-
590CA	2,388,140	0.34%	(68,381)	0.0000%	-
590IDU	2,338,721	0.34%	(66,966)	0.0000%	-
590OR	11,729,861	1.69%	(335,866)	0.0000%	-

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Washington Expedited Rate Filing - June 2015

Full Time Equivalent Reduction - NEW

Impact of Employee Reductions on Labor Costs by FERC Account

Account	Washington Allocated				
	Actual 12 Months Ended June 2015	% Of Total	FTE Reduction Adjustment	WA-Alloc. %	Allocated Amount
590SNPD	8,556,256	1.23%	(244,995)	6.3309%	(15,510)
590UT	15,203,315	2.19%	(435,323)	0.0000%	-
590WA	1,776,048	0.26%	(50,854)	100.0000%	(50,854)
590WYP	2,589,172	0.37%	(74,137)	0.0000%	-
590WYU	423,248	0.06%	(12,119)	0.0000%	-
901CA	1,040,862	0.15%	(29,803)	0.0000%	-
901CN	33,641,169	4.84%	(963,263)	6.8837%	(66,308)
901IDU	1,565,975	0.23%	(44,839)	0.0000%	-
901OR	8,659,756	1.25%	(247,959)	0.0000%	-
901UT	5,063,531	0.73%	(144,986)	0.0000%	-
901WA	1,052,182	0.15%	(30,128)	100.0000%	(30,128)
901WYP	1,161,283	0.17%	(33,252)	0.0000%	-
901WYU	207,321	0.03%	(5,936)	0.0000%	-
907CA	52,704	0.01%	(1,509)	0.0000%	-
907CN	2,574,116	0.37%	(73,706)	6.8837%	(5,074)
907IDU	355,365	0.05%	(10,175)	0.0000%	-
907OR	1,679,460	0.24%	(48,089)	0.0000%	-
907OTHER	54,426	0.01%	(1,558)	0.0000%	-
907UT	2,385,042	0.34%	(68,292)	0.0000%	-
907WA	351,195	0.05%	(10,056)	100.0000%	(10,056)
907WYP	1,191,315	0.17%	(34,111)	0.0000%	-
920CA	32,109	0.00%	(919)	0.0000%	-
920IDU	61,606	0.01%	(1,764)	0.0000%	-
920OR	484,963	0.07%	(13,886)	0.0000%	-
920SO	101,222,866	14.57%	(2,898,360)	6.6548%	(192,880)
920UT	507,734	0.07%	(14,538)	0.0000%	-
920WA	414,778	0.06%	(11,877)	100.0000%	(11,877)
920WYP	920,417	0.13%	(26,355)	0.0000%	-
920WYU	(3,710)	0.00%	106	0.0000%	-
Utility Labor	473,221,715	68.10%	(13,549,971)		(849,567)
		Ref 4.11.1	Ref 4.11.1		Ref 4.11.1
Non-Utility/Capital	221,682,730	31.90%	(6,347,542)		
Total	694,904,445	100.00%	(19,897,513)		

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Table 4 - Revised In Response to Public Counsel Data Request 73

Description of Change	WA-Allocated Expense
December 2015 FTE Update Proposed by Public Counsel	(\$655,673)
Additional Adjustment to March 2016 FTE Level	(\$193,894)
Total Reduction in Expense of March 2016 FTE Update	<u>(\$849,567)</u>
Wage Adjustment to June 2016	\$512,492
Net Expense Impact of FTE & Wages Update in Rebuttal	<u>(\$337,075)</u>