

UE-140762/Pacific Power & Light Company
December 1, 2014
PC Data Request 130

PC Data Request 130

Re: Plant Additions.

Please refer to the rebuttal Testimony of R. Bryce Dalley, at page 10 lines 5 through 9 in which he states: "To respond to Staff's and Public Counsel's recommendations that only the known and measurable amounts for projects that have actually been placed in service be included in rates, the Company proposes in this case to limit its adjustment for pro forma capital additions to the amounts actually placed in service by the date of the Company's compliance filing".

- (a) Please confirm that under this proposal, such "pro form capital additions" would be limited to those projects specifically identified on page 8.4.2 of Exhibits Nos. NCS-3 and NCS-11? If not limited to those projects specifically identified on page 8.4.2, please explain, in detail, why not and identify all additional projects that may be included beyond those identified on page 8.4.2.
- (b) The approach proposed in the rebuttal testimony would not allow the parties the ability to review the actual plant addition amounts or investigate cost over-runs if the costs of such projects exceed the amounts projected in the filing. Under the Company's proposed approach, for those projects that are placed in-service between October 2014 and the "date of the Company's compliance filing," would the Company be willing to limit the amount for each project in the compliance filing to the lower of the actual costs or the amount included for the project in its Exhibit No. NCS-3, page 8.4.2? In other words, if the actual costs for a project placed into service between October 2014 and the date of the compliance filing exceeds the projected amount contained in the original filing for the project, the amount to include in the compliance filing would be capped at the amount contained in the Company's original filing. If no, please explain, in detail, why not.

Response to PC Data Request 130

- (a) Confirmed.
- (b) For those projects placed in service between the date of the Company's rebuttal filing (November 14, 2014) through the rate-effective date (March 31, 2014), the Company would be willing to limit the amount included in this case (as part of the compliance filing) to the lower of the actual costs or the amounts included in the Company's rebuttal testimony. Please note that the Company provided corrected actual in-service amounts for certain projects in its response to Public Counsel Data Requests 123 and 125. The corrected actual amounts for these projects would be used in the Company's compliance filing.

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PREPARER: Bryce Dalley

SPONSOR: Bryce Dalley

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December 11, 2014
PC Data Request 130—1st Supplemental

PC Data Request 130

Re: Plant Additions.

Please refer to the rebuttal Testimony of R. Bryce Dalley, at page 10 lines 5 through 9 in which he states: “To respond to Staff’s and Public Counsel’s recommendations that only the known and measurable amounts for projects that have actually been placed in service be included in rates, the Company proposes in this case to limit its adjustment for pro forma capital additions to the amounts actually placed in service by the date of the Company’s compliance filing”.

- (a) Please confirm that under this proposal, such “pro forma capital additions” would be limited to those projects specifically identified on page 8.4.2 of Exhibits Nos. NCS-3 and NCS-11? If not limited to those projects specifically identified on page 8.4.2, please explain, in detail, why not and identify all additional projects that may be included beyond those identified on page 8.4.2.
- (b) The approach proposed in the rebuttal testimony would not allow the parties the ability to review the actual plant addition amounts or investigate cost overruns if the costs of such projects exceed the amounts projected in the filing. Under the Company’s proposed approach, for those projects that are placed in-service between October 2014 and the “date of the Company’s compliance filing,” would the Company be willing to limit the amount for each project in the compliance filing to the lower of the actual costs or the amount included for the project in its Exhibit No. NCS-3, page 8.4.2? In other words, if the actual costs for a project placed into service between October 2014 and the date of the compliance filing exceeds the projected amount contained in the original filing for the project, the amount to include in the compliance filing would be capped at the amount contained in the Company’s original filing. If no, please explain, in detail, why not.

1st Supplemental Response to PC Data Request 130

The Company provides the following supplemental response to subpart (b):

- (b) For the purposes of the development of the revenue requirement in this case, the Company accepts Commission Staff’s proposal to include only those projects placed in service by the date of the Company’s rebuttal, November 14, 2014, as pro forma capital additions in this case. The costs associated with any projects that were not in service by November 14, 2014, will be removed from the case. The impact of the Company’s acceptance of Staff’s proposal is a reduction to revenue requirement of approximately \$1.5 million, which is reflected in the following attachments:

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- Attachment PC 130-1 shows the Company's rebuttal position, corrections and adjustments identified in the Company's responses to Public Counsel Data Requests 123 through 126, the removal of projects not in service as of November 14, 2014, and an adjustment to reflect actual costs for two projects placed in service in October 2014 (representing a reduction to the amounts included in rebuttal).
- Attachment PC 130-2 is a revised revenue requirement adjustment summary (page 1.40 from Exhibit No. NCS-11, Tab 1).
- Attachment PC-130-3 includes revised versions of the documents supporting the pro forma capital additions (pages 8.4 through 8.4.4 of Exhibit No. NCS-11, Tab 8).

