

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

PACIFIC POWER & LIGHT
COMPANY,

Petition For a Rate Increase Based on a
Modified Commission Basis Report,
Two-Year Rate Plan, and Decoupling
Mechanism

DOCKET UE-152253

COMMISSION STAFF'S
RESPONSE TO
PACIFIC POWER'S
COMPLIANCE FILING

1 Pursuant to the Washington Utilities and Transportation Commission's Notice of Opportunity to Comment served September 14, 2016, Staff of the Commission submits the following response regarding the compliance filing of Pacific Power & Light Company ("Pacific Power" or "Company").

Debt Interest on SCR and Associated Tax Treatment

2 Staff has examined Pacific Power's compliance filing, and the calculations appear to be in order. That said, Staff recognizes that the compliance filing contains a revenue requirement that is slightly different from the revenue requirement in Order 13. From the information on the record, Staff is not able to reconcile the difference, but it may result from different treatment of the following three issues:

- Tax update
- Interest synchronization
- Jim Bridger overhaul projects

Assuming that the compliance filing accurately reflects the intent of the Commission's decision, Staff does not believe that the revenue requirement difference itself renders the filing noncompliant.

Idaho Power Asset Exchange Adjustment

3 Staff supports Pacific Power's treatment of the Idaho Power Asset Exchange adjustment as a restating adjustment in the Company's compliance filing.

Dated this 21st day of September 2016.

Respectfully submitted,

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