



Bob Ferguson

# ATTORNEY GENERAL OF WASHINGTON

Utilities and Transportation Division

1400 S Evergreen Park Drive SW • PO Box 40128 • Olympia WA 98504-0128 • (360) 664-1183

September 12, 2017

Steven V. King, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Dr. SW  
P. O. Box 47250  
Olympia, Washington 98504-7250

RE: *In the Matter of Pacific Power & Light Co., Petition for a Rate Increase Based on a Modified Commission Basis Report, Two-Year Rate Plan, and Decoupling Mechanism*  
Docket UE-152253  
Pacific Power's attestation regarding SCADA, Union Gap substation, and Jim Bridger generating plant

Dear Mr. King:

In Order 12, entered September 1, 2016, in the docket referenced above, the Commission ordered as follows:

Pacific Power must file an attestation and supporting documents for actual booked expenditures and rate base amounts of the SCADA EMS, the Union Gap substation upgrade project, and the SCR system on Bridger Unit 4 by July 1, 2017. Staff must review the final costs and provide its analysis to the Commission prior to the initiation of the Company's second year rates on September 15, 2017.

¶ 308.

Pacific Power & Light Company (Pacific Power) timely filed an attestation and supporting documents on June 28, 2017, regarding its Supervisory Control and Data Acquisition Energy Management System (SCADA EMS), the second sequence of its Union Gap Substation Upgrade, and the major maintenance overhaul at Unit 4 of the Jim Bridger generating plant, including the selective catalytic reduction system. Commission Staff (Staff) has reviewed the filing and accepts the attestation.

This process presented issues, however, which Staff would like to bring to the Commission's attention. In Order 15 in this docket, entered September 12, 2017, the Commission specified the amount of the increased revenues for the second year of the rate



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plan, effective September 15, 2017 (\$7,998,615). ¶ 42. Pacific Power's attestation filing reflects this specific amount of increased revenues. Additional documentation that Pacific Power provided indicates expenditures commensurate with the ordered revenue requirement for the specified projects. Because the Commission did not provide workpapers with its orders, however, Staff cannot verify that Pacific Power has calculated various elements of the revenue increase, such as production tax credits, as the Commission intended. Calculation of the production tax credits could, potentially, change the amount of the second year rate increase.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jennifer Cameron-Rulkowski".

JENNIFER CAMERON-RULKOWSKI  
Assistant Attorney General

JCR/emd

cc: Parties