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Suite 2460
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August 16, 2004

Via Electronically and U.S. Mail

Carole J. Washburn
Secretary
Washington Utilities & Transportation Commission
1300 S. Evergreen Park Drive S.W.
Olympia, WA 98504

Re: In the Matter of Pacific Power & Light General Rate Increase of \$26.7
million (13.5%)
Docket No. UE-032065

Dear Ms. Washburn:

Enclosed please find the original and seventeen (17) copies of the Industrial Customers of Northwest Utilities' response to Bench Request No. 3 in the above-referenced matter.

Please return one file-stamped copy of the bench request in the self-addressed, stamped envelope provided. Thank you for your assistance.

Sincerely yours,



Ruth A. Miller

Enclosures

cc: Service List

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

DOCKET NO. UE-032065

ICNU'S RESPONSE TO BENCH REQUEST NO. 3

Bench Request No. 3:

Please state with respect to each adjustment proposed by your witnesses whether the proposed adjustment is identical to an adjustment proposed by any other party, should be viewed as a complete or partial alternative to an adjustment proposed by any other party, or is an adjustment proposed only by ICNU. In the case of adjustments proposed only by ICNU, state the cost category(ies) under which such adjustment should be made on bases comparable to prefiled Exhibit Nos. TES-2 and TES-3.

Response to Bench Request No. 3:

In addition to the narrative responses provided below, ICNU is attaching tables that provide the requested breakdown of ICNU adjustments in the TES 2 and TES 3 formats. Please note that ICNU's proposal is based on modifications to the PacifiCorp Protocol, and does not break out its adjustments into a Control Area approach.

Regarding the proposed adjustments of Randall Falkenberg:

None of ICNU's power cost related adjustments are identical to any other witnesses' adjustments at the Washington jurisdictional level. While a few of Mr. Falkenberg's adjustments are identical or alternatives to other adjustments at the Total Company level, ICNU does not use the same jurisdictional allocation as Staff and Public Counsel.

Mr. Falkenberg's only adjustments that appear to be identical at the total Company level are the Aquila hydro hedge, the Morgan Stanley temperature hedge contract disallowances and the emergency purchase disallowances proposal by Staff witness Buckley.

Adjustments that appear to be complete alternatives to other witnesses adjustments are the MSP adjustments proposed by Staff witness Buckley and ICNU witness Falkenberg. These are ICNU Adjustments 27, 28, and 29 on the attached table.

Adjustments that appear to be a partial alternative to other witnesses adjustments are the market capacity adjustments proposed by Staff witness Buckley and ICNU witness Falkenberg. This is ICNU Adjustment 10 on the attached table.

All other adjustments presented by Mr. Falkenberg are proposed only by ICNU.

Date: August 16, 2004
Respondents: Randall Falkenberg, Donald Schoenbeck
Witnesses: Randall Falkenberg, Donald Schoenbeck

Regarding the proposed adjustments of Donald Schoenbeck:

Mr. Schoenbeck's steam maintenance revisions and exclusions are different from Mr. Buckley's, and therefore are not duplicative of any other parties' adjustments. These adjustments would be reflected in Mr. Schooley's exhibit on Line 8, "Steam Production," Column 5.1, "WA-Net Power Cost." This is ICNU Adjustment 30 on the attached table.

Mr. Schoenbeck's Account 923 adjustments are not duplicative of Ms. Huang's or any other parties' adjustments. The two items in which Ms. Huang refers to include responses to ICNU data requests that were not included in Mr. Schoenbeck's adjustments because the Company had agreed that they should be removed and Mr. Schoenbeck did not wish to argue with that agreement. The only duplicative topic between Mr. Schoenbeck and Ms. Huang relate to the tax payments for international assignees. However, Ms. Huang's tax adjustment was to Account 920 and Mr. Schoenbeck's adjustment was to Account 923. Therefore, these two adjustments are complementary rather than alternatives. All of Mr. Schoenbeck's Account 923 adjustments would be reflected on Mr. Schooley's exhibit on Line 17, "Administrative & General." These are ICNU Adjustments 31 to 36 on the attached table.