The Company will reflect its acceptance of staff's adjustment in the issues list to be filed December 11, 2014.

PREPARER: Bryce Dalley

SPONSOR: Bryce Dalley

Attachment PC 130-1

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 Pacific Power
 Washington General Rate Case - December 2013
 Pro Forma Major Plant Additions

REBUTTAL

(Exhibit NCS-11 page 8 & 4.2)

Project Description	In-Service Date	Plant Additions ⁽¹⁾	Response to DRS PC 123-126 Corrections & Adjustments ⁽²⁾	Rebuttal as corrected ^{(3) = (1) + (2)}	Remove Projects Not In Service at Rebuttal ⁽⁴⁾	Adjust pro forma plant additions in NCS 11 to actual data [A] ⁽⁵⁾	Attachment PC 130-3 Plant Additions ^{(6) = (3) - (4) + (5)}
Transmission							
JB New Sewage Treatment Plant or Lagoon	Jun-14	1,335,795		1,335,795			1,335,795
JB Sub-inst 115 KV Capacitor Bank TPL2	Mar-15	7,950,000	(7,950,000)	927,300			927,300
Kroft Sub Install 115-12.5 KV Transformer - Transmission Portion	Dec-14	4,622,995		4,622,995	(4,622,995)		
Line 3 Convert to 115KV - Phase Land 2	Oct-14	2,700,000		2,700,000	(2,700,000)		
Middleton-Toqueville 69 KV Line Rebuild 2.2 Miles	Feb-14	2,438,508		2,438,508			2,438,508
Purchase spare 230-69 KV 150 MVA Transformer (Klamath)	Oct-14	1,983,461		1,983,461	(1,983,461)		
U2 GSU Transformer Upgrade Replacement	Sep-14	3,387,729	124,599	3,512,328			3,512,328
Transmission Total		23,955,886	(7,895,993)	16,059,893	(9,308,456)		6,751,437
Steam Production							
JB New Sewage Treatment Plant or Lagoon	Jun-14	1,335,795		1,335,795			1,335,795
JB U1 Replace Cooling Tower 13714	Mar-14	2,334,290		2,334,290			2,334,290
JB U1 Replace Cooling Tower 13714	Mar-14	5,459,614		5,459,614			5,459,614
Colstrip 4. Generator Repair CY13 & CY14	Feb-14	545,617		545,617			545,617
Steam Production Total		11,003,099		11,003,099			11,003,099
Hydro Production							
ILR 4.3 Merwin Upstream Collect & Trans	Mar-14	48,993,892		48,993,892			48,993,892
ILR 6.2 Merwin Flow Controls	Oct-14	2,525,303	(2,525,303)				
ILR 8.7 Speeloyal Hatchery Water Intake	Nov-14	2,463,112	(2,463,112)				
IND 10.6 Aquatic Connectivity 14	Nov-14	946,697		946,697	(946,697)		
Merwin 3 TV Overhaul	Oct-14	1,188,444		1,188,444		(74,949)	1,113,495
Soda Springs Screen Upgrade	Nov-14	3,100,387	(1,168,444)	1,931,943			1,931,943
Swift 1 State Generator Windings	Jun-14	1,614,209		1,614,209			1,614,209
Swift 11 Generator Rewind	Oct-14	3,436,880		3,436,880		(183,860)	3,253,020
Swift Main Net Modifications	Oct-14	2,602,878		2,602,878	(2,602,878)		
Swift Side Net Replacement	Oct-14	2,156,065		2,156,065			2,156,065
Hydro Production Total		70,228,004	(6,186,859)	64,041,145	(3,549,575)	(258,809)	60,232,761
General Plant							
Call Center ACD Replacement Project	Jul-14	4,707,434	(113,746)	4,593,688			4,593,688
Repair 66KV MW Ratons Starvout to Fort Rock phase 2	Aug-14	1,232,444		1,232,444			1,232,444
General Plant Total		5,939,878	(113,746)	5,826,132			5,826,132
Distribution Plant							
Orchard and Wiley Substation Capacity Relief (Clinton Feeder)	Nov-14	1,397,614		1,397,614	(1,397,614)		
Replace Spans 116-13.0KV 25 MVA w/ LTC - Yakima	Oct-14	737,760		737,760	(737,760)		
Selah Substation Capacity Relief (25 MVA at Pomona Heights)	Dec-14	4,941,727		4,941,727	(4,941,727)		
Union Gap - Add 230 - 115KV Capacity - TPL002	Aug-14	8,416,403	117,362	8,533,765			8,533,765
Distribution Plant Total		15,493,504	117,362	15,610,866	(7,077,101)		8,533,765
Total Capital Additions		126,620,472	(14,079,216)	112,541,256	(19,933,132)	(258,809)	92,349,315

[A] In service dates for Merwin 1 TV Overhaul and Swift 11 Generator Rewind were October 29, 2014, and October 16, 2014, respectively.

