PACIFICORP GENERAL RATE CASE DOCKET UE-230172
JOINT ISSUES MATRIX—December 4, 2023
CONTESTED ISSUES

ISSUE	PACIFICORP (COMPANY)	COMPANY Rebuttal Filing	COMMISSION STAFF	PUBLIC COUNSEL	AWEC	THE ENERGY PROJECT	WALMART	NWEC	SIERRA CLUB
Overall Revenue/ Rate Increase	Rate Year 1: $26.8 million Rate Year 2: $27.9 million McVee, Exh. MDM-1T at 23. Cheung, Exh. SLC-1T at 3.	Rate Year 1: $18.7 million Rate Year 2: $22.0 million McVee, Exh. MDM-2T at 6. Cheung, Exh. SLC-8T at 1.	Commission Staff's final recommendation will be provided in revised cross answering testimony if the Commission grants the motion to revise. Below is Commission Staff's recommendation as of the response testimony filing. Rate Year 1: $16.6 million Rate Year 2: $26.06 million McGuire, Exh. CRM-1T at 6; Huang, Exh. JH-1T at 4.	(As adjusted for Company rebuttal) Rate Year 1 – $3.29 million Rate Year 2 - $20.09 million Many issues were resolved/narrowed given revisions made by the Company in Rebuttal	Rate Year 1: (-)$20.0 million reduction; recommend against approving RY 2. If the Commission approves a RY 2, AWEC recommends a $28.9 million increase relative to AWEC's proposed RY 1 (or $9.6 million relative to current rates), subject to Net Power Cost update and ex-post review process. See Mullins, Exh. BGM-1T, at Table BGM-1; Mullins, Exh. BGM-1T at 3:26-4:2.				No position.
Equity Analysis	The Company provided testimony describing how equity informs proposed rates, practices, and operations. Specific examples in the rate case filing include: the proposal to replace tiered energy charges with seasonal energy charges and differentiate basic charges for customers in single- and multi-family dwellings; engaging with the Yakama Nation in development of transmission and distribution infrastructure;	The Company's rebuttal testimony supports and expands on the equity analysis described in direct testimony. In response to Staff's testimony regarding the Yakima Substation projects and North Temple Office projects, the Company agrees that the decision to	The company has not met its burden to demonstrate that the proposed rate plan meets the equity requirements in RCW 80.28.425(1). Staff recommends: 1. The Company incorporate a	1. Commission should find that PacifiCorp failed to provide sufficient support or evidence that it actually conducted an equity analysis of the impact of its proposed	No position.	TEP raises equity concerns about the Company's disconnection, credit agency reporting, and language access policies. If the Commission decides in the credit and collections		NWEC supports the testimony of TEP regarding low-income bill assistance, disconnection policy (credit reporting policy, language access plan, community based organizational outreach, and low-	No position.

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	and revamping the North Temple Project in an economically disenfranchised area. Further, the Company is taking action outside the rate case to promote equity within its Washington service area, including: establishment of an Equity Advisory Group, development of Customer Benefit Indicators, the Clean Energy Implementation Plan, modification to the Low-Income Bill Assistance Program, residential energy efficiency program expansion, small business energy efficiency assistance, Demand Side Management program tracking, a residential energy usage survey, the COVID-19 Bill Assistance Program, a disconnection moratorium, on-bill financing options, and marketing to increase participation in its various energy efficiency and energy assistance programs. Medina, Exh. CMM-1T.	proceed with both projects preceded the Commission's equity related guidance, but notes that the Company still engaged with communities in development of these projects. Staff's testimony highlights an inherent timing issue, and the Company expects that the Commission, Company, and stakeholders will continue to refine their understanding of how equity is considered in capital planning future MYRPs. McVee, Exh. MDM-2T at 34-35. In response to Staff and Public Counsel's proposals that the Company perform a distributional equity analysis, the Company performed an analysis demonstrating that the rate impact of the Company's proposed rate design and price change is equitable because customers in Highly Impacted	distributional equity analysis ("DEA"), which can coexist alongside existing benefit-cost analysis, into its capital planning frameworks. PacifiCorp should submit a compliance filing demonstrating this has been done by the end of the Multi Year Rate Plan (MYRP). 2. PacifiCorp develop benefits and costs (with associated weights, where applicable) related to equity for use in the portfolio optimization step in its transmission and distribution capital planning framework. 3. PacifiCorp modify the criteria that trigger the need to add a new transmission or distribution capital project. Equity related criteria should be added to this trigger, as it relates to evaluating system needs in capital planning.	rates; that it is insufficient for the Company to simply assert it considered equity in the analysis without an equity analysis of the rate increase proposed; Commission should require an equity analysis in a compliance filing and make rate changes provisional until the Company has complied. 2. Commission should order the Company to work collaboratively with the low-income advisory group to develop bill-discount rate program changes to be filed with the Commission considering additional discount tiers, self-attestation of income for enrollment, arrearage		rulemaking to allow utilities to disconnect residential customers for nonpayment, PacifiCorp should implement a set of reforms to its Disconnection Policies, and conduct a holistic equity review of its Disconnection Policies. Specifically, the Commission should order PacifiCorp to: (1) Raise the dollar threshold for disconnecting customers for nonpayment from $50 to $300, which is approximately to 2.5 times the average monthly bill for PacifiCorp's highly energy burdened residential customers; (2) Remove any provision from PacifiCorp's internal scoring system for disconnections that awards points		income weatherization). See Thompson, Exh. CT-5T.	

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		Communities and customers who participate in the Low-Income Bill Assistance program would experience a lesser bill increase than other residential customers. Meredith, Exh. RMM-12T at 33-34. McVee, Exh. MDM-2T at 39.		management, and other features in peer utility bill discount and arrearage management programs; Commission should order the Company to conduct equity analyses of rate changes and submit evidence of those analyses in all future filings.		if a customer has a previous disconnection order; (3) Refrain from initiating disconnections or sending disconnection notices when a customer has a scheduled energy assistance appointment; and (4) Conduct a robust equity review of policies and procedures for disconnecting customers for nonpayment, in consultation with the LIAG and Equity Advisory Group. Stokes SNS-1T at 13-19. The Commission should order PacifiCorp not to report customer information to credit bureaus, and prohibit its collection agency contractors from doing so as well. Stokes SNS-1T at 19-21. PacifiCorp does not have a			

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						comprehensive document or policy describing when and how to conduct program outreach in languages other than English. The Commission should direct PacifiCorp to: (1) develop a draft language access plan and share the draft Language Access Plan with the LIAG and Equity Advisory Group within 6 months of the Commission's final order in this proceeding, (2) within 7 months of the Commission's final order in this proceeding convene at least one joint meeting of the LIAG and Equity Advisory Groups to discuss the draft plan and solicit written feedback on the draft plan, (3) incorporate feedback from the LIAG and Equity Advisory Group, and make a subsequent filing			

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						(pursuant to WAC 480-07-885) including the final plan within 12 months of the final order in this proceeding, (4) maintain and revise the language access plan as needed, with approval and feedback from the LIAG and Equity Advisory Groups, and (5) in each LIBA annual report, describe the progress and steps taken to accomplish the objectives in the language access plan during the previous year. Stokes SNS-1T at 21-24.			
Provisional Rates Subject to Results of Equity Analysis		The Company opposes Public Counsel's proposal that the Commission enter provisional rates subject to the Company performing a distributional equity analysis. If the Commission does agree with this proposal, the Company requests that the Commission		See above.	No position.				No position.

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		find that the analysis presented in witness Meredith's rebuttal testimony satisfies the spirit of this recommendation. McVee, Exh. MDM-2T at 39-40.							
Capital Structure and Cost of Capital	*Capital Structure* Long-term Debt: 48.72% Preferred Stock: 0.01% Common Equity: 51.27% *Cost of Capital* Long-term Debt: 4.77% Preferred Stock: 6.75% Common Equity: 10.3% Overall Rate of Return: 7.6% Kobliha, Exh. NLK-1T at 2. *See* Bulkley, Exh. AEB-1Tr at 3-7.	The Company did not propose any changes to its proposed capital structure in rebuttal testimony. Bulkley, Exh. AEB-15T at 92. *Cost of Capital* Long-term Debt: 5.09% Preferred Stock: 6.75% Common Equity: 10.00% Overall Rate of Return: 7.6% Kobliha, Exh. NLK-7T at 3. The impact of the revisions to the cost of debt and return on equity is approximately a $300 thousand reduction in revenue requirement. Cheung, Exh. SLC-8T at 3.	*Capital Structure* Long-term Debt: 50.13% Short-term Debt: 0.76% Preferred Stock: 0.01% Common Equity: 49.10% *Cost of Capital* Long-term Debt: 5.086% Short-term Debt: 5.665% Preferred Stock: 6.75% Common Equity: 9.5% Overall Rate of Return: 7.26% Note that this position is an update from Staff's cost of captial recommendation in response testimony. Staff has incorporated the company's updated cost of debt in	LTD – 50.89% at 5.09% Preferred Stock – 6.75% at 0.01% Common Stock – 49.10% at 9.25% ROR = 7.13% The impact of PC's ROR is a reduction of approximately $7.33 million	*Capital Structure* Long-term Debt: 48.99% Preferred Stock: 0.01% Common Equity: 51% Exhibit LDK-1T, at 33:8-9 *Cost of Capital* Long-term Debt: 4.77% Preferred Stock: 6.75% Common Equity: 9% Overall Rate of Return: 6.927% Exhibit LDK-1T, at 1:13-15, 34:19-20		The Commission should closely examine the increases in ROE in light of customer impacts, the use of MYRP, recent ROE approved by the Commission (9.4%) and Recent ROEs approved by Commissions nationwide (9.5%-9.75%). Kronaeur WM-Exh-AJK-1T at 5-14.		No position.

