BEFORE THE WASHINGTON UTILITIES & TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFICORP D/B/A PACIFIC POWER & LIGHT COMPANY,

Respondent.

DOCKETS UE-230172

DAVID E. DISMUKES, PH.D.
ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT

EXHIBIT DED-4

Results of Company Class Cost of Service Study

September 14, 2023

Results of Company Class Cost of Service Study

Witness: Dismukes Docket UE-230172 Exhibit DED-4 Page 1 of 2

Description	Washington Jurisdiction Normalized	Residential (Schedule 16)		Small General Service (Schedule 24)		Large General Service < 1,000 kW (Schedule 36)			Large General rvice > 1,000 kW (Schedule 48)		arge General Dedicated Facilities Schedule 48)		Agricultural Pumping Schedule 40)	(8	Street & Area Lighting ich. 15, 51-54, 57)
Rate Base Total Electric Plant in Service Plus: Rate Base Additions Less: Rate Base Deductions Total Net Electric Plant in Service	\$ 2,408,541,689 30,852,256 (1,338,969,598) 1,100,424,347	\$	1,167,574,191 14,786,469 (654,789,330) 527,571,330		334,942,188 4,304,567 (188,196,602) 151,050,153		433,413,637 5,652,386 (237,171,466) 201,894,557	-	168,241,171 2,182,973 (91,453,198) 78,970,946	\$	196,115,407 2,568,146 (105,537,913) 93,145,640	-	99,712,192 1,252,501 (56,453,670) 44,511,024		8,542,903 105,213 (5,367,420) 3,280,696
Operating Income Electric Operating Revenues Sales to Ultimate Customers Electric Sales Debits and Credits Other Electric Operating Revenues Total Electric Operating Revenues	\$ 404,628,751 21,088,384 20,395,853 446,112,989	\$	176,071,755 7,762,551 13,682,329 197,516,635	\$	58,004,210 2,900,846 2,895,527 63,800,583		84,757,249 4,897,184 1,496,715 91,151,148		31,760,598 1,928,997 561,930 34,251,525	•	38,671,305 2,666,844 726,756 42,064,905	·	14,475,016 910,033 760,242 16,145,291		888,617 21,930 272,355 1,182,901
Electric Operating Expenses Operation & Maintenance Expenses Depreciation Expense Amortization Expense Taxes Other Than Income Income Taxes - Federal	\$ 299,613,962 55,619,536 15,472,659 28,898,160 (14,192,441)	\$	127,309,176 27,152,419 8,088,410 14,070,104 (5,380,428)	\$	39,574,178 7,748,062 2,155,253 3,935,447 (1,591,468)		62,412,227 9,945,624 2,429,224 5,182,233 (3,428,342)	•	24,967,717 3,841,529 952,662 2,035,751 (1,342,370)		33,728,381 4,364,293 1,161,772 2,415,408 (1,971,581)	•	10,976,797 2,342,054 600,038 1,172,030 (498,022)		645,486 225,555 85,300 87,187 19,771
Income Taxes - State Income Taxes Deferred Investment Tax Credit Adj Misc Revenues & Expense Total Electric Operating Expenses	\$ (2,711,755) - (98,259) 382,601,861	\$	(2,081,473) - (40,067) 169,118,141	\$	(499,268) - (12,976) 51,309,227	\$	(65,211) - (21,418) 76,454,338	\$	(20,790) - (8,607) 30,425,891	\$	137,130 - (11,314) 39,824,088		(148,644) - (3,711) 14,440,541	\$	(33,498) - (165) 1,029,635
Total Operating Income Rate of Return on Rate Base ("ROR")	\$ 63,511,127 5.77%	\$	28,398,494 5.38%	\$	12,491,356 8.27%	\$	14,696,810 7.28%		3,825,635 4.84%		2,240,817 2.41%		1,704,750 3.83%	\$	153,266 4.67%
Relative Rate of Return ("RROR")	1.00		0.93		1.43		1.26		0.84		0.42		0.66		0.81

Source: Exhibit No. RMM-4.

Results of Company Class Cost of Service Study

Witness: Dismukes Docket UE-230172 Exhibit DED-4 Page 2 of 2

Description		Washington Jurisdiction Normalized	Residential (Schedule 16)	nall General Service Schedule 24)	Se	arge General ervice < 1,000 kW Schedule 36)	Sei		E	Dedicated Facilities	ĺ	gricultural Pumping chedule 40)	treet & Area Lighting 1. 15, 51-54, 57)
Required Income Under Company's Proposed ROR													
Rate Base	\$	1,100,424,347	\$527,571,330	\$. , ,	\$. , ,	\$	78,970,946	\$	93,145,640	\$	44,511,024	\$ 3,280,696
Proposed Rate of Return		7.60%	7.60%	7.60%		7.60%		7.60%		7.60%		7.60%	7.60%
Required Operating Income @ 7.60 ROR	\$	83,632,236	\$ 40,095,414	\$ 11,479,810	\$	15,343,984	\$	6,001,791	\$	7,079,067	\$	3,382,837	\$ 249,333
Electric Operating Expenses	\$	382,601,861	\$169,118,141	\$ 51,309,227	\$	76,454,338	\$	30,425,891	\$	39,824,088	\$	14,440,541	\$ 1,029,635
Income Tax Adjustment		6,642,091	3,184,387	911,729		1,218,623		476,664		562,221		268,666	19,802
Revenue Credits		(41,484,238)	(21,444,880)	(5,796,373)		(6,393,899)		(2,490,927)		(3,393,600)		(1,670,275)	(294,285)
Total Cost of Service	\$	431,391,950	\$190,953,062	\$ 57,904,393	\$	86,623,046	\$	34,413,418	\$	44,071,777	\$	16,421,770	\$ 1,004,485
Electric Rate Revenues													
Sales to Ultimate Customers	\$	404,628,751	\$176,071,755	\$ 58,004,210	\$	84,757,249	\$	31,760,598	\$	38,671,305	\$	14,475,016	\$ 888,617
Total Electric Rate Revenues	\$	404,628,751	\$176,071,755	\$ 58,004,210	\$	84,757,249	\$	31,760,598	\$	38,671,305	\$	14,475,016	\$ 888,617
Revenue Deficiency	\$	26,763,199	\$ 14,881,307	\$ (99,817)	\$	1,865,797	\$	2,652,820	\$	5,400,472	\$	1,946,753	\$ 115,869
Proposed Rate Increase (Decrease)		6.61%	8.45%	-0.17%		2.20%		8.35%		13.97%		13.45%	13.04%
Relative Proposed Rate Increase		1.00	1.28	(0.03)		0.33		1.26		2.11		2.03	1.97

Source: Exhibit No. RMM-4.