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Attachment PC 130-1

Project Description	Account	Factor	In-Service Date	Jan 14 - Dec 14 Plant Additions
Transmission				
Alvey Series Cap Controls - Payment to BPA	355	CAGW	Feb-14	997,892
Fry Sub Instl 115 kV Capacitor Bank TPL2	355	CAGW	Mar-15	7,950,000
Knott Sub Install 115-12.5 kV Transformer - Trans	355	CAGW	Dec-14	4,622,995
Line 3 Convert to 115kV - Phase 1 and 2	355	CAGW	Oct-14	2,700,000
Middleton-Toquerville: 69 kV Line Rebuild 2.2 Miles	355	CAGW	Feb-14	2,438,508
Purchase spare 230-69 kV 150 MVA Transformer (Klamath)	355	CAGW	Oct-14	1,983,461
U2 GSU Transformer Upgrade Replacement	355	JBG	Sep-14	3,263,130
Transmission Total				23,955,986
Steam Production				
JB New Sewage Treatment Plant or Lagoon	312	JBG	Jun-14	1,335,795
JB U1 Burners - Major 14	312	JBG	Jun-14	1,327,783
JB U1 Pendant Plat Lower Replacement 14	312	JBG	May-14	2,334,290
JB U1 Replace Cooling Tower 13/14	312	JBG	May-14	5,459,614
Colstrip 4: Generator Repair CY13 & CY14	312	CAGW	Feb-14	545,617
Steam Production Total				11,003,099
Hydro Production				
ILR 4.3 Merwin Upstream Collect & Trans	332	CAGW	Mar-2014	48,993,892
ILR 6.2 Merwin Flow Controls	332	CAGW	Oct-2014	2,525,303
ILR 8.7 Speelyai Hatchery Water Intake	332	CAGW	Nov-2014	2,463,112
INU 10.6 Aquatic Connectivity 14	332	CAGW	Nov-2014	946,697
Merwin 1 TIV Overhaul	332	CAGW	Oct-2014	1,190,137
Merwin 3 TIV Overhaul	332	CAGW	Nov-2014	1,198,444
Soda Springs Screen Upgrade	332	CAGW	Jan-2014	3,100,387
Swift 1 Spare Generator Windings	332	CAGW	Jun-2014	1,614,209
Swift 11 Generator Rewind	332	CAGW	Oct-2014	3,436,880
Swift Main Net Modifications	332	CAGW	Oct-2014	2,602,878
Swift Side Nets Replacement	332	CAGW	Mar-2014	2,156,065
Hydro Production Total				70,228,004
General Plant				
Call Center ACD Replacement Project	397	SO	Jul-2014	4,707,434
Replace 6GHz MW radios Starvout to Fort Rock phase 2	397	CAGW	Aug-2014	1,232,444
General Plant Total				5,939,878
Distribution Plant				
Orchard and Wileley Substation Capacity Relief (Clinton Feeder)	360	WA	Nov-2014	1,397,614
Replace Spare 116-13.0kV 25 MVA w/ LTC - Yakima	360	WA	Oct-2014	737,760
Selah Substation Capacity Relief (25 MVA at Pomona Heights)	360	WA	Dec-2014	4,941,727
Union Gap - Add 230 - 115kV Capacity - TPL002	360	WA	Aug-2014	8,416,403
Distribution Plant Total				15,493,504
Total Capital Additions				126,620,472

Ref 8.4

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Attachment PC 130-2

Revenue Requirement Adjustment Summary

The table below presents the Company's restating and pro forma ratemaking adjustments and their impact on net operating income (NOI), rate base, and the Washington revenue requirement.