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			Company witness Kobliha's rebuttal testimony, Exh. NLK-7T.						
Net Power Cost Forecast	The Company forecasts $2.555 billion for total-company Net Power Costs (NPC) in 2024, with $199 million allocated to Washington. This estimate is based on the historical actual NPC, the 2024 official forward price curve, and four major updates to NPC: the Environmental Protection Agency's (EPA) Ozone Transport Rule, Washington's Cap and Invest program, the Jim Bridger Gas Conversion, and the removal of hydroelectric projects along the Klamath River. Mitchell, Exh. RJM-1CTr at 4, 17-18.	The Company recommends that the Commission adopt all of Staff's NPC recommendations and updates proposed in the response testimony of witness Wilson—excepting the correction to thermal unit variable O&M where the Company proposes using the latest costs available at the time the NPC forecast for the compliance filing is assembled—and the Company's recommendations and adjustments in rebuttal testimony. Mitchell, Exh. RJM-3CT at 4-5. The illustrative update reduces NPC by approximately $8.8 million on a Washington-allocated basis, which amounts to a revenue requirement reduction of approximately $9.2 million.	PacifiCorp's forecast NPC are not based on the most up to date information available to the Commission. The forecast is based on calendar year 2024 is not concurrent with the rate year, which is roughly April 1, 2024 to March 31, 2024, In the first quarter of 2024, Jim Bridger 1 and 2 are offline causing WIJAM to assign significant costs to Washington customers. Having rates based on this will cause an overcollection and allow the Company to collect a windfall because under the PCAM refunds would not be 100 percent. Additionally, this forecast misstates the benefits of wind facilities going online that year. The NPC forecast		Specific monetary adjustments are included Tab 5, below. More generally, AWEC supports including investment of Bridger Units 1 and 2 gas conversion in revenue requirement. Support including Colstrip and Jim Bridger Units 3 & 4 in rates through 2025 given magnitude of WA short position. Mullins, Exh. BGM-1T at 36:14 to 37:6. AWEC continues to support Commission approval only of RY 1, which would necessitate future filings to deal with power costs beyond March 2025. If the Commission approves RY 2, AWEC recommends that PacifiCorp be required to file an update to its power costs no later than January 15, 2025, for rates effective with RY2, which includes review of offsetting factors as discussed in AWEC's				No position.

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		Cheung, Exh. SLC-8T at 25. The Company supports removal of the Ozone Transport Rule in its entirety from the Company's NPC forecast. Rao, Exh. EVRR-1T at 4.	most closely aligned to the effective period of NPC rates should be the one used. Using the rate year rather than the calendar year results in $184.8 million in forecast NPC, which represents a further $5.4 million reduction in NPC beyond the reductions accepted in PacifiCorp's rebuttal testimony.		testimony, and a PCORC filing on or before April 1, 2025 with rates effective January 1, 2026, in order to fully include the effects of removing coal assets from rates. Mullins, Exh. BGM-10T at 15:15 to 17:8. Remove the Ozone Transport Rule modeling from Jim Bridger, since the final rule did not apply to Wyoming (Adj. No.5.2); Mullins, Exh. BGM-1T at 46:4-48:3				
Net Power Cost Forecast Period		The Company continues to support its position that the NPC forecast period based on calendar years is appropriate and consistent with Commission precedent, and disagrees with Staff and AWEC's proposals to move the period forward in time. Imposing a non-calendar year NPC forecast on this case where all other revenue requirement	See Staff's position above.		AWEC recommends that the NPC forecast period be recalculated to be consistent with the rate effective periods for the respective rate years. Mullins, Exh. BGM-1T 19:13-23:9.				No position.

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		elements are forecasted on a calendar year basis create a mismatch that violates the underlying integrity of the forecasted outcome in this case. Furthermore, while the NPC forecast on an April to March period reflects a reduction in rate year 1, rate year 2 NPC forecast based on an April to March period will likely be higher than a calendar year forecast, thus temporally shifting NPC from rate year 1 to rate year 2. Mitchell, Exh. RJM-3CT at 6-7. Cheung, Exh. SLC-8T at 68-71.							
Market Caps		The Company recommends adoption of its modeling on market capacity limits and rejecting AWEC proposal because all relevant data suggests that market hubs are no longer liquid for the Company and thus the Company's current methodology is more appropriate.			Adjust the market capacity limits in Aurora to exclude liquid market hubs (Adj. No.5.2); Mullins, Exh. BGM-1T at 41:3-46:3				No position.

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		Zacharia, Exh. IMRZ-1CT at 1-8.							
Illustrative NPC Update		The Company supports all four of its corrections and all two of its modeling updates which total to a $4.4 million reduction to NPC. The four corrections are titled: (1) Startup Costs; (2) Wind Capacity Factors; (3) Contingency Reserves for Non-Owned Generation; and (4) Day Ahead / Real Time (DA/RT) Volume Component. The two modeling updates are titled: (1) Thermal Generation Marginal Costs; and (2) EIM greenhouse gas (GHG) Benefits. Including routine updates, the illustrative NPC update reduces NPC by approximately $8.8 million on a Washington-allocated basis, resulting in a revenue requirement reduction of $9.2 million. Mitchell, RJM-3CT at 14.			AWEC opposes the DA/RT modeling method change that PacifiCorp introduced and proposed in Rebuttal Testimony, and which increased NPC by $5.2 million. See Mitchell, Exh. RJM-3CT at 17:9-21:6.				

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		Cheung, Exh. SLC-8T at 25. Specific to the Day Ahead / Real Time (DA/RT) adjustment, in rebuttal testimony, the Company corrected an error in the DA/RT adjustment by removing unsupported artificial arbitrage revenue from the DA/RT volume component. The adjustment corrected an error which resulted in an illogical decrease to power costs resulting from inefficiencies in actual power trading, as compared to the actual increase in power costs that result from these inefficiencies in actual power trading. The Company corrected the formulaic pricing of the DA/RT volumes, resulting in a NPC increase of $5.2 million. Mitchell, Exh. RJM-3CT at 18:9-21:6.							
Tab 3 – Revenue Adjustments	The revenue adjustments under this tab include: Temperature Normalization Adjustment (page 3.1); Revenue Normalization	The Company maintains the same position on rebuttal			Include an adjustment for additional pole attachment revenues for				No position.

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	Adjustment (page 3.2); and Wheeling Revenue – Year 1 Adjustment (page 3.3). Cheung, Exh. SLC-1T at 30.	and made no revisions to these adjustments. Cheung, Exh. SLC-8T at 5 n. 5			the respective Rate Years (Adj. No. 3.4); Mullins, Exh. BGM-1T at 63:1-64:3.				
Tab 4 – O&M Adjustments	The O&M adjustments include Miscellaneous Expense & Revenue Adjustment (page 4.1); General Wage Increase Adjustments (pages 4.2 and 4.3); Pension Related Non-Service Adjustment (page 4.4); Insurance Expense Adjustment (page 4.5); Advertising and Memberships and Subscriptions Adjustments (pages 4.6 and 4.7); Revenue-Sensitive/Uncollectible Expense (page 4.8); Legal Expenses Adjustment (page 4.9); Remove Non-Recurring Entries Adjustment (page 4.10); Environmental Remediation Adjustment (page 4.11); Payment Services Fees Adjustment (page 4.12); and Incremental O&M Expenses Adjustment (page 4.13). Cheung, Exh. SLC-1T at 30-36.	The Company's rebuttal testimony included revisions to the General Wage Increase Adjustments (pages 4.2 and 4.3) resulting from corrections to several inputs for these adjustments. The Company also included revisions to Pension Related Non-Service Adjustment (page 4.4) and Insurance Expense Adjustment (page 4.5). The net impact to adjustment 4.3 and 4.4 for corrections and actuarial updates reflected is a revenue requirement reduction of approximately $1.4 million. The revenue requirement impact of insurance updates is an increase of approximately $6.9 million in revenue requirement. Cheung, Exh. SLC-8T at 12.		PC recommends certain adjustments to Incremental T&D O&M (Adj. 4.13): See Exhibit ACC-3, page 7 of Crane Testimony The revenue requirement impact of PC's adjustments is a reduction of $0.63 million	Calculate injuries and damages expenses using a two year average. Exhibit LDK-1T at 48:13				No position.

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		Cheung, Exh. SLC-11 at 10-11. The Company recommends the Commission reject AWEC's injuries and damages recommendation and instead use the three-year average methodology as filed in the Company's direct testimony. Cheung, Exh. SLC-8T at 64-65.							
Tab 5 – Net Power Cost Adjustments	The NPC restating adjustment (page 5.1) normalizes NPC by adjusting for resale, purchase power, wheeling and fuel in a manner consistent with the contractual terms of sales and purchase agreements as well as normal hydro and weather conditions for Washington in the Test Period. The NPC Pro Forma adjustment (page 5.2) adds pro forma changes to NPC for the 12 months ending December 31, 2024. The other NPC adjustments in this tab are: Pryor Mountain REC Revenues Adjustment (page 5.3); WRAP Fees Adjustment (page 5.4); and Aurora Access Fees Adjustment (page 5.5). Cheung, Exh. SLC-1T at 36-37.	The Company's rebuttal testimony included revisions to: the NPC restating adjustment (page 5.1), the NPC Pro Forma adjustment (page 5.2), and the Pryor Mountain REC Revenues Adjustment (page 5.3). Cheung, Exh. SLC-11 at 12. The Company opposes AWEC's proposal to remove Bridger Mine reclamation and depreciation costs in fuel costs. The Company proposes a correction to the			AWEC recommends the following adjustments to PacifiCorp's Tab 5 proposal: 1. Remove post-2023 Bridger Coal Company ("BCC") depreciation and reclamation from Jim Bridger fuel costs as those costs were resolved in the 2020 GRC Stipulation and are being recovered through a separate regulatory liability (Adj. No. 5.2); Mullins, Exh. BGM-1T at 31:1 to 35:2. 2. Consider under-utilized gas plant dispatch in the Washington Balancing Adjustment to fill Washington's net short position (Adj. No.5.2).				

