

Exhibit No. ____ (DLT-7)
Docket No. UE-03_____
2003 PP&L Rate Case
Witness: David L. Taylor

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

vs.

PACIFICORP dba Pacific Power & Light
Company,

Respondent.

Docket No. UE-03_____

PACIFICORP

EXHIBIT OF DAVID L. TAYLOR

Allocation Factor Applied to Each Component of the Revenue Requirement Calculation

December 2003

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT	DESCRIPTION	ALLOCATION FACTOR
Sales to Ultimate Customers		
440	Residential Sales Direct assigned - Jurisdiction	S
442	Commercial & Industrial Sales Direct assigned - Jurisdiction	S
444	Public Street & Highