

Case UM –
PPL Exhibit 204
Witness: Mark T. Widmer

BEFORE THE PUBLIC UTILITY COMMISSION
OF THE STATE OF OREGON

PACIFICORP

Exhibit Accompanying Direct Testimony of Mark T. Widmer

PCAM Scenarios

April 2005

**PacifiCorp
PCAM Scenarios
No Deadband, 70% Customer / 30% Shareholder Sharing up \$100 Million NPC Change, then 90% Customer / 10% Shareholder Sharing after Oregon's Allocated Share**

	Scenarios	FY2004 Actuals
Total Company Net Power Costs (\$)		
1	Actual Net Power Costs	745,626,531
2	Baseline Net Power Costs (NPC in Current Rates)	<u>598,000,000</u>
3	Total NPC Variance (line 1 - line 2)	147,626,532
PCAM GRID Studies		
4	Test Period Normalized Net Power Costs - Market Price Change	581,192,825
5	Test Period Normalized Net Power Costs - Actual Owned Hydro	623,692,264
6	Test Period Normalized Net Power Costs - Actual Mid-C	582,140,329
Actual Hydro Generation (MWh)		
7	Company owned - West	3,230,154
8	Company owned - East	191,823
9	Mid Columbia	1,816,929
Normalized Hydro Generation in Rates (MWh)		
10	Company owned - West	4,329,416
11	Company owned - East	515,788
12	Mid Columbia	1,921,759
Hydro Generation Difference (Actual less Normalized MWh)		
13	Company Owned - West (line 7 - line 10)	(1,099,262)
14	Company Owned - East (line 8 - line 11)	(323,965)
15	Mid Columbia (line 9 - line 12)	(104,830)
Total Additional NPC Cost / (Benefit) (\$)		
16	Company Owned Hydro - West ((line 5 - line 4) X (line 13 / (line 13 + line 14))	32,825,420
17	Company Owned Hydro - East ((line 5 - line 4) X ((line 14 / (line 13 + line 14))	9,674,019
18	Mid Columbia (line 6 - line 4)	947,505
19	Existing QF	4,606,100
20	New QF	0
21	All Other (line 3 - sum(line16:line20))	<u>99,573,488</u>
22	Total	147,626,532

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Dead Band			
23	Net Power Costs Variance Upper Dead Band	\$	598,000,000
24	Net Power Costs Variance Lower Dead Band	\$	598,000,000
25	Net Power Costs Variance in excess of Dead Band		147,626,532
26	Excess NPC Variance % of Total NPC Variance (line 24 / line 3)		100%
27	Tier 1		100,000,000
28	Tier 2		47,626,532
Customer / Company Sharing Ratio			
29	Tier 1 Up to \$100 Million	NPC Variance > 0	< 0
30	Customer Sharing %	(\$100,000,000)	\$100,000,000
31	Company Sharing %	70%	70%
Tier 2 In Excess of \$100 Million			
32	Customer Sharing %	90%	90%
33	Company Sharing %	10%	10%
34	Customer Recovery Tier 1		70,000,000
35	Customer Recovery Tier 2		42,863,879
36	Customer % of Total Net Power Costs Variance		76%
37	Shareholder % of Total Net Power Costs Variance		24%
Customer Share Additional NPC Cost / (Benefit) (\$)			
38	Company Owned Hydro - West (line 16 X line 36)		25,095,789
39	Company Owned Hydro - East (line 17 X line 36)		7,396,010
40	Mid Columbia (line 18 X line 36)		724,389
41	Existing QF (line 19 X 100%)		4,606,100
42	New QF (line 20 X 100%)		0
43	All Other (line 21 X line 36)		<u>76,126,221</u>
44	Total Customer Share		113,948,509
Company Share Additional NPC Cost / (Benefit) (\$)			
45	Total Company Share (line 3 - line 44)		33,678,023
Oregon Allocated Share (\$)			
		MSP	FY2004
		Factor	%
46	Company Owned Hydro - West	DGP	57.7814%
47	Company Owned Hydro - East	SG	28.6356%
48	Mid Columbia	MC	69.7298%
49	Existing QF	Situs	2,744,415
50	New QF	SG	0
51	All Other	SG	<u>21,799,200</u>
52	Total Oregon PCAM Adjustment		41,667,320
53	Oregon % of Total PCAM Adjustment		37%