

**Exhibit No. DJP-3
Docket UE-161204
Witness: David J. Panco**

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

**PACIFIC POWER & LIGHT
COMPANY,**

Respondents.

DOCKET UE-161204

**EXHIBIT TO
TESTIMONY OF**

David J. Panco

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Pacific Power's Cost of Service Results

April 21, 2017

Summary

PacifiCorp
Cost Of Service By Rate Schedule
State of Washington
12 Months Ending December 2013
WCA Method - (100 Summer, 100 Winter Hours) - 43%D / 57%E
5.41% = Earned Return on Rate Base

Highlight-Added

Line No.	Schedule No.	Description	Annual Revenue	Return on Rate Base	Rate of Return Index	Total Cost of Service	Generation Cost of Service	Transmission Cost of Service	Distribution Cost of Service	Retail Cost of Service	Misc Cost of Service	Increase (Decrease) to = ROR	Percentage Change from Current Revenues
A	B	C	D	E	F	G	H	I	J	K	L	M	
1	16	Residential	140,088,119	3.22%	0.59	148,770,675	90,417,148	21,818,121	28,207,303	5,811,723	2,516,381	8,682,557	6.20%
2	24	Small General Service	48,473,096	9.85%	1.82	43,364,247	28,266,211	6,812,815	6,671,406	778,998	834,817	(5,108,850)	-10.54%
3	36	Large General Service <1,000 kW	66,810,176	7.15%	1.32	63,918,188	45,059,511	10,888,589	6,708,795	8,192	1,253,102	(2,891,988)	-4.33%
4	48T	Large General Service >1,000 kW	26,035,610	6.18%	1.14	25,531,440	18,382,172	4,440,916	2,178,781	29,089	500,482	(504,171)	-1.94%
5	48T	Dedicated Facilities	24,940,664	3.60%	0.67	26,083,308	20,237,044	4,884,982	427,883	14,813	518,585	1,142,643	4.58%
6	40	Agricultural Pumping Service	12,656,289	9.01%	1.66	11,524,550	7,418,704	1,783,284	1,966,846	135,598	220,147	(1,141,709)	-9.01%
7	15,52,54,57	Street Lighting	1,648,057	9.82%	1.81	1,469,574	496,824	119,687	735,378	97,361	20,324	(178,482)	-10.83%
8		Total Washington Jurisdiction	320,662,012	5.41%	1.00	320,662,012	210,277,615	50,748,394	46,896,391	6,875,775	5,863,837	(0)	0.00%

Footnotes:

- Column C: Annual revenues based on January 2013 through December 2013 usage priced at current Washington Tariff.
- Column D: Calculated Return on Ratebase per January 2013 through December 2013 Embedded Cost of Service Study
- Column E: Rate of Return Index. Rate of return by rate schedule, divided by Washington Jurisdiction's normalized rate of return.
- Column F: Calculated Full Cost of Service at Jurisdictional Rate of Return per the January 2013 through December 2013 Embedded COS Study
- Column G: Calculated Generation Cost of Service at Jurisdictional Rate of Return per January 2013 through December 2013 Embedded COS Study.
- Column H: Calculated Transmission Cost of Service at Jurisdictional Rate of Return per January 2013 through December 2013 Embedded COS Study.
- Column I: Calculated Distribution Cost of Service at Jurisdictional Rate of Return per the January 2013 through December 2013 Embedded COS Study.
- Column J: Calculated Retail Cost of Service at Jurisdictional Rate of Return per the January 2013 through December 2013 Embedded COS Study.
- Column K: Calculated Miscellaneous Cost of Service at Jurisdictional Rate of Return per the January 2013 through December 2013 Embedded COS Study.
- Column L: Increase or Decrease Required to Move From Annual Revenue to Full Cost of Service dollars.
- Column M: Increase or Decrease Required to Move From Annual Revenue to Full Cost of Service percent.