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		calculation of this reclamation and depreciation to reduce the incremental expenses by the cumulative amounts already collected since the approval of the original regulatory liability in 2021. The correction reduces annual reclamation costs that still need to be collected through 2030 by approximately $250 thousand. Cheung, Exh. SLC-8T at 26-31. The Company disagrees with AWEC's proposal regarding under-utilized gas plant dispatch as it is either incomplete or infeasible. Mitchell, Exh. RJM-3CT at 1-8. See also the issue labeled Market Caps above. See also the issue labeled Net Power Cost Forecast above.			Mullins Exh. BGM-1T at 38:3-41:2. 3. Adjust the market capacity limits in Aurora to exclude liquid market hubs (Adj. No.5.2). Mullins, Exh. BGM-1T at 41:3-46:3. 4. Remove the Ozone Transport Rule modeling from Jim Bridger, since the final rule did not apply to Wyoming (Adj. No.5.2). Mullins, Exh. BGM-1T at 46:4-48:3				

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Tab 6 - Pro Forma Depreciation and Amortization Expense - Year 1	This adjustment normalizes and pro forms Test Period depreciation and amortization expense to reflect levels with projected plant additions in Rate Year 1. It additionally reflects the removal of accelerated depreciation expense associated with Jim Bridger and Colstrip. Pro forma depreciation expenses associated with Jim Bridger and Colstrip are then added back into results for Rate Year 1 in Tab 10 and for Rate Year 2 in Tab 14. Cheung, Exh. SLC-1T at 38.	The Company's rebuttal testimony included revisions to: Pro Forma Depreciation and Amortization Expense – Year 1 (page 6.1); Pro Forma Depreciation and Amortization Reserves -Year 1 (page 6.2); and Decommissioning and Other Plan Closure Costs – Year 1 (page 6.4). Cheung, Exh. SLC-11 at 12-13. The Company opposes AWEC's proposed adjustment to disallow all capital projects less than $1 million. The Company has consistently included projects less than $1 million in its rate filings and already provided a listing of these projects in workpapers supporting its direct filing. Cheung, Exh. SLC-8T at 65:16-68:6.			Remove Capital Projects less than $1 Million because those projects were not specifically identified and cannot be effectively evaluated in the capital review process (Adj. Nos. 6.1, 6.2, 8.4, 14.1, 14.2, & 14.3); Mullins, Exh. BGM-1T at 23:16-24:21.				
Tab 7 – Tax Adjustments	Consistent with the Washington Inter-Jurisdictional Allocation Methodology (WIJAM), state	The Company's rebuttal testimony included revisions to			Update the PTC Rate to 3.0 cents per kWh for both Rate Year 1 and				No position.

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	income taxes are situs-assigned, and because Washington has no state income tax, there is no state income tax expense included in Washington's revenue requirement. Federal income tax is reflected in the Company's model at 21 percent, consistent with the corporate income tax rate included in the Tax Cuts and Jobs Act. Tab 7 includes various tax related adjustments, including: Interest True-Up – Year 1 Adjustment (page 7.1); Property Tax Expense – Year 1 Adjustment (page 7.2), Production Tax Credit (PTC) Adjustment (page 7.3); PowerTax Accumulated Deferred Income Tax Balance Adjustment –Year 1 (page 7.4); Permanent Schedule M Adjustment – Year 1 (page 7.5); Remove Deferred State Tax Expense and Balance – Year 1 Adjustment (page 7.6); Washington Public Utility Tax Adjustment (page 7.7); Removal of TCJA Deferred Balances Adjustment (page 7.8); Washington Low Income Tax Credit Adjustment (page 7.9); and Wyoming Wind Generation Wind Tax Adjustment (page 7.10). Cheung, Exh. SLC-1T at 39-43.	Production Tax Credit – Year 1 (page 7.3) which results in a reduction to revenue requirement of $0.7 million and Wyoming Wind Generation Tax (page 7.10) which results in a reduction to revenue requirement of $13 thousand. In addition, the rebuttal testimony includes revisions to: Interest True-Up – Year 1 (page 7.1) in response to recommendations from Staff witness Huang; PowerTax ADIT Balance – Year 1 (page 7.4); and Remove Deferred State Tax Expense and Balance – Year 1 (page 7.6). Cheung, Exh. SLC-11 at 13-15, 18-19. Cheung, Exh. SLC-8T at 26-27. See also the issue labeled Production Tax Credit Rate below.			Rate Year 2 (Adj. No. 7.3); Update the wind production assumed in the PTC to reflect the rate effective period wind output for both Rate Year 1 and Rate Year 2, including the impact of new wind additions (Adj. No. 7.3); Mullins, Exhibit BGM-1T, at 5:12-19.				
Tab 8 – Rate Base Adjustments	Tab 8 includes several adjustments to the Company's rate base. The End-of-Period Plant Balances – Historical adjustment (page 8.1) modifies the gross plant balances from June	The Company's rebuttal testimony included revisions to: Regulatory Assets/Liabilities Amortization – Year 1	With exception to adjustments 10.6, 10.7, 14.7, and 14.8, Staff recommends that the Commission	PC recommends disallowance of the CETA Deferral, COVID Deferral, and EV Pilot Deferral, all of	Remove Capital Projects less than $1 Million because those projects were not specifically identified and cannot be effectively evaluated in				No position.

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	2022 AMA levels to the actual June 30, 2022 EOP balances. The Pro Forma Major Plant Additions – Year 1 adjustment (page 8.4) adds into rate base plant additions on a Washington-allocated basis that will be placed into service through December 2024, but does not include new major wind and transmission investments. The Confidential Wind Generation Capital Additions – Year 1 adjustment (page 8.11) is a pro forma adjustment that adds the capital additions and depreciation amounts for the new wind generation projects set to occur before December 2024. The Major Transmission Capital Additions – Year 1 adjustment (page 8.12) is a pro forma adjustment that adds the capital additions, gross plant retirements, and depreciation amounts for the major transmission projects set to be placed in service through December 2024. The other adjustments included under this tab are: Regulatory Assets and Liabilities Amortization Adjustment (page 8.2); Customer Advances for Construction Adjustment (page 8.3); Miscellaneous Rate Base Adjustment (page 8.5); Customer Service Deposits Adjustment (page 8.6); Investor Supplied Working Capital Adjustment (page 8.7); Labor Day Wildfire Restoration Capital Removal Adjustment (page 8.8); WIJAM	(page 8.2); Pro Forma Major Plant Additions – Year 1 (page 8.4); and Labor Day Wildfire Restoration Capital Removal (page 8.8). Cheung, Exh. SLC-11 at 15-17. The Company does not accept AWEC's recommended adjustments related to Investor Supplied Working Capital. Cheung, Exh. SLC-8T at 74-79. Amortization of the Company's deferrals (CETA, COVID, and EV Pilot) is appropriate, and the Company opposes Public Counsel's proposed disallowance of these deferrals. McVee, Exh. MDM-2T at 71-74. In rebuttal testimony, the Company provided updated forecasts for pro forma capital projects from July 1, 2022 to December 31, 2022	treat all post-test year plant additions as provisional. This includes those post-test year plant additions in 2022, 2023, 2024, and 2025 (RY2). McGuire, Exh. CRM-1T at 15.	which are included in Adj. 8.2. PC's adjustments reduce the revenue requirement by approximately: Reduction of $1.01 million for CETA Deferral Reduction of $5.54 million for COVID Deferral Reduction of $0.94 million for EV Pilot Deferral PC agrees with Company rebuttal that these amounts would need to be added back in Year 2.	4 the capital review process (Adj. Nos. 6.1, 6.2, 8.4, 14.1, 14.2, & 14.3); Mullins, Exh. BGM-1T at 23:16 to 24:21. Approve amortization of the UE-210852 fly-ash deferral over one year (Adj. Nos. 8.2 & 16.1); Mullins, Exh. BGM-1T at 28:4-30:20 Reject the proposal to amortize the COVID deferral, as PacifiCorp provided no evidence regarding the reasonableness of the costs included in the deferral (Adj. Nos. 8.2 & 16.1); Mullins, Exh. BGM-1T at 57:6-61:2 Include a prepaid pension settlement as a non-utility asset in the ISWC calculation (Adj. No. 8.7); Mullins, Exh. BGM-1T at 62:1-20.				

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	Transmission Reallocation Adjustment (page 8.9); and Klamath Hydroelectric Assets Transfer – Year 1 Adjustment (page 8.10). Cheung, Exh. SLC-1T at 43-48	with actual in service amounts. These projects, therefore, have become traditional pro forma capital projects, and should be excluded from the Company's proposed provisional capital review process. All pro forma capital projects from 2023 to 2025 will remain provisional pro forma capital projects, subject to review and true-up in the Company's proposed provisional capital review process. Cheung, Exh. SLC-8T at 20:5-22:9. See also the issue labeled Tab 6 – Pro Forma Depreciation and Amortization Expense – Year 1 above. See also the issue labeled Fly Ash Revenue Deferral below. See also the issue labeled COVID Deferrals below.							

