



825 NE Multnomah, Suite 2000
Portland, Oregon 97232

September 20, 2013

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

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

RE: UE-130052 – PacifiCorp’s Supplemental Direct Testimony and Exhibit

Dear Mr. King:

PacifiCorp d/b/a Pacific Power & Light Company submits for filing the second Supplemental Direct Testimony and Exhibit of Henry E. Lay.

Please direct any informal inquiries regarding this filing to Gary Tawwater at 503-813-6805.

Sincerely,

A handwritten signature in cursive script that reads "William R. Griffith" followed by a stylized flourish.

William R. Griffith
Vice President, Regulation

Enclosures

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.

Washington Utilities & Transportation Commission

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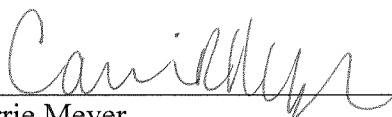
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DATED at Portland, OR this 20th day of September 2013.



Carrie Meyer
Supervisor, Regulatory Operations

Exhibit No. ____ (HEL-5T)
Docket UE-130052
Witness: Henry E. Lay

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

PACIFICORP, d.b.a. Pacific Power & Light
Company,

For an Order Authorizing a Change in
Depreciation Rates Applicable to Electric
Property

Docket UE-130052

PACIFICORP

SECOND SUPPLEMENTAL DIRECT TESTIMONY OF HENRY E. LAY

September 20, 2013

1 **Q. Are you the same Henry E. Lay who previously filed direct and supplemental**
2 **testimony on behalf of PacifiCorp d/b/a Pacific Power & Light Company**
3 **(PacifiCorp or Company) in this case?**

4 A. Yes.

5 **PURPOSE OF SECOND SUPPLEMENTAL DIRECT TESTIMONY**

6 **Q. What is the purpose of your second supplemental direct testimony in this**
7 **proceeding?**

8 A. The purpose of my second supplemental direct testimony is to recommend additional
9 modifications to the Company's filing in this proceeding. These changes reflect the
10 recent settlement of the Company's depreciation filing before the Public Service
11 Commission of Utah (Utah Commission) in Docket 13-035-02. The Company has
12 also reached consistent stipulations in Idaho and Wyoming which both are pending
13 commission approval. These changes are in addition to those from the recent
14 settlement of the Company's depreciation filing before the Public Utility Commission
15 of Oregon (Oregon Commission) in Docket UM 1647, which I described in my first
16 supplemental filing. The all-party settlement agreements in the Utah, Idaho, and
17 Wyoming cases change depreciation expense for system-allocated assets assigned to
18 Washington. To maintain consistency for system-allocated assets, I am
19 recommending the same modifications to the Company's proposed depreciation rates
20 in Washington.

1 **MODIFICATIONS TO PENDING DEPRECIATION RATES**

2 **Q. Please summarize the additional changes to pending depreciation rates the**
3 **Company proposes in this case based on the resolution of Utah’s depreciation**
4 **proceeding.**

5 A. The Utah Commission approved the following changes to the Company’s
6 depreciation filing when it issued a bench order on September 11, 2013, approving
7 the parties’ unopposed stipulation in Docket 13-035-02:

- 8 1. A reduction in the terminal life of the James River Plant from December 31,
9 2016, to December 31, 2015, to correct an error in the Company’s initial filing
10 and to reduce net salvage estimated in the calculation from (-1.0%) to zero.
- 11 2. A reduction in the terminal removal cost for the combined cycle combustion
12 turbine natural gas units from \$20/kW to \$15/kW.
- 13 3. A reduction in the terminal removal cost for the wind units from \$9/kW to
14 \$7/kW.
- 15 4. Acceptance of the Company’s proposed method in the study to use Iowa
16 Curves to determine interim retirements for production facilities with terminal
17 lives. The new depreciation rates reflect adjustments to the retirement curves
18 on coal generation facilities in Account 311 Structures and Improvements
19 from 90-R₂ to 120-R_{1,5}, Account 312 Boiler Plant Equipment from 60-L₁ to
20 68-S₀, and Account 314 Turbogenerator Units from 55-L₁ to 57-S₀. For
21 Washington, this will impact rates for the Jim Bridger Plant, the James River
22 Plant, and the Colstrip Plant.
- 23 5. A change in the lives on certain Washington distribution assets by merging

1 Account 362.7 Supervisory Equipment with Account 362 Substation
2 Equipment, and using the appropriate state-specific lives for Account 362 in
3 Washington.

4 6. Amortization of the excess depreciation reserves of the Colstrip Plant as of
5 December 31, 2011, which the study reflected as \$22,930,383, as follows:
6 (a) the annual amount was determined by dividing the excess reserve by 10;
7 (b) the annual amortization will occur beginning January 1, 2014, and
8 continue until new depreciation rates resulting from the next depreciation
9 study are implemented; and (c) the stipulated depreciation rates were
10 determined by excluding the identified excess reserve in the calculation.

11 7. Adjustments to general plant lives for Oregon, Utah, Idaho, and Wyoming
12 depreciation rates for Account 390 Structures and Improvements, Account
13 392.09 Transportation Equipment-Trailers and Account 396.03 Light Power
14 Operated Equipment. This change will impact Washington to the extent that
15 system allocated assets are contained within those accounts.

16 I provide additional detail on these changes in Exhibit No.__(HEL-6).

17 **Q. What is the net reduction in depreciation expense associated with these changes?**

18 A. The changes in this second supplemental filing reduce the Company's proposed
19 Washington-allocated depreciation expense by approximately \$669,000. The
20 Company's first supplemental filing previously reduced the Company's proposed
21 Washington-allocated depreciation expense by approximately \$340,000. Together,
22 these changes reduce Washington-allocated depreciation expense in this filing by

1 approximately \$1,009,000, from an increase of approximately \$792,000 to a decrease
2 of approximately \$217,000.