Date: August 16, 2004
Respondents: Randall Falkenberg, Donald Schoenbeck
Witnesses: Randall Falkenberg, Donald Schoenbeck

PacifiCorp Results of Operations-Washington
For the 12 months Ended March 31, 2003

Bench Request ICNU/Part 1
NET OPERATING INCOME and RATE BASE

DESCRIPTION	REVENUES	EXPENSES	NET OP. INCOME	RATE BASE
	Protocol	Protocol	Protocol	Protocol
Unadjusted Operating Revenues	291,202,007			
Unadjusted O&M Expenses, Depr, Amort, Misc. Rev/Exp.		238,919,181		
Unadjusted Income Taxes in Exp. & Rate Base		14,547,854		\$ (64,317,270)
Unadjusted Rate Base Other Than Income Taxes				\$ 653,473,951
Net Operating Income/Rate Base (Per Books)	\$ 291,202,007	\$ 253,467,035	\$ 37,734,972	\$ 589,156,681
BPA Settlement Adj.	-	(391,290)	\$ 391,290	
Morgan Stanley Call	-	(136,233)	\$ 136,233	
Sempra Call	-	(48,952)	\$ 48,952	
West Valley	-	(177,709)	\$ 177,709	
P4 Production	-	(27,717)	\$ 27,717	
Aquila hydro hedge	-	(99,804)	\$ 99,804	
Aron Temperature Hedge	-	(119,765)	\$ 119,765	
Morgan Stanley Temp Hedge	-	(102,656)	\$ 102,656	
Fort James	(20,383)	(42,993)		
Increase Market Size Limit	1,439,574	894,871	\$ 544,703	
Outage Rate Adjustments			\$ -	
Hunter Outage	413,052	(11,183)	\$ 424,235	
CT Outage Rates	91,721	51,879	\$ 39,843	
JB 4 Outage	26,407	418	\$ 25,990	
Hunter Transformer Outages	118,471	-3,767	\$ 110,918	
Blundell Deration	11,091	7,552	\$ 11,261	
Hunter 3 Outage (Prudence)	18,664	(170)	\$ 18,834	
DJ 3 Catastrophic Outage	57,870	(7,560)	\$ 65,430	
HDN - 1 Catastrophic Outage	20,176	1,933	\$ 18,243	
Colstip 4 Catastrophic Outage	25,049	(2,271)	\$ 27,320	
Other Company Error Outages	-	(34,246)	\$ 34,246	
Wyodak Capacity	106,734	6,464		
CT Dispatch Logic/Quick Start	-	(72,285)	\$ 72,285	
Emergency Energy Adjustment	-	(162,310)	\$ 162,310	
Gadsby/ West Valley Heat Rates	-	(176,296)	\$ 176,296	
Gadsby CT Rate Base	-	(4,616)	\$ 4,616	\$ (658,050)
WAPA Transmission Contract	487,125	170,494	\$ 316,631	
Full Hydro Fuel Credit	-	(557,920)	\$ 557,920	
Reserves and Load Following	-	(1,252,058)	\$ 1,252,058	
Gadsby/West Valley Treatment	(4,604,169)	(4,836,774)	\$ 232,605	\$ (5,775,739)
Steam O&M Adjustment	-	(442,650)	\$ 442,650	
Snake River Litigation	-	(88,410)	\$ 88,410	
Multi-State Process	-	(72,345)	\$ 72,345	
RTO Development	-	(186,226)	\$ 186,226	
Hive Down	-	(20,187)	\$ 20,187	
Personal Income Tax Fees and Payments	-	(11,045)	\$ 11,045	
Accounting: Corporate and Non-Regulated	-	(225,331)	\$ 225,331	
SUBTOTAL Adjustments	(1,808,619)	(8,181,157)	\$ 6,246,062	\$ (6,433,789)
Adjusted Total (Normalized Results at present rates)	\$ 289,393,388	\$ 245,285,877	\$ 43,981,034	\$ 582,722,892

