

June 17, 2015

VIA ELECTRONIC FILING

Steven V. King
Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250

RE: Docket No. U-140621—Pacific Power & Light Company’s Comments on the Cost Impact of the Proposed Rules

Pacific Power & Light Company, a division of PacifiCorp (Pacific Power or Company), provides these comments in accordance with the Notice of Opportunity to Respond to Written Comments issued May 27, 2015 (Notice), by the Washington Utilities and Transportation Commission (Commission). In the Notice, the Commission provides a set of proposed rules and requests comments from utilities and licensees describing the impacts to costs of implementing the proposed rules. Pacific Power identified a provision that could increase costs for complying with the proposed rules. Proposed WAC 480-54-050(1) states: (emphasis added)

The costs of modifying a facility to create capacity for additional attachment, including but not limited to replacement of a pole, shall be borne by the requester and all existing occupants and owner that directly benefit from the modification. Each such occupant or owner shall share the cost of the modification in proportion to the amount of new or additional usable space the occupant or owner occupies on or in the facility. **An occupant or owner with an existing attachment to the modified facility shall be deemed to directly benefit from a modification if, within 60 days after receiving notification of such modification, that occupant or owner adds to its existing attachment or otherwise modifies its attachment.** An occupant or owner with an existing attachment shall not be deemed to directly benefit from replacement of a pole if the occupant or owner only transfers its attachment to the new pole.

The proposed rule would require cost sharing if modifications to certain facilities occur within sixty days of other described modifications, which likely will require a tracking mechanism. This provision may result in significant increased costs if the Company is required to establish a formal process to track the timing and costs of pole upgrades or modifications. Pacific Power does not have this obligation in any other jurisdiction and does not have an automated system capable of tracking this information at this time. The Company is, however, able to manually gather the information needed to calculate the appropriate cost sharing in the event that a pole occupant notifies the Company that a modification has occurred that may be eligible for cost sharing.

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As currently written, it is unclear if the burden of tracking and implementing the cost sharing process lies with the pole owner or the occupants. In Pacific Power's experience, attachment modification by an occupant or pole owner within 60 days of a facility modification is a rare occurrence. However, to establish a formal process in which the Company, as the pole owner, monitors for these occurrences, the Company would need to procure, configure, and install a new automated tracking system. The Company has not performed a detailed analysis to calculate the costs of a new tracking system for this purpose, but has concerns that those costs would outweigh the benefits.

Informal questions concerning this filing may be directed to Ariel Son, Manager, Regulatory Projects, at (503) 813-5410.

Sincerely,

Handwritten signature of R. Bryce Dalley in cursive script.

R. Bryce Dalley
Vice President, Regulation