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		See also the issued labeled Wildfire Litigation Expense below.							
Tab 9 – Other Adjustments	Tab 9 includes the Production Factor Adjustment – Year 1, which applies a production factor, calculated by dividing Washington's normalized historical retail sales by Washington pro forma sales, to the pro forma NPC, fly ash revenues, and other generation-related adjustments to adjust pro form generation-related components of the revenue requirement to Test Period expense and balance levels. Cheung, Exh. SLC-1T at 48-49.	The Company's rebuttal testimony included revisions to the Production Factor Adjustment – Year 1 in response to recommendations from Staff witness Huang. The result of this revision is approximately $100 thousand reduction to revenue requirement. Cheung, Exh. SLC-8T at 18-19. Cheung, Exh. SLC-11 at 17. Cheung, Exh. SLC-8T at 3.	Staff's production factor adjustment increases revenue requirement for Year 1 by $1.1 million, which reflects no material change relative to the Company's adjustment—only differing in the corresponding adjustments for net power costs and major plant additions. McGuire, Exh. CRM-1T at 12; Huang, Exh. JH-1T at 13-14.		Remove the production factor adjustment as not supported by PacifiCorp's load forecast (Adj. No. 9.1). Mullins, Exh. BGM-1T at 54:20 to 57:5.				No position.
Tab 10 – Thermal Generation Adjustments	The Removal of Coal-Fired Generation Assets (page 10.1), Jim Bridger SCRs Removal (page 10.2), and Adjustment 10.3 work together to remove all Test Period balances associated with Jim Bridger and Colstrip. The other thermal generation adjustments in this tab are: Jim Bridger Mine Rate Base – Year 1 Adjustment (page 10.4); Existing Coal-Fired Generation Assets – Year 1 Adjustment (page 10.5); Pro Forma Jim Bridger Units 3 & 4, and Colstrip 4 Additions – Year 1 (page 10.6); Pro Forma Jim	The Company's rebuttal testimony included revisions to: Pro Forma Jim Bridger Units 3 & 4, and Colstrip 4 Additions – Year 1 (page 10.6) and Pro Forma Jim Bridger Units 1 & 2 Additions – Year 1 (page 10.7). Cheung, Exh. SLC-11 at 17-18.	Staff recommends the exclusion from rates the costs of new major and non-major long-lived investments included in adjustments 10.6 and 14.7. Relative to the Company's adjustments, these changes reflect a $0.2 million reduction to Year 1 revenue requirement and a		No position.				No position.

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	Bridger Units 1 & 2 Additions – Year 1 (page 10.7); and Fly Ash Revenues – Year 1 Adjustment (page 10.8). Cheung, Exh. SLC-1T at 49-51.		$0.1 million reduction for Year 2. Staff also recommends the proration of costs related to the Jim Bridger units 1-2 gas conversion, resulting in a reduction to the Company's revenue requirements of $0.3 million for Year 1 and $0.1 million reduction for Year 2. Finally, Staff estimates that the Company's Washington-allocated excess fly ash revenue from October 2020 through July 2023 totals $23.3 million and recommends the Commission order the Company establish a tracker to return this balance to customers. McGuire, Exh. CRM-1T at 13-14; Tellez, Exh. AMT-1CT at 24.						

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Tab 11 – Allocation Factors	This tab summarizes the historical jurisdictional allocation factors used in this case, calculated under the WIJAM. Cheung, Exh. SLC-1T at 52.	The Company did not make any revisions to this tab in rebuttal.. Cheung, Exh. SLC-8T at 5.			No position.				No position.
Tab 12 – Historical Rate Base	This tab shows the Washington-allocated monthly balances used in the calculation of the AMA balance for the historical period. Cheung, Exh. SLC-1T at 52-54.	The Company did not make any revisions to this tab in rebuttal. Cheung, Exh. SLC-8T at 5.			No position.				No position.
Tab 13 – Revenues & Expenses Adjustments (Year 2)	The tab reflects the Rate Year 2 adjustments for Wheeling Revenues (page 13.1), General Wage Increase (page 13.2), and Pryor Mountain REC Revenues (page 13.3). Cheung, Exh. SLC-1T at 54.	The Company's rebuttal testimony included revisions to the General Wage Increase (page 13.2), which result in an increase in revenue requirement of $54.4 thousand. The Company also included a revision to the Pryor Mountain REC Revenues (page 13.3). Cheung, Exh. SLC-8T at 12. Cheung, Exh. SLC-12 at 4.			AWEC's primary recommendation is for the Commission to not approve a RY2. If the Commission approves a RY2, AWEC's Tab 13 recommendations are as follows: A8. Update the PTC Rate to 3 cents per kWh for both Rate Year 1 and Rate Year 2 (Adj. No. 7.3). Mullins, Exh. BGM-1T at 48:4-52:16. A9. Update the wind production assumed in the PTC to reflect the rate effective period wind output for both Rate Year 1 and Rate Year 2, including the impact of new wind additions (Adj. No. 7.3). Mullins, Exh. BGM-1T at 53:1-21.				No position.

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					Include an adjustment for additional pole attachment revenues for the respective Rate Years (Adj. No. 3.4). Mullins, Exh. BGM-1T at 54:20-57:5.				
Tab 14 – Capital Additions & Depreciation Adjustments (Year 2)	The tab includes several adjustments related to projected plant additions through Rate Year 2: Pro Forma Major Plant Additions – Year 2 Adjustment (page 14.1); Pro Forma Depreciation and Amortization Expense – Year 2 Adjustment (page 14.2); Pro Forma Depreciation and Amortization Reserves – Year 2 Adjustment (page 14.3); Pro Forma Jim Bridger Units 3, 4, and Colstrip 4 Additions (page 14.7); Pro Forma Jim Bridger Units 1 & 2 Additions (page 14.8); Confidential Wind Generation Capital Additions; (page 14.9); and Major Transmission Capital Additions (page 14.10). The remaining adjustments in this tab are Rate Year 2 extensions for various capital rate base adjustments included for Rate Year 1 in Tabs 8 and 10. Those adjustments are: Decommissioning and Other Plant Closure Costs – Year 2 Adjustment (page 14.4); Jim Bridger Mine Rate Base – Year 2 Adjustment (page 14.5) and	The Company's rebuttal testimony included revisions to: Rate Year 2: Pro Forma Major Plant Additions – Year 2 Adjustment (page 14.1); Pro Forma Depreciation and Amortization Expense – Year 2 Adjustment (page 14.2); Pro Forma Depreciation and Amortization Reserves – Year 2 Adjustment (page 14.3); Decommissioning and Other Plant Closure Costs – Year 2 Adjustment (page 14.4); Pro Forma Jim Bridger Units 3, 4, and Colstrip 4 Additions (page 14.7); and Pro Forma Jim Bridger Units 1 & 2 Additions (page 14.8). Cheung, Exh. SLC-12 at 4-6.	With exception to adjustments 10.6, 10.7, 14.7, and 14.8, Staff recommends that the Commission treat all post-test year plant additions as provisional. This includes those post-test year plant additions in 2022, 2023, 2024, and 2025 (RY2). McGuire, Exh. CRM-1T at 15.		AWEC's primary recommendation is for the Commission to not approve a RY2. If the Commission approves a RY2, AWEC's Tab 13 recommendations are as follows: Remove Capital Projects less than $1 Million because those projects were not specifically identified and cannot be effectively evaluated in the capital review process (Adj. Nos. 6.1, 6.2, 8.4, 14.1, 14.2, & 14.3). Mullins, Exh. BGM-1T at 23:16-24:21. Remove the North Temple Office project because PacifiCorp has not demonstrated that the costs are appropriate for Washington rates (Adj. 7 Nos. 14.1, 14.2, & 14.3).				No position.

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	Existing Coal-Fired Generation Assets (page 14.6). Cheung, Exh. SLC-1T at 55-56.	In rebuttal testimony, the Company provided updated forecasts for pro forma capital projects from July 1, 2022, to December 31, 2022, with actual in service amounts. These projects, therefore, have become traditional pro forma capital projects, and should be excluded from the Company's proposed provisional capital review process. All pro forma capital projects from 2023 to 2025 will remain provisional pro forma capital projects, subject to review and true-up in the Company's proposed provisional capital review process. Cheung, Exh. SLC-8T at 20:5-22:9.			Mullins, Exh. BGM-1T at 25:1-28:3.				
Tab 15 – Interest & Taxes Adjustments (Year 2)	This section contains interest true-up and tax related adjustments for Rate Year 2, and each adjustment has a Rate Year 1 equivalent in Tab 7. Cheung, Exh. SLC-1T at 56-57.	The Company's rebuttal testimony included revisions to: Interest True-Up – Year 2 (page 15.1); PowerTax ADIT Balance Adjustment – Year 2 (age 15.4); and Remove Deferred State Tax Expense &			See also AWEC Adjustments A8 and A9 related to PTCs included in Tab 13 above.				No position.

