

Bench Request 12

In the spreadsheet attached to this Bench Request, the Commission has updated the Parties' confidential spreadsheet in response to Bench Request No. 11 by applying a NPC baseline, *i.e.* "NPC baseline in the Stipulation" in the Parties' joint testimony,¹ of approximately \$102 million, the hypothetical realization of actual power costs for the year 2021 of approximately \$119.5 million (the two assumptions premised in Bench Request No. 11), as well as the Parties' proposed DNBA calculation to recover the \$17.5 million variance in the PCAM deferral account. The Commission's update has only changed the Parties' confidential spreadsheet in Line No. 4, NPC Baseline \$/MWh, to reflect the amount provided in Line No. 3, under NPC in Base Rates, \$25.44.

- (a) Please confirm the resulting changes throughout the attached spreadsheet are correct.
- (b) Only if the resulting changes in the attached spreadsheet are incorrect, please provide: a new spreadsheet identifying proposed corrections, an excel spreadsheet with formulas intact showing the proposed corrections, and a detailed narrative explaining why any correction is necessary and how the proposed corrections reflect the application of a NPC baseline of approximately \$102 million, the hypothetical realization of actual power costs for the year 2021 of approximately \$119.5 million, and the Parties' proposed DNBA calculation to recover the \$17.5 million variance in the PCAM deferral account.

Response to Bench Request 12

- (a) The resulting changes in the provided spreadsheet are incorrect.
- (b) Please refer to the Company's response to Bench Request 11, specifically Confidential Attachment Bench Request 11 for the corrections. Specifically, Line No. 4 should not be changed and should remain \$29.81 per megawatt-hour (\$/MWh) to true-up actual net power costs (NPC) to the full NPC baseline, or \$29.81/MWh. Changing the amount in Line 4 to the NPC in Base Rates, as was done in the provided spreadsheet, would result in an over collection of NPC by PacifiCorp and essentially double counts the \$17.5 million. Please refer to Attachment Bench Request 12. Additionally, the deferred NPC baseline adjustment (DNBA) is necessary to ensure that the \$17.5 million does not flow through the dead bands and sharing bands. This treatment was essential to the agreement struck by parties in this case and balances the impact to customers by maintaining the stipulated rate decrease while allowing PacifiCorp to recover its base NPC.