Line No.	Adj. No.	A	B	C			D			E			F		
				NOI	Rate Base	Rev. Req.	NOI	Rate Base	Rev. Req.	Reference	NOI	Rate Base	Rev. Req.	Reference	
Unadjusted Washington Allocated Data (Per Books)				40,369,778	788,256,372	32,401,495	(NCS-11) Page 1.0								
1	3.1	Temperature Normalization		(3,700,295)	-	5,973,999	(NCS-11), Page 1.7 Total								
2	3.2	Revenue Normalization		(4,827,930)	-	7,794,527	(NCS-11), Page 1.7 Total								
3	3.3	Effective Price Change		11,066,786	-	(17,866,946)	(NCS-11), Page 1.7 Total								
4	3.4	SO ₂ Emission Allowance Sales		481,473	(249,925)	(808,270)	(NCS-11), Page 1.7 Total								
5	3.5	Renewable Energy Credit and Renewable Energy Attribute Revenue		(1,464,670)	-	2,364,660	(NCS-11), Page 1.7 Total								
6	3.6	Wheeling Revenue		225,695	-	(364,377)	(NCS-11), Page 1.7 Total								
7	3.7	Ancillary Revenue		26,862	-	(43,367)	(NCS-11), Page 1.7 Total								
8	3.8	Schedule 300 Fee Change - REVISED		925	-	(1,494)	(NCS-11), Page 1.8 Total								
9	3.9	Wind Wake Loss Revenues		16,828	-	(27,168)	(NCS-11), Page 1.8 Total								
10			Tab 3 - Revenue - Subtotal	1,825,674	(249,925)	(2,978,436)									
11															
12	4.1	Miscellaneous Expense & Revenue		14,374	-	(23,206)	(NCS-11), Page 1.8 Total								
13	4.2	General Wage Increase - Restating		30,933	-	(49,940)	(NCS-11), Page 1.8 Total								
14	4.3	General Wage Increase - Pro Forma		(801,979)	-	1,294,767	(NCS-11), Page 1.8 Total								
15	4.4	Irrigation Load Control Program		3,471	-	(5,605)	(NCS-11), Page 1.8 Total								
16	4.5	Remove Non-Recurring Entries		(101,034)	-	163,116	(NCS-11), Page 1.8 Total								
17	4.6	DSM Revenue and Expense Removal		6,923,689	-	(11,178,056)	(NCS-11), Page 1.8 Total								
18	4.7	Insurance Expense		1,590,633	-	(2,568,022)	(NCS-11), Page 1.9 Total								
19	4.8	Advertising		261	-	(422)	(NCS-11), Page 1.9 Total								
20	4.9	Memberships & Subscriptions		(973)	-	1,570	(NCS-11), Page 1.9 Total								
21	4.10	Uncollectible Expense		(274,576)	-	443,294	(NCS-11), Page 1.9 Total								
22	4.11 - 4.11.1	Legal Expenses - REVISED		(60,983)	-	98,455	(NCS-11), Page 1.9 Total								
23	4.12	Collection Agency Fees - REVISED		-	-	-	(NCS-11), Page 1.9 Total								
24	4.13.1 - 4.13.5	IHS Global Insight Escalation - REVISED		(931,910)	-	1,504,537	(NCS-11), Page 1.10 Total								
25			Tab 4 - O&M - Subtotal	6,391,907	-	(10,319,514)									
26															
27	5.1	Net Power Costs - Restating		7,484,568	-	(12,083,577)	(NCS-11), Page 1.10 Total								
28	5.1.1	Net Power Costs - Pro Forma - REVISED		(9,066,299)	-	14,637,228	(NCS-11), Page 1.10 Total								
29	5.2	James River Royalty Offset		441,934	-	(713,487)	(NCS-11), Page 1.11 Total								
30	5.3	Colstrip #3 Removal		314,399	(8,567,345)	(1,568,476)	(NCS-11), Page 1.11 Total								
31			Tab 5 - NPC - Subtotal	(825,399)	(8,567,345)	271,687									
32															
33	6.1	Hydro Decommissioning		(3,781)	(212,765)	(20,243)	(NCS-11), Page 1.11 Total								
34	6.2 - 6.2.2	Depreciation and Amortization Reserve to December 2013 Balance - REVISED		-	(17,976,136)	(2,225,976)	(NCS-11), Page 1.11 Total								
35	6.3 - 6.3.2	Depreciation Study & Annual Depreciation		(1,249,180)	(1,249,180)	1,862,073	(NCS-11), Page 1.12 Total								