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		Balance – Year 2 (page 15.6). Cheung, Exh. SLC-12 at 6-7.							
Tab 16 – Other Adjustments (Year 2)	The adjustments in Tab 16 include Regulated Assets & Liabilities Amortization (page 16.1), which reflects in CY 2025 results the termination of proposed regulatory asset amortizations added into rates through adjustment 8.2. Since the Company is requesting a one-year amortization period for all deferred costs, upon the start of Rate Year 2, all amounts should be fully amortized. Tab 16 also includes Klamath Hydroelectric Assets Transfer – Year 2 (page 13.2). Cheung, Exh. SLC-1T at 57.	The Company's rebuttal testimony included revisions to the Regulated Assets & Liabilities Amortization adjustment. Cheung, Exh. SLC-12 at 7.							No position.
Modification to the PCAM	The Company proposes to eliminate the dead band and asymmetrical sharing bands to allow for 100 percent return to or recovery from customers for prudently incurred NPC revenues and costs. Due to increased reliance on renewable resources, increased market participation, and the formation of the EDAM, there are inevitable variances between Forecast NPC and Actual NPC. The Company's proposal will help to reduce the impact of these variances on the Company and its customers. The Company further proposes retaining the $17	The Company continues to support full removal of asymmetrical sharing bands from the PCAM, but in the alternative, supports Staff's recommendation to simplify the sharing band to a single 90/10 sharing band. Additionally, the Company supports Staff's proposal to lower the rate triggering threshold	Staff believes the current mechanism is not effective; however, eliminating the mechanism would be inequitable. Staff proposes maintaining the PCAM along with a variation on the sharing bands present in the current mechanism. Staff recommends a 90/10	Public Counsel supports the continuation of the current dead band and sharing bands in the PCAM. Earle, RLE-7CT at 1:16 – 7:15.	AWEC opposes PacifiCorp's proposed changes to the PCAM. Mullins, Exh. BGM-1T, at 64:4 to 71:17. AWEC also opposes Staff's recommended modification to the PCAM in response to PacifiCorp's proposal. Mullins, Exh. BGM-10T at 1:13 to 12:4.				Sierra Club opposes the elimination of the deadband and asymmetrical sharing band, which together incentivize PacifiCorp to reduce costs and judiciously acquire new resources that can reduce NPC. These mechanisms also appropriately

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	million credit or surcharge threshold in the PCAM. Painter, Exh. JP-1T at 2-18. McVee, Exh. MDM-1T at 34.	from $17 million to $7 million. Painter, Exh. JP-2T at 2-3, 6.	customer/Company risk sharing mechanism. This will reduce the Company's exposure in line with reduced control upon entering the EDAM, but still incent the to effectively manage or control power costs. Additionally, the rate adjustment threshold should be revised. Wilson, Exh. JDW-1CT at 35-36.						allocate risk between shareholders and ratepayers associated with fluctuating NPC. If the Commission is inclined to modify these mechanisms, however, Sierra Club does not oppose certain modifications proposed by Staff including collapsing the sharing band percentages into a single symmetric sharing band outside of the deadband and lowering the threshold for collecting a shortfall or refunding a charged amount to $7 million. If the sharing band is modified, Sierra Club recommends an 80/20 split. Binz, Exh. RJB-1T, RJB-8T

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Jim Bridger Capital Costs – incl. Gas Conversion	For Jim Bridger Units 1&2, the Pro Forma additions in Rate Year 1 result in a $18.5 million adjustment to rate base with $4.1 million allocated to Washington. (Cheung, Exh. SLC-10-7). For Rate Year 2, the additions result in an incremental $8.1 million adjustment with $1.8 million allocated to Washington (Cheung, Exh. SLC-14-8). For Jim Bridger Units 3&4, the Pro Forma additions in Rate Year 1 result in a $12.8 million adjustment to rate base with $2.8 million allocated to Washington. (Cheung, Exh. SLC-10-6). For Rate Year 2, the additions result in a $1.0 million adjustment with $223,540 allocated to Washington. (Cheung, Exh. SLC-14-7). Jim Bridger 3&4 assets are proposed to be included in Washington rates on a pro-rated basis. The Company is also requesting that the Commission modify the Exit Orders, approved in Order 09/07/12 in UE-191024, to specify that the orders only apply to Jim Bridger Units 1 and 2 as coal-fired resources. Richards, Exh. BDR-1T at 2-5. Cheung, Exh. SLC-1T at 11-19.	For Jim Bridger Units 1&2, the current projected capital cost forecast is $48.9 million on a total-Company basis for gas conversion, which results in an increase to revenue requirement in RY1 of $0.5 million and in RY2 of $0.2 million. Cheung, Exh. SLC-8T at 24. The Company maintains the same position on the costs of Jim Bridger Units 3&4. Cheung, Exh. SLC-8T at 3 The Company opposes Staff's proposal to pro-rate the capital additions for Jim Bridger Units 1&2. While the Company selected 2029 as the end of the depreciable life of these projects, it is not known for certain whether 2029 is the final date that the project will be used to serve Washington customers. The gas conversion is integral	In addition to the exclusion of costs related to investments made for the purpose of extending the lives of Jim Bridger Units 3-4, as laid out above under "***Tab 10 – Thermal Generation Adjustments***," Staff agrees with the Company that the Commission should amend the Jim Bridger Units 1-2 exit orders to specify that they apply only to the units as coal-fired resources. Staff also recommends establishing a tracking mechanism, consistent with trackers established for PSE and Avista, for the Company's coal-fired units so that parties may review annual costs and bring concerns to the Commission's attention. McGuire, Exh. CRM-1T at 62-65.		AWEC supports including Colstrip and Jim Bridger Units 3&4 in rates through 2025. Mullins, Exh. BGM-1T at 36:18-37:6. AWEC also supports PacifiCorp's inclusion of Bridger Units 1&2 gas conversion costs in rates. Mullins, Exh. BGM-1T at 36:14-17				No position.

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		to continuing to provide service to Washington customers. Allowing pro-ration would allow customers to receive the full benefits of the project without paying their fair share. McVee, Exh. MDM-2T at 62-67 Richards, Exh. BDR-2CT at 7. The Company further disagrees with Staff's proposed adjustment regarding pro forma capital projects for Jim Bridger Units 3&4 on the basis that the Company's investments are "life-extending," as the investments are necessary for near-term operation, and are not "life-extending." Staff has incorrectly linked its interpretation of life-extending projects with the classification of projects as "programmatic" vs. "specific" (as well as the and the Company's use of FERC Account 312).							

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		Cheung, Exh. SLC-8T at 49-51. See also the issue labeled Tracker for Coal Facility Costs issue below.							
Jim Bridger O&M Costs		The Company has adjusted the O&M expenses at Jim Bridger. The adjustment results in a reduction of revenue requirement by $3.3 million on a Washington-allocated basis in RY1 and a $0.8 million increase on a Washington-allocated basis in RY2. Cheung, Exh. SLC-8T at 15-16.			No position.				No position.
Colstrip Capital Costs	The Company proposes pro-rated total company costs of $7.0 million, and pro-rated Washington-allocated costs of $1.5 million. These costs include the cost to design and build a Dry Waste disposal system, the cost to make the final superheat section replacement to Colstrip Unit 4 in 2024, the Colstrip Unit 4 overhaul in 2024, the cost of Colstrip condenser tube treatment in 2024, and several other smaller projects under $1 million. Richards, Exh. BDR-1T at 6.	The Company removed two Colstrip related projects, the Colstrip Unit 4 Superheat Section Replacement and the Colstrip Condenser Tube Replacement. The revenue requirement impact of this change, in addition to the removal of a series of projects less than $1 million, is a reduction of $26 thousand in RY1 and a reduction	In addition to the exclusion of costs related to investments made for the purpose of extending the life of Colstrip Unit 4, as laid out above under "***Tab 10 – Thermal Generation Adjustments***," Staff recommends establishing a tracking mechanism, consistent with trackers established		AWEC supports including Colstrip and Jim Bridger Units 3&4 in rates through 2025. Mullins, Exh. BGM-1T at 36:18-37:6.			NWEC recommends the Commission disallow all Colstrip expenditures not related to decommissioning and remediation due to the requirement to remove all coal-fired power generation from rates by 2025 under CETA. Specifically, the Commission	No position.

ISSUE	PACIFICORP (COMPANY)	COMPANY Rebuttal Filing	COMMISSION STAFF	PUBLIC COUNSEL	AWEC	THE ENERGY PROJECT	WALMART	NWEC	SIERRA CLUB
		of $35 thousand in RY2. Cheung, Exh. SLC-8T at 17. See also the issue labeled Tracker for Coal Facility Costs issue below.	for PSE and Avista, for the Company's coal-fired units so that parties may review annual costs and bring concerns to the Commission's attention. McGuire, Exh. CRM-1T at 62-63.					should disallow investments in the Dry Ash Waste Disposal System, Overhaul Capital expenses, Condenser Tube Replacement, and Superheat Section Replacement. McCloy, LM-1T at 39-40.	
Wildfire and Vegetation Management	The Company proposes increases in Wildfire Mitigation System Hardening Program Capital Costs for both 2024 and 2025. For 2024, the Company proposes $21.2 million in capital costs, and for 2025 the Company proposes $1.2 million. These include costs for both Washington distribution line rebuilding and system-wide transmission line hardening. Berreth, Exh. ALB-1T at 6.	The Company maintains the same position in rebuttal. Berreth, Exh. ALB-3T at 1.			No position.				No position.
Wildfire Mitigation Incremental Expenses	The Company proposes to spend $6.3 million in 2024 on wildfire mitigation incremental expenses, with $741 thousand allocated to Washington. These costs include Wildfire Mitigation Plan (WMP) vegetation and non-vegetation management transmission, distribution, and administrative costs. Berreth, Exh. ALB-1T at 16.	The Company maintains the same position in rebuttal. Berreth, Exh. ALB-3T at 1.			AWEC withdraws its recommendation for a ($545,054) adjustment to PacifiCorp's Washington-allocated Wildfire Expense related to costs associated with the 2022 Labor Day fires, which it agrees were adjusted out. LDK-1T. at 48:16-17.				No position.

