

RECEIVED
RECORDS MANAGEMENT
00 MAR 15 AM 10:21
STATE OF WASH
UTIL. AND TRANSP.
COMMISSION

STOEL RIVES LLP

A T T O R N E Y S

STANDARD INSURANCE CENTER
900 SW FIFTH AVENUE, SUITE 2600
PORTLAND, OREGON 97204-1268
Phone (503) 224-3380 Fax (503) 220-2480
TDD (503) 221-1045
Internet: www.stoel.com

March 15, 2000

GEORGE M. GALLOWAY
Direct Dial
(503) 294-9306
gmgalloway@stoel.com

Filed via Overnight UPS

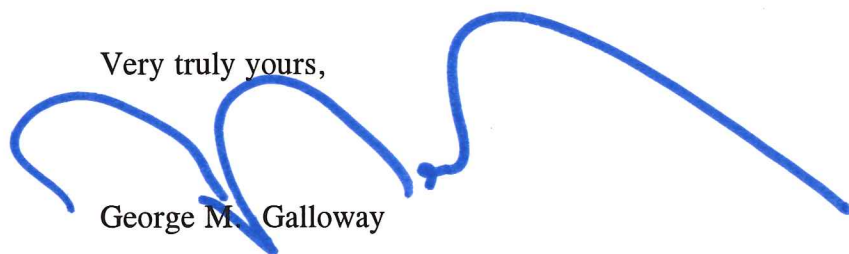
Ms. Carole J. Washburn, Secretary
Washington Utilities & Transportation Commission
1300 S Evergreen Park Drive, SW
PO Box 47250
Olympia, WA 98504-7250

**Re: Application of PacifiCorp re Sale of Centralia
WUTC Docket No. UE-991262**

Dear Ms. Washburn:

Enclosed for filing in this docket are the original and nineteen copies of PacifiCorp's Petition for Reconsideration.

Very truly yours,



George M. Galloway

GMG:dc
Encls.
cc w/encls: Service List

1
2 BEFORE THE
3 WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
4

5 In the Matter of the Application of)
6 PACIFICORP for an Order Approving the) Docket No. UE-991262
7 Sale of its Interest in (1) the Centralia Steam)
8 Electric Generating Plant, (2) the Ratebased)
9 Portion of the Centralia Coal Mine, and)
10 (3) Related Facilities; For a Determination)
11 of the amount of and the Proper) PACIFICORP'S PETITION FOR
12 Ratemaking Treatment of the Gain) RECONSIDERATION
13 Associated with the Sale; and for an EWG)
14 Determination)

15 Pursuant to RCW 34.05.470 and WAC 480-09-810, PacifiCorp (or "the Company")
16 hereby petitions for reconsideration of the Second Supplemental Order of the Washington
17 Utilities and Transportation Commission ("Commission") entered in this docket on March 6,
18 2000 ("Order").

19 PacifiCorp believes that the Order was erroneous in the following respects:

20 1. The Order conditioned approval of the sale of PacifiCorp's interest in the Centralia
21 Plant and Mine upon PacifiCorp agreeing to hold harmless its customers, Puget Sound Energy,
22 Inc. and Avista Corporation and their respective customers from any future liability for Centralia
23 Mine reclamation. There is no basis in the record for this requirement. Moreover, it is contrary
24 to the contractual arrangements among the Centralia owners.

25 2. The Order contains a number of mysterious numerical references and calculations
26 which have no apparent basis in the record.

1 their customers.

2 PacifiCorp witness Alex Miller took great (but apparently insufficient) pains to
3 distinguish between costs of future environmental remediation at the Plant and Mine and future
4 reclamation costs at the Mine. He testified that in the event the Commission accepted
5 PacifiCorp's proposal to establish reserves for *environmental remediation costs* at the Plant and
6 Mine, PacifiCorp would agree to hold *its* Washington customers harmless in respect to costs in
7 excess of such reserves. He stated that the Company had not yet determined what ratemaking
8 treatment it would propose for any *reclamation costs* that PacifiCorp might be required to pay.

9 His testimony in these respects was as follows:

10
11 17 Q. Looking at your rebuttal testimony, Exhibit
12 18 215, at Page 8, Lines 15 and 16, you state that
13 19 PacifiCorp's proposal effectively caps the customer
14 20 borne monetary risk associated with existing
15 21 environmental liabilities. Could you just expand on
16 22 that for me on any potential risks that would remain?
17 23 Would those just be the risks to the Company and not to
18 24 the shareholder because of this statement, or what
19 25 would that mean?