3 **Q. Are these changes in the best interest of Washington customers?**

4 A. Yes. As shown in the exhibit, these changes produce an overall reduction to
5 depreciation expense for Washington customers, while maintaining consistency for
6 system-allocated assets for the Company.

7 **Q. Does the Company anticipate any additional supplemental filings in this case?**

8 A. No. The Company has now executed stipulations in all of its pending depreciation
9 filings in other states and none of these filings are opposed. If a commission modifies
10 or rejects one of the pending stipulations, however, PacifiCorp will promptly file the
11 details of the order in this docket.

12 **Q. The Company made a deferral proposal in your first supplemental testimony.**

13 **Does the Company continue to support such a proposal?**

14 A. Yes. The Company's rebuttal filing in its current general rate case proceeding,
15 Docket UE-130043, reflects the Company's depreciation rates updated for the
16 changes outlined in my first supplemental testimony. The record in that docket is
17 now closed. The Company's deferral proposal provides a means for the Company to
18 capture additional reductions in depreciation rates associated with the changes
19 described in the Company's second supplemental filing once all relevant stipulations
20 are approved.

21 **RECOMMENDATION AND CONCLUSION**

22 **Q. Please summarize your recommendations to the Commission.**

23 A. I recommend that the Commission adopt the depreciation rates filed by the Company,

1 as amended in the Company's first and second supplemental filings, as fair and
2 reasonable depreciation rates for the Company with an effective date of January 1,
3 2014.

4 **Q. Does this conclude your second supplemental direct testimony?**

5 A. Yes.

Exhibit No.____(HEL-6)
Docket UE-130052
Witness: Henry E. Lay

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

PACIFICORP, d.b.a. Pacific Power & Light
Company,

For an Order Authorizing a Change in
Depreciation Rates Applicable to Electric
Property

Docket UE-130052

PACIFICORP

EXHIBIT OF HENRY E. LAY

September 20, 2013

PAFCORP
COMPARISON OF SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE PERCENT, ORIGINAL COST BOOK DEPRECIATION RESERVE
AND CALCULATED ANNUAL DEPRECIATION AMOUNT AND SETTLEMENT SCENARIO AS OF DECEMBER 31, 2013*

ACCOUNT	GENERAL COST	PACIFICORP DEPRECIATION STUDY				WASHINGTON SUPPLEMENTAL JULY 2013				2nd SUPPLEMENTAL				TOTAL ADJUSTMENT	ESTIM. WA 3
		PROBABLE RETIREMENT DATE	SURVIVOR CURVE	NET PERCENT	CALCULATED ANNUAL AMOUNT	PROBABLE RETIREMENT DATE	SURVIVOR CURVE	NET PERCENT	CALCULATED ANNUAL AMOUNT	PROBABLE RETIREMENT DATE	SURVIVOR CURVE	NET PERCENT	CALCULATED ANNUAL AMOUNT		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
STEAM PRODUCTION PLANT															
COLLETRIP															
311.00 Structures and Improvements	55,664,977	12-2048	90-82	(8)	381,694	1.64	12-2068	90-82	(8)	381,694	1.64	1,102,281	1.98	31,288	31,288
311.00 Turbogenerators (A/H)	34,006,214	12-2048	95-11	(9)	2,812,444	2.42	12-2048	95-11	(9)	2,812,444	2.42	2,889,057	2.81	14,915	14,915
311.00 Turbogenerators (B/H)	2,124,035	12-2048	95-11	(9)	1,627,222	2.80	12-2048	95-11	(9)	1,627,222	2.80	1,627,222	2.80	1,432	1,432
311.00 Auxiliary Power Plant Equipment	227,452,976	12-2048	40-01	(8)	4,364,693	1.97	12-2048	40-01	(8)	4,364,693	1.97	2,239,038	1.15	(601,964)	(601,964)
Remove Ancillary															
Remove Chattrip 3															
TOTAL COLLETRIP 4															
JAMES RIVER															
311.00 Structures and Improvements	5711,865	12-2016	90-82	(1)	285,193	4.64	12-2016	90-82	(1)	285,193	4.64	308,657	6.43	23,540	23,540
311.00 Boiler Plant Equipment	57,117,487	12-2016	60-11	(1)	270,598	4.73	12-2016	60-11	(1)	270,598	4.73	372,336	6.51	22,640	22,640
311.00 Turbogenerators (A/H)	4,307,158	12-2016	90-82	(1)	1,320,243	4.70	12-2016	90-82	(1)	1,320,243	4.70	1,320,243	6.46	18,872	18,872
311.00 Turbogenerators (B/H)	34,006,214	12-2016	95-11	(9)	2,015,430	4.73	12-2016	95-11	(9)	2,015,430	4.73	2,231,758	6.96	158,574	158,574
TOTAL JAMES RIVER	34,006,214				1,008,067				1,008,067						
AMERIDGE															
311.00 Structures and Improvements	191,111	12-2037	90-82	(8)	5,614	1.84	12-2037	90-82	(8)	5,614	1.84	3,924	1.97	(81,323)	(81,323)
311.00 Turbogenerators (A/H)	133,333,557	12-2037	90-82	(8)	2,688,173	3.00	12-2037	90-82	(8)	2,688,173	3.00	2,697,794	2.96	(18,320)	(18,320)
311.00 Turbogenerators (B/H)	895,882,291	12-2037	60-11	(8)	20,897,500	3.00	12-2037	60-11	(8)	20,897,500	3.00	19,874,004	2.96	(218,896)	(218,896)
311.00 Auxiliary Power Plant Equipment	58,392,864	12-2037	75-82.5	(7)	1,154,665	1.98	12-2037	75-82.5	(7)	1,154,665	1.98	1,128,564	1.90	(5,308)	(5,308)
TOTAL AMERIDGE	1,029,552,682				31,183,977	2.95	12-2037	40-01	(8)	31,183,977	2.95	30,744,250	2.76	(28,792)	(28,792)
CHENAIS															
341.00 Structures and Improvements	23,262,469	12-2043	70-82.5	(4)	618,676	2.66	12-2043	70-82.5	(4)	618,676	2.66	617,220	2.65	(1,710)	(1,710)
341.00 Prime Movers	191,461,138	12-2043	40-81	(5)	6,653,214	3.40	12-2043	40-81	(5)	6,653,214	3.40	5,829,897	3.04	(14,873)	(14,873)
341.00 Turbogenerators (A/H)	33,198,463	12-2043	70-82.5	(4)	1,056,151	2.72	12-2043	70-82.5	(4)	1,056,151	2.72	1,056,151	2.86	(849)	(849)
341.00 Auxiliary Power Plant Equipment	36,835,697	12-2043	60-83	(4)	10,752,452	3.15	12-2043	60-83	(4)	10,752,452	3.15	10,246,480	2.86	(4,071)	(4,071)
TOTAL CHENAIS	44,108,007				11,468,039	2.80	12-2045	70-82.5	(4)	11,468,039	2.80	11,441,582	2.80	(4,831)	(4,831)
HERMISTON															
341.00 Structures and Improvements	32,775,418	12-2038	50-82	(1)	62,242	2.81	12-2045	50-82	(1)	62,242	2.81	61,837	2.90	(4)	(4)
341.00 Prime Movers	76,515,481	12-2038	40-81	(1)	2,176,156	2.88	12-2045	50-82	(1)	2,176,156	2.88	2,183,783	2.91	(7,627)	(7,627)
341.00 Turbogenerators (A/H)	33,198,463	12-2038	70-82.5	(4)	1,056,151	2.85	12-2045	70-82.5	(4)	1,056,151	2.85	1,056,151	2.86	(849)	(849)
341.00 Auxiliary Power Plant Equipment	37,065,639	12-2038	60-83	(4)	11,463,377	3.08	12-2045	60-83	(4)	10,790,319	2.93	10,712,800	2.89	(6,539)	(6,539)
TOTAL HERMISTON	12,897,041				306,729	2.98	12-2038	70-82.5	(4)	376,376	3.04	372,682	2.91	(3,694)	(3,694)
341.00 Structures and Improvements	20,505	12-2038	50-82	(1)	4,054,469	3.71	12-2038	50-82	(1)	4,054,469	3.71	3,742,336	3.42	(3,100)	(3,100)
341.00 Prime Movers	109,452,677	12-2038	40-81	(1)	2,959,577	2.85	12-2038	40-81	(1)	2,959,577	2.85	2,959,577	2.86	(89)	(89)
341.00 Turbogenerators (A/H)	33,198,463	12-2038	70-82.5	(4)	1,056,151	2.85	12-2038	70-82.5	(4)	1,056,151	2.85	1,056,151	2.86	(849)	(849)
341.00 Auxiliary Power Plant Equipment	171,559,252	12-2038	60-83	(4)	5,445,937	3.47	12-2038	60-83	(4)	5,445,937	3.47	5,445,937	3.36	(8,438)	(8,438)
TOTAL HERMISTON	171,559,252				5,445,937	3.47	12-2038	60-83	(4)	5,445,937	3.47	5,445,937	3.36	(8,438)	(8,438)

