[Service Date June 28, 2006] BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,) DOCKET UE-050684)
Complainant,) ORDER 05
v.)) ORDER OF CONSOLIDATION
PACIFICORP d/b/a PACIFIC POWER & LIGHT COMPANY	,))
Respondent.)
In the Matter of the Petition of) DOCKET UE-050412
PACIFICORP d/b/a PACIFIC POWER & LIGHT COMPANY) ORDER 04
For an Order Approving Deferral of Costs Related to Declining Hydro Generation) ORDER OF CONSOLIDATION))
WASHINGTON UTILITIES AND)) DOCKET UE-060669
TRANSPORTATION COMMISSION, Complainant,)) ORDER 01)
V.)) COMPLAINT AND ORDER) SUSPENDING TARIFF REVISIONS;
PACIFICORP d/b/a PACIFIC POWER AND LIGHT COMPANY,) ORDER OF CONSOLIDATION
Respondent.))
)

BACKGROUND

On April 27, 2006, PacifiCorp d/b/a Pacific Power and Light Company (PacifiCorp or the Company) filed with the Washington Utilities and Transportation Commission (Commission) a revision to its currently effective Tariff WN U-74. The Company proposes to add a rate rider surcharge in new Schedule 193, increasing charges for all

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classes of customers by 2.99 percent.¹ On May 12, the Company extended the stated effective date from May 27 to July 1, 2006.

- PacifiCorp filed the tariff revision under WAC 480-07-505(1)(a), asserting the filing is not a general rate proceeding filing as it requests an increase of less than three percent. Under this rule, the Commission has discretion in determining whether a filing requesting less than a three percent rate increase is a general rate proceeding.
- Simultaneously with the tariff revision, PacifiCorp filed a petition for reconsideration of the Commission's final order in consolidated general rate case dockets UE-050684 and UE-050412, and a motion to consolidate the tariff revision with the consolidated rate case dockets. PacifiCorp relies on the testimony and exhibits admitted in the consolidated dockets to support its 2.99 percent tariff filing. Through the 2.99 percent filing, PacifiCorp seeks to recover a portion of the increase the Company asserts it has justified in the consolidated dockets. PacifiCorp requests the increase in rates until the Commission addresses the pending petitions for reconsideration of the Commission's final order in the consolidated dockets or the courts address any subsequent appeals of the Commission's final order.
- In support of the rate rider surcharge it seeks in this docket, PacifiCorp relies on evidence admitted in consolidated Dockets UE-050684 and UE-050412. Recognizing the close connection between the facts and issues of law presented in its application for a 2.99 percent rate increase and those presented by its petition for reconsideration, the Company moves to consolidate the cases for determination pursuant to WAC 480-07-320. The increase PacifiCorp requests in this docket is a portion of the rate relief it requests in its petition for reconsideration in the previously consolidated dockets. PacifiCorp seeks no less than \$11 million in its petition, noting that the amount would be reduced to \$4 million if the Commission granted the 2.99 percent or \$7 million request for a rate rider.

¹ The proposed 2.99 percent rate increase does not apply to charges under Schedule 98 (BPA Credit), Schedule 91 (Low Income Charge) or any taxes of franchise fees applied to a customer's bill.

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- In this unusual procedural context, we cannot determine that the requested 2.99 percent rate increase would result in fair, just, reasonable and sufficient rates without considering the record and the reconsideration petition pending in the consolidated dockets of the general rate case. We therefore suspend the tariff filing in Docket UE-060669 and grant the Company's motion to consolidate with Dockets UE-050684 and UE-050412.
- In addition, Consolidation promotes judicial economy and administrative efficiency. By suspending the 2.99 percent tariff filing and consolidating the proceedings, we may address the issues together in one adjudicative proceeding. As the facts and issues of law are substantially similar, consolidation allows us to address the Company's requests for rate relief in its tariff filing and its petition for reconsideration together.

FINDINGS AND CONCLUSIONS

- 7 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, practices, accounts, securities, and transfers of public service companies, including electric companies. *RCW 80.01.040, Chapter 80.04 RCW, Chapter 80.28 RCW, Chapter 80.08 RCW and Chapter 80.12 RCW.*
- 8 (2) PacifiCorp is an electric company and a public service company subject to the jurisdiction of the Commission.
- 9 (3) This matter was brought before the Commission at its regularly scheduled meeting on June 28, 2006.
- 10 (4) The tariff revisions filed by PacifiCorp on April 27, 2006 would increase charges and rates for service provided by PacifiCorp, and might injuriously affect the rights and interest of the public.
- 11 (5) PacifiCorp has not yet demonstrated that the tariff revisions would result in rates that are fair, just and reasonable.

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- 12 (6) In view of the close connection between the facts and issues of law presented by the Company's petition for reconsideration in the general rate case dockets and the issues presented in the Company's application for a 2.99 percent rate increase, and given that consolidation would promote judicial economy and administrative efficiency, consolidation of the cases for determination pursuant to WAC 480-07-320 is appropriate.
- (7) In order to carry out the duties imposed upon the Commission by law, and as authorized in RCW 80.04.130, the Commission believes it may be necessary to investigate PacifiCorp's books, accounts, practices and activities; to make a valuation or appraisal of PacifiCorp's property; and to investigate and appraise various phases of PacifiCorp's operations.
- 14 (8) As required by RCW 80.04.130 (4), PacifiCorp bears the burden of proof to show that the proposed increases are fair, just and reasonable.
- (9) PacifiCorp may be required to pay the expenses reasonably attributable and allocable to such an investigation to the extent the requirements for such payment are in accordance with the provisions of Chapter 80.20 RCW.

ORDER

THE COMMISSION ORDERS:

- 16 (1) The tariff revision filed on April 27, 2006 is suspended.
- 17 (2) The tariff revision filed in Docket UE-060669 is consolidated with previously consolidated Dockets UE-050684 and UE-050412.
- 18 (3) The Commission may hold hearings at such times and places as may be required.

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- 19 (4) PacifiCorp d/b/a Pacific Power and Light Company must not change or alter the tariffs filed in Docket UE-060669 during the suspension period, unless authorized by the Commission.
- 20 (5) The Commission may institute an investigation of PacifiCorp d/b/a Pacific Power and Light Company's books, accounts, practices, activities, property and operations as described above.
- (6) PacifiCorp d/b/a Pacific Power and Light Company shall pay the expenses reasonably attributable and allocable to the Commission's investigation to the extent the requirements for such payment are in accordance with the provisions of Chapter 80.20 RCW.

DATED at Olympia, Washington, and effective June 28, 2006.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK H. SIDRAN, Chairman

PATRICK J. OSHIE, Commissioner