UE-100749/PacifiCorp August 29, 2011 Public Counsel Data Request 199

Public Counsel Data Request 199

Re: Phase II Direct Testimony of Andrea L. Kelly.

Please refer to Ms. Kelly's statement on pp. 5:23-6:2, which is as follows: "The risk of a large one-time adjustment to earnings related to prior periods creates a significant disincentive for taking initiatives to manage costs and revenues as an integrated business."

- (a) Please explain why returning 2010 REC revenues to customers will disincentivize PacifiCorp from taking initiatives to manage its costs and revenues.
- (b) Please give examples of what cost and revenue management initiatives PacifiCorp may not take if it is required to credit customers for 2010 REC revenues.

Response to Public Counsel Data Request 199

- (a) Please refer to the testimony that precedes this statement beginning on page 5, line 12.
- (b) PacifiCorp is not asserting that it may not undertake initiatives to manage costs and revenues.

PREPARER: Andrea Kelly

SPONSOR: Andrea Kelly