20 **TR Vol. III, p388**

21 1 A. I'm sorry, I didn't find your site.

22 2 Q. I'm sorry. I'm looking at this is Page 3 of
23 3 your rebuttal testimony, Lines 15 and 16.

24 4 A. The environmental liabilities associated with
25 5 the plant are separate and apart from the reclamation
26 6 liabilities, so these are a traditional environmental
7 liabilities, such as fuel spills and other things that
8 can occur at basically any industrial facility. What
9 we are saying here is that if our gain sharing proposal
10 is accepted, and we are allowed to deduct these amounts
11 from the calculation of the gain, then we would not
12 look back to ratepayers in the future if preexisting
13 conditions are determined and found and work there way
14 through and come back to PacifiCorp.

15 If those amounts are not included in the
16 calculation of the gain, preexisting conditions are
17 determined, then we would come back to seek recovery
18 from customers, so essentially, if the two and three
19 million are deducted, then it's shareholder
20 responsibility going forward. It's part of our whole
21 gain sharing proposal. If not and we're not reserving
22 in any sense for those potential liabilities in the
23 future, then we wouldn't come back and look to
24 customers.

25 Q. This again is just environmental liability

1 and not reclamation liability; is that correct?

2 A. That is correct.

TR Vol. III, p389-90 (Emphasis added.)

REDIRECT EXAMINATION

BY MR. GALLOWAY:

Q. Mr. Miller, I want to make sure that the
record is crystal clear as to the difference between
what you refer to as environmental liability associated
with the mine and reclamation liability and how that is
going to be handled. As I understand your testimony,

1 environmental liability as it relates to both the plant
2 and the mine has to do with soil and water
3 contaminating that may have occurred while the plant
4 and mine were in the hands of the current owners.
5 A. That's correct.

Q. And the reserves that have been talked about
for the plant and mine are reserves that PacifiCorp
proposes to book as a contingency against these sorts
of claim for preexisting liability.

A. That is correct.

Q. And if these reserves are permitted and if
PacifiCorp is permitted to retain one third of the gain
from the sale as it's proposed, PacifiCorp would hold
customers harmless against any such environmental

1 liabilities.

2 A. That's correct.

3 Q. You separately testified in respect to the

1 4 reclamation liability associated with the mine; do you
2 5 recall that?

3 6 A. Yes.

4 7 Q. And there has been no reserve in the
5 8 transaction accounting for that sort of secondary
6 9 liability for reclamation; is that correct?

7 10 A. That is correct, there has been no reserve.

8 11 Q. You testified that under current law,
9 12 PacifiCorp does not believe that that secondary
10 13 liability exists.

11 14 A. That is correct.

12 15 Q. Has PacifiCorp made a determination in the
13 16 event that the secondary liability arose and the law
14 17 was changed or somehow the liability was visited upon
15 18 PacifiCorp, how it would treat that matter for
16 19 regulatory purposes, for ratemaking purposes is what I
17 20 mean?

18 21 A. No.

19 **TR Vol. III, p391-93**

20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404
405
406
407
408
409
410
411
412
413
414
415
416
417
418
419
420
421
422
423
424
425
426
427
428
429
430
431
432
433
434
435
436
437
438
439
440
441
442
443
444
445
446
447
448
449
450
451
452
453
454
455
456
457
458
459
460
461
462
463
464
465
466
467
468
469
470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502
503
504
505
506
507
508
509
510
511
512
513
514
515
516
517
518
519
520
521
522
523
524
525
526
527
528
529
530
531
532
533
534
535
536
537
538
539
540
541
542
543
544
545
546
547
548
549
550
551
552
553
554
555
556
557
558
559
560
561
562
563
564
565
566
567
568
569
570
571
572
573
574
575
576
577
578
579
580
581
582
583
584
585
586
587
588
589
590
591
592
593
594
595
596
597
598
599
600
601
602
603
604
605
606
607
608
609
610
611
612
613
614
615
616
617
618
619
620
621
622
623
624
625
626
627
628
629
630
631
632
633
634
635
636
637
638
639
640
641
642
643
644
645
646
647
648
649
650
651
652
653
654
655
656
657
658
659
660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706
707
708
709
710
711
712
713
714
715
716
717
718
719
720
721
722
723
724
725
726
727
728
729
730
731
732
733
734
735
736
737
738
739
740
741
742
743
744
745
746
747
748
749
750
751
752
753
754
755
756
757
758
759
760
761
762
763
764
765
766
767
768
769
770
771
772
773
774
775
776
777
778
779
780
781
782
783
784
785
786
787
788
789
790
791
792
793
794
795
796
797
798
799
800
801
802
803
804
805
806
807
808
809
810
811
812
813
814
815
816
817
818
819
820
821
822
823
824
825
826
827
828
829
830
831
832
833
834
835
836
837
838
839
840
841
842
843
844
845
846
847
848
849
850
851
852
853
854
855
856
857
858
859
860
861
862
863
864
865
866
867
868
869
870
871
872
873
874
875
876
877
878
879
880
881
882
883
884
885
886
887
888
889
890
891
892
893
894
895
896
897
898
899
900
901
902
903
904
905
906
907
908
909
910
911
912
913
914
915
916
917
918
919
920
921
922
923
924
925
926
927
928
929
930
931
932
933
934
935
936
937
938
939
940
941
942
943
944
945
946
947
948
949
950
951
952
953
954
955
956
957
958
959
960
961
962
963
964
965
966
967
968
969
970
971
972
973
974
975
976
977
978
979
980
981
982
983
984
985
986
987
988
989
990
991
992
993
994
995
996
997
998
999
1000

