BEFORE THE WASHINGTON

**UTILITIES AND TRANSPORTATION COMMISSION**

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| WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,  Complainant,  v.  PACIFIC POWER & LIGHT COMPANY,  Respondent.  . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | ) ) ) ) ) ) ) ) ) )  )  )  ) | DOCKET UE-140762  ORDER 01  COMPLAINT AND ORDER SUSPENDING TARIFF REVISIONS |

**BACKGROUND**

1. On May 1, 2014, Pacific Power & Light Company (PacifiCorp or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-75, as listed in the appendix attached to this Order. The stated effective date is May 31, 2014. The purpose of the filing is to increase rates and charges for electric service provided to customers in the state of Washington. With this filing, the Company requests an electric rate increase of $27.2 million, or 8.5 percent. In addition, the Company seeks amortization over one year of $4.9 million, or 1.5 percent, related to deferrals for an outage at Unit 4 of the Colstrip generating plant, low hydro conditions, and depreciation.
2. The Commission finds that the filing would increase charges and rates for service provided by PacifiCorp. Because these increases might injuriously affect the rights and interests of the public and PacifiCorp has not demonstrated that the increases result in rates that are fair, just and reasonable, the Commission suspends the tariff filing and will hold public hearings as necessary to determine whether the proposed increases are fair, just and reasonable. The Commission, in addition, may consider such other and further matters as are raised concerning PacifiCorp’s tariffs and services in the state of Washington.
3. This proceeding meets the criteria in WAC 480-07-400(2)(b), and discovery will be conducted pursuant to the Commission’s discovery rules in WAC 480-07-400 – 425.
4. On May 1, 2014, PacifiCorp filed a motion for protective order stating that portions of its prefiled direct testimony and workpapers in support of the proposed tariff revisions include sensitive information regarding the Company’s fuel costs, embedded cost of long-term debt, and confidential inputs (such as contract terms, heat rate coefficients, and forward price curves) to its net power cost modeling. Public release or use of this information could harm PacifiCorp and its customers because the information is commercially sensitive. PacifiCorp requests that the Commission issue its standard protective order as promptly as possible.
5. According to RCW 80.04.095, WAC 480-07-420, and WAC 480-07-423, the Commission may issue protective orders protecting the confidentiality of information designated as proprietary. The Commission finds that the issuance of its standard protective order in this case will allow for the expeditious exchange of information to the parties to this proceeding. The motion for protective order is granted and Commission’s standard protective order will be entered in this proceeding.

**FINDINGS AND CONCLUSIONS**

1. (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, practices, accounts, securities, and transfers of public service companies, including electric companies. RCW 80.01.040, RCW 80.04, RCW 80.28, RCW 80.08 and RCW 80.12.
2. (2) PacifiCorp is an electric company and a public service company subject to the Commission jurisdiction.
3. (3) The tariff revisions PacifiCorp filed on May 1, 2014, would increase charges and rates for service provided by PacifiCorp, and might injuriously affect the rights and interests of the public.
4. (4) PacifiCorp has not yet demonstrated that the tariff revisions would result in rates that are fair, just, reasonable and sufficient.
5. (5) PacifiCorp’s rates and charges for electric services shown on any tariffs that PacifiCorp does not propose to revise may also be investigated to determine if they are fair, just, reasonable and sufficient.
6. (6) In order to carry out the duties imposed upon the Commission by law, and as authorized in RCW 80.04.130, the Commission believes it is necessary to investigate PacifiCorp’s books, accounts, practices and activities; to make a valuation or appraisal of PacifiCorp’s property; and to investigate and appraise various phases of PacifiCorp’s tariffs and operations.
7. (7) As required by RCW 80.04.130 (4), PacifiCorp bears the burden of proof to show that the proposed increases are fair, just, reasonable and sufficient.
8. (8) PacifiCorp may be required to pay the expenses reasonably attributable and allocable to such an investigation, consistent with RCW 80.20.