NET INCREASE (DECREASE)	(19)/(17)+(11)
140,037	
47,293	
14,915	
1,432	
(601,964)	
(601,964)	
(401,901)	
(401,901)	
23,540	
22,640	
18,872	
158,574	
(18,320)	
(218,896)	
(5,308)	
(849)	
(28,792)	
(17,276)	
(17,276)	
1,694	
(69,190)	
890	
(61,419)	
(61,419)	
16,563	
(16,563)	

1st Supplemental	2nd Supplemental	WA	Total Adjustment	Estim. WA 3
-	31,288	31,288	31,288	22%
-	14,915	14,915	14,915	22%
-	1,432	1,432	1,432	22%
-	(601,964)	(601,964)	(601,964)	22%
-	(601,964)	(601,964)	(601,964)	22%
-	(401,901)	(401,901)	(401,901)	22%
-	23,540	23,540	23,540	22%
-	22,640	22,640	22,640	22%
-	18,872	18,872	18,872	22%
-	158,574	158,574	158,574	22%
-	(18,320)	(18,320)	(18,320)	21%
-	(218,896)	(218,896)	(218,896)	21%
-	(5,308)	(5,308)	(5,308)	21%
-	(849)	(849)	(849)	21%
-	(28,792)	(28,792)	(28,792)	21%
-	(17,276)	(17,276)	(17,276)	22%
-	(17,276)	(17,276)	(17,276)	22%
-	(4,831)	(4,831)	(4,831)	0%
-	(4,831)	(4,831)	(4,831)	0%
-	(7,627)	(7,627)	(7,627)	0%
-	(7,627)	(7,627)	(7,627)	0%
-	(89)	(89)	(89)	22%
-	(89)	(89)	(89)	22%
-	(8,438)	(8,438)	(8,438)	22%
-	(8,438)	(8,438)	(8,438)	22%

