

June 13, 2014

VIA ELECTRONIC FILING AND OVERNIGHT DELIVERY

Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive S.W. P.O. Box 47250 Olympia, WA 98504-7250

Attention: Steven V. King

Executive Director and Secretary

RE: Dockets UE-140762 and UE-140617 (consolidated),

Docket UE-131384, and Docket UE-140094

Motion to Consolidate Dockets

Pacific Power & Light Company, a division of PacifiCorp, submits its request to consolidate dockets UE-131384 and UE-140094 with its general rate case proceeding.

Please direct all service and correspondence related to this filing to:

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Washington Utilities and Transportation Commission June 13, 2014 Page 2

Informal questions concerning this filing may be directed to Natasha Siores, Director, Regulatory Affairs & Revenue Requirement, at (503) 813-6583.

Sincerely,

R. Bryce Dalley

Vice President, Regulation

R Bryse Dally/ms

Enclosure

cc: service lists in dockets: UE-140762 and UE-140617 (consolidated)

UE-131384 UE-140094

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

DOCKET UE-140762 and UE-140617 (consolidated)

Complainant,

v.

PACIFIC POWER & LIGHT COMPANY,

Respondent.

In the Matter of

PACIFIC POWER & LIGHT COMPANY

Petition for an Order Approving Deferral of the Washington-Allocated Revenue Requirement Associated with the Merwin Fish Collector.

In the Matter of

DOCKET UE-131384

PACIFICORP d/b/a PACIFIC POWER & LIGHT COMPANY

Petition for an Order Approving Deferral of Costs Related to Colstrip Outage.

In the Matter of

DOCKET UE-140094

PACIFICORP d/b/a PACIFIC POWER & LIGHT COMPANY

Petition for an Order Approving Deferral of Costs Related to Declining Hydro Generation.

PACIFIC POWER & LIGHT COMPANY'S MOTION TO CONSOLIDATE

I. INTRODUCTION

 On May 1, 2014, Pacific Power & Light Company (Pacific Power or Company), a division of PacifiCorp, filed a general rate case, Docket UE-140762 (2014 Rate Case). In addition to its request for an overall price change, the Company's 2014 Rate Case included a request to amortize amounts associated with two pending accounting petitions: (1) a request to defer the costs associated with an outage at Unit 4 of the Colstrip generating plant, Docket UE-131384 (Colstrip Deferral); and (2) a request to defer the costs associated with low hydro conditions, Docket UE-140094 (Hydro Deferral).¹

Because these proceedings involve common issues of law and fact,² the Company respectfully moves the Washington Utilities and Transportation Commission (Commission) for an order consolidating Docket UE-131384 (Colstrip Deferral) and Docket UE-140094 (Hydro Deferral) with Dockets UE-140762 (2014 Rate Case) and UE-140617 (Merwin Fish Collector Deferral). The Commission previously issued an order consolidating the Merwin Fish Collector Deferral with the 2014 Rate Case.³

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II. NATURE OF THE DOCKETS

3. **Docket UE-140762 (2014 Rate Case).** This docket is Pacific Power's 2014 general rate case, filed May 1, 2014. In the initial filing in this case, Pacific Power requested that the Hydro Deferral and Colstrip Deferrals be approved and amortized as part of the 2014 Rate Case. A prehearing conference was held in this docket on May 30, 2014, and discovery has begun.

Docket UE-140617 (Merwin Fish Collector Deferral). In this docket, the Company requested approval of a separate tariff rider to include in customer rates the revenue

¹ In Order 01 in Docket UE-132350, the Commission approved the Company's request to defer the reduction in depreciation expense related to the difference between the depreciation rates approved in Docket UE-130052 (the Company's 2013 depreciation study) and the depreciation rates reflected in the Company's 2013 general rate case, Docket UE-130043. As part of the 2014 Rate Case filing, the Company proposes to amortize these deferred amounts. The Company is not, however, seeking to consolidate Docket UE-132350 with the 2014 Rate Case because Docket UE-132350 was closed after the order approving deferred accounting was issued.

² WAC 480-07-310.

³ Order 01 in Docket UE-140617, Order 03 in Docket UE-140762 (May 29, 2014).

