

May 15, 2017

***VIA ELECTRONIC FILING***

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

**RE: Docket A-130355—Pacific Power & Light Company’s Comments on Draft Rules for WAC 480-07, Part III B**

In response to the Notice of Opportunity to File Written Comments issued by the Washington Utilities and Transportation Commission (Commission) on March 30, 2017, Pacific Power & Light Company (Pacific Power or Company), a division of PacifiCorp, submits the following written comments on the draft rules for WAC Chapter 480-07, Part III B.

**General Rate Proceedings:**

- WAC 480-07-500(4)—The proposed rules state that the Commission may reject any submission to initiate a general or limited rate proceeding by written statement if determined that the submission does not comply with applicable filing requirements. WAC 480-07-141 currently includes language stating that the Commission will keep the original submission date if the deficiencies are not substantive or otherwise hamper the Commission’s ability to review the filing. Pacific Power requests the Commission to consider including similar language into this section of the rule to allow for non-substantive corrections or omissions without extending the effective date of the tariffs.
- WAC 480-07-510(3)(h)—The proposed rules require workpapers to include an explanation of why the company has not achieved its authorized rate of return, tangible actions the company has taken before or during the test year, or an explanation of why it has not taken action before filing a general rate case. Pacific Power believes that workpapers are intended to provide support for testimony and exhibits, not to provide narrative discussions on issues that are not addressed elsewhere in the record. Any such narrative discussion should be addressed instead in testimony.
- WAC 480-07-515(5)—The proposed rules state that statutory parties may engage in discovery after the commission issues notice of a prehearing conference. Generally, party status is given once the presiding officer grants a petition to intervene at a prehearing conference, or issues an order granting petitions to intervene. Pacific Power respectfully requests clarification on whether it is the Commission’s intention to grant petitions to intervene before the prehearing conference is held.

In addition, while Washington Utilities and Transportation Commission staff and Public Counsel can become statutory parties by submitting a notice, Pacific Power raises some

concerns with the proposed ability to begin discovery before the prehearing conference. The prehearing conference is typically the time when all of the interested parties can discuss the scope and schedule of a proceeding. Discovery that begins before that prehearing conference is held could impact the proceeding before all parties have a chance to discuss and agree on the appropriate scope and timelines.

**Limited Rate Proceedings:**

Pacific Power appreciates staff's efforts to provide clarity and set expectations for limited rate proceedings. The Company believes that the Commission, however, should allow itself more flexibility to address utility rates in an expedited manner. While the proposed draft rules do provide a narrower guideline for utilities to follow for limited rate proceedings, the rules also severely limit the Commission's own flexibility to provide rate relief to utilities outside of a full scope general rate case.

While the Commission retains discretion to consider any limited rate proceeding submission as a general rate case, the Commission would not retain the discretion to consider any filing a limited rate proceeding that does not follow each and every prescribed requirement in this section of the rule. The Company believes that the Commission should not forego its flexibility to address utility rates in a limited rate proceeding in an expedited manner.

WAC 480-07-515(1)(f)—The proposed rules requires utilities to remove all power costs, power production rate base (including generation-related transmission), associated deferred income taxes, and revenues attributable to power costs from limited rate proceedings. Pacific Power recommends the Commission allow certain production costs in limited rate proceedings. While power costs and other variable costs can be addressed in different mechanisms, such as the power cost adjustment mechanism, other production costs should be included to allow utilities the ability to avoid a full scope general rate case to update smaller fixed costs.

Pacific Power appreciates the Commission's efforts to update and clarify its procedural rules, as well as the opportunity to participate in the process. Please direct inquiries to Ariel Son, Regulatory Affairs Manager, at (503) 813-5410.

Sincerely,

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