PACIFICORP GENERAL RATE CASE DOCKET UE-230172
JOINT ISSUES MATRIX—December 4, 2023
CONTESTED ISSUES

ISSUE	PACIFICORP (COMPANY)	COMPANY Rebuttal Filing	COMMISSION STAFF	PUBLIC COUNSEL	AWEC	THE ENERGY PROJECT	WALMART	NWEC	SIERRA CLUB
Baseline Vegetation Management Incremental Annual Expenses	The Company proposes a total increase in baseline vegetation management incremental annual expenses of $16.6 million, with $5.8 million allocated to Washington. These costs include non-WMP vegetation management costs for transmission, distribution, and administrative costs. Berreth, Exh. ALB-1T at 22	The Company maintains the same position in rebuttal. Berreth, Exh. ALB-3T at 1.			No position.				No position.
Major Capital Projects	The Company expects to place into service approximately $10.5 billion of new capital projects on a total-Company basis between the end of the base period and 2025. These projects include the Gateway South and Gateway West Segment D.1 transmission projects, Rock Creek I and II wind projects, and Foote Creek II-IV and Rock River repowering projects. McVee, Exh. MDM-1T at 14-15. Cheung, Exh. SLC-4 at 347-353. Cheung, Exh. SLC-5 at 53-57	The Company updated July-December 2022 capital additions to reflect actual in-service amounts, making them traditional pro forma additions, rather than provisional pro forma additions and removed all projects that are no longer expected to be placed in-service by 2025. Cheung, Exh. SLC-8T at 20-24.	With exception to adjustments 10.6, 10.7, 14.7, and 14.8, Staff recommends that the Commission treat all post-test year plant additions as provisional. This includes those post-test year plant additions in 2022, 2023, 2024, and 2025 (RY2). McGuire, Exh. CRM-1T at 15.		AWEC recommends the Commission decline to approve a RY2, which would preclude from this case capital that is anticipated to close to plant in RY 2. If the Commission is inclined to approve a RY2, it should only include costs for major capital projects where offsetting benefits are also included in rates. Mullins, Exh. BGM-1T at 6:9 to 14:11.				No position.
North Temple Property	The Company proposes recovery of its North Temple Property construction costs, consistent with its multi-state allocation methodology. This facility will provide benefits to Washington customers and is thus appropriately included in Washington rates.	The Company elected to remove its request to include any costs associated with the North Temple Office project in the current rate case as the project will not be completed during the MYRP.			AWEC recommends removal of this project. There is not enough information to evaluate the new North Temple Process. Recommend removing the North Temple Office from revenue requirement.				No position.

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	Branch, Exh.JB-1CTr. Cheung, Pro forma plant additions, Exh. SLC-4 at 315.	Cheung, Exh. SLC-8T at 23.			Mullins, Exh. BGM-1T, at 27:13-18.				
Residential Rate Design and Rate Spread	The Company proposes increasing its basic charge from $7.75 per month to $10.00 per month for residents of single-family dwellings, and to retain the $7.75 per month charge for customers in multi-family dwellings. The Company has presented this proposal to its equity advisory group. Meredith, Exh. RMM-1T at 11. The Company proposes to switch from its current tiered rate system to a seasonal rate system. Under this system, energy rates would be higher in summer months and lower in winter months. The proposal would implement a 1.921 cents/kWh higher rate in October through May than in June through September. Half of that difference would be implemented in Rate Year 1, the other half in Rate Year 2. Meredith, Exh. RMM-1T at 24. See Meredith, Exh. RMM-7 for a breakdown of the cost of the different elements of the basic charge.	The Company maintains the same position regarding residential rate design in rebuttal. The Company recommends that this class receives an increase that is one percent higher than the average increase. Meredith, Exh. RMM-12T at 10-28, Meredith, Exh. RMM-12T at 9.	Staff does not support the basic charge increase proposed by the Company. Staff believes a more modest increase of $.50/month (increasing the basic charge $8.25) for all residential customers under Schedule 16 is more appropriate. Staff acknowledges that this increase does not cover the costs of providing service, but a more minimal increase is in line with the policy of gradualism. Hillstead, Exh. KMH-1T at 6. Staff recommends rejecting the Company's seasonal rate proposal in its entirety. The Company has failed to provide adequate information on how this change will benefit Washington		No position.	Oppose increasing the basic charge. Increases counter state policies and utility programs that promote energy efficiency and reduce usage. Increases disproportionately burden low volume customers. Bifurcating the charge does not address concerns that many vulnerable customers, low-income customers, and middle-income energy burdened customers live in single-family homes. Stokes SNS-1T at 29-30.		NWEC opposes the increase in the basic charge to $10.00 per month for single-family dwellings. Per previous WUTC orders, transformers and other distribution system costs should not be included in the basic charge. Increases to the basic charge send negative price signals for energy efficiency and disproportionately burden low-income and low-usage customers. McCloy, Exh. LM-1T at 27-35. NWEC opposes elimination of the tiered block rate structure in favor of seasonal rates because flat seasonal rates do not send a price signal to reduce demand or shift load.	No position.

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			rate payers. Staff is willing to entertain a proposal for this transition if the Company can provide supportive data and evidence or a seasonal pricing pilot. Hillstead, Exh. KMH-1T at 10, 13-14.					McCloy, Exh. LM-1T at 38.	
Schedule 17–Low Income Bill Assistance Program Residential Service Optional for Qualifying Customers and Weatherization Programs	The Company proposes to increase each of the three discount levels in Schedule 17 so that they will be exactly double the increase in each year. Meredith, Exh. RMM-1T at 28-29.	The Company continues to propose an increase to the discount levels in Schedule 17, but provides an updated calculation of the proposed discount in Meredith, Exh. RMM-17. The Company recommends that the Commission defer to the Company's Low-Income Advisory Group regarding any proposed change to the Low Income Bill Assistance Program, rather than making changes in a rate case proceeding. Meredith, Exh. RMM-12T at 37.	While Staff did not submit testimony specifically addressing low income issues, Staff is generally supportive of many of The Energy Project's proposals.		No position.	PacifiCorp should work with its Low-Income Advisory Group (LIAG) to develop enhancements to the LIBA program. Like the other Washington IOUs, PacifiCorp should discuss and seek consensus with its LIAG concerning potential changes to the design and implementation of the bill discount along with a new arrangement management plan (AMP). Those discussions should include the following topics, among others identified by PacifiCorp and the LIAG members:		NWEC supports the testimony of TEP regarding low-income bill assistance, disconnection policy (credit reporting policy, language access plan, community based organizational outreach, and low-income weatherization). See Thompson, Exh. CT-5T.	No position.

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						(1) The number and design of the income-based discount tiers for LIBA; (2) Enrollment procedures, including allowing customers to enroll in LIBA using self-declarations of income with a post-enrollment verification process for a subset of customers; (3) Enrollment terms; (4) Implementation of an arrearage management program; (5) Key performance indicators for measuring program effectiveness. The Energy Project recommends that the Commission direct PacifiCorp to engage in the consultation process described above, and then make a subsequent tariff filing (pursuant to WAC 480-07-885) by			

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						July 1, 2025 that contains the outcome of the discussions with the LIAG concerning the design and implementation of the LIBA bill discount rate and new arrearage management plan, with an effective date of October 1, 2025. In addition, PacifiCorp should seek consensus with its LIAG to design and implement an interim arrearage forgiveness program by October 1, 2024. Stokes SNS-1T at 3-13. Community-based (CB) outreach is an effective way to raise awareness of low-income programs because CB organizations are experienced in cultivating relationships and communicating with vulnerable communities that likely have more energy assistance			

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						need. The Commission should order PacifiCorp to work with LIAG to develop a CB outreach program with a budget of at least $100,000 for three years. Stokes, SNS-1T at 24-27. Enhance the weatherization program by working with the demand-side management advisory group to: (1) Develop a pilot program to overcome the inability to weatherize homes because of deferred maintenance or large repairs; and (2) Provide progress payments for measures in certain situations. Stokes SNS-1T at 28-29.			
Schedule 24 - Small General Service	The Company proposes changing the rate design for Schedule 24 in three ways: First, moving the different price components in the tariff ten percent closer to the proportions supported by the cost of service study. Second, merging	The Company proposes that Schedule 24 and Schedule 36 be increased by the remaining amount required to make			No position.				No position.

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	the second and third tier energy charges. Third, implementing a seasonal energy price differential at the same 1.921 cent/kWh seasonal differential the Company proposes for residential customers. The Company also proposes adding a time of use option for Schedule 24 with the same on-peak period as is in Schedule 19. Meredith, Exh. RMM-1T at 29-32.	progress towards the cost of service on an equal percentage basis. Meredith, Exh. RMM-12T at 9. Meredith, Exh. RMM-16 at 1.							
Schedule 36 – Large General Service Less than 1,000 kW	The Company proposes that the rate components in Schedule 36 make a ten percent movement towards alignment with the cost of service study. Additionally, the Company recommends that the first and second tier energy prices be eliminated. Meredith, Exh. RMM-1T at 32-33.	The Company proposes that Schedule 24 and Schedule 36 be increased by the remaining amount required to make progress towards the cost of service on an equal percentage basis. Meredith, Exh. RMM-12T at 9.. Meredith, Exh. RMM-16 at 1.			No position.		For the purposes of this Docket, at the Company's proposed revenue requirement, Walmart does not oppose the Company's proposed Schedule 36 rate designs for 2024 and 2025, if the Commission reduces the Company's proposed revenue requirements for Schedule 36 for 2024 and/or 2025, Walmart recommends the reduction in revenue requirement be		No position.