36	6.4 - 6.4.2	Vehicle Depreciation - Depreciation Study		74,724	(143,764)	(138,441)	(NCS-11), Page 1.12 Total								
37	6.5	Retired Assets Depreciation Expense Removal - NEW		17,449	(5,336)	(28,831)	(NCS-11), Page 1.13 Total								
38			Tab 6 - Depreciation/Amortization - Subtotal	(1,160,789)	(19,587,161)	(551,417)									
39															
40	7.1	**REVISED - 12-11-2014** Interest True Up		(270,141)	-	436,133									
41	7.2	Property Tax Expense - REVISED		(70,366)	-	113,603	(NCS-11), Page 1.13 Total								
42	7.3	Renewable Energy Tax Credit		661,917	-	(1,068,642)	(NCS-11), Page 1.13 Total								
43	7.4	PowerTax ADIT Balance		-	(1,637,024)	(202,712)	(NCS-11), Page 1.13 Total								
44	7.5	WA Low Income Tax Credit		(25,873)	-	41,770	(NCS-11), Page 1.13 Total								
45	7.6/7.6.1	Flow-Through Adjustment		407,649	(9,662,969)	(1,854,696)	(NCS-11), Page 1.13/1.14 Total								
46	7.7	**REVISED 12-11-2014** Remove Deferred State Tax Expense & Balance		479,149	239,575	(743,903)									
47	7.8	WA Public Utility Tax Adjustment		524,709	-	(847,125)	(NCS-11), Page 1.14 Total								
48			Tab 7 - Tax - Subtotal	1,707,045	(11,060,418)	(4,125,571)									
49															
50	8.1	Jim Bridger Mine Rate Base		(138,615)	26,734,872	3,534,355	(NCS-11), Page 1.14 Total								
51	8.2	Environmental Remediation		(171,517)	(250,034)	245,946	(NCS-11), Page 1.14 Total								
52	8.3	Customer Advances for Construction		-	(481,414)	(59,613)	(NCS-11), Page 1.14 Total								
53	8.4 - 8.4.1	**REVISED 12-11-2014** Pro Forma Major Plant Additions		(516,665)	24,199,538	3,830,756									
54	8.5 - 8.5.1	Miscellaneous Rate Base - REVISED		-	(20,135,895)	(2,493,418)	(NCS-11), Page 1.15 Total								
55	8.6	Powerdale Hydro Removal		(58,361)	97,700	106,320	(NCS-11), Page 1.15 Total								
56	8.7	Removal of Colstrip #4 AFUDC		17,991	(360,049)	(73,630)	(NCS-11), Page 1.15 Total								
57	8.8	Trojan Unrecovered Plant		(99,762)	(83,643)	150,705	(NCS-11), Page 1.15 Total								
58	8.9	Customer Service Deposits		(2,710)	(3,361,134)	(411,832)	(NCS-11), Page 1.15 Total								
59	8.10	Reg Asset Amortization		(1,950,000)	-	3,148,208	(NCS-11), Page 1.15 Total								
60	8.11	Misc. Asset Sales and Removals - REVISED		4,540	-	(7,329)	(NCS-11), Page 1.16 Total								
61	8.12 - 8.12.6	Adjust December 2013 AMA Plant Balances to December 2013 Balance		-	22,392,711	2,772,678	(NCS-11), Page 1.16 Total								
62	8.13	Investor Supplied Working Capital		-	31,016,483	3,841,004	(NCS-11), Page 1.17 Total								
63			Tab 8 - Rate Base - Subtotal	(2,915,100)	79,771,136	14,584,349									
64															
65	9.1 - 9.1.1	**REVISED - 12-11-2014** Production Factor		(676,646)	187,062	1,115,586									
66			Tab 9 - Production Factor - Subtotal	(676,646)	187,062	1,115,586									
67															
68															
69		Subtotal Normalizing Adjustments		4,346,693	40,493,329	(2,003,317)									
70															
71		Total Adjusted Results		44,736,471	828,749,701	30,398,178									
72															
73															
74		Notes:													
75		(1) The revenue requirement column is calculated using the Company's proposed return on rate base of 7.67% and the NOI conversion factor of 61.940%.													
76		The development of these percentages can be found in Exhibit No. (NCS-11) on pages 2.1 and 1.3 respectively.													

