

Attachment Public Counsel Response to WUTC_Bench 23	<u>PacifiCorp</u>	<u>Avista</u>	<u>Puget Sound Energy</u>
Recovery Mechanism	Power Cost Adjustment Mechanism (PCAM)	Energy Recovery Mechanism (ERM)	Power Cost Adjustment (PCA)
Deadband / Amount +/- from Baseline	No deadband	Yes - +/- \$9M	Yes - +/- \$20M
Total Company Impact	<i>Sharing bands sized to company, therefore a comparison of nominal values without comparing rate base and revenue is not relevant.</i>		
Subsequent Cost Sharing Rate (% customers / % utility)	90% / 10%	90% / 10%	50% / 50% next \$20M 90% / 10% next \$80M 95% / 5% if > \$120M
Cap for Utility?	n/a	n/a	4 year \$40M cap + 1% of excess above \$40M cap through 6/30/06
Deferrals Surcharge/Rebate Trigger	+/- \$5M in balancing account	When deferrals = 10% of base retail revenue (~\$27.8M)	+/- \$30M in balancing account (PSE not restricted from filing earlier for surcharge but mandated to file refund at \$30M)
Carrying Charge on Deferred Balance	Yes	Yes	Yes
Amortization Period	1 year	1 year	1 year
Resetting Baseline Rates	General Rate Case	General Rate Case	General Rate Case and all filings that impact general rates including PCORC
Include all Net Power Cost Components?*	<i>All net power costs but does not include brokerage fees on sales and purchases</i>	Excludes wheeling revenue sales and wheeling expense. It also does not include brokerage fees	Excludes LTF contracts greater than 2 years (if above embedded costs). Excludes cost increases on large existing contracts. Also includes brokerage fees on sales and purchases.
Other Mechanisms			PCORC - Allows changes in general rates for all power supply items, fixed and variable, therefore resetting PCA baseline.
QF Recovery	100% recovery for QF costs	<i>QF costs are included in Power costs</i>	<i>QF's are included subject to limitations on all new contracts.</i>
Other Adjustments: Fixed Cost Treatment	<i>Retail load adjustment but no transmission plant included.</i>	<i>Retail load adjustment, similar components to PacifiCorp PCAM, like PacifiCorp no transmission plant included.</i>	<i>Fixed cost is treated in a similar fashion to retail revenue credit, however fixed costs include major fixed transmission rate base and expense. (removed company content.)</i>
Other Adjustments Plant Outages	no adjustments proposed	no adjustments	Colstrip availability
Accrued Costs Subject to Prudence Review?	Yes	Yes	Yes
Relationship to Earnings	If rate of return > authorized, deferral costs not recoverable. If rate of return < authorized, deferral balances owed to customers not returned		

* Note fixed costs of owned generation not an element of net power costs and therefore not an exclusion. The fuel for new owned generation is included in all three mechanisms.

Shaded area indicate cells where Public Counsel differs with PacifiCorp's filing. Either items were added, removed, or split into two categories.