State of Washington

Electric Utility Results of Operations
for the twelve months ended March 2003

	Total Ratemaking Adjustments	1.0 BPA Settlement Adjustment	2.0 Morgan Stanley Call	3.0 Sempra Call	4.0 West Valley Reversed**	5.0 P4 Production	6.0 Aquila hydro Hedge	7.0 Aron Temperature Hedge	8.0 Morgan Stanley Temp. Hedge
Operating Revenues:									
1 General Business Revenues	-	-	-	-	-	-	-	-	-
2 Interdepartmental	-	-	-	-	-	-	-	-	-
3 Special Sales	(2,295,744)	-	-	-	-	-	-	-	-
4 Other operating revenues	487,125	-	-	-	-	-	-	-	-
5 Total Operating Revenues	(1,808,619)	-	-	-	-	-	-	-	-
Operating Expenses:									
8 Steam Production	-	-	-	-	-	-	-	-	-
9 Nuclear Production	-	-	-	-	-	-	-	-	-
10 Hydro Production	-	-	-	-	-	-	-	-	-
11 Other Power Supply	-	(601,984)	(209,589)	(75,310)	(273,398)	(42,642)	(153,545)	(184,254)	(157,932)
12 Transmission	-	-	-	-	-	-	-	-	-
13 Distribution	-	-	-	-	-	-	-	-	-
14 Customer Accounting	-	-	-	-	-	-	-	-	-
15 Customer Service & Info	-	-	-	-	-	-	-	-	-
16 Sales	-	-	-	-	-	-	-	-	-
17 Administrative & General	-	-	-	-	-	-	-	-	-
18 Total O&M Expense	-	(601,984)	(209,589)	(75,310)	(273,398)	(42,642)	(153,545)	(184,254)	(157,932)
19 Depreciation	-	-	-	-	-	-	-	-	-
20 Amortization	-	-	-	-	-	-	-	-	-
21 Taxes Other than Income	-	-	-	-	-	-	-	-	-
22 Income Taxes: Federal	-	210,694	73,356	26,359	95,689	14,925	53,741	64,489	55,276
23 : State	-	-	-	-	-	-	-	-	-
24 Deferred Income Taxes	-	-	-	-	-	-	-	-	-
25 Investment Tax Credit Adj.	-	-	-	-	-	-	-	-	-
26 Misc. Revenue & Expense	-	-	-	-	-	-	-	-	-
27 Total Operating Expenses:	(8,298,157)	(391,290)	(136,233)	(48,952)	(177,709)	(27,717)	(99,804)	(119,765)	(102,656)
28	487,125	-	-	-	-	-	-	-	-
29 Operating Revenue for Return:	6,489,539	391,290	136,233	48,952	177,709	27,717	99,804	119,765	102,656
30 Revenue Requirement	10,546,412	601,984	209,589	75,310	273,398	42,642	153,545	184,254	157,932
Rate Base:									
32 Electric Plant in Service	-	-	-	-	-	-	-	-	-
33 Plant Held for Future Use	-	-	-	-	-	-	-	-	-
34 Misc. Deferred Debits	-	-	-	-	-	-	-	-	-
35 Electric Plant Acq Adj	-	-	-	-	-	-	-	-	-
36 Nuclear Fuel	-	-	-	-	-	-	-	-	-
37 Prepayments	-	-	-	-	-	-	-	-	-
38 Fuel Stock	-	-	-	-	-	-	-	-	-
39 Material & Supplies	-	-	-	-	-	-	-	-	-
40 Working Capital	-	-	-	-	-	-	-	-	-
41 Weatherization Loans	-	-	-	-	-	-	-	-	-
42 Misc. Rate Base	-	-	-	-	-	-	-	-	-
43 Total Electric Plant:	(6,433,789)	-	-	-	-	-	-	-	-
Deductions:									
46 Accum. Prov. for Depreciation	-	-	-	-	-	-	-	-	-
47 Accum. Prov. for Amortization	-	-	-	-	-	-	-	-	-
48 Accum. Deferred Income Tax	-	-	-	-	-	-	-	-	-
49 Unamortized ITC	-	-	-	-	-	-	-	-	-
50 Customer Advances for Const.	-	-	-	-	-	-	-	-	-
51 Customer Service Deposits	-	-	-	-	-	-	-	-	-
52 Miscellaneous Deductions	-	-	-	-	-	-	-	-	-
53	-	-	-	-	-	-	-	-	-
54 Total Deductions:	-	-	-	-	-	-	-	-	-
55	-	-	-	-	-	-	-	-	-
56 Total Rate Base:	(6,433,789)	-	-	-	-	-	-	-	-
TAX CALCULATION									
60 TAX CALCULATION		State Income Tax Rate			0.00%				
61 Per Company		Federal Income Tax Rate			35.00%				
62									
63 Operating Revenue	(1,808,619)	601,984	209,589	75,310	273,398	42,642	153,545	184,254	157,932
64 Other Deductions	-	-	-	-	-	-	-	-	-
65 Interest (AFUDC)	-	-	-	-	-	-	-	-	-
66 Interest	-	-	-	-	-	-	-	-	-
67 Schedule "M" additions	-	-	-	-	-	-	-	-	-
68 Schedule "M" deductions	-	-	-	-	-	-	-	-	-
69									
70 Income Before Tax	(1,808,619)	601,984	209,589	75,310	273,398	42,642	153,545	184,254	157,932
71 State Income Tax	-	-	-	-	-	-	-	-	-
72 Taxable Income	(1,808,619)	601,984	209,589	75,310	273,398	42,642	153,545	184,254	157,932
73 Adjustments to FIT	-	-	-	-	-	-	-	-	-
74 Federal Income Tax	3,494,367	210,694	73,356	26,359	95,689	14,925	53,741	64,489	55,276

