Exhibit No. ___ (KHB-3) Docket UE-100749

Witness: Kathryn H. Breda

BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

DOCKET UE-100749

Complainant,

v.

PACIFICORP D/B/A PACIFIC POWER & LIGHT COMPANY,

Respondent.

EXHIBIT TO TESTIMONY OF

Kathryn H. Breda

STAFF OF WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Adjustment 8.11 Repairs Deduction

October 5, 2010

Exhibit No. KHB-3 Docket UE-100749 Page 1 of 2

PacifiCorp Exhibit No. R
UE-100749 Docket UE-1
State of Washington Page
Pro FormaAdjustment 8.11 Tax Change for Repairs Deduction - Accumulated Deferred Tax Impact

			B. ISO.	Cr. CC	
			PacifiCorp Adjustment	Staff Adjustment	Difference
	Operating Rev	enues:		,	
	General Business Revenues				-
	Interdepartmental	•			-
	Special Sales Other operating revenues				
5	Total Operating Re	venues	-	-	
6		-	'		
7	Operating Exp	enses:			
_	Steam Production Nuclear Production				-
	Hydro Production				-
	Other Power Supply				-
	Transmission				-
	Distribution				-
	Customer Accounting				-
	Customer Service & Info Sales				-
	Administrative & General				_
18	Total O&M E	cpense	-	-	-
	Depreciation				-
	Amortization Taxes Other than Income				-
	Income Taxes: Federal		-		-
23	: State		-	-	•
	Deferred Income Taxes				-
	Investment Tax Credit Adj.				
	Misc. Revenue & Expense	Sameer.			-
27 28	Total Operating Exp	enses:	-	<u>-</u>	
29	Net Operating In	come:	-	-	-
30					
31	the state of the s	e Base:			
	Electric Plant in Service				-
	Plant Held for Future Use Misc. Deferred Debits				-
	Electric Plant Acq Adj				_
	Nuclear Fuel				-
37	Prepayments				-
	Fuel Stock				-
	Material & Supplies				-
	Working Capital Weatherization Loans			,	-
	Misc. Rate Base				-
43	Total Electric	Plant:	0	•	-
44	p. 1		•		
45	Accum. Prov. for Depreciation	ections:			_
	Accum. Prov. for Amortization		-		-
	Accum, Deferred Income Tax			14,463,670	14,463,670
	Unamortized ITC				-
	Customer Advances for Const.				-
	Customer Service Deposits				•
52 53	Miscellaneous Deductions				
54	Total Ded	actions:	0	14,463,670	14,463,670
55					
56		e Base:	. 0	14,463,670	14,463,670
57		iram		1 7/15 210	1,745,310
58 60	TAX CALCULATION	n ement		1,745,310	1,743,310
	Per Company				
62					
	Operating Revenue		.	•	-
	Other Deductions				
	Interest (AFUDC)				,
	Interest Schedule "M" additions				
	Schedule "M" deductions				· -
69					
	Income Before Tax		-	-	
	State Income Tax			-	
	Taxable Income			-	
	Adjustments to FIT Federal Income Tax		_	•	7
, ,	Weighted Cost of Capital		8.340%	7.480%	
	Conversion Factor		0.61988	0.61988	
	Tax Rate		0.35	0.35	
	State Tax Rate				

Date		Reparis Deduction	Monthly
		Accum. Deferred Income Tax	AMA
(a)	(b)	(c)	(d)
December 31, 2008		-	
January 31, 2009		-	
February 28, 2009		-	
March 31, 2009		-	
April 30, 2009		- `	
May 31, 2009		-	
June 30, 2009		-	
July 31, 2009		-	
August 31, 2009		-	
September 30, 2009			
October 31, 2009		28,927,340	14,463,670
November 30, 2009		28,927,340	28,927,340
December 31, 2009		28,927,340	28,927,340

Exhibit No (RF-5)	\$ 28,927,340	\$ 14,463,670
Average of the Monthly Averages(2)	\$ 28,927,340	28,927,340
Pro Forma Adjustment		14,463,670

This adjustment reflects the repairs deduction as if it was in service for the entire year.

- (1) This is supported by Company Exhibit No. ___ (RF-5).
- (2) This assumes the balance for the entire year.