Even the Company's proposed commitment with respect to environmental remediation costs, which Mr. Miller clearly stated had nothing to do with Mine reclamation costs, was mooted by the Commission's unwillingness to accept PacifiCorp's proposal to reserve a portion of the sales proceeds to cover such liabilities (Order at page 24).¹

No Party to these proceedings suggested that PacifiCorp indemnify its customers in respect to Mine reclamation costs. No Party mentioned the possibility of PacifiCorp indemnifying other Centralia owners or their customers.

Other than the testimony of Mr. Miller referenced above, testimony related to responsibility for future Mine reclamation costs (that are for some reason not paid by TransAlta

¹ The Order also fails to acknowledge that 52.5 percent of PacifiCorp's proposed \$ 3 Million reserve for environmental remediation at the Mine relates to the portion of the Mine not in ratebase and therefore should not figure into an adjustment of the amount of gain allocated to the Company's customers. (See Exhibit T-215 at page 4.)

1 consistent with its contractual obligations) came from witnesses for Staff and ICNU. Both
2 witnesses testified that (assuming all of the gain from the sale of the Plant were allocated to
3 customers, consistent with their recommendation) PacifiCorp's *customers* should be responsible
4 for prudently-incurred reclamation costs for the 47.5 percent of the Mine that is in PacifiCorp's
5 ratebase. (See Transcript Volume III, pages 512 and 466.)
6

7 The record is also clear that the Centralia owners had established by contract how
8 responsibility for Mine reclamation should be apportioned among them. Mr. Miller testified as
9 follows in this regard:

10 8 Q. I want to leave this exhibit but stick with
11 9 the reclamation issue, and that is, under the proposed
12 10 sale agreement to TransAlta, is there any -- and I mean
13 11 the word "any" in its literal sense -- liability that
14 12 it stays with the current owners if that sale goes
15 13 through?

16 14 A. Yes.

17 15 Q. Would you please explain what that liability
18 16 is?

19 17 A. That liability is that TransAlta for some
20 18 reason cannot fulfill its obligation to reclaim the
21 19 mine, and that somehow that that falls back on
22 20 PacifiCorp as a previous owner.

23 21 Q. Would that risk be only to PacifiCorp, or
24 22 would that be to all of the owners?

25 23 A. It would fall first to PacifiCorp.

26 24 Q. Because you are the owner of the mine?

27 25 A. That's correct, and the permanent holder.

28 **TR Vol. III, p368**

29 1 Q. Do you have agreements between the respective
30 2 owners that would allow PacifiCorp to seek recovery
31 3 from the other owners?

32 4 A. Yes, we do.

33 **TR Vol. III, p369**

34 22 Q. I believe in response to a question you

1 23 responded that the owners were contractually
2 24 responsible to PacifiCorp in respect to that secondary
3 25 reclamation liability?

4 **TR Vol. III, p393**

5 1 A. Yes, for their portion of the mine.

6 2 Q. 52-and-a-half percent?

7 3 A. That's correct.

8 4 Q. And the balance would have to be borne in

9 5 some manner by PacifiCorp?

10 6 A. That's correct.

11 **TR Vol. III, p394**

12 Thus, there is absolutely no basis in the record for the Commission's "assumption" that
13 PacifiCorp was prepared to indemnify the other Centralia owners in respect to reclamation costs.