ACCOUNT	GENERAL COSTS		PROBABLE RETIREMENT DATE		SALVAGE CURVE		WASHINGTON SUPPLEMENTAL JULY 2013		2nd SUPPLEMENTAL		WA		WA		WA	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
IDAHO - GENERAL																
305.00 Storage and Improvements	4,793	55.83	17.1	55.83	0	1.71	55.83	17.1	55.83	0	1.71	55.83	17.1	55.83	0	1.71
302.01 Transportation Equipment - Light Trucks and Vans	12,698,030	55.83	1.96	55.83	0	1.96	55.83	1.96	55.83	0	1.96	55.83	1.96	55.83	0	1.96
302.02 Transportation Equipment - Heavy Trucks	2,237,868	12.52	7.11	12.52	10	199,107	12.52	7.11	12.52	10	199,107	12.52	7.11	12.52	10	199,107
302.03 Transportation Equipment - Trailers	843,236	33.42	2.73	33.42	10	26,712	33.42	2.73	33.42	10	26,712	33.42	2.73	33.42	10	26,712
306.07 Heavy Power/Outboard Equipment	7,549,051	18.42.5	3.20	18.42.5	25	398,623	18.42.5	3.20	18.42.5	25	398,623	18.42.5	3.20	18.42.5	25	398,623
TOTAL IDAHO - GENERAL	27,963,207		3.86			1,064,012		3.86			8,667,779		3.07			(1,021)
AZ CO. MT. ETC. - GENERAL																
305.00 Storage and Improvements	433,993	16.82	1.51	16.82	0	5,767	16.82	1.51	16.82	0	5,767	16.82	1.51	16.82	0	5,767
302.01 Transportation Equipment - Light Trucks and Vans	459,181	16.82	2.53	16.82	15	11,599	16.82	2.53	16.82	15	11,599	16.82	2.53	16.82	15	11,599
302.02 Transportation Equipment - Medium Trucks	252,349	19.82.5	2.10	19.82.5	5	5,399	19.82.5	2.10	19.82.5	5	5,399	19.82.5	2.10	19.82.5	5	5,399
302.03 Transportation Equipment - Trailers	2,250,057	26.82	1.86	26.82	5	41,933	26.82	1.86	26.82	5	41,933	26.82	1.86	26.82	5	41,933
TOTAL AZ CO. MT. ETC. - GENERAL	3,445,577		4.08			67,717		4.08			67,717		1.93			(1,021)
TOTAL GENERAL PLANT	448,572,820		4.08			18,358,861		4.08			18,358,861		3.61			(1,021)

ACCOUNT	INCREASE/DECREASE	1st Supplemental	2nd Supplemental	Total Adjustment	ERROR	WA-3
	(19)(17)(11)					
IDAHO - GENERAL	56,121	(102)				
AZ CO. MT. ETC. - GENERAL	60,421	(102)				
TOTAL GENERAL PLANT	116,542	(204)				
TOTAL WA ALLOCATED	(217,233)	(169)	(668,497)	(1,006,239)		

TOTAL WA ALLOCATED (217,233)
 (169)
 (668,497)
 (1,006,239)

791,622
 (446,362)
 (668,497)
 (217,233)

Total Washington Allocation in original filing
 Total Washington Supplemental July 2013 Impact
 Total Washington Supplemental September 2013 Impact
 Adjusted Washington Allocation

PACIFICORP
 COMPARISON OF SUMMARY OF ESTIMATED SALVAGE CURVES, NET SALVAGE PERCENT, ORIGINAL COST BOOK DEPRECIATION RESERVE
 AND CALCULATED ANNUAL DEPRECIATION AMOUNT, PROBABLE RETIREMENT DATE AND SETTLEMENT SCENARIO AS OF DECEMBER 31, 2013
 WASHINGTON SUPPLEMENTAL

ACCOUNT	GENERAL COSTS	PROBABLE RETIREMENT DATE	SALVAGE CURVE	WASHINGTON SUPPLEMENTAL JULY 2013	2nd SUPPLEMENTAL	NET SALVAGE PERCENT	PROBABLE RETIREMENT DATE	SALVAGE CURVE	WASHINGTON SUPPLEMENTAL JULY 2013	2nd SUPPLEMENTAL	NET SALVAGE PERCENT	PROBABLE RETIREMENT DATE	SALVAGE CURVE	WASHINGTON SUPPLEMENTAL JULY 2013	2nd SUPPLEMENTAL	NET SALVAGE PERCENT	PROBABLE RETIREMENT DATE	SALVAGE CURVE	WASHINGTON SUPPLEMENTAL JULY 2013	2nd SUPPLEMENTAL	NET SALVAGE PERCENT	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)
IDAHO - GENERAL																						
305.00 Storage and Improvements	4,793	55.83	17.1	55.83	0	1.71	55.83	17.1	55.83	0	1.71	55.83	17.1	55.83	0	1.71	55.83	17.1	55.83	0	1.71	55.83
302.01 Transportation Equipment - Light Trucks and Vans	12,698,030	55.83	1.96	55.83	0	1.96	55.83	1.96	55.83	0	1.96	55.83	1.96	55.83	0	1.96	55.83	1.96	55.83	0	1.96	55.83
302.02 Transportation Equipment - Heavy Trucks	2,237,868	12.52	7.11	12.52	10	199,107	12.52	7.11	12.52	10	199,107	12.52	7.11	12.52	10	199,107	12.52	7.11	12.52	10	199,107	12.52
302.03 Transportation Equipment - Trailers	843,236	33.42	2.73	33.42	10	26,712	33.42	2.73	33.42	10	26,712	33.42	2.73	33.42	10	26,712	33.42	2.73	33.42	10	26,712	33.42
306.07 Heavy Power/Outboard Equipment	7,549,051	18.42.5	3.20	18.42.5	25	398,623	18.42.5	3.20	18.42.5	25	398,623	18.42.5	3.20	18.42.5	25	398,623	18.42.5	3.20	18.42.5	25	398,623	18.42.5
TOTAL IDAHO - GENERAL	27,963,207		3.86			1,064,012		3.86			8,667,779		3.07			(1,021)						
AZ CO. MT. ETC. - GENERAL																						
305.00 Storage and Improvements	433,993	16.82	1.51	16.82	0	5,767	16.82	1.51	16.82	0	5,767	16.82	1.51	16.82	0	5,767	16.82	1.51	16.82	0	5,767	16.82
302.01 Transportation Equipment - Light Trucks and Vans	459,181	16.82	2.53	16.82	15	11,599	16.82	2.53	16.82	15	11,599	16.82	2.53	16.82	15	11,599	16.82	2.53	16.82	15	11,599	16.82
302.02 Transportation Equipment - Medium Trucks	252,349	19.82.5	2.10	19.82.5	5	5,399	19.82.5	2.10	19.82.5	5	5,399	19.82.5	2.10	19.82.5	5	5,399	19.82.5	2.10	19.82.5	5	5,399	19.82.5
302.03 Transportation Equipment - Trailers	2,250,057	26.82	1.86	26.82	5	41,933	26.82	1.86	26.82	5	41,933	26.82	1.86	26.82	5	41,933	26.82	1.86	26.82	5	41,933	26.82
TOTAL AZ CO. MT. ETC. - GENERAL	3,445,577		4.08			67,717		4.08			67,717		1.93			(1,021)						
TOTAL GENERAL PLANT	448,572,820		4.08			18,358,861		4.08			18,358,861		3.61			(1,021)						

