

Exh. SLC-3
Docket UE-230172
Witness: Sherona L. Cheung

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFICORP dba
PACIFIC POWER & LIGHT COMPANY

Respondent.

Docket UE-230172

PACIFICORP

EXHIBIT OF SHERONA L. CHEUNG

Summary of the Washington Results of Operations for Rate Year 2

March 2023 (REFILED April 19, 2023)

Revenue Requirement Adjustment Summary

The table below presents the Company's pro forma ratemaking adjustments for Rate Year 2 and their impact on net operating income (NOI), rate base, and the Washington revenue requirement.

Line No.	A Adj. No.	B	C	D	E	F
			NOI	Rate Base	Rev. Req.	Reference
Rate Year 1 Washington Allocated Data (Per Books)			83,632,236	1,100,424,347	-	(SLC-5) Page 1
1	13.1	Wheeling Revenues - Year 2	1,818,118	-	(2,418,289)	(SLC-5), Page 4
2	13.2	General Wage Increase (Pro Forma) - Year 2	(478,248)	-	636,120	(SLC-5), Page 4
3	13.3	Pryor Mountain REC Revenues - Year 2	(158,501)	-	210,823	(SLC-5), Page 4
4		Tab 13 - Revenue & Expenses RY2 - Subtotal	1,181,369	-	(1,571,346)	
5						
6	14.1	Pro Forma Major Plant Additions - Year 2	(123,696)	112,345,974	11,521,362	(SLC-5), Page 4
7	14.2	Pro Forma Depreciation & Amortization Expense - Year 2	(2,989,857)	-	3,976,826	(SLC-5), Page 4
8	14.3	Pro Forma Depreciation & Amortization Reserve - Year 2	-	(47,426,374)	(4,794,239)	(SLC-5), Page 5
9	14.4	Decommissioning and Other Plant Closure Costs - Year 2	-	(4,474,786)	(452,347)	(SLC-5), Page 5
10	14.5	Jim Bridger Mine Rate Base - Year 2	-	(883,608)	(89,322)	(SLC-5), Page 5
11	14.6	Existing Coal-Fired Generation Assets - Year 2	-	(2,226,609)	(225,084)	(SLC-5), Page 5
12	14.7	Pro Forma JB Units 3, 4 and Colstrip 4 Additions - Year 2	(12,092)	650,369	81,828	(SLC-5), Page 5
13	14.8	Pro Forma JB Units 1 & 2 Additions - Year 2	(19,059)	1,683,546	195,537	(SLC-5), Page 5
14	14.9	Confidential Wind Generation Capital Additions - Year 2	(2,196,411)	55,614,054	8,543,374	(SLC-5), Page 6
15	14.10	Major Transmission Capital Additions - Year 2	(2,212,095)	161,088,064	19,226,395	(SLC-5), Page 6
15		Tab 14 - Capital Additions & Depreciation RY2 - Subtotal	(7,553,211)	276,370,630	37,984,330	
16						
17	15.1	Interest True-Up - Year 2	1,254,531	-	(1,668,659)	(SLC-5), Page 6
18	15.2	Property Taxes - Year 2	(1,487,354)	-	1,978,338	(SLC-5), Page 6
19	15.3	Removal of TCJA Balances Adjustment - Year 2	-	2,003,148	202,494	(SLC-5), Page 6
20	15.4	PowerTax ADIT Balance Adjustment - Year 2	(897,340)	(24,209,006)	(1,253,684)	(SLC-5), Page 6
21	15.5	Permanent Schedule M Adjustment - Year 2	-	-	-	(SLC-5), Page 6
22	15.6	Remove Deferred State Tax Expense & Balance - Year 2	517,664	3,265,398	(358,455)	(SLC-5), Page 7
23		Tab 15 - Interest & Taxes RY2 - Subtotal	(612,499)	(18,940,461)	(1,099,966)	
24						
25	16.1	Regulatory Assets & Liabilities Amortization - Year 2	5,509,265	(311,492)	(7,359,393)	(SLC-5), Page 7
26	16.2	Klamath Hydroelectric Assets Amortization - Year 2	-	(57,463)	(5,809)	(SLC-5), Page 7
27		Tab 16 - Other Adjustments RY2 - Subtotal	5,509,265	(368,955)	(7,365,201)	
28						
29		Subtotal Normalizing Adjustments	(1,475,076)	257,061,214	27,947,817	
30						
31		Total Adjusted Results	82,157,160	1,357,485,561	27,947,817	(SLC-5) Page 1

Notes:

- (1) The revenue requirement column is calculated using the Company's proposed return on rate base of 7.60% and the NOI conversion factor of 75.182%.
The development of these percentages can be found in Exhibit No. SLC-4 on pages 2.1 and 1.3 respectively.