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Attachment PC 130-3

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Corrected Balances & Updated for Oct-14 In-service Actuals

	ACCOUNT	Type	TOTAL COMPANY	WCA FACTOR	FACTOR %	ALLOCATED	REF#
Adjustment to Rate Base:							
Steam Production	312	PRO	10,457,482	JBG	22.9539%	2,400,399	
Steam Production	312	PRO	545,617	CAGW	23.0849%	125,955	
Hydro Production	332	PRO	60,232,761	CAGW	23.0849%	13,904,664	
Transmission	355	PRO	3,387,729	JBG	22.9539%	777,616	
Transmission	355	PRO	3,365,808	CAGW	23.0849%	776,993	
General	397	PRO	4,593,688	SO	6.8539%	314,848	
General	397	PRO	1,232,444	CAGW	23.0849%	284,508	
Distribution	360	PRO	8,533,785	WA	Situs	8,533,785	
Total Rate Base			<u>92,349,315</u>			<u>27,118,768</u>	8.4.2
Adjustment to Reserve:							
Accumulated Reserve	108SP	PRO	(248,072)	JBG	22.9539%	(56,942)	
Accumulated Reserve	108SP	PRO	(16,910)	CAGW	23.0849%	(3,904)	
Accumulated Reserve	108HP	PRO	(1,554,338)	CAGW	23.0849%	(358,817)	
Accumulated Reserve	108TP	PRO	(30,988)	JBG	22.9539%	(7,113)	
Accumulated Reserve	108TP	PRO	(68,292)	CAGW	23.0849%	(15,765)	
Accumulated Reserve	108GP	PRO	(194,907)	SO	6.8539%	(13,359)	
Accumulated Reserve	108GP	PRO	(29,064)	CAGW	23.0849%	(6,709)	
Accumulated Reserve	108360	PRO	(144,715)	WA	Situs	(144,715)	
Total Accumulated Reserve			<u>(2,287,287)</u>			<u>(607,325)</u>	8.4.3
Adjustment to Expense:							
Depreciation Expense	403SP	PRO	248,072	JBG	22.9539%	56,942	
Depreciation Expense	403SP	PRO	15,031	CAGW	23.0849%	3,470	
Depreciation Expense	403HP	PRO	1,482,883	CAGW	23.0849%	342,322	
Depreciation Expense	403TP	PRO	30,988	JBG	22.9539%	7,113	
Depreciation Expense	403TP	PRO	60,690	CAGW	23.0849%	14,010	
Depreciation Expense	403GP	PRO	194,907	SO	6.8539%	13,359	
Depreciation Expense	403GP	PRO	29,064	CAGW	23.0849%	6,709	
Depreciation Expense	403360	PRO	144,715	WA	Situs	144,715	
Total Depreciation Expense			<u>2,206,352</u>			<u>588,641</u>	8.4.3

Description of Adjustment

This revised adjustment places into rate base west side plant additions greater than \$250,000 on a Washington-allocated basis from January 2014 to November 14, 2014, using actual rate base balances. This adjustment also incorporates the associated depreciation expense and accumulated reserve impacts.

Note that the pro forma adjustment for the Merwin Fish Collector reflects investment placed in service after December 31, 2013. On a system basis, approximately \$9.0 million in investment for Merwin was placed in service in December 2013, and is reflected in unadjusted results. As such, the total investment in Merwin reflected in this case is \$58.4 million on a total-company basis.

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Attachment PC 130-3

PacifiCorp
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(cont.) Pro Forma Major Plant Additions
Corrected Balances & Updated for Oct-14 In-service Actuals

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	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>	<u>REF#</u>
Adjustment to Tax:							
Schedule M Adjust	SCHMAT	PRO	279,060	JBG	22.954%	64,055	
Schedule M Adjust	SCHMDT	PRO	690,347	JBG	22.954%	158,461	
Def Inc Tax Expense	41010	PRO	156,087	JBG	22.954%	35,828	
YE ADIT	282	PRO	(209,363)	JBG	22.954%	(48,057)	
Schedule M Adjust	SCHMAT	PRO	1,587,669	CAGW	23.085%	366,512	
Schedule M Adjust	SCHMDT	PRO	19,604,340	CAGW	23.085%	4,525,639	
Def Inc Tax Expense	41010	PRO	6,837,507	CAGW	23.085%	1,578,431	
YE ADIT	282	PRO	(9,181,545)	CAGW	23.085%	(2,119,549)	
Schedule M Adjust	SCHMAT	PRO	144,715	WA	Situs	144,715	
Schedule M Adjust	SCHMDT	PRO	394,027	WA	Situs	394,027	
Def Inc Tax Expense	41010	PRO	94,616	WA	Situs	94,616	
YE ADIT	282	PRO	(124,979)	WA	Situs	(124,979)	
Schedule M Adjust	SCHMAT	PRO	194,907	SO	6.854%	13,359	
Schedule M Adjust	SCHMDT	PRO	773,579	SO	6.854%	53,021	
Def Inc Tax Expense	41010	PRO	219,612	SO	6.854%	15,052	
YE ADIT	282	PRO	(281,891)	SO	6.854%	(19,321)	

Description of Adjustment

This adjustment places into rate base west side plant additions greater than \$250 thousand on a Washington-allocated basis from January 2014 to March 2015 on a year-end rate base balance. This adjustment also incorporates the associated depreciation expense and accumulated reserve impacts.