	9.0 Fort James	10.0 Market Size Limit	11.0 Hunter Outage	12.0 CT Outage Rates	13.0 JB 4 Outage	14.0 Hunter Transformer Outage	15.0 Blundell Deration	16.0 Hunter 3 Outage (Prudence)
Operating Revenues:								
1 General Business Revenues								
2 Interdepartmental								
3 Special Sales	(20,383)	1,439,574	413,052	91,721	26,407	118,471	11,091	18,664
4 Other operating revenues								
5 Total Operating Revenues	(20,383)	1,439,574	413,052	91,721	26,407	118,471	11,091	18,664
6								
7	Operating Expenses:							
8 Steam Production	8,804	417,069	6,694	61,297	6,576	1,266	(5,198)	624
9 Nuclear Production								
10 Hydro Production								
11 Other Power Supply	(63,202)	179,451	(257,148)	(33,889)	(21,242)	(73,498)	10,797	(11,339)
12 Transmission	(770)	5,049	10,837	3,017	1,090	2,644	49	404
13 Distribution								
14 Customer Accounting								
15 Customer Service & Info								
16 Sales								
17 Administrative & General								
18 Total O&M Expense	(55,168)	601,569	(239,617)	30,425	(13,577)	(69,588)	5,647	(10,311)
19 Depreciation								
20 Amortization								
21 Taxes Other than Income								
22 Income Taxes: Federal	12,175	293,302	228,434	21,454	13,994	65,821	1,905	10,141
23 : State								
24 Deferred Income Taxes								
25 Investment Tax Credit Adj.								
26 Misc. Revenue & Expense								
27 Total Operating Expenses:	(42,993)	894,871	(11,183)	51,879	418	(3,767)	7,552	(170)
28								
29 Operating Revenue for Return:	22,610	544,703	424,235	39,843	25,990	122,238	3,538	18,834
30 Revenue Requirement	34,785	838,004	652,669	61,297	39,984	188,059	5,443	28,975
31	Rate Base:							
32 Electric Plant in Service								
33 Plant Held for Future Use								
34 Misc. Deferred Debits								
35 Electric Plant Acq Adj								
36 Nuclear Fuel								
37 Prepayments								
38 Fuel Stock								
39 Material & Supplies								
40 Working Capital								
41 Weatherization Loans								
42 Misc. Rate Base								
43 Total Electric Plant:								
44								
45	Deductions:							
46 Accum. Prov. for Depreciation								
47 Accum. Prov. for Amortization								
48 Accum. Deferred Income Tax								
49 Unamortized ITC								
50 Customer Advances for Const.								
51 Customer Service Deposits								
52 Miscellaneous Deductions								
53								
54 Total Deductions:								
55								
56 Total Rate Base:								
57								
58								
59	TAX CALCULATION							
60 TAX CALCULATION								
61 Per Company								
62								
63 Operating Revenue	34,785	838,004	652,669	61,297	39,984	188,059	5,443	28,975
64 Other Deductions								
65 Interest (AFUDC)								
66 Interest								
67 Schedule "M" additions								
68 Schedule "M" deductions								
69								
70 Income Before Tax	34,785	838,004	652,669	61,297	39,984	188,059	5,443	28,975
71 State Income Tax								
72 Taxable Income	34,785	838,004	652,669	61,297	39,984	188,059	5,443	28,975
73 Adjustments to FIT								
74 Federal Income Tax	12,175	293,302	228,434	21,454	13,994	65,821	1,905	10,141