**PacifiCorp
Summary
Washington 2023 General Rate Case
12 Months Ended June 2022**

	Exhibit No. SLC-5					Total Tabs 13-16	Washington Allocated Year 2 Provisional Results
	Tab 13	Tab 14	Tab 15	Tab 16	Washington Allocated Year 1 Adjusted Results with Price Change		
	Revenue & Expense Adjustments - Year 2	Capital Additions / Depr. & Amort. - Year 2	Tax Adjustments - Year 2	Other Adjustments - Year 2	Provisional Adjustments		
1 Operating Revenues:							
2 General Business Revenues	431,787,535	-	-	-	-	431,787,535	
3 Interdepartmental	-	-	-	-	-	-	
4 Special Sales	20,434,313	-	-	-	-	20,434,313	
5 Other Operating Revenues	20,654,359	2,100,781	-	-	2,100,781	22,755,140	
6 Total Operating Revenues	472,876,207	2,100,781	-	-	2,100,781	474,976,988	
7							
8 Operating Expenses:							
9 Steam Production	58,831,521	103,292	-	-	103,292	58,934,813	
10 Nuclear Production	-	-	-	-	-	-	
11 Hydro Production	3,444,614	36,953	-	-	36,953	3,481,567	
12 Other Power Supply	176,104,438	61,589	395,580	-	457,169	176,561,607	
13 Transmission	19,982,106	59,701	-	-	59,701	20,041,807	
14 Distribution	18,590,890	240,363	-	-	240,363	18,831,253	
15 Customer Accounting	6,903,379	50,978	-	-	50,978	6,954,357	
16 Customer Service & Info	709,693	7,676	-	-	7,676	717,369	
17 Sales	-	-	-	-	-	-	
18 Administrative & General	15,197,082	44,824	-	-	44,824	15,241,906	
19 Total O&M Expenses	299,763,723	605,377	395,580	-	1,000,956	300,764,680	
20 Depreciation	55,619,536	-	7,769,788	-	7,769,788	63,389,323	
21 Amortization	15,472,659	-	1,230,831	(7,011,258)	(5,780,427)	9,692,232	
22 Taxes Other Than Income	30,041,859	-	-	1,882,727	1,882,727	31,924,586	
23 Income Taxes - Federal	(8,843,792)	314,035	(2,735,618)	(3,081,811)	(4,204,509)	(13,048,301)	
24 Income Taxes - State	-	-	-	-	-	-	
25 Income Taxes - Def Net	(2,711,755)	-	892,631	1,811,582	203,108	195,567	
26 Investment Tax Credit Adj.	-	-	-	-	-	-	
27 Misc Revenue & Expense	(98,259)	-	-	-	-	(98,259)	
28 Total Operating Expenses:	389,243,972	919,412	7,553,211	612,499	(5,509,265)	392,819,828	
29							
30 Operating Rev For Return:	83,632,236	1,181,369	(7,553,211)	(612,499)	5,509,265	82,157,160	
31							
32 Rate Base:							
33 Electric Plant In Service	2,408,541,689	-	335,866,633	-	335,866,633	2,744,408,321	
34 Plant Held for Future Use	467,185	-	-	-	-	467,185	
35 Misc Deferred Debits	392,247	-	-	(489,243)	(489,243)	(96,997)	
36 Elec Plant Acq Adj	115,844	-	-	-	-	115,844	
37 Nuclear Fuel	-	-	-	-	-	-	
38 Prepayments	0	-	-	-	-	0	
39 Fuel Stock	0	-	-	-	-	0	
40 Material & Supplies	0	-	-	-	-	0	
41 Working Capital	29,873,668	-	-	-	-	29,873,668	
42 Weatherization	3,312	-	-	-	-	3,312	
43 Misc Rate Base	-	-	-	-	-	-	
44 Total Electric Plant:	2,439,393,945	-	335,866,633	(489,243)	335,377,389	2,774,771,334	
45							
46 Rate Base Deductions:							
47 Accum Prov For Deprec	(1,005,501,106)	-	(51,320,415)	-	(51,320,415)	(1,056,821,521)	
48 Accum Prov For Amort	(64,932,897)	-	(4,541,117)	-	(4,541,117)	(69,474,014)	
49 Accum Def Income Tax	(164,955,908)	-	2,299,204	(21,538,852)	120,288	(184,075,268)	
50 Unamortized ITC	(14,943)	-	-	-	-	(14,943)	
51 Customer Adv For Const	(7,825,157)	-	-	-	-	(7,825,157)	
52 Customer Service Deposits	(408,391)	-	-	-	-	(408,391)	
53 Misc Rate Base Deductions	(95,331,195)	-	(5,933,675)	2,598,391	(3,335,284)	(98,666,479)	
54							
55 Total Rate Base Deductions	(1,338,969,598)	-	(59,496,003)	(18,940,461)	120,288	(1,417,285,773)	
56							
57 Total Rate Base:	1,100,424,347	-	276,370,630	(18,940,461)	(368,955)	1,357,485,561	
58							
59 Return on Equity	10.30%	0.20%	-4.06%	0.14%	0.97%	7.27%	
60 Price Change	26,763,219	(1,571,346)	37,984,330	(1,099,966)	(7,365,201)	27,947,817	
61							
62 TAX CALCULATION:							
63 Operating Revenue	72,076,690	1,495,404	(9,396,198)	(1,882,727)	7,011,258	69,304,427	
64 Other Deductions	-	-	-	-	-	-	
65 Interest (AFUDC)	(3,636,275)	-	-	-	-	(3,636,275)	
66 Interest	25,573,246	-	-	5,973,959	-	31,547,204	
67 Schedule "M" Additions	102,431,859	-	289,966	10,157,136	-	112,878,961	
68 Schedule "M" Deductions	113,644,046	-	3,920,520	16,975,739	826,093	135,366,398	
69 Income Before Tax	38,927,532	1,495,404	(13,026,753)	(14,675,288)	6,185,165	18,906,060	
70							
71 State Income Taxes	-	-	-	-	-	-	
72 Taxable Income	38,927,532	1,495,404	(13,026,753)	(14,675,288)	6,185,165	18,906,060	
73							
74 Federal Income Taxes + Other	(8,843,792)	314,035	(2,735,618)	(3,081,811)	1,298,885	(13,048,301)	