

Exhibit No. ____ (VN-2)
Docket UE-100749
Witness: Vanda Novak

BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

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

Respondent.

DOCKET UE-100749

EXHIBIT TO TESTIMONY OF

Vanda Novak

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

*PacifiCorp's Response to Staff Data Request 135
(excluding confidential attachment)*

October 5, 2010

WUTC Data Request 135

Re: Exhibit No. ____ (RBD-3), Adjustment 3.1 – Temperature Normalization

- (a) Please provide analysis and a narrative explaining the commercial class regression fit statistics, why they are significantly worse than the residential class analysis, and quantify how the load research improved the commercial class results.
- (b) Explain why the choice of small commercial schedule 24 with a sample size of 40 and large commercial schedule 36 with a sample size of 5 is still considered representative of this customer class.

Response to WUTC Data Request 135

- a. The commercial class is more heterogeneous than the residential class, as it is made up of customers as diverse as prisons, retail, churches and schools. Therefore, it is reasonable to expect the residential model to have a better fit. Load research data are used to identify breakpoints and the weights used to develop the composite temperature sensitivity spline. The Washington commercial cooling degree spline consists only of cooling degree days, base 60. As an example of the improved fit provided by evaluation of the load research data, the adjusted R^2 is 61.2%. Replacing commercial CDD with CDD base 70 and replacing commercial HDD with HDD base 50 results in an Adjusted R^2 of 60.8%. Please refer to Confidential Attachment WUTC 135 for the results of this estimation in Excel format. Confidential information is provided subject to the terms and conditions of the protective order in this proceeding.
- b. The metering amounts specified represent a level previously agreed to by the Company and the WUTC (Docket UE-050684) to provide load data estimates for these rate groups. As part of the Company's normal sample rotation policy, both of these original samples were replaced on August 1, 2009. The decision to replace the samples was based strictly on a pre-determined sample life cycle. At the time of their replacement, the Company believes that the previous load samples were providing data estimates that met the same level of accuracy and precision as they were achieving when the WUTC and the Company agreed to the original metering level. The replacement load studies were designed to meet PURPA standards of $\pm 10\%$ precision at the 90% confidence level for the variable of interest. The sample size for the Schedule 024 load study is now 60, and the sample size for the Schedule 036 load study is 44. For preparation of the filing, load estimates for the first seven months of 2009 are based on the prior load studies, while the estimates for the final five months are based on the new studies.

UE-100749/PacifiCorp
August 25, 2010
WUTC Data Request 135

PREPARER: Pete Eelkema / Scott Thornton

SPONSOR: To Be Determined