14 2. Mysterious numbers and calculations. The Order contains several charts which
15 purport to demonstrate the financial impact of the sale on the three Applicants. Most of these
16 numbers are not accompanied by citations to the record and PacifiCorp is not able to find several
17 of the numbers in the record or otherwise derive them from numbers that are in the record.
18 PacifiCorp understands that these figures are intended to be "estimates" included to illustrate the
19 principles to be implemented by the Commission "when the final allocations are determined in
20 ratemaking" (See Order at page 22). Nonetheless, from the numbers that are used, PacifiCorp is
21 unable to discern what principles the Commission intends to implement. PacifiCorp believes
22 that the principles and methodology are best resolved in this docket and should be based on the
23 record in this docket. Although the actual accounting can and should occur in the pending rate
24 case, clarity in this docket will eliminate controversy and extensive record-building in the rate
25 case. Specifically, PacifiCorp's concerns are as follows:

- 26
- **Allocated Sales Proceeds:** Each owner is receiving a share of the Plant proceeds equivalent to its ownership share. One would assume that all owners would start from the same point

1 with respect to the overall sales proceeds on a total Plant basis. However, this is not the case
2 in the numbers presented in Table 2. If one takes each utility's ownership share and divides
3 that into the allocated sales proceeds, it shows that the Commission has essentially chosen a
4 different starting point for each of the utilities.

	PacifiCorp	Avista	PSE
Ownership Share	47.5%	15%	7%
Allocated Sales Proceeds	199.4	68.2	33.6
Implied Total Allocated Sales Proceeds	420	454	480

5
6
7 **Order, p. 23, Table 2**

8 The Commission needs to clarify its starting point for the methodology in order for the
9 Applicants to quantify the expected result. For example, if the Commission were to apply PSE's
10 starting point to PacifiCorp, there would be \$50 million of appreciation rather than \$20 million –
11 a significant difference. Likewise, if the Commission were to apply PacifiCorp's starting point
12 to PSE, there would be appreciation of \$2 million instead of \$6 million.
13

14 PacifiCorp believes that the discrepancy between the values may be due, at least in part,
15 to an adjustment in PacifiCorp's sales proceeds to reflect the fact that the reclamation trust fund
16 balances will be transferred to TransAlta because the reclamation fund is subtracted from the
17 original bid amount (see line 9 of Exhibit 207). PacifiCorp seeks Commission verification that
18 the \$199.4 million value is derived from Exhibit 207, by subtracting line 16, "Cash to PacifiCorp
19 for Mine," from line 20, "Net Cash From Sale." It appears reasonable to PacifiCorp that the net
20 cash proceeds from the sale reflect the reduction of the reclamation balance. But, as discussed
21 below, if this amount is deducted here, it should not also be deducted in other parts of the
22 calculation.
23
24

- 25 • **Accumulated Depreciation:** PacifiCorp is unable to verify the \$122.6 million amount listed
26 in Table 2 as accumulated depreciation. Referring to Exhibit 214, subtracting the \$64.2
million of net plant from the \$179.2 million of gross plant derives an estimated

1 accumulated depreciation of \$115 million. PacifiCorp believes that the \$115 million figure is
2 the appropriate figure and seeks clarification as to how the Commission arrived at the \$122.6
3 million estimate. Because of the various components that make up the book basis of the
plant, accumulated depreciation is not, in this case, the mathematical equivalent of
subtracting net book value from gross plant.

- 4 • **Net Book Value:** Although there are no details of how the Commission derived the \$56.6
5 million amount listed in table 2 as Net Book Value, it appears that the Commission
6 subtracted the Total Basis of the Mine shown on line 15 of page 2 of Exhibit 207 from the
Total Basis shown on line 41 of page 1 of Exhibit 207. If this is not the case, some
7 explanation is required.

