

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
DOCKET NO. UE-050684

ICNU'S RESPONSE TO BENCH REQUEST NO. 12

Bench Request No. 12:

Please provide work papers similar to Exhibit No. ___ (PMW-8), Page 2.2 and Exhibit No. ___ (PMW-7) showing each of the adjustments you sponsor or do not contest for purposes of calculating the revenue requirement for your case.

Response to Bench Request No. 12:

As requested, ICNU is providing workpapers similar to Exhibit No. ___ (PMW-8), page 2.2 and Exhibit No. ___ (PMW-7) showing each of the adjustments that ICNU sponsors or does not contest. ICNU is also providing workpapers similar to Exhibit No. ___ (PMW-8), pages 1.1, 1.2, 1.3, and 2.1, because this information was relied upon to create this bench response, and the information addresses ICNU's position regarding PacifiCorp's return on equity and rate of return.

ICNU is proposing adjustments related to interstate cost allocation, the production factor, the WAPA transmission contract, rate of return, health care, pension and benefits, incentive and bonus expense, RTO expense, and a consolidated tax adjustment.

ICNU is no longer proposing its adjustment related to ScottishPower cross charges. ICNU accepts the proposed adjustment related to ScottishPower cross charges agreed to by PacifiCorp in Paul Wrigley's rebuttal testimony.

ICNU and PacifiCorp have entered into a net power cost stipulation that includes an adjustment to PacifiCorp's filed net power costs. The actual revenue requirement impact of the net power cost stipulation will differ based on whether the Commission adopts PacifiCorp's proposed production factor. The attached files include the net power cost adjustment that ICNU and PacifiCorp have agreed to based on the assumption that the Commission rejects PacifiCorp's production factor. As explained in the ICNU and PacifiCorp net power cost stipulation, if the Commission accepts PacifiCorp's production factor, then the net power cost adjustment will be reduced.

ICNU is not yet proposing an overall revenue requirement and the attached files cannot be utilized to obtain ICNU's proposed overall revenue requirement in this proceeding. ICNU is reviewing the testimony filed by other parties in this proceeding, including the adjustments proposed by Staff and Public Counsel, and ICNU

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Respondent: Randall Falkenberg, Michael Gorman, James Selecky, Irion Sanger
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may adopt adjustments that have been sponsored by other parties. ICNU intends to propose an overall revenue requirement for PacifiCorp in its Initial Brief.

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