

Exhibit No. ____ (TES-10)
Docket No. UE-050684
Witness: Thomas E. Schooley

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFICORP, d/b/a Pacific Power &
Light Company,

Respondent.

DOCKET NO. UE-050684

EXHIBIT TO
TESTIMONY OF

THOMAS E. SCHOOLEY

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

RE: PACIFICORP GENERAL RATE CASE

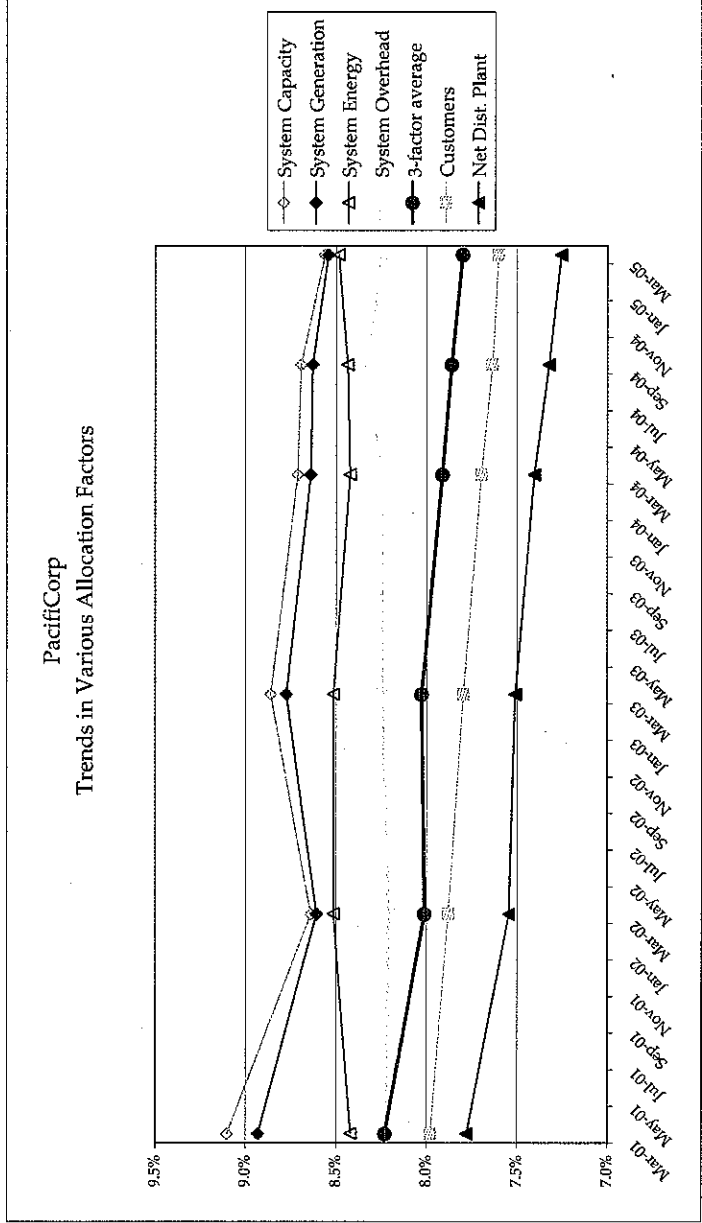
Adjustments 8.16, 8.17 and 8.18, A and G Allocator

November 3, 2005

PacifiCorp General Rate Case
 Adjustments 8.16, 8.17, 8.18, A & G Allocator

Staff's Proposed 3-Factor Allocation Plan for Administration and General Expenses
 Based on an Equal Weighting of Customers, Net Distribution Plant, and System Generation.

Period Ending	Staff Proposed			Revised Protocol			
	Customers	Net Dist. Plant	System Generation	3-factor average	System Overhead	System Capacity	System Energy
Mar-01	7.98%	7.78%	8.93%	8.23%	8.23%	9.10%	8.42%
Mar-02	7.88%	7.55%	8.61%	8.01%	8.21%	8.64%	8.51%
Mar-03	7.80%	7.51%	8.77%	8.03%	8.25%	8.86%	8.51%
Mar-04	7.70%	7.40%	8.64%	7.91%	8.25%	8.71%	8.42%
Sep-04	7.63%	7.32%	8.63%	7.86%	8.33%	8.69%	8.43%
Mar-05	7.60%	7.25%	8.54%	7.80%	8.25%	8.56%	8.48%



Per Books Revenues, Expenses, and Rate Base Allocated on SO Factor
For the period ending September 2004