**O R D E R**

THE COMMISSION ORDERS:

1. (1) The tariff revisions Pacific Power & Light Company filed on May 1, 2014, are suspended.
2. (2) Discovery in this proceeding will be conducted pursuant to the Commission’s discovery rules in WAC 480-07-400 – 425.
3. (3) The Commission will hold hearings at such times and places as may be required.
4. (4) Pacific Power & Light Company must not change or alter the tariffs filed in this docket during the suspension period, unless authorized to do so in this docket by the Commission by order or by letter from the Executive Secretary of the Commission.
5. (5) The Commission will institute an investigation of Pacific Power & Light Company’s books, accounts, practices, activities, property, tariffs and operations, as described above.
6. (6) Pacific Power & Light Company shall pay the expenses reasonably attributable and allocable to the Commission’s investigation, consistent with RCW 80.20.

DATED at Olympia, Washington, and effective May 14, 2014.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

PHILIP B. JONES, Commissioner

JEFFREY D. GOLTZ, Commissioner

**Appendix**

**WN U-75:**

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| 5th Revised | Index 3 | Tariff Index |
| 3rd Revised | Sheet No. 15.1 | Schedule 15 - Outdoor Area Lighting Service – No New Service |
| 3rd Revised | Sheet No. 16.1 | Schedule 16 – Residential Service |
| 3rd Revised | Sheet No. 17.1 | Schedule 17 – Low Income Bill Assistance Program – Residential Service Optional for Qualifying Customers |
| 2nd Revised | Sheet No. 18.1 | Schedule 18 – Three Phase Residential Service Rider |
| 3rd Revised | Sheet No. 24.1 | Schedule 24 – Small General Service |
| 3rd Revised | Sheet No. 24.2 | Schedule 24 – Small General Service |
| 2nd Revised | Sheet No. 33.1 | Schedule 33 – Partial Requirements Service – Less than 1,000 kW |
| 3rd Revised | Sheet No. 36.1 | Schedule 36 – Large General Service – Less than 1,000 kW |
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| 3rd Revised | Sheet No. 40.1 | Schedule 40 – Agricultural Pumping Service |
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| 2nd Revised | Sheet No. 47T.1 | Schedule 47T – Large General Service – Partial Requirements Service Metered Time of Use 1,000 kW and Over |
| 3rd Revised | Sheet No. 48T.1 | Schedule 48T – Large General Service – Metered Time of Use 1,000 kW and Over |
| 1st Revised | Sheet No. 48T.2 | Schedule 48T – Large General Service – Metered Time of Use 1,000 kW and Over |
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| 3rd Revised | Sheet No. 51.1 | Schedule 51 – Street Lighting Service – Company – Owned System |
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| 1st Revised | Sheet No. 51.3 | Schedule 51 - Street Lighting Service – Company - Owned System |
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| 2nd Revised | Sheet No. 53.1 | Schedule 53 – Street Lighting Service – Customer–Owned System |
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| Cancelled  1st Revised | Sheet No. 57.3 | Schedule 57 - Mercury Vapor Street Lighting Service – No New Service |
| Original | Sheet No. 80.1 | Schedule 80 – Summary of Effective Rate Adjustments |
| Original | Sheet No. 92.1 | Schedule 92 – Deferral Adjustments |
| Original | Sheet No. 94.1 | Schedule 94 – Renewable Resource Tracker Mechanism Adjustment |
| 2nd Revised | Sheet No. 300.1 | Schedule 300 – Charges as Defined by the Rules and Regulations |
| 2nd Revised | Sheet No. 300.2 | Schedule 300 – Charges as Defined by the Rules and Regulations |
| 1st Revised | Sheet No. 300.3 | Schedule 300 - Charges as Defined by the Rules and Regulations |
| 1st Revised | Sheet No. R8.1 | Rule 8 – General Rules and Regulations - Metering |
| 1st Revised | Sheet No. R8.3 | Rule 8 – General Rules and Regulations - Metering |
| Original | Sheet No. R8.4 | Rule 8 - General Rules and Regulations - Metering |
| 1st Revised | Sheet No. R11D.5 | Rule 11D – General Rules and Regulations - Charges for Collection Activity |