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							taken from the energy component to further move Schedule 36 rates towards cost of service. Teague, Exh. WM-Exh-ADT-1T, at 19.		
Schedule 40 – Agricultural Pumping Service	The Company proposes that the rate components for Schedule 40 make a ten percent movement towards alignment with the cost of service study. Meredith, Exh. RMM-1T at 33.	The Company recommends that this class receives an increase that is one percent higher than the average increase. Meredith, Exh. RMM-12T at 9. Meredith, Exh. RMM-16 at 1.			No position.				No position.
Schedule 48T – Large General Service – 1,000 kW and Over	The Company proposes that the rate components for Schedule 48T make a ten percent movement towards alignment with the cost of service study. The Company also proposes that a new category of prices be added to the tariff that would be applicable to any large customer that would take service from the Company at the transmission voltage level. Meredith, Exh. RMM-1T at 33-37.	Based on the revised cost of service study, the Company now proposes that the Schedule 48T class receive the average increase. For Schedule 48T – Dedicated Facilities, the Company proposes an increase that is one percent higher than the average increase. Meredith, Exh. RMM-12T at 9. Meredith, Exh. RMM-16 at 1.			Regarding rate design, AWEC recommends that PacifiCorp's proposed 10 percent change be applied as a cap to present rates after applying the schedule's average increase. For example, if a current rate is $1.00 per kW, and the schedule's revenue requirement increase is 20 percent, the final rate limit would be $1.20 plus or minus ten percent, or $0.12, depending on whether prices are above or				

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					below the component's cost of service. Kaufman, Exh.LDK-1T, at 47:10-14.				
Schedule 47T – Large Partial Requirements Service	The Company proposes that the prices for this tariff continue to be based on Schedule 48T's prices, consistent with previous rate cases. Meredith, RMM-1T at 37.	The Company maintains the same position in rebuttal. Meredith, Exh. RMM-12T at 10.			Support PAC's proposed treatment of Schedule 47T rate design. Kaufman, Exh. LDK-1T, at 45:5.				No position.
Schedules 15, 51, 53, and 54 – Lighting	The Company proposes an equal percentage increase to each of the prices in these schedules by the same price change request for the class in each year of the rate plan. Meredith, Exh. RMM-1T at 37.	The Company recommends that this class receives an increase that is one percent higher than the average increase. Meredith, Exh. RMM-12T at 9. Meredith, Exh. RMM-16 at 1.							No position.
Decoupling	The Company proposes to eliminate the decoupling mechanism effective March 1, 2024. The relevant earnings test will be the Commission Basis Report for the 12-month period ending December 2023. See Meredith, Exh. RMM-10. Meredith, Exh. RMM-1T at 39.	The Company maintains the same position in rebuttal. Meredith, Exh. RMM-12T at 46.	Staff recommends rejecting the Company's proposal to eliminate the decoupling mechanism. Staff believe it is premature to address this issue in this filing and decoupling should be considered in the broader context as a form of PBR in		No position.			NWEC opposes the elimination of the decoupling mechanism. Revenue decoupling is consistent with the need for efficiency and affordability during this period of electrification, as well as performance-based regulation.	No position.

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			Docket U-210590. Staff agrees with replacing the current earnings test with the earnings test under the MYRP statute. Tellez Exh. AMT-1CT at 15.					McCloy, Exh. LM-1T at 5-26.	
Schedule 138, Net Billing (Interim Net Metering Successor Program)	The Company proposes Schedule 138 as a successor to its net metering program after reaching the capacity limit established in RCW 80.60.020(1)(a). Consistent with RCW 80.60.020(1)(a), PacifiCorp is offering Schedule 135 to new customer generators until the program reaches 37.2 MW of capacity. The Company anticipates that it will exceed this threshold within the two-year rate plan. Once the Schedule 135 program cap has been reached, Schedule 138 will allow new customer generators to receive credit for all energy exported to the grid from their energy systems. Meredith, Exh. RMM-1T at 40.	The Company has elected to withdraw its proposal for Schedule 138. Meredith, Exh. RMM-12T at 36.	In light of the company withdrawing its proposal, Staff's only position is that Schedule 135 should be revised to remove the cap on new customer generators, consistent with Staff's interpretation of statute. Staff supports continued enrollment of customer-generators in the Company's Schedule 135, "Net Metering" until the larger policy discussion on net metering referenced in NWEC's response testimony comes to a conclusion. McGuire, Exh. CRM-1T at 67-70		No position.			NWEC opposes Schedule 138 as a successor net metering program due to confusion about and concerns with the proposed construct of the "net billing" program. RCW 80.60.020 (1)(a) does not require a successor program and the Commission should require the utility to fully develop the successor program rather than allowing a piecemeal approach to changing credit value for exported energy. Any successor program should be based on a 3rd party	No position.

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								administered value of exported energy study. TOU rates for customer-generators should be based on information gleaned from the yet to be analyzed TOU pilot program as well as the yet to be conducted value of exported energy study. See Thompson, Exh. CT-1T.	
Performance Measures	The Company has proposed eight performance measures, described in McVee, Exh. MDM-1T p. 31 Table 4. These represent a revised version of eight out of ten of the metrics that the Commission previously approved for PSE and Avista. The Company proposes including a report of these performance measures as part of its annual Commission Basis Reports. McVee, Exh. MDM-1T at 27-32.	The Company maintains the same position in rebuttal. McVee, Exh. MDM-2T at 49.	Staff recommends the Commission order the Company to report on the eight performance measures proposed by the company, plus two additional measures for affordability and energy burden, consistent with the measures established for PSE and Avista and also recommends the Commission reject the Company's proposal to eliminate census tract-level reporting for those metrics.		No position.	Witness Cebulko proposes metrics that measure the utility's performance across four regulatory goals. The proposed metrics incorporate the 10 performance metrics identified by the Commission in the Avista and Puget Sound Energy general rate case orders, draft metrics proposed by the Commission in Phase 1 of its			No position.

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			McGuire, Exh. CRM-1T at 49-51. Staff is also generally supportive of all the equity metrics and some of the affordability metrics proposed by The Energy Project witness Cebulko in response testimony CRM-1T. For more information, see Staff response to TEP Data Request 1-2, which Staff believes will be proposed as an exhibit.			generic proceeding, and metrics agreed to by either Avista or Puget Sound Energy. Cebulko, BTC-1T at 8-26.			
Updates to Customer Service System	The Company proposes to update its Customer Service System (CSS) to a more modern system. The forecasted cost of the updated CSS is approximately $136.8 million on a total-company basis, with $9.7 million allocated to Washington. The CSS is projected to be in service in September 2025. Comeau, Exh. WJC-1T at 4-6.	The Company maintains the same position in rebuttal, and did not file any rebuttal testimony related to this subject.			AWEC recommends the Commission not approve a RY2, which would remove the updates to the Company's customers service system from rates in this case. If such costs are included in an approved RY2, expected savings and offsetting factors associated with these investments should also be included in rates. Mullins, Exh BGM-1T at 6:9-11:20.				No position.

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MYRP Policy/ Modifications		The Company proposes an MYRP threshold of 0.5 percent above the ROR threshold for rates in the MYRP, including provisional plant, and opposes Staff's proposal to hold the utility to the actual level of plant in comparison with the amount included in provisional rates. This proposal does not allow the Company flexibility to adapt its capital projects to changing circumstances and sets the wrong incentive for utilities. McVee, Exh. MDM-2T at 13-18.	Staff proposes examining the level of plant on a portfolio level, refunding any amounts above 0.5% authorized ROR as outlined in RCW 80.28.425(6), after accounting for the outcome of the annual review of provisional pro forma to ensure that rates are consistent with RCW 80.04.250. Staff does not agree that it is proposing to hold the utility to the plant budgets included in provisional rates.		See Provisional Capital Review Process position, below.				No position.
Modifications to MYRP Review Timing		The Company opposes Public Counsel's proposal that the Commission defer a prudency determination for provisional plant until the next general rate case, as this proposal would be unwieldy and in direct contradiction to the Commission's direction in the Used and Useful Policy Statement.		Public Counsel proposes that the Commission defer prudency for provisional plant until the next general rate as this lessen the burden on intervenors in accordance with Senate Bill 5295. Earle, Exh. RLE-1CT at 12:15 – 15:18.					No position.

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		McVee, Exh. MDM-2T at 24.							
Provisional Capital Review Process		The Company supports using a portfolio-based review for capital projects rather than the project-by-project review as proposed by Public Counsel and AWEC because it is consistent with Commission precedent and allows for adaptive management while ensuring that customers only pay for projects that are used and useful during the rate effective period. The presentation of pro forma projects by calendar year is the best method to facilitate future review processes and keep administrative burdens to a minimum. The Company opposes AWEC's recommendation to move the capital review timeline up to February 1 each year because it is not possible given that the final accounting data			AWEC recommends rejecting PacifiCorp's ROE floor as the basis for determining whether capital should be refunded to customers. Capital review should be conducted on a project-by-project basis based on the specific projects identified in Cheung, Exh. SLC-4 beginning on Page 8.4.33 through 8.4.46 rather than a capital tracker through the CBR. As part of this review, PacifiCorp should also submit supplemental testimony addressing the prudence of each project, comparison of forecast to actual spending, an explanation of spending variances, economic analysis supporting each investment, an evaluation of how effectively PacifiCorp executed on its projects, discussion and quantification of offsetting factors, and any other necessary information to determine produce. Parties should also be afforded				No position.

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		and jurisdictional allocation factors are not available at that time. The Company opposes Public Counsel's recommendation to extend the annual review period by an additional six weeks as the MYRP is still a new process and it is too early to consider an extension of the capital review process. Cheung, Exh. SLC-8T at 35-43. McVee, Exh. MDM-2T at 56-60.			discovery rights as part of this review. Mullins, Exh. BGM-1T at 17:7-20.				
IRA/IIJA Reporting		The Company plans to report any offsetting benefits received or applied for under the IRA and IIJA for plant placed in service during the MYRP review period. In addition, the Company supports Staff's proposal to participate in a collaborative with other utilities related to the IRA and IIJA and urges the Commission to provide more support to the Company's funding applications.			No position.				No position.

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		The Company opposes Staff's proposal to require reporting for the Company's decisions to not pursue funding opportunities. McVee, Exh. MDM-2T at 18-23.							
Fly Ash Revenue Deferral		The Company opposes AWEC's proposal in docket UE-210852 for a fly ash removal deferral. If the Commission nonetheless approves this deferral, it should reject AWEC and Staff's calculated deferral amounts as they are inaccurate. Cheung, Exh. SLC-8T at 55-60.	Staff supports AWEC's petition for deferred accounting treatment of fly ash revenue. Staff estimates that the Company's Washington-allocated excess fly ash revenue from October 2020 through July 2023 totals $23.3 million and recommends the Commission order the Company establish a tracker to return this balance to customers. Tellez, Exh. AMT-1CT at 24.		AWEC recommends the Commission approve its Jim Bridger Fly Ash Deferral (filed in Docket UE-210852, consolidated with this case) and Amortization Calculation, amortization summary for Year 1: $6,592,566. Mullins Exh. BGM-6r . Note that AWEC accepts PacifiCorp's calculation of the Fly Ash Deferral amount.				No position.
Liability Insurance Premium		In rebuttal, the Company updated its excess liability insurance premiums of $32.2 million included in direct			AWEC opposes PacifiCorp's request to update excess liability insurance premiums as outside of the test period. Excess insurance				No position.