8 PacifiCorp does not agree that this is an appropriate derivation of the shareholder's net
9 book value of the Plant for these purposes. As discussed above, the Commission's approach
10 subtracted from the net proceeds of the sale an amount equal to the reclamation fund balance.
11 In return, TransAlta assumes responsibility for the reclamation of the Mine and the associated
12 liability is removed from PacifiCorp's books. However, by virtue of the calculation
13 described in the paragraph above, the Commission again apparently subtracts the reclamation
14 fund balance, this time from the net book value. The Commission then allows shareholders
15 to recover net book value - but has underestimated this amount by the \$25.3 million
16 reclamation fund balance. This may be part of the reason why there is a shortfall between the
17 amount of actual after tax gain derived from the methodology shown in Exhibit 207 and the
18 amount allocated to customers and shareholders under the Commission's formula. This also
appears to be in direct conflict with the portion of the Order (page 25) that rejects Staff's
proposal to assign all of the reclamation trust balances to customers in the event that the gain
is shared. Subtracting the reclamation fund balance from the net proceeds of the sale and
then also subtracting the same amount from the net book value that has been allocated to
shareholders, appears to be double counting at the expense of shareholders. All parties in this
case agreed that, as a result of the sale, shareholders should at least be made whole for their
net investment in the Plant and Mine. The Order does not appear to accomplish this.

- 19 • **Other Costs and Adjustments:** There is no indication of what this category on Table 3
20 relates to or where the numbers came from. PacifiCorp seeks clarification as to this category
21 represents and the source of the numbers. To the extent that this category is intended to
22 capture the additional components other than Net Plant that go into the determination of the
Company's book basis in the Plant, this appears to be reflected in the calculation of the Net
Book value discussed above.

- 23 • **Other comments on Table 2**

24 One significant omission from this table is a line that shows the book gain after tax. For
25 PacifiCorp, this value is \$82.6 million as shown on line 50 of Exhibit 207. The reason that
26 this omission is significant is that, if included, it reveals a significant flaw in the

1 methodology that follows in Tables 3, 4 and 5.

2 • **Table 3**

3 Again the omission from this table of a line that shows book gain after tax is significant.
4 For PacifiCorp, this value is \$12.7 million which is derived by multiplying the \$82.6 million
5 by 15.4%.

6 • **Table 5**

7 As can be shown on Table 5, the Commission's methodology derives a PacifiCorp
8 Washington customer total allocation of sale proceeds of \$13.29 million. This table also
9 assigns \$1.01 million of appreciation to shareholders. This results in a total of \$14.30
10 million of after tax gain that is to be allocated between customers and shareholders.
11 However, there is only \$12.7 million of after tax gain available for allocation. This appears
12 to be a critical flaw in the adopted methodology. If one adheres to the Commission's
13 statement that shareholders are entitled to recover their net book value, there is insufficient
14 after tax gain to compensate customers for the accumulated depreciation and "appreciation"
15 and to compensate shareholders for the \$1.01 million of "appreciation".

16 If these numbers are updated for the removal of the accruals for environmental contingencies, the
17 total before tax gain is \$84.8 million with \$13.0 allocated to Washington. There is still
18 insufficient gain to implement the adopted methodology.

19 Another way to evaluate the Commission's methodology is to compare the \$82.3 million
20 of net book value (without subtracting reclamation) plus \$122.6 million of accumulated
21 depreciation (a total of \$204.9 million) to the \$199.4 million of allocated sales proceeds. This
22 results in a deficit of \$5.5 million, or approximately \$850,000 for Washington. This explains
23 about a third of the shortfall between the amount of after tax net gain allocated to customers and
24 shareholders and actual amount of gain allocated to Washington.
25
26

1
2 • **Taxes**

3 The Order states (at pages 30-31):

4 “The amount of income tax assignable to the appreciation should be split in half,
5 with each half deducted from the respective share of appreciation assigned to
6 ratepayers and shareholders. The remainder of the income tax should be deducted
7 from the remainder of the gain; this is the portion assigned to ratepayers.”

8 PacifiCorp is unclear on the Commission’s intentions with this statement and requests a
9 numerical example of what it intended with respect to taxes.

10 3. The Commission's proposed formula will not result in any portion of the gain being
11 allocated to PacifiCorp's shareholders. Apparently, because of its erroneous numerical
12 assumptions outlined above, the Commission reached the conclusion that its proposed formula
13 for sharing gain between PacifiCorp's customers and shareholders would result in some portion
14 of the gain being allocated to shareholders. As indicated above, based upon the numbers that are
15 in the record, PacifiCorp believes that the Commission's formula will not result in any amount of
16 gain available for allocation to PacifiCorp’s shareholders and in fact could require PacifiCorp’s
17 shareholders to sustain a loss on the sale.