	17.0 DJ 3 Catastrophic Outage	18.0 HDN - 1 Catastrophic Outage	19.0 Col-4 Catastrophic Outage	20.0 Other Company Error Outages	21.0 Wyodak Capacity	22.0 CT Dispatch Logic Adjustment	23.0 Emergency Energy Adjustment
Operating Revenues:							
1 General Business Revenues							
2 Interdepartmental							
3 Special Sales	57,870	20,176	25,049		106,734		
4 Other operating revenues							
5 Total Operating Revenues	57,870	20,176	25,049	-	106,734	-	-
6							
7							
Operating Expenses:							
8 Steam Production	(1,760)	6,613	1,942		8,472		
9 Nuclear Production							
10 Hydro Production							
11 Other Power Supply	(43,878)	(13,275)	(19,826)	(52,686)	(57,534)	(111,207)	(249,708)
12 Transmission	2,846	(1,229)	896		1,535		
13 Distribution							
14 Customer Accounting							
15 Customer Service & Info							
16 Sales							
17 Administrative & General							
18 Total O&M Expense	(42,792)	(7,890)	(16,982)	(52,686)	(47,527)	(111,207)	(249,708)
19 Depreciation							
20 Amortization							
21 Taxes Other than Income							
22 Income Taxes: Federal	35,232	9,823	14,711	18,440	53,991	38,922	87,398
23 : State							
24 Deferred Income Taxes							
25 Investment Tax Credit Adj.							
26 Misc. Revenue & Expense							
27 Total Operating Expenses:	(7,560)	1,933	(2,271)	(34,246)	6,464	(72,285)	(162,310)
28							
29 Operating Revenue for Return:	65,430	18,243	27,320	34,246	100,269	72,285	162,310
30 Revenue Requirement	100,662	28,066	42,031	52,686	154,261	111,207	249,708
31 Rate Base:							
32 Electric Plant in Service							
33 Plant Held for Future Use							
34 Misc. Deferred Debits							
35 Electric Plant Acq Adj							
36 Nuclear Fuel							
37 Prepayments							
38 Fuel Stock							
39 Material & Supplies							
40 Working Capital							
41 Weatherization Loans							
42 Misc. Rate Base							
43 Total Electric Plant:	-	-	-	-	-	-	-
44							
45 Deductions:							
46 Accum. Prov. for Depreciation							
47 Accum. Prov. for Amortization							
48 Accum. Deferred Income Tax							
49 Unamortized ITC							
50 Customer Advances for Const.							
51 Customer Service Deposits							
52 Miscellaneous Deductions							
53							
54 Total Deductions:	-	-	-	-	-	-	-
55							
56 Total Rate Base:	-	-	-	-	-	-	-
57							
58							
59							
60 TAX CALCULATION							
61 Per Company							
62							
63 Operating Revenue	100,662	28,066	42,031	52,686	154,261	111,207	249,708
64 Other Deductions							
65 Interest (AFUDC)							
66 Interest							
67 Schedule "M" additions							
68 Schedule "M" deductions							
69							
70 Income Before Tax	100,662	28,066	42,031	52,686	154,261	111,207	249,708
71 State Income Tax	-	-	-	-	-	-	-
72 Taxable Income	100,662	28,066	42,031	52,686	154,261	111,207	249,708
73 Adjustments to FIT							
74 Federal Income Tax	35,232	9,823	14,711	18,440	53,991	38,922	87,398