PACIFICORP d/b/a PACIFIC POWER & LIGHT COMPANY
TRANSMISSION PLANT

		TRANSMISSION SPLIT	
Total		Transmission - East	Transmission - West
Plant		3,854,477,943	1,405,966,281
5,260,444,224			
Supplemental 1			
	Total	Transmission - East	Transmission - West
350.2 Rights-of-Way	144,659,565	(12,230)	(4,461)
352 Structures and Improvements	161,875,087	(7,764)	(2,832)
353 Station Equipment	1,889,580,073	(326,754)	(119,188)
353.7 Supervisory Equipment		(426,941)	(155,732)
354 Towers and Fixtures	1,223,124,758	(91,897)	(33,521)
355 Poles and Fixtures	731,547,358	(119,735)	(43,675)
356 Overhead Conductors and Devices	1,087,435,404	(878,095)	(320,296)
357 Underground Conduit	3,235,730	(354)	(95)
358 Underground Conductors and Devices	7,410,861	(1,023)	(273)
359 Roads and Trails	11,575,387	(1,471)	(536)
	5,260,444,224	(1,865,897)	(680,608)
			(151,365)
Supplemental 2			
	Total	Transmission - East	Transmission - West
350.2 Rights-of-Way	144,659,565	14,492	5,286
352 Structures and Improvements	161,875,087	(16,859)	(4,506)
353 Station Equipment	1,889,580,073	(292,357)	(78,139)
353.7 Supervisory Equipment		-	-
354 Towers and Fixtures	1,223,124,758	(218,034)	(79,530)
355 Poles and Fixtures	731,547,358	60,331	16,125
356 Overhead Conductors and Devices	1,087,435,404	(135,588)	(49,457)
357 Underground Conduit	3,235,730	100	27
358 Underground Conductors and Devices	7,410,861	(465)	(124)
359 Roads and Trails	11,575,387	619	165
	5,260,444,224	(711,461)	(190,153)
			(42,289)