⁴ Docket UE-140762, Direct Testimony of Ms. Natasha C. Siores, Exhibit No. NCS-1T at 8-9.

requirement associated with the Company's investment in the Merwin Fish Collector, a fish passage project mandated by the Federal Energy Regulatory Commission licenses for the Lewis River hydroelectric project. In the alternative, the Company requested an order approving deferred accounting of the full revenue requirement associated with the fish collector. The Commission approved the Company's alternative request for an accounting order on May 29, 2014. In the order approving the alternative request, the Commission also consolidated Dockets UE-140617 (Merwin Fish Collector Deferral) and UE-140762 (2014 Rate Case) to allow the prudence of the fish collector and amortization of the deferred amounts to be addressed in the 2014 Rate Case.

Docket UE-131384 (Colstrip Deferral). In this docket, Pacific Power filed a petition for an accounting order authorizing the Company to defer its costs for repair and replacement purchase power for an outage at the 740-megawatt unit 4 of the Colstrip generating plant located in Colstrip, Montana. PacifiCorp sought deferral of these costs to track and preserve them for later incorporation into rates. There has been limited discovery in this proceeding, but the Commission has not yet acted on this petition.

Docket UE-140094 (Hydro Deferral). In this proceeding, Pacific Power filed a petition for an accounting order authorizing deferral for later ratemaking treatment costs associated with significant declines in hydro generation due to abnormally dry weather conditions and low water availability. There has been limited discovery in this proceeding, but the Commission has not yet acted on this petition.

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⁵ Order 01 in Docket UE-140617, Order 03 in Docket UE-140762 (May 29, 2014).

⁶ *Id.* ¶¶ 10, 12, 18, 21.

III. ARGUMENT

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In the 2014 Rate Case, the Commission will thoroughly examine the Company's revenues and expenses, including net power costs. In examining the Company's net power costs, the Commission determines the appropriate forced outage rate assumptions for each of the generating units in Pacific Power's west control area. In addition, for the purpose of setting rates in a general rate case, the Company uses a single-year median water year developed based on the available history of the Company's major hydro facilities, which range from 40 years to over 90 years.

8.

In the Colstrip Deferral, Pacific Power requested deferral of the increase in net power costs resulting from an unexpected and extended forced outage at Colstrip unit 4.

Determining whether Pacific Power's request should be approved and whether the excess net power costs should be included in customer rates involves the same issues of law and fact that will be addressed in determining net power costs in the 2014 Rate Case. It is therefore appropriate under WAC 480-07-310 to consolidate the Colstrip Deferral with the 2014 Rate Case.

9.

In the Hydro Deferral, Pacific Power requested deferral of increased costs related to unexpectedly low hydro conditions. Like the Colstrip Deferral, determining whether the Hydro Deferral should be approved and whether these costs should be included in customer rates involves the same issues of law and fact that will be addressed in determining an appropriate level of costs for hydro generation in the Company's 2014 Rate Case. It is therefore appropriate to consolidate the Hydro Deferral with the 2014 Rate Case.

10. In addition, consolidating the Colstrip and Hydro deferrals with the 2014 Rate Case will promote regulatory efficiency by resolving related factual and legal issues in one proceeding.

IV. CONCLUSION

11. For the reasons set forth above, Pacific Power respectfully requests that the Commission consolidate Docket UE-140094 (Hydro Deferral) and Docket UE-131384 (Colstrip Deferral) with Dockets UE-140762 (2014 Rate Case) and UE-140617 (Merwin Fish Collector Deferral).

Respectfully submitted this 13th day of June, 2014.

By:

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Assistant General Counsel

Pacific Power & Light Company

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Katherine A. McDowell

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served this document upon all parties of record in this proceeding by electronic mail and/or Overnight Delivery.

Docket UE-140762

Washington Utilities & Transportation Commission

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DATED at Portland, OR this 13th day of June, 2014.

Amy Eissler

Coordinator, Regulatory Operations

CERTIFICATE OF SERVICE

I hereby certify that I have this day served this document upon all parties of record in this proceeding by electronic mail.

Docket UE-131384

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Docket UE-140094

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