

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND	)	DOCKET UE-140762
TRANSPORTATION COMMISSION,	)	<i>(consolidated)</i>
	)	
Complainant,	)	<b>PACIFIC POWER'S MOTION FOR</b>
	)	<b>CLARIFICATION OF ORDER 09</b>
v.	)	
	)	
PACIFIC POWER & LIGHT	)	
COMPANY, a Division of PacifiCorp,	)	
	)	
Respondent.	)	
.....	)	
In the Matter of the Petition of	)	DOCKET UE-140617
	)	<i>(consolidated)</i>
	)	
PACIFIC POWER & LIGHT	)	
COMPANY,	)	
	)	
Petition for an Order Approving	)	
Deferral of the Washington-Allocated	)	
Revenue Requirement Associated with	)	
The Merwin Fish Collector.	)	
.....	)	
In the Matter of the Petition of	)	DOCKET UE-131384
	)	<i>(consolidated)</i>
	)	
PACIFIC POWER & LIGHT	)	
COMPANY,	)	
	)	
Petition for an Order Approving	)	
Deferral of Costs Related to Colstrip	)	
Outage.	)	
.....	)	
In the Matter of the Petition of	)	DOCKET UE-140094
	)	<i>(consolidated)</i>
	)	
PACIFIC POWER & LIGHT	)	
COMPANY,	)	
	)	
Petition for an Order Approving	)	
Deferral of Costs Related to Declining	)	
Hydro Generation.	)	

## I. INTRODUCTION

1 Under WAC 480-07-835, WAC 480-07-850, and RCW 34.05.470, Pacific Power & Light Company (Pacific Power or the Company), a division of PacifiCorp, respectfully moves the Washington Utilities and Transportation Commission (Commission) for clarification of Order 09, entered on May 26, 2015, in Phase II of these consolidated dockets. Pacific Power has conferred with the other parties to the stipulation approved in Order 09—Staff of the Washington Utilities and Transportation Commission (Staff), the Public Counsel Unit of the Attorney General’s Office (Public Counsel), and Boise While Paper, L.L.C. (Boise) (collectively Parties)—and the Parties support this motion.

## II. REQUEST FOR CLARIFICATION

2 In Order 08 in these consolidated dockets, the Commission directed parties to develop and implement a full Power Cost Adjustment Mechanism (PCAM) for Pacific Power in Phase II proceedings. In Order 09, the Commission approved the Parties’ stipulation resolving all issues in Phase II.

3 Under Part II, Section B of Order 09, “Operation of the PCAM Deferral Account,” paragraphs 30, 31 and 32 describe the details of the Parties’ settlement on sharing bands and the accrual of net power cost (NPC) variances to the PCAM deferral account. Each paragraph concludes with a sentence providing a narrative summary of the operation of the PCAM, beginning with the words “That is”. This motion seeks clarification of Order 09 by deleting the concluding sentences in paragraphs 30, 31 and 32, and replacing them with a table that demonstrates operation of the PCAM through numerical examples.

4 The illustrative table set forth below shows how the PCAM will work in three different scenarios: (1) with a positive annual NPC variance (*i.e.*, NPC greater than amounts reflected in

rates) of more than \$4 million, up to and including \$10 million, as addressed in paragraph 30; (2) with a negative annual NPC variance (*i.e.*, NPC less than amounts reflected in rates) of more than \$4 million, up to and including \$10 million, as addressed in paragraph 31; and (3) with positive and negative NPC variances over \$10 million, as addressed in paragraph 32.

**Examples of Operation of PCAM Deferral Account**

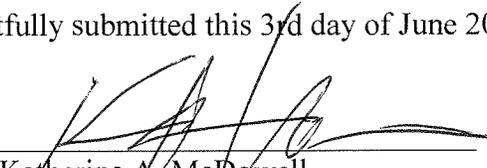
	<b>Positive annual NPC Variances (see ¶ 30)</b>	<b>Negative annual NPC Variances (see ¶ 31)</b>	<b>Positive annual NPC Variances (see ¶ 32)</b>	<b>Negative annual NPC Variances (see ¶ 32)</b>
<b>Annual net sum of NPC variances</b>	\$10	(\$10)	\$20	(\$20)
<b>\$4 million dead band</b>	(\$4)	\$4	(\$4)	\$4
<b>Amount subject to sharing bands</b>	\$6	(\$6)	\$16	(\$16)
<b>Band One</b>	(3)	1.5	(3)	1.5
<b>Band Two</b>	n/a	n/a	(1)	1
<b>Result: Company to record in PCAM deferral account</b>	\$3	(\$4.5)	\$12	(\$13.5)
<b>Customer effect</b>	Potential for surcharge	Potential for rebate	Potential for surcharge	Potential for rebate
<p><b><u>Sharing bands:</u></b></p> <p><b>Band One for variances greater than \$4 million and up to and including \$10 million</b></p> <ul style="list-style-type: none"> <li>• Positive: 50 percent customers, 50 percent Company</li> <li>• Negative: 75 percent customers, 25 percent Company</li> </ul> <p><b>Band Two for variances greater than \$10 million</b></p> <ul style="list-style-type: none"> <li>• Positive or negative: 90 percent customers, 10 percent Company</li> </ul>				

### III. CONCLUSION

5 In Order 09, the Commission approved the Parties' Phase II stipulation. This motion for clarification is designed to ensure that the PCAM operates consistently with the Parties' stipulation and to minimize controversy in the future over the operation of Pacific Power's PCAM deferral account. Pacific Power respectfully requests that the Commission grant the clarification requested.

Respectfully submitted this 3<sup>rd</sup> day of June 2015.

By:

  
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