



































































































































1 **Q. WHAT DO YOU RECOMMEND?**

2 A. Washington does not get the benefit of the system resources that cause PacifiCorp to be  
3 in a net long hedging position in many months of the year. Therefore, it is appropriate in  
4 this case to provide Washington with a higher allocation of the benefit from power  
5 hedges that were executed. This approach allocates power hedges based on the net-short  
6 position, as opposed to allocating hedges based on the total volume of power purchase.  
7 After applying the 90% sharing band, this adjustment produces a \$ [REDACTED] reduction to  
8 the PCAM balance, prior to interest. After interest of \$ [REDACTED] at the FERC interest  
9 rate, this adjustment results in a \$ [REDACTED] reduction to the PCAM balance.

10 **Q. DOES THIS CONCLUDE YOUR RESPONSE TESTIMONY?**

11 A. Yes.