

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

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IN THE MATTER OF THE)	DOCKET NO. UE-060669
APPLICATION OF PACIFICORP)	
d/b/a PACIFIC POWER AND LIGHT)	
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ENERGY PROJECT'S ANSWER TO PACIFICORP RATE TARIFF SEEKING

2.99% INTERIM RATE RELIEF

COMES NOW, the Energy Project and submits the following comments pursuant to Commission notice issued May 12, 2006, and in response to PacifiCorp's tariff filing requesting a 2.99% interim rate increase.

The Energy Project opposes PacifiCorp's proposed interim rate increase. The Commission completely rejected the Company's proposed general rate increase in Order 04, issued on April 17 in Docket No. UE-050684, based on the failure of the Company to carry its burden of proof that certain facilities which were key drivers for the proposed general rate increase were "used and useful" in the State of Washington in conformity with RCW 80.04.250. As a result, the Commission found that PacifiCorp's present rates "are deemed to be fair, just, reasonable and sufficient for both the Company and Washington ratepayers." Order 04 at p. 118.

Though PacifiCorp has sought reconsideration of that order, nothing contained in the order even remotely suggests that PacifiCorp is somehow entitled to a lesser rate increase in the interim pending the submission of an appropriate interjurisdictional cost allocation proposal. The Commission unequivocally ruled that the absence of an appropriate allocation methodology is fatal to any rate relief sought by PacifiCorp.

In its Petition for Reconsideration in Docket UE-050684, PacifiCorp states that it is contemporaneously seeking interim rate relief of 2.99% without the need for a formal rate case pursuant to WAC 480-07-505(1). Petition at p. 25. That statute does not articulate standards or guidelines for granting rate relief of less than 3%, but there is, of course, no automatic right to such relief.

PacifiCorp does not offer any substantive argument in support of its proposed 2.99% rate increase. Rather, as evidenced by the Company's Motion to Consolidate its interim rate relief request with the general rate proceeding (UE-050684), the Company is presumably basing the 2.99% request on the record established in the general rate case. The docket at hand does not contain any independent basis on which to analyze the 2.99% increase. In essence, therefore, the Company is attempting to end-run the Commission's order in the general rate case while simultaneously pursuing reconsideration of that order. The Energy Project submits that this is procedurally inappropriate. The Commission is scheduled to rule upon the Company's Petition for Reconsideration in due course and the Company can obviously appeal any ruling it deems in error.

RESPECTFULLY SUBMITTED, this 22nd day of June, 2006.

Brad M. Purdy

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 22nd day of June, 2006, I caused to be served the foregoing ENERGY PROJECT'S ANSWER TO PACIFICORP'S RATE TARIFF SEEKING 2.99% INTERIM RATE RELIEF on the following, in the manner indicated, in Case No. UE-060669 by email and overnight delivery:

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