CAGE %	0.000%
CAGW %	22.2396%

Description	AF	Plant-in-Service	Depreciation Rate		Total Company Depreciation				PROPOSED DEPRECIATION STUDY WA	JULY 2013 SUPPLEMENTA WA		REVISED NET IMPACT WA
			EXISTING	PROPOSED	EXISTING	DIFFERENCE	SUPPLEMENTAL	DIFFERENCE		WA	WA	
Production Plant												
Steam Production - East	CAGE	5,400,306,918	2.27%	5.13%	122,380,744	276,832,850	154,452,106	276,832,850	-	-	-	-
Steam Production - West	CAGW	255,477,785	2.02%	2.34%	5,162,623	5,973,501	810,878	5,973,501	180,336	-	180,336	-
Steam Production - Bridger	JBG	1,109,554,682	2.00%	2.90%	22,185,647	32,188,506	10,002,859	32,188,506	2,138,617	-	2,138,617	-
Steam Production - Water Rights		36,503,523										
Hydro Production - East	CAGE	162,870,228	2.96%	4.49%	4,827,162	7,307,550	2,480,388	7,307,550	-	-	-	-
Hydro Production - West	CAGW	775,251,915	2.89%	3.44%	22,441,443	26,641,194	4,199,751	26,641,194	934,010	-	934,010	-
Other Production - East	CAGE	2,076,933,509	3.52%	3.29%	73,104,396	68,378,863	(4,725,533)	66,972,199	-	-	-	-
Other Production - West	CAGW	1,236,709,940	3.46%	3.28%	42,750,581	40,550,402	(2,200,179)	39,700,581	(489,312)	(188,997)	(678,309)	-
Other Production - Water Rights		17,420,186										
Total Production Plant		11,071,228,687	2.66%	4.07%	292,852,596	457,872,866	165,020,270	455,616,381	2,763,651	(188,997)	2,574,654	-
Total Production Plant - Depreciable		11,017,304,977										
Transmission Plant												
Transmission - East	CAGE	3,854,477,943	1.91%	1.82%	73,639,455	70,126,066	(3,513,389)	68,260,169	(1,865,897)	-	-	-
Transmission - West	CAGW	1,405,966,281	1.91%	1.82%	26,860,860	25,579,310	(1,281,550)	24,898,702	(285,012)	(151,365)	(436,377)	-
Total Transmission		5,260,444,224	1.91%	1.82%	100,500,315	95,705,376	(4,794,939)	93,158,871	(2,546,505)	(151,365)	(436,377)	-
Distribution Plant												
Distribution	CA	231,412,734	2.91%	2.67%	6,724,725	6,171,346	(553,379)	6,171,346	-	-	-	-
Distribution	OR	1,800,233,098	2.86%	2.54%	51,408,119	45,706,796	(5,701,323)	45,706,796	-	-	-	-
Distribution	WA	414,312,516	3.13%	2.81%	12,981,304	11,646,261	(1,335,043)	11,646,261	(1,335,043)	-	(1,335,043)	-
Distribution	WY	635,669,345	2.87%	2.84%	18,246,611	18,062,124	(184,487)	18,062,124	-	-	-	-
Distribution	UT	2,524,656,040	2.52%	2.46%	63,524,102	62,029,227	(1,494,875)	62,029,227	-	-	-	-
Distribution	ID	297,471,473	2.59%	2.27%	7,694,643	6,759,630	(935,013)	6,759,630	-	-	-	-
Total Distribution		5,903,755,206	2.72%	2.54%	160,579,504	150,375,384	(10,204,120)	150,375,384	(1,335,043)	-	(1,335,043)	-
General Plant - Vehicles *												
General Plant - Vehicles	392.1 CA	668,807	7.89%	3.48%	52,773	23,274	(29,499)	23,274	-	-	-	-
General Plant - Vehicles	392.1 CA	159,467	7.89%	3.48%	12,583	5,549	(7,034)	5,549	(1,564)	-	(1,564)	-
General Plant - Vehicles	392.1 ID	552,076	6.66%	7.11%	36,764	39,253	2,489	39,253	-	-	-	-
General Plant - Vehicles	392.1 OR	1,685,882	6.66%	7.11%	112,265	119,866	7,601	119,866	-	-	-	-
General Plant - Vehicles	392.1 OR	682,209	7.63%	7.27%	52,019	49,597	(2,423)	49,597	(539)	-	(539)	-
General Plant - Vehicles	392.1 OR	9,172,343	7.63%	7.27%	745,154	710,449	(34,704)	710,449	-	-	-	-
General Plant - Vehicles	392.1 OR	470,991	7.63%	7.27%	35,914	34,241	(1,673)	34,241	(114)	-	(114)	-
General Plant - Vehicles	392.1 OT	388,917	6.42%	2.53%	24,761	9,747	(15,013)	9,747	-	-	-	-
General Plant - Vehicles	392.1 OT	73,269	6.42%	2.53%	4,701	1,851	(2,850)	1,851	(634)	-	(634)	-
General Plant - Vehicles	392.1 UT	128,866	7.07%	6.93%	9,111	8,930	(181)	8,930	-	-	-	-
General Plant - Vehicles	392.1 UT	2,446,693	7.07%	6.93%	172,985	169,556	(3,429)	169,556	-	-	-	-
General Plant - Vehicles	392.1 UT	1,613,206	7.07%	6.93%	114,056	111,795	(2,261)	111,795	(154)	-	(154)	-
General Plant - Vehicles	392.1 UT	9,673,376	7.07%	6.93%	683,922	670,365	(13,557)	670,365	-	-	-	-
General Plant - Vehicles	392.1 WA	715,985	7.91%	5.60%	56,451	39,983	(16,468)	39,983	(3,662)	-	(3,662)	-
General Plant - Vehicles	392.1 WA	1,683,994	7.91%	5.60%	133,145	94,304	(38,841)	94,304	(38,841)	-	(38,841)	-
General Plant - Vehicles	392.1 WY	1,216,388	7.34%	7.01%	89,306	85,269	(4,038)	85,269	-	-	-	-
General Plant - Vehicles	392.1 WY	637,517	7.34%	7.01%	46,806	44,690	(2,116)	44,690	(452)	-	(452)	-
General Plant - Vehicles	392.1 WY	2,834,019	7.34%	7.01%	208,072	198,665	(9,407)	198,665	-	-	-	-
General Plant - Vehicles	392.3 UT	3,076,269	3.59%	3.42%	110,313	105,208	(5,105)	105,208	(347)	-	(347)	-
General Plant - Vehicles	392.5 CA	797,624,94	5.63%	4.49%	44,885	35,813	(9,072)	35,813	-	-	-	-
General Plant - Vehicles	392.5 CA	164,303,49	5.63%	4.49%	9,246	7,377	(1,869)	7,377	(416)	-	(416)	-
General Plant - Vehicles	392.5 ID	382,200,01	5.22%	5.73%	19,967	21,900	1,934	21,900	-	-	-	-
General Plant - Vehicles	392.5 ID	2,443,128,73	5.22%	5.73%	127,632	139,991	12,360	139,991	-	-	-	-
General Plant - Vehicles	392.5 OR	992,358,50	5.05%	5.67%	50,125	56,267	6,142	56,267	1,366	-	1,366	-
General Plant - Vehicles	392.5 OR	9,616,254,82	5.05%	5.67%	485,727	545,242	59,515	545,242	-	-	-	-
General Plant - Vehicles	392.5 OT	252,302,01	2.96%	2.10%	7,477	5,304	(2,173)	5,304	-	-	-	-
General Plant - Vehicles	392.5 OT	3,047,480	2.96%	2.10%	90	64	(26)	64	(6)	-	(6)	-
General Plant - Vehicles	392.5 UT	199,474,81	5.41%	5.59%	10,797	11,151	353	11,151	-	-	-	-
General Plant - Vehicles	392.5 UT	4,143,373,66	5.41%	5.59%	224,276	231,615	7,338	231,615	-	-	-	-
General Plant - Vehicles	392.5 UT	776,181,56	5.41%	5.59%	43,389	43,389	1,375	43,389	93	-	93	-
General Plant - Vehicles	392.5 UT	15,396,188,69	5.41%	5.59%	833,379	860,647	27,268	860,647	-	-	-	-
General Plant - Vehicles	392.5 WA	1,424,088,14	6.66%	5.07%	94,781	72,201	(22,580)	72,201	(5,022)	-	(5,022)	-
General Plant - Vehicles	392.5 WA	2,643,532,071	6.66%	5.07%	175,942	134,027	(41,915)	134,027	(41,915)	-	(41,915)	-
General Plant - Vehicles	392.5 WY	1,132,203,76	6.80%	6.38%	76,973	72,234	(4,739)	72,234	-	-	-	-
General Plant - Vehicles	392.5 WY	741,518,26	6.80%	6.38%	50,413	47,309	(3,104)	47,309	(664)	-	(664)	-
General Plant - Vehicles	392.5 WY	4,305,700,85	6.80%	6.38%	292,726	274,704	(18,022)	274,704	-	-	-	-
General Plant - Vehicles	392.9 CA	437,317,31	2.69%	2.32%	11,752	10,146	(1,606)	10,146	-	-	-	-
General Plant - Vehicles	392.9 CA	13,876,05	2.69%	2.32%	373	322	(51)	322	(11)	-	(11)	-

PACIFICORP d/b/a PACIFIC POWER & LIGHT COMPANY
Depreciation Rate Comparison - Plant Balances as of December, 2013

