

April 24, 2012

***VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY***

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

Attention: David W. Danner
Executive Director and Secretary

**RE: Advice No. 12-01
Termination of Schedule 96, Hydro Deferral Surcharge**

Dear Mr. Danner:

Pursuant to RCW 80.01.040(3) and 80.04.090; and WAC 480-100-203, PacifiCorp d.b.a. Pacific Power & Light Company (PacifiCorp or the Company) respectfully requests to terminate Schedule 96, Hydro Deferral Surcharge effective June 1, 2012.

First Revision of Sheet No. INDEX.3		Tariff Index
Canceling Original Sheet No. 96.1	Schedule 96	Hydro Deferral Surcharge

In Docket No. UE-050684, Order 04, the Commission authorized PacifiCorp to establish a deferral account related to low hydro conditions and to accrue interest on any unamortized balance.¹ In October 2008, the Commission authorized PacifiCorp to amortize through Schedule 96, Hydro Deferral Surcharge, \$6.25 million in deferral costs, plus interest, related to the 2005 low hydro conditions.²

The Company has calculated that the full deferral amount will be recovered by the end of May, 2012, and respectfully requests to terminate Schedule 96, effective June 1, 2012. A work paper containing the full amortization of the Schedule 96 surcharge from October 2008 through May 2012 is enclosed.

The cancellation of this tariff will result in the termination of the line item "Hydro Deferral Surcharge" that appears on all customers' bills. This will result in an overall average decrease to Washington customers of approximately 0.7 percent effective June 1, 2012.

¹ UE-050684, Order 04 at paragraph 308.

² UE-080220, Order 05, at paragraph 11.

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For the average residential customer using 1,300 kWh per month, the termination of Schedule 96 will result in a monthly bill decrease for of approximately 0.7 percent, or \$0.71. Table A (attached) displays the changes by rate schedule as a result of the termination of Schedule 96.

Informal questions should be directed to Carla Bird at (503) 813-5269.

Sincerely,

A handwritten signature in cursive script that reads "William R. Griffith / ca". The signature is written in black ink and is positioned above the typed name and title.

William R. Griffith
Vice President, Regulation

Enclosures