	Ex. PMW-3 Tab 2	System	WA on PacifiCorp SO Factor	WA on Staff Proposed 3-factor	Per Books Revised Allocation
			8.3282%	7.8617%	Adj. 8.16
1					
2					
3	Rents & Other Electric Revenue	Page 2.4	3,025,554	251,975	237,861
4					(14,114)
5					
6	EXPENSES				
7	Admin. And General Expense	Page 2.15	181,533,455	15,118,519	14,271,652
8	Depreciation Expense	Page 2.17	17,499,649	1,457,411	1,375,773
9	Amortization Expense	Page 2.18	39,721,220	3,308,073	3,122,771
10	Taxes Other Than Income	Page 2.18	(7,427,481)	(618,577)	(583,928)
11	Deferred Income Tax Dr.	Page 2.20	47,434,163	3,950,425	3,729,141
12	Deferred Income Tax Cr.	Page 2.20	(81,366,133)	(6,776,356)	(6,396,778)
13	TOTAL REVISION TO EXPENSES		15,861,418	1,320,975	379,579
14	Net Deferred Income Tax		(2,825,932)	(2,667,636)	(73,995)
15					158,295
16	TAXES				
17	SchMAT Adds Perm	Page 2.21	(824,986)	(68,707)	(64,858)
18	SchMAT Adds Temp	Page 2.21	94,137,094	7,839,951	7,400,795
19	SchMDP Deducts Perm	Page 2.21	18,871,508	1,571,662	1,483,625
20	SchMDP Deducts Temp	Page 2.21	13,992,306	1,165,311	1,100,036
21	Sch. M adds		93,312,108	7,771,244	7,335,937
22	sch M deducts		32,863,814	2,736,973	2,583,661
23					(153,312)
24					

Per Books Revenues, Expenses, and Rate Base Allocated on SO Factor
For the period ending September 2004

	Ex. PMW-3 Tab 2	System	WA on PacifiCorp SO Factor	WA on Staff Proposed 3-factor	Per Books Revised Allocation Adj. 8.16
1			8.3282%	7.8617%	
25	RATE BASE				
26	General Plant	Page 2.30	23,926,810	22,586,545	(1,340,265)
27	Intangible Plant	Page 2.31	29,895,535	28,220,931	(1,674,604)
28	Weatherization	Page 2.32	(7,112,381)	(559,155)	33,180
29	Materials & Supplies	Page 2.33	(5,921,070)	(465,498)	27,622
30	Prepayments	Page 2.33	1,303,782	1,230,751	(73,032)
31	Misc. Regulatory Assets	Page 2.33	482,508	455,480	(27,028)
32	Misc. Deferred Debits	Page 2.33	39,599	37,381	(2,218)
33	Other Working Capital	Page 2.33	1,026,337	968,847	(57,490)
34	Other Working Capital	Page 2.33	(570,759)	(538,788)	31,971
35	Total Revision to Gross Plant				(3,081,864)
36					
37	Rate Base Deductions	Page 2.35	(5,780,678)	(5,456,873)	323,806
38	Accum DFIT	Page 2.35	(856,845)	(808,849)	47,996
39	Accum DFIT	Page 2.35	(2,684,218)	(2,533,861)	150,357
40	General Plant Accum. Depr.	Page 2.38	(7,414,183)	(6,998,876)	415,307
41	Intangible Plant Accum. Depr.	Page 2.39	(16,582,205)	(15,653,350)	928,855
42	Total Revision to Accum. Depr.				1,866,321
43					
44	REVISION TO NET RATE BASE				
					<u><u>(1,215,543)</u></u>

