

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,)	DOCKETS UE-191024, UE-190750, UE-190929, UE-190981, UE-180778
)	<i>(Consolidated)</i>
Complainant,)	
)	
v.)	RESPONSE OF PACKAGING CORPORATION OF AMERICA AND PUBLIC COUNSEL TO BENCH REQUEST NO. 9
PACIFICORP DBA PACIFIC POWER & LIGHT COMPANY,)	
)	
Respondent.)	
)	

1 Pursuant to the Washington Utilities and Transportation Commission’s
 (“Commission”) November 10, 2020 Notice of Bench Request, Packaging Corporation of
 America (“PCA”) and Public Counsel submit this Joint Response to Bench Request No. 9.

2 PCA and Public Counsel submit this Joint Response to emphasize their strong
 support for the modified Stipulation’s treatment of the net power cost increase from PacifiCorp’s
 (or “Company”) October 15, 2020 power cost update. This treatment flows that power cost
 increase through the Company’s power cost adjustment mechanism (“PCAM”) so that the rate
 decrease provided in the Stipulation is maintained.

3 PCA and Public Counsel do not support an alternative treatment of this power
 cost increase that would include it in rates effective January 1, 2021. Public Counsel’s authority
 to join the Stipulation was based, in part, on the rate impact approved in that Stipulation. For its
 part, like many businesses, PCA manages its operations through a budgeting process, which
 includes its forecasted energy costs. For 2021, those budgets have assumed the rates provided in
 the Stipulation. If the Commission modifies the Stipulation to reflect the power cost increase in

2021 rates, this will require Public Counsel to obtain approval to continue to support the Stipulation and could materially impact PCA's operations relative to its budgets.

4 Finally, PCA's and Public Counsel's support for the treatment of the power cost increase in the modified Stipulation is further influenced by the results to date of PacifiCorp's actual 2020 power costs relative to what is currently in rates. These results show that PacifiCorp's actual power costs have been lower so far than what it is collecting in rates.^{1/} Consequently, the risk that flowing the October power cost increase through the PCAM will trigger a surcharge on customers in 2021 appears low, as any positive balance in the PCAM due to the modified stipulation will be offset, wholly or partially, by any 2020 over-collections.

Dated this 17th day of November, 2020.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ Tyler C. Pepple

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^{1/} See Confidential Exhibit JT-6C.