

APPENDIX A

PACIFIC POWER'S REBUTTAL REVENUE REQUIREMENT BASED ON JULY 1,  
2016 RATE EFFECTIVE DATE<sup>1</sup>

Year 1 Revenue Requirement Increase

<b>Calculated Revenue Requirement for Year 1</b>	<b>\$10,746,470</b>
<b>Amount Not Requested</b>	<b>(\$746,470)</b>
<b>Filed Revenue Requirement for Year 1</b>	<b>\$10,000,000</b>
Adjustments Accepted or Partially Accepted by Company in Rebuttal	Revenue Requirement Impact (\$)
4.1 Miscellaneous Expense & Revenue	\$101,677
4.9 Membership and Subscriptions <sup>2</sup>	(\$2,085)
4.11 Full Time Equivalent Reductions	(\$874,949)
5.2 Colstrip #3 Removal	(\$829,873)
5.3 EIM Costs Removal	(\$526,900)
6.5 Retired Asset Depreciation Expense Removal	(\$136,978)
7.2 Property Tax Expense <sup>3</sup>	\$226,458
7.4 PowerTax ADIT Balance	\$24,933
7.7 Remove Deferred State Tax Expense & Balance	(\$98,122)
8.4 Pro Forma Major Plant Additions	(\$653,709)
<b>Total Impact of Adjustments Accepted</b>	<b>(\$2,769,550)</b>
<b>Revised Revenue Requirement</b>	<b>\$7,976,920</b>
Adjustments Revised by the Company in Rebuttal	Revenue Requirement Impact (\$)
4.2 General Wage Increase	\$537,169
Accelerated Depreciation - Colstrip & Jim	
6.4 Bridger	\$273,897
7.3 Production Tax Credits	\$251,089
<b>Total Impact of Revisions</b>	<b>\$1,062,155</b>
<b>Rebuttal Revenue Requirement</b>	<b>\$9,039,075</b>

<sup>1</sup> See McCoy, Exh. No. SEM-6T 3 Table 1 and Table 2.

<sup>2</sup> The Company has partially accepted Staff's adjustment, but still disputes Staff's removal of costs associated with the Yakima County Development Association. See McCoy, Exh. No. SEM-6T 12:6-13:6.

<sup>3</sup> Through discovery, Staff indicated that they accepted the Company's rebuttal adjustment.

APPENDIX A

**TABLE 2—Year 2 Revenue Requirement Increase**

<b>Calculated Revenue Requirement for Year 2</b>	<b>\$10,550,094</b>
<b>Amount Not Requested</b>	<b>(\$230,094)</b>
<b>Filed Revenue Requirement for Year 2</b>	<b>\$10,320,000</b>
	Revenue Requirement
Adjustments Revised by the Company in Rebuttal	Impact (\$)
1 Jim Bridger Unit 4 Overhaul & SCR Installation	(\$829,625)
2 SCADA EMS Replacement & Upgrade	(\$53,066)
3 Union Gap Transmission Project	(\$111,346)
4 Production Tax Credits	\$615,295
5 Remove Deferred State Tax Expense & Balance	\$171,942
6 Interest True Up	\$105,192
7 Retired Asset Depreciation Expense Removal	(\$64,917)
<b><i>Total Impact of Revisions</i></b>	<b><i>(\$166,523)</i></b>
<b>Revised Revenue Requirement Before Exclusion</b>	<b>\$10,383,571</b>
<b><i>Amount not Requested</i></b>	<b><i>(\$63,571)</i></b>
<b>Rebuttal Revenue Requirement</b>	<b>\$10,320,000</b>