Description	AF	Plant-in-Service	Depreciation Rate		Total Company Depreciation					PROPOSED DEPRECIATION STUDY WA	JULY 2013 SUPPLEMENTA WA		REVISED NET IMPACT WA
			EXISTING	PROPOSED SUPPLEMENTAL	EXISTING	PROPOSED	DIFFERENCE	SUPPLEMENTAL	DIFFERENCE		WA	WA	
General Plant - Vehicles	392.9 ID	49,886.93	2.50%	2.73%	1,249	1,362	113	1,362	-	-	-	-	-
General Plant - Vehicles	392.9 ID	893,408.16	2.50%	2.73%	22,369	24,390	2,021	24,390	-	-	-	-	-
General Plant - Vehicles	392.9 OR	132,522.31	2.45%	2.56%	3,250	3,393	143	3,393	32	32	32	32	32
General Plant - Vehicles	392.9 OR	3,191,788.07	2.45%	2.56%	78,277	81,710	3,433	81,710	-	-	-	-	-
General Plant - Vehicles	392.9 UT	3,420.72	2.45%	2.56%	84	88	4	88	0	0	0	0	0
General Plant - Vehicles	392.9 UT	45,179.95	2.57%	2.60%	1,159	1,175	15	1,175	-	-	-	-	-
General Plant - Vehicles	392.9 UT	1,198,510.63	2.57%	2.60%	30,754	31,161	407	31,161	-	-	-	-	-
General Plant - Vehicles	392.9 UT	474,167.54	2.57%	2.60%	12,167	12,328	161	12,328	11	11	11	11	11
General Plant - Vehicles	392.9 WA	4,880,292.33	2.65%	2.68%	125,229	126,888	1,658	126,888	-	-	-	-	-
General Plant - Vehicles	392.9 WA	83,653.33	2.65%	2.38%	2,214	1,991	(223)	1,991	(50)	(50)	(50)	(50)	(50)
General Plant - Vehicles	392.9 WA	685,566.33	2.65%	2.38%	18,143	16,316	(1,826)	16,316	(1,826)	(1,826)	(1,826)	(1,826)	(1,826)
General Plant - Vehicles	392.9 WY	473,630.20	3.37%	3.40%	15,954	16,103	150	16,103	-	-	-	-	-
General Plant - Vehicles	392.9 WY	95,685.65	3.37%	3.40%	3,223	3,253	30	3,253	6	6	6	6	6
General Plant - Vehicles	392.9 WY	2,303,711.93	3.37%	3.40%	77,597	78,326	729	78,326	-	-	-	-	-
General Plant - Vehicles	392.9 OT	7,844.26	2.18%	2.18%	171	171	(0)	171	-	-	-	-	-
General Plant - Vehicles	396.3 CA	918,154	10.34%	7.20%	94,923	66,107	(28,816)	66,107	-	-	-	-	-
General Plant - Vehicles	396.3 CA	66,834	9.15%	12.04%	6,118	8,047	1,929	8,047	-	-	-	-	-
General Plant - Vehicles	396.3 ID	1,567,172	9.15%	12.04%	143,461	188,688	45,226	188,688	-	-	-	-	-
General Plant - Vehicles	396.3 OR	60,453	9.71%	8.84%	5,868	5,344	(524)	5,344	(117)	(117)	(117)	(117)	(117)
General Plant - Vehicles	396.3 OR	6,104,847	9.71%	8.84%	592,583	539,668	(52,915)	539,668	-	-	-	-	-
General Plant - Vehicles	396.3 UT	51,662	10.07%	9.86%	5,201	5,094	(107)	5,094	-	-	-	-	-
General Plant - Vehicles	396.3 UT	5,429,736	10.07%	9.86%	546,602	535,372	(11,230)	535,372	-	-	-	-	-
General Plant - Vehicles	396.3 WA	58,134	9.69%	5.66%	5,634	3,290	(2,344)	3,290	(521)	(521)	(521)	(521)	(521)
General Plant - Vehicles	396.3 WA	1,370,946	9.69%	5.66%	132,871	77,596	(55,276)	77,596	(55,276)	(55,276)	(55,276)	(55,276)	(55,276)
General Plant - Vehicles	396.3 WY	61,879	10.37%	9.64%	6,419	5,965	(454)	5,965	-	-	-	-	-
General Plant - Vehicles	396.3 WY	2,569,556	10.37%	9.64%	266,551	247,705	(18,846)	247,705	-	-	-	-	-
General Plant - Vehicles	396.7 CA	3,051,020	5.60%	4.98%	170,993	151,941	(19,052)	151,941	-	-	-	-	-
General Plant - Vehicles	396.7 ID	879,645	3.87%	3.90%	34,056	34,306	250	34,306	-	-	-	-	-
General Plant - Vehicles	396.7 ID	6,468,406	3.87%	3.90%	250,428	252,268	1,839	252,268	-	-	-	-	-
General Plant - Vehicles	396.7 OR	1,513,765	5.39%	5.24%	81,611	79,321	(2,290)	79,321	(509)	(509)	(509)	(509)	(509)
General Plant - Vehicles	396.7 OR	24,441,728	5.39%	5.24%	1,317,716	1,280,747	(36,970)	1,280,747	-	-	-	-	-
General Plant - Vehicles	396.7 OT	2,126,294	2.71%	1.86%	57,595	39,626	(17,968)	39,626	-	-	-	-	-
General Plant - Vehicles	396.7 OT	123,768	2.71%	1.86%	3,352	2,307	(1,046)	2,307	(233)	(233)	(233)	(233)	(233)
General Plant - Vehicles	396.7 UT	45,854	6.84%	6.10%	3,135	2,797	(338)	2,797	-	-	-	-	-
General Plant - Vehicles	396.7 UT	13,051,444	6.84%	6.10%	892,419	796,138	(96,281)	796,138	-	-	-	-	-
General Plant - Vehicles	396.7 UT	1,046,883	6.84%	6.10%	71,583	63,860	(7,723)	63,860	(525)	(525)	(525)	(525)	(525)
General Plant - Vehicles	396.7 UT	37,298,792	6.84%	6.10%	2,550,381	2,275,226	(275,155)	2,275,226	-	-	-	-	-
General Plant - Vehicles	396.7 WA	415,484	6.81%	6.03%	28,282	25,054	(3,228)	25,054	(718)	(718)	(718)	(718)	(718)
General Plant - Vehicles	396.7 WA	5,630,534	6.81%	6.03%	383,268	339,521	(43,747)	339,521	(43,747)	(43,747)	(43,747)	(43,747)	(43,747)
General Plant - Vehicles	396.7 WY	12,659,571	5.19%	4.94%	657,307	625,383	(31,925)	625,383	-	-	-	-	-
General Plant - Vehicles	396.7 WY	7,334,277	5.19%	4.94%	380,809	362,313	(18,495)	362,313	(3,954)	(3,954)	(3,954)	(3,954)	(3,954)
General Plant - Vehicles	396.7 WY	12,635,403	5.19%	4.94%	656,053	624,189	(31,864)	624,189	-	-	-	-	-
Total General Plant - Vehicles*		245,841,456	6.10%	5.75%	14,996,739	14,128,823	(867,916)	14,128,823	(200,306)	(200,306)	(200,306)	(200,306)	(200,306)