Effect of Revising SO Factor to 3-factor on Company Proposed Adjustments

SO Factor 8.3282%
 Staff proposed 3-factor 7.8617%

Adjustment	Capital Stock Adj. #	Blue Sky	Misc. General	Regulatory Asset	California Sale Termination	Wages	Wages	International Assignees	Scottish Power Cross Charge	Property Insurance	Update Sch. M	Environmental Settlement (PERCO)
	4.1	4.2	4.3	4.4	4.5	4.7, 4.8	4.9, 4.10	4.11	4.13	4.17	7.8	8.5
1 Expenses												
2 System	2,054,697	(635,555)	(296,598)	17,806,365	350,000	7,811,581	4,861,009	(3,224,083)	8,240,526	(1,841,018)	-	-
3 WA on SO	171,120	(52,930)	(24,701)	1,482,955	29,149	650,566	404,836	(268,509)	686,290	(153,324)	-	-
4 WA on 3-factor	161,535	(49,966)	(23,318)	1,399,887	27,516	614,125	382,159	(253,468)	647,847	(144,736)	-	-
5 effect on expense	(9,585)	2,965	1,384	(83,068)	(1,633)	(36,442)	(22,677)	15,041	(38,443)	8,588	-	-
6												
7												
8 Rate Base Additions												
9 System												
10 WA on SO	-	-	-	-	-	-	-	-	-	-	-	-
11 WA on 3-factor	-	-	-	-	-	-	-	-	-	-	-	-
12 effect on rate base addition	-	-	-	-	-	-	-	-	-	-	-	-
13												
14 Rate Base deductions												
15 System												
16 WA on SO	-	-	-	-	-	-	-	-	-	-	-	(18,967,611)
17 WA on 3-factor	-	-	-	-	-	-	-	-	-	-	-	(1,579,666)
18 effect on rate base deduction	-	-	-	-	-	-	-	-	-	-	-	(1,491,180)
19												88,485
20 Federal Income Taxes												
21 System												
22 WA on SO	-	-	-	-	-	-	-	-	(1,702,000)	-	(21,196,965)	-
23 WA on 3-factor	-	-	-	-	-	-	-	-	(141,746)	-	(1,765,331)	-
24 effect on Sch M adds	-	-	-	-	-	-	-	-	(133,806)	-	(1,666,446)	-
25									7,940	-	98,885	-
26 System												
27 WA on SO	-	-	-	-	-	-	-	-	-	-	103,654,146	-
28 WA on 3-factor	-	-	-	-	-	-	-	-	-	-	8,632,553	-
29 effect on Sch M deducts	-	-	-	-	-	-	-	-	-	-	8,148,999	-
											(483,554)	-

Adjustment	Uncontested Adjustments in Italics to Company	Adj. # Adjustments	Total Revision	Adjustment	Revision to Uncontested Adjustments Only
					8.17
1	Expenses				
2	System	35,126,924			
3	WA on SO	2,925,450			
4	WA on 3-factor	2,761,580			
5	effect on expense	(163,870)			(115,842)
6					
7					
8	Rate Base Additions				
9	System	-			
10	WA on SO	-			
11	WA on 3-factor	-			
12	effect on rate base addition	-			-
13					
14	Rate Base deductions				
15	System	(18,967,611)			
16	WA on SO	(1,579,666)			
17	WA on 3-factor	(1,491,180)			
18	effect on rate base deduction	88,485			88,485
19					
20	Federal Income Taxes				
21	System	(22,898,965)			
22	WA on SO	(1,907,078)			
23	WA on 3-factor	(1,800,253)			
24	effect on Sch M adds	106,825			98,885
25					
26	System	103,654,146			
27	WA on SO	8,632,553			
28	WA on 3-factor	8,148,999			
29	effect on Sch M deducts	(483,554)			(483,554)

Effect of Revising SO Factor to 3-factor on Staff Proposed Adjustments

Adj. #	Adjustment	4.1 Capital Stock Expense Amort	4.10a Wage / Benefit Adj.	4.13 Scottish Power Cross Charge	4.18 Miscellaneous A & G	4.19 RTO Expense Removed	8.1a reverse working capital	8.13 Remove Deferred Environmental Remediation	8.14 Remove Transition Regulatory Asset	Adj. 8.18 Total Effect of Allocator change
1	Expenses									
2	System	-	(13,788,239)	4,267,306	5,138,805	(904,511)	-	508,429	-	(4,778,210)
3	WA on SO	-	(1,148,316)	355,391	427,971	(75,330)	-	42,343	-	(397,940)
4	WA on 3-factor	-	(1,083,993)	335,484	403,998	(71,110)	-	39,971	-	(375,649)
5	effect on expense	-	64,323	(19,907)	(23,973)	4,220	-	(2,372)	-	22,291
6										
7										
8	Rate Base Additions									
9	System	-		-			(15,204,191)	5,794,928	-	(9,409,263)
10	WA on SO	-		-			(1,266,240)	482,615	-	(783,625)
11	WA on 3-factor	-		-			(1,195,311)	455,581	-	(739,730)
12	effect on rate base addition	-		-			70,929	(27,034)	-	43,895
13										
14	Rate Base Deductions									
15	System	-		-					(1,689,992)	(1,689,992)
16	WA on SO	-		-					(140,746)	(140,746)
17	WA on 3-factor	-		-					(132,862)	(132,862)
18	effect on rate base deduction	-		-					7,884	7,884
19										
20	Federal Income Taxes									
21	System	-		(1,702,000)						(1,702,000)
22	WA on SO	-		(141,746)						(141,746)
23	WA on 3-factor	-		(133,806)						(133,806)
24	effect on Sch M adds	-		7,940						7,940
25										
26	System	-		-					(8,520,832)	(8,520,832)
27	WA on SO	-		-					(709,634)	(709,634)
28	WA on 3-factor	-		-					(669,884)	(669,884)
29	effect on Sch M deducts	-		-					39,750	39,750