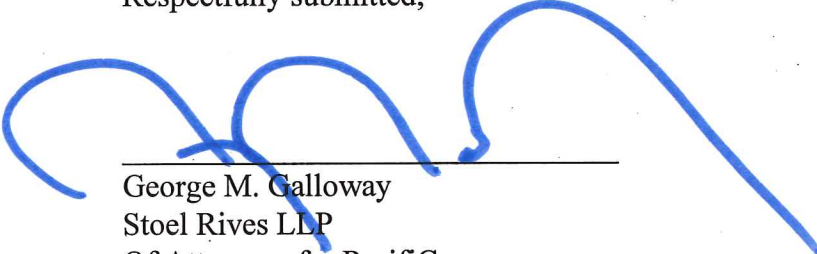
18
19 PacifiCorp questions whether the Commission’s proposed formula is appropriate, even if
20 it accomplished its apparent outcome. “Returning” all historic depreciation expense to customers
21 before any sharing occurs, would appear to ignore the fact that customers effectively had the
22 beneficial use of the Plant for which depreciation expense is appropriate compensation.

23
24 If it was indeed the Commission's intention to provide for an equitable sharing between
25 PacifiCorp's customers and shareholders, the only mechanism for accomplishing that result that
26

1 has any basis in the record is the "depreciation reserve" method sponsored by PacifiCorp. That
2 method, discussed at length in PacifiCorp's Brief, would result in approximately two-thirds of the
3 gain being allocated to customers and one-third allocated to shareholders. On rehearing, it
4 should be adopted by the Commission.

5 DATED: March 15, 2000.

6
7 Respectfully submitted,

8
9 
10 _____
11 George M. Galloway
12 Stoel Rives LLP
13 Of Attorneys for PacifiCorp
14
15
16
17
18
19
20
21
22
23
24
25
26

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that I served the foregoing document on the following named person(s)
3 on the date indicated below by mailing with postage prepaid to said person(s) a true copy
4 thereof, contained in a sealed envelope, addressed to said person(s) at their last-known
5 address(es) indicated below:

6 Michael T. Brooks
7 Melinda J. Davison
8 Duncan Weinberg, et al
9 1300 SW Fifth Ave., Suite 2915
Portland, OR 97201-5636

Robert Lavitt
Elizabeth Ford
Schwerin Campbell Barnard LLP
18 West Mercer St., Suite 400
Seattle, WA 98119

10 Lincoln Wolverton
11 East Fork Economics
12 35011 North Fork Road
PO Box 620
La Center, WA 98629

John Bishop
[IBEW Local 125]
Bennett, Hartman & Reynolds
851 SW Fifth Ave.
Portland, OR 97204

13 Robert Cedarbaum
14 Assistant Attorney General
15 Washington Utilities and
Transportation Commission
16 1400 S. Evergreen Park Drive, SW
PO Box 40128
Seattle, WA 98504-0128

Nancy Hirsh
NW Energy Coalition
219 First Ave., South, Suite 100
Seattle, WA 98104

17 Simon J. ffitc
18 Assistant Attorney General
19 Public Counsel Section
20 Office of the Attorney General
900 Fourth Ave., Suite 2000
Seattle, WA 98164-1012

Christy Omohundro
Director of Regulation
Puget Sound Energy, Inc.
411 108th Avenue NE, Suite 300
Bellevue, WA 98004

Ronald L. McKenzie
Sr. Rate Accountant
Avista Corporation
1411 East Mission
PO Box 3727
Spokane, WA 99220-3727

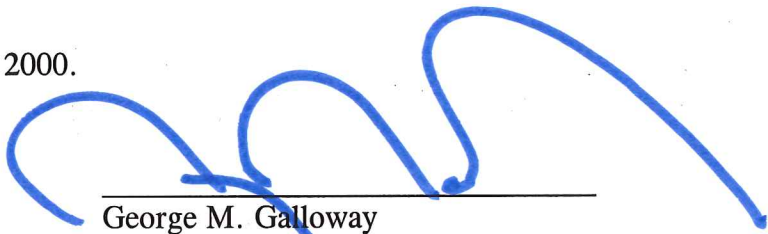
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Matthew Harris
Summit Law Group
1505 Westlake Avenue N, Suite 300
Seattle, WA 98104

Matthew Wright
Vice President, Regulation
PacifiCorp
825 NE Multnomah, Ste. 800
Portland, OR 97232

Gary R. Dahlke
R. Blair Strong
Paine, Hamblen, Coffin, Brooke &
Miller, LLP
717 West Sprague Ave., Suite 1200
Spokane, WA 99201-3505

DATED: March 15, 2000.



George M. Galloway
James C. Paine
Of Attorneys for PacifiCorp