



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION
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September 14, 2017

RE: *Washington Utilities and Transportation Commission v. Pacific Power & Light Company*,
Docket UE-152253

TO ALL PARTIES:

On September 1, 2016, the Washington Utilities and Transportation Commission (Commission) entered Order 12 in the above-referenced docket which, among other things, established a two year rate plan for Pacific Power & Light Company (Pacific Power or Company). As a basis for the revenue increase for the second year of that plan, the Order required Pacific Power to submit an attestation and supporting documents for actual booked expenditures and rate base amounts for the Company's Supervisory Control and Data Acquisition Energy Management System (SCADA EMS), the Union Gap substation upgrade project, and the Selective Catalytic Reduction (SCR) system on Unit 4 of the Jim Bridger generating plant by July 1, 2017. The Commission required Commission regulatory Staff (Staff) to review these final costs and provide its analysis to the Commission prior to the initiation of the Company's second year rates on September 15, 2017.

On September 30, 2016, the Commission entered Order 15 in the above-referenced docket. That Order, among other things, authorized and required Pacific Power to file tariff sheets that increase revenues by \$7,998,615, effective September 15, 2017, for the second year of the Company rate plan the Commission approved in Order 12.

On June 28, 2017, Pacific Power filed an attestation and supporting documents for the Company's actual booked expenditures and rate base amounts for the SCADA EMS, Union Gap substation upgrade project, and SCR system on Bridger Unit 4. On August 2, 2017, Pacific Power submitted revised tariff sheets to increase the Company's revenues by \$7,998,615.

On September 12, 2017, Staff submitted a letter informing the Commission that it had reviewed the Company's submissions and accepts the attestation. Staff, however, notes that although Pacific Power's submissions reflect the specific amount of increased revenues the Commission authorized, Staff could not verify that Pacific Power has calculated various elements of the revenue increase as the Commission intended.

On September 13, 2017, Boise White Paper, L.L.C. (Boise) submitted comments on Pacific

Power's compliance submissions. Boise understands that the Commission authorized the Company to file for a \$7,998,615 base rate increase effective September 15, 2017, subject to the requisite attestation, and Boise does not contend that Pacific Power's submissions fail to comply with this authorization. However, "Boise is concerned that the Attestation process does not allow for adequate review of known and measurable impacts to the Company's second year revenue requirement."¹ Boise claims that "without material improvements, the current Attestation process demonstrates that preemptive rate approvals force Staff and ratepayer advocates to effectively shoulder the burden of proof to disprove the reasonableness of rates, without the means to effectively do so."²

The Commission has reviewed Pacific Power's submissions and the parties' comments and finds that the Company's attestation and revised tariff pages comply with the applicable requirements in Orders 12 and 15. As the Commission provided in Order 15, the Commission authorizes the revised tariff sheets the Company submitted in this docket on August 2, 2017, to be effective on September 15, 2017.

STEVEN V. KING
Executive Director and Secretary

¹ Boise Comments at 1.

² *Id.* at 3.