	24.0 Gadsby/ West Valley Heat Rates	25.0 Gadsby CT Rate Base**	26.0 WAPA Transmission Contract	27.0 Full Hydro Fuel Credit	28.0 Reserves and Load Following	29.0 Gadsby/West Valley Treatment	30.0 Steam O&M Adjustment
Operating Revenues:							
1 General Business Revenues							
2 Interdepartmental							
3 Special Sales						(4,604,169)	
4 Other operating revenues			487,125				
5 Total Operating Revenues	-	-	487,125	-	-	(4,604,169)	
6							
7 Operating Expenses:							
8 Steam Production	(271,225)			(858,339)		(4,000,732)	(861,000)
9 Nuclear Production							
10 Hydro Production							
11 Other Power Supply					(1,926,243)	(740,242)	
12 Transmission							
13 Distribution							
14 Customer Accounting							
15 Customer Service & Info							
16 Sales							
17 Administrative & General							
18 Total O&M Expense	(271,225)	-	-	(858,339)	(1,926,243)	(4,740,974)	(861,000)
19 Depreciation		(4,777)				(41,929)	
20 Amortization							
21 Taxes Other than Income		(2,325)				(179,120)	
22 Income Taxes: Federal	94,929	2,486	170,494	300,419	674,185	125,249	301,350
23 : State							
24 Deferred Income Taxes							
25 Investment Tax Credit Adj.							
26 Misc. Revenue & Expense							
27 Total Operating Expenses:	(176,296)	(4,616)	170,494	(557,920)	(1,252,058)	(4,836,774)	(559,650)
28							
29 Operating Revenue for Return:	176,296	4,616	316,631	557,920	1,252,058	232,605	559,650
30 Revenue Requirement	271,225	64,635	487,125	858,339	1,926,243	862,827	861,000
31 Rate Base:							
32 Electric Plant in Service		(658,050)				(5,775,739)	
33 Plant Held for Future Use							
34 Misc. Deferred Debits							
35 Electric Plant Acq Adj							
36 Nuclear Fuel							
37 Prepayments							
38 Fuel Stock							
39 Material & Supplies							
40 Working Capital							
41 Weatherization Loans							
42 Misc. Rate Base							
43 Total Electric Plant:	-	(658,050)	-	-	-	(5,775,739)	
44							
45 Deductions:							
46 Accum. Prov. for Depreciation							
47 Accum. Prov. for Amortization							
48 Accum. Deferred Income Tax							
49 Unamortized ITC							
50 Customer Advances for Const.							
51 Customer Service Deposits							
52 Miscellaneous Deductions							
53							
54 Total Deductions:	-	-	-	-	-	-	-
55							
56 Total Rate Base:	-	(658,050)	-	-	-	(5,775,739)	
57							
58							
59							
60 TAX CALCULATION							
61 Per Company							
62							
63 Operating Revenue	271,225	7,102	487,125	858,339	1,926,243	357,854	861,000
64 Other Deductions							
65 Interest (AFUDC)							
66 Interest							
67 Schedule "M" additions							
68 Schedule "M" deductions							
69							
70 Income Before Tax	271,225	7,102	487,125	858,339	1,926,243	357,854	861,000
71 State Income Tax	-	-	-	-	-	-	-
72 Taxable Income	271,225	7,102	487,125	858,339	1,926,243	357,854	861,000
73 Adjustments to FIT							
74 Federal Income Tax	94,929	2,486	170,494	300,419	674,185	125,249	301,350