PACIFICORP d/b/a PACIFIC POWER & LIGHT COMPANY
 Depreciation Rate Comparison - Plant Balances as of December, 2013

Description	AF	Plant-in-Service	Depreciation Rate		Total Company Depreciation					PROPOSED DEPRECIATION STUDY WA	JULY 2013 SUPPLEMENTA WA		REVISED NET IMPACT WA
			EXISTING	PROPOSED SUPPLEMENTAL	EXISTING	DIFFERENCE	SUPPLEMENTAL	DIFFERENCE	EXISTING		DIFFERENCE		
General Plant - All Other			2.01%	1.71%	1.71%	95	81	(14)	81	-	-	-	-
General Plant - All Other	389.2 ID	4,733	2.32%	2.15%	2.15%	27	25	(2)	25	-	-	-	-
General Plant - All Other	389.2 UT	1,171	2.32%	2.15%	2.15%	754	699	(55)	699	-	-	-	-
General Plant - All Other	389.2 WY	32,503	2.01%	2.01%	2.01%	1,491	1,494	3	1,494	-	-	-	-
General Plant - All Other	390 CA	74,342	2.38%	1.71%	1.71%	69,829	50,083	(19,746)	50,083	-	-	-	-
General Plant - All Other	390 CA	2,936,056	2.12%	1.86%	1.86%	28,075	24,678	(3,397)	24,678	-	-	-	-
General Plant - All Other	390 ID	1,326,754	2.12%	1.86%	1.86%	22,839	195,936	(26,903)	195,936	-	-	-	-
General Plant - All Other	390 ID	10,530,869	2.21%	1.86%	1.86%	15,071	13,247	(1,824)	13,247	-	-	-	(124)
General Plant - All Other	390 OR	2,897,547	2.21%	1.98%	1.98%	64,119	57,371	(6,747)	57,371	-	-	-	(1,501)
General Plant - All Other	390 OR	32,159,408	2.21%	1.98%	1.98%	711,644	634,943	(76,700)	634,943	-	-	-	(6,225)
General Plant - All Other	390 OR	39,342,704	2.21%	1.98%	1.98%	870,601	778,986	(91,615)	778,986	-	-	-	(422)
General Plant - All Other	390 OT	31,837	2.06%	1.51%	1.51%	657	481	(177)	481	-	-	-	-
General Plant - All Other	390 OT	342,254	2.06%	1.51%	1.51%	7,064	5,166	(1,898)	5,166	-	-	-	(680)
General Plant - All Other	390 UT	2,093,476	2.18%	2.06%	2.06%	45,739	43,126	(2,613)	43,126	-	-	-	(3,352)
General Plant - All Other	390 UT	7,839,508	2.18%	2.06%	2.06%	171,280	161,494	(9,786)	161,494	-	-	-	(214)
General Plant - All Other	390 UT	39,519,198	2.18%	2.06%	2.06%	863,426	814,095	(49,331)	814,095	-	-	-	(139,122)
General Plant - All Other	390 UT	38,830,771	2.18%	2.06%	2.06%	848,385	802,717	(45,668)	802,717	-	-	-	(28)
General Plant - All Other	390 WA	75,534,94	3.80%	2.52%	2.52%	2,868	1,903	(964)	1,903	-	-	-	-
General Plant - All Other	390 WA	10,894,082.79	3.80%	2.52%	2.52%	413,749	274,627	(139,122)	274,627	-	-	-	-
General Plant - All Other	390 WY	883,291	3.03%	2.61%	2.61%	26,755	23,054	(3,701)	23,054	-	-	-	-
General Plant - All Other	390 WY	30,974	3.03%	2.61%	2.61%	938	808	(130)	808	-	-	-	-
General Plant - All Other	390 WY	13,172,144	3.03%	2.61%	2.61%	398,991	345,013	(53,978)	345,013	-	-	-	-
Total General Plant - All Other		203,731,364	2.34%	2.08%	2.08%	4,764,396	4,230,028	(534,368)	4,230,028	-	-	-	(151,667)
Total General Plant		449,572,820	4.40%	4.08%	4.08%	19,761,135	18,358,851	(1,402,284)	18,358,851	-	-	-	(351,974)
Mining Plant		238,286,179	3.67%	8.79%	8.79%	8,750,045	20,944,312	12,194,267	20,944,312	-	-	-	-
Total Company - Depreciable Plant		22,869,363,406	2.55%	3.25%	3.23%	582,443,595	743,256,789	160,813,194	738,453,799	(4,802,990)	-	-	-
Total Company		22,923,287,116							791,622		(340,362)		451,260

* For regulatory purposes, vehicle depreciation is re-classified as operations and maintenance expense.