Note that the pro forma adjustment for the Merwin Fish Collector reflects investment placed in service after December 31, 2013. On a system basis, approximately \$9.0 million in investment for Merwin was placed in service in December 2013, and is reflected in unadjusted results. As such, the total investment in Merwin reflected in this case is \$58.4 million on a total company basis.

This revised adjustment updates Capital Additions forecasts to reflect most recent information available through Oct-2014. Projects not yet in-service as of Rebuttal date are not included.

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Attachment PC 130-3

PacifiCorp
Washington General Rate Case - December 2013
Rebuttal Major Plant Additions
Corrected Balances & Updated for Oct-14 In-service Actuals

Project Description	Account	Factor	In-Service Date	Jan 14 - Dec 14 Plant Additions
Transmission				
Alvey Series Cap Controls - Payment to BPA	355	CAGW	Feb-14	927,300
Fry Sub Instl 115 kV Capacitor Bank TPL2	355	CAGW	Mar-15	-
Knott Sub Install 115-12.5 kV Transformer - Trans	355	CAGW	Dec-14	-
Line 3 Convert to 115kV - Phase 1and 2	355	CAGW	Nov-14	-
Middleton-Toquerville: 69 kV Line Rebuild 2.2 Miles	355	CAGW	Feb-14	2,438,508
Purchase spare 230-69 kV 150 MVA Transformer (Klamath)	355	CAGW	Nov-14	-
U2 GSU Transformer Upgrade Replacement	355	JBG	Sep-14	3,387,729.12
Transmission Total				6,753,538
Steam Production				
JB New Sewage Treatment Plant or Lagoon	312	JBG	Jun-14	1,335,795
JB U1 Burners - Major 14	312	JBG	Jun-14	1,327,783
JB U1 Pendant Plat Lower Replacement 14	312	JBG	May-14	2,334,290
JB U1 Replace Cooling Tower 13/14	312	JBG	May-14	5,459,614
Colstrip 4: Generator Repair CY13 & CY14	312	CAGW	Feb-14	545,617
Steam Production Total				11,003,099
Hydro Production				
ILR 4.3 Merwin Upstream Collect & Trans	332	CAGW	Mar-2014	48,993,892
ILR 6.2 Merwin Flow Controls	332	CAGW	Oct-2015	-
ILR 8.7 Speelyai Hatchery Water Intake	332	CAGW	Nov-2015	-
INU 10.6 Aquatic Connectivity 14	332	CAGW	Nov-2014	-
Merwin 1 TIV Overhaul	332	CAGW	Oct-2014	1,115,188
Merwin 3 TIV Overhaul	332	CAGW	Nov-2015	-
Soda Springs Screen Upgrade	332	CAGW	Jan-2014	3,100,387
Swift 1 Spare Generator Windings	332	CAGW	Jun-2014	1,614,209
Swift 11 Generator Rewind	332	CAGW	Oct-2014	3,253,020
Swift Main Net Modifications	332	CAGW	Dec-2014	-
Swift Side Nets Replacement	332	CAGW	Mar-2014	2,156,065
Hydro Production Total				60,232,761
General Plant				
Call Center ACD Replacement Project	397	SO	Jul-2014	4,593,688
Replace 6GHz MW radios Starvout to Fort Rock phase 2	397	CAGW	Aug-2014	1,232,444
General Plant Total				5,826,132
Distribution Plant				
Orchard and Wiiley Substation Capacity Relief (Clinton Feeder)	360	WA	Dec-2014	-
Replace Spare 116-13.0kV 25 MVA w/ LTC - Yakima	360	WA	Dec-2014	-
Selah Substation Capacity Relief (25 MVA at Pomona Heights)	360	WA	Jan-2015	-
Union Gap - Add 230 - 115kV Capacity - TPL002	360	WA	Aug-2014	8,533,785
Distribution Plant Total				8,533,785
Total Capital Additions				92,349,315
				Ref 8.4

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PacifiCorp
 Washington General Rate Case - December 2013
 Rebuttal Pro Forma Major Plant Additions