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		testimony to $125.2 million (total-Company). This insurance is vital to the Company's operations as it protects rate payers from the potentially volatile impact of claims on customer rates. The increase in premiums from 2022 to 2023 is the result of several factors, most notably the increased risk of wildfires across Washington and PacifiCorp's other states. It is appropriate to include these updated costs in rates because they reflect the cost of insurance during the time these rates will be in effect and are reasonable costs in the ordinary course of the Company's business. McVee, Exh. MDM-2T at 77-78. Coleman, Exh. MVC-1T at 5-10.			costs can be addressed as part of PacifiCorp's pending deferral petition in Docket UE-230673.				
Wildfire Litigation Expense		The adjustment identified by AWEC witness Kaufman related to legal expenses for wildfire litigation should be rejected as it has			AWEC withdraws its recommendation for a ($545,054) adjustment to PacifiCorp's Washington-allocated Wildfire Expense related to costs associated with				No position.

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		already been reflected in Adjustment 4.9 – Legal Expenses. Cheung, Exh. SLC-8T at 62-64.			the 2022 Labor Day fires, which it agrees were adjusted out. LDK-1T. at 48:16-17.				
Washington Climate Commitment Act		The Company supports AWEC's recommendation that the Commission and stakeholders participate in the MSP and develop a solution for allocation of costs and benefits of the Chehalis plant. McVee, Exh. MDM-2T at 79-83.			AWEC recommends that the Commission and Washington parties engage collaboratively with the MSP stakeholder group to devise a solution to CCA impacts. Mullins, Exh. BGM-1T at 71:19-72:7.				No position.
IRP Portfolio Proposal		The Company opposes Sierra Club's proposal to address the scope and focus of IRP review in this rate case proceeding. McVee, Exh. MDM-2T at 83-84.			No position.				The Commission should evaluate whether to require analysis in PacifiCorp's IRP that could reduce costs and rates, particularly net power costs that are causing significant rate pressure in this case. These analyses should include maximining incentives under the federal Inflation Reduction Act and deployment

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									of more low-cost renewables, both of which can help to reduce costs. Binz, Exh. RJB-1T at 38:1-11.
PURPA Competitive Bidding		The Company opposes Sierra Club's proposal to address competitive procurement for PURPA resources in this rate case proceeding. McVee, Exh. MDM-2T at 84.			No position.				The Commission should examine and adopt competitive bidding as a superior method for PURPA compliance, as it can improve outcomes that benefit the utility, consumers, and independent power producers alike. Binz, Exh. RJB-1T at 35:6-37:26.
Tracker for Coal Facility Costs		The Company opposes Staff's recommended coal facility cost tracker because proposed processes for tracking coal costs in the MYRP are sufficient to address the coal cost removal from rates by the CETA deadline. Cheung, Exh. SLC-8T at 54-55.	Staff recommends that the Commission reject PacifiCorp's proposal to simply "update" rates on January 1, 2026. Instead, Staff recommends the Commission order PacifiCorp to remove coal from rates by (a) revising the rates for the Colstrip 4/ 3		AWEC does not oppose Staff's proposed coal tracker to address the removal of coal from rates before January 1, 2026. However, an update to power costs is also necessary to ensure that customers receive the benefits of new resources with offsetting benefits. Mullins, Exh. BGM-10T at 12:5-17:10.				No position.

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			Bridger 3-4 tracker established through this GRC, and (b) filing a power cost only rate case in April of 2025, and with rates effective January 1, 2026, for both filings. Staff envisions PacifiCorp filing a tariff revision to remove plant-related costs at the same time it files its PCORC (i.e., also on May 1, 2025), which would ensure that the removal of coal from PacifiCorp's rates could be examined comprehensively over a defined timeline. McGuire, Exh. CRM-1T at 54-56.						
COVID Deferrals		The Company proposes to recover COVID deferral costs over a one-year amortization period and continues to recommend this recovery. The Company provided additional details underlying the deferred COVID costs			AWEC recommends the Commission deny PacifiCorp's proposal to recover costs associated with its COVID deferral because PacifiCorp has failed to meet its burden of proof with respect to the reasonableness of the funds it requests, including a failure to demonstrate that				No position.

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		for which it seeks recovery in this period. The Company opposes AWEC's proposal to disallow recovery of COVID deferral costs. Cheung, Exh. SLC-8T at 79-83 Cheung, SLC-15, SLC-16.			amortization is necessity given the Company's revenues over the period produced a 11.58% non-normalized ROE as well as offsetting deferred amounts by recognizing savings accruing to the Company over the same period. If the Commission approves recovery of some amount, AWEC suggests that the balance be adjusted to exclude deferred revenues, the balance be reduced for savings, and that the balance be amortized over a five-year period. Mullins, Exh. BGM-1T at 57:6-61:2.				
Pole Attachment Revenues		The Company opposes AWEC's proposal for a pole attachment revenue adjustment in this case because the increase in revenue is immaterial and the pole attachment revenues fluctuates year to year. Cheung, Exh. SLC-8T at 84-87.			AWEC recommends including increased pole attachment revenues in revenue requirement based on the year ending June 2023 and applying escalation through the two rate periods. Mullins, Exh. BGM-1T at 63:1-63:22.				No position.
Production Tax Credit Rate		The Company recommends using a projected 2024 PTC Rate of 2.9 cents per			AWEC recommends that the Commission: (1) use a projected PTC rate of 3.0 cents per kWh for				No position.

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		kWh for existing wind facilities and a PTC rate of 3.0 cents per kWh for wind facilities coming in to service after December 31, 2021 and before January 1, 2025. Additionally, AWEC's testimony mischaracterizes the PTC availability for Glenrock I, Rollings Hills and Glenrock III.. Fuller, Exh. RF-1T at 2-12.			existing and new wind facilities in both rate years, and (2) update the wind production levels in each respective rate year. Mullins, Exh. BGM-1T at 48:4-54:18.				
Cost of Service Study		(1) The Company agrees with AWEC's recommendation to reallocate FERC account 407 using the Company's F102D factor. Further, the Company created a new factor, F111, using the same methodology recommended by AWEC and allocates FERC account 926 using this factor. (2) The Company opposes AWEC's addition of a load			AWEC recommends: (1) Allocate FERC Account 407, Amort of Prop Losses, Unrec Plant, functionalized to distribution plant, based on each schedule's allocation of distribution plant using Pacific Power's F102D factor. The proposed allocation reflects the relationship between distribution plant and property losses for distribution plant.				

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		complexity factor to allocate FERC accounts 561 and 581. (3) The Company opposes AWEC's recommended allocation of FERC account 904. (4) The Company opposes AWEC's proposal that the alternative calculation for F102CO should be the average of F102, F136, and witness Kaufman's load complexity and labor factors. (5) See above regarding FERC account 926. (6) The Company disagrees with Public Counsel's claim that the allocation of generation plant through the renewable future peak credit method—rather than the previously-utilized thermal peak credit method—is illogical and inflates the			(2) Allocate FERC Accounts 561 and 581, load dispatching costs, based on each schedule's Load Complexity, calculated as the share of annual hourly load ramping. The proposed allocation reflects that load variability drives load dispatching costs. (3) Allocate FERC Account 904 Uncollectible Accounts using weighted customer counts, Pacific Power's F136 factor. The proposed allocation reflects the WAC 480-85-060 requirement that costs functionalized to customer costs be allocated based on customer counts. (4) Modify Pacific Power's System Gross Miscellaneous Plant allocator, F102Co, such that when the allocator returns an error				

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		capacity component within the calculation. The Company continues to support its use of the renewable future peak credit method which accurately reflects the difference in functionality between renewable generation and battery storage and reasonably includes both the cost of demand and energy in the denominator. Furthermore, this method is consistent with the formula first presented in the docket UE-170002 rulemaking that resulted in the codification of cost of service methodology requirements. The Company agrees with AWEC's position that it is logical to include both the cost of	code, the backup allocator is an equal weighted average of F102, F136, Load Complexity, and Labor Allocation. This factor allocates a large number of non-plant related common costs, such as pensions. It is therefore appropriate that the allocation reflects a broad range of cost drivers, including labor costs, customer service costs, and operational costs. (5) Allocate FERC Account 926 Pensions and Benefits using Pacific Power's allocation of labor expense to each schedule. Pensions and benefits are directly related to labor expense. (6) Commission finding that PacifiCorp is correct to include both the cost of demand and energy in the denominator when				

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		demand and energy in the denominator of the allocation formula when calculating demand and energy share of generation.. Meredith, Exh. RMM-12T at 3:2-8:5.			calculating demand and energy share of generation. (7) Commission direct PacifiCorp to consider planning reserve margins and ELCC of storage in its cost study for the next general rate case. Kaufman, Exhs. LDK-1T at 35:2-21 and LDK-6T at 2:2-8:7.				
Rate Spread		See the issue labeled Schedules 15, 51, 53, and 54 – Lighting above.			AWEC recommends street and area lighting be increased by 125 percent of the average rate increase, with all other schedules increased by an equal percentage. Kaufman, Exhs. LDK-1T at 44:10-11 and LDK-6T at 8:9-11:3.				

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