	31.0 Snake River Litigation	32.0 Multi-State Process	33.0 RTO Development	34.0 Hive Down	35.0 Personal Income Tax Fees and Payments	36.0 Accounting: Corporate and Non-Regulated
Operating Revenues:						
1 General Business Revenues						
2 Interdepartmental						
3 Special Sales						
4 Other operating revenues						
5 Total Operating Revenues	-	-	-	-	-	-
6						
Operating Expenses:						
8 Steam Production						
9 Nuclear Production						
10 Hydro Production						
11 Other Power Supply						
12 Transmission						
13 Distribution						
14 Customer Accounting						
15 Customer Service & Info						
16 Sales						
17 Administrative & General	(136,015)	(111,300)	(286,501)	(31,057)	(16,992)	(346,663)
18 Total O&M Expense	(136,015)	(111,300)	(286,501)	(31,057)	(16,992)	(346,663)
19 Depreciation						
20 Amortization						
21 Taxes Other than Income						
22 Income Taxes: Federal	47,605	38,955	100,275	10,870	5,947	121,332
23 : State						
24 Deferred Income Taxes						
25 Investment Tax Credit Adj.						
26 Misc. Revenue & Expense						
27 Total Operating Expenses:	(88,410)	(72,345)	(186,226)	(20,187)	(11,045)	(225,331)
28						
29 Operating Revenue for Return:	88,410	72,345	186,226	20,187	11,045	225,331
30 Revenue Requirement	136,015	111,300	286,501	31,057	16,992	346,663
31 Rate Base:						
32 Electric Plant in Service						
33 Plant Held for Future Use						
34 Misc. Deferred Debits						
35 Electric Plant Acq Adj						
36 Nuclear Fuel						
37 Prepayments						
38 Fuel Stock						
39 Material & Supplies						
40 Working Capital						
41 Weatherization Loans						
42 Misc. Rate Base						
43 Total Electric Plant:						
44						
45 Deductions:						
46 Accum. Prov. for Depreciation						
47 Accum. Prov. for Amortization						
48 Accum. Deferred Income Tax						
49 Unamortized ITC						
50 Customer Advances for Const.						
51 Customer Service Deposits						
52 Miscellaneous Deductions						
53						
54 Total Deductions:						
55						
56 Total Rate Base:						
57						
58						
59						
60 TAX CALCULATION						
61 Per Company						
62						
63 Operating Revenue	136,015	111,300	286,501	31,057	16,992	346,663
64 Other Deductions						
65 Interest (AFUDC)						
66 Interest						
67 Schedule "M" additions						
68 Schedule "M" deductions						
69						
70 Income Before Tax	136,015	111,300	286,501	31,057	16,992	346,663
71 State Income Tax	-	-	-	-	-	-
72 Taxable Income	136,015	111,300	286,501	31,057	16,992	346,663
73 Adjustments to FIT						
74 Federal Income Tax	47,605	38,955	100,275	10,870	5,947	121,332

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing Bench Request No. 3 of the Industrial Customers of Northwest Utilities upon the parties, shown below, listed on the official service list in UE-032065, by causing the same to be mailed, postage-prepaid, through the U.S. Mail, as well as electronically via e-mail.

DATED at Portland, Oregon this 16th day of June, 2004.

Davison Van Cleve, P.C.


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