Corrected Balances & Updated for Oct-14 In-service Actuals

Depreciation Expense

Description	Plant Account	Depreciation Account	Factor	Depreciation Rate	Plant Additions Included in Adj	Incremental Expense on Plant Adds.
Plant:						
Steam Production	312	403SP	JBG	2.773%	10,457,482	248,072
Steam Production	312	403SP	CAGW	2.755%	545,617	15,031
Hydro Production	332	403HP	CAGW	2.581%	60,232,761	1,482,883
Transmission	355	403TP	JBG	1.689%	3,387,729	30,988
Transmission	355	403TP	CAGW	1.800%	3,365,808	60,690
General	397	403GP	SO	6.014%	4,593,688	194,907
General	397	403GP	CAGW	3.947%	1,232,444	29,064
Distribution	360	403360	WA	2.795%	8,533,785	144,715
Total Plant					92,349,315	2,206,352

Ref 8.4

Incremental Accumulated Reserve

Description	Plant Account	Reserve Account	Factor	Depreciation Rate	Plant Additions Included in Adj	Incremental Reserve on Plant Adds.
Plant:						
Steam Production	312	108SP	JBG	2.773%	10,457,482	(248,072)
Steam Production	312	108SP	CAGW	2.755%	545,617	(16,910)
Hydro Production	332	108HP	CAGW	2.581%	60,232,761	(1,554,338)
Transmission	355	108TP	JBG	1.689%	3,387,729	(30,988)
Transmission	355	108TP	CAGW	1.800%	3,365,808	(68,292)
General	397	108GP	SO	6.014%	4,593,688	(194,907)
General	397	108GP	CAGW	3.947%	1,232,444	(29,064)
Distribution	360	108360	WA	2.795%	8,533,785	(144,715)
Total Plant					92,349,315	(2,287,287)

Ref 8.4

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Attachment PC 130-3

PacifiCorp
 Washington General Rate Case - December 2013
 Rebuttal Major Plant Addition Adjustment - Tax Summary
 Corrected Balances & Updated for Oct-14 In-service Actuals

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Allocation Factor	Total Plant	Bk Depr SCHMAT	Tax Depr SCHMDT	Def Inc Tax 41010	Mar-15 YE ADIT	
Jim Bridger Steam Plant	JBG	10,457,482	248,072	482,849	89,100	(126,307)
Steam Plant - Colstrip #4 - Feb 2014 In service	CAGW	545,617	15,031	25,192	3,856	(5,086)
Merwin Hydro Plant	CAGW	48,993,892	1,261,176	18,646,523	6,597,913	(8,878,281)
Hydro Plant - Jan 2014 In service	CAGW	3,100,387	79,997	143,151	23,968	(28,670)
Hydro Plant - Mar 2014 In service	CAGW	2,156,065	56,545	99,551	16,321	(22,980)
Hydro Plant - Jun 2014 In service	CAGW	1,614,209	33,495	74,534	15,575	(21,316)
Hydro Plant - Oct 2014 In service	CAGW	4,368,208	51,671	201,689	56,933	(72,477)
Hydro Plant - Nov 2014 In service	CAGW	-	-	-	-	-
Total Hydro Plant allocated CAGW		<u>60,232,761</u>	<u>1,482,883</u>	<u>19,165,448</u>	<u>6,710,710</u>	<u>(9,023,724)</u>
Transmission U2 GSU Transformer Upgrade Replacement	JBG	3,387,729	30,988	207,498	66,987	(83,056)
Transmission Plant - Feb 2014 In service	CAGW	3,365,808	60,690	206,156	55,206	(68,288)
Transmission Plant - Oct 2014 In service	CAGW	-	-	-	-	-
Transmission Plant - Dec 2014 In service	CAGW	-	-	-	-	-
Transmission Plant - Mar 2015 In service	CAGW	-	-	-	-	-
Total Transmission Plant allocated CAGW		<u>3,365,808</u>	<u>60,690</u>	<u>206,156</u>	<u>55,206</u>	<u>(68,288)</u>
Distribution Plant - Aug 2014 In service	WA	8,533,785	144,715	394,027	94,616	(124,979)
Distribution Plant - Oct 2014 In service	WA	-	-	-	-	-
Distribution Plant - Nov 2014 In service	WA	-	-	-	-	-
Distribution Plant - Dec 2014 In service	WA	-	-	-	-	-
Total Distribution Plant allocated WA		<u>8,533,785</u>	<u>144,715</u>	<u>394,027</u>	<u>94,616</u>	<u>(124,979)</u>
General Plant - Jul 2014 In service	SO	4,593,688	194,907	773,579	219,612	(281,891)
General Plant - Aug 2014 In service	CAGW	1,232,444	29,064	207,544	67,735	(84,447)
Total All Plant		<u>92,349,315</u>	<u>2,206,352</u>	<u>21,462,293</u>	<u>7,307,822</u>	<u>(9,797,778)</u>
Check Totals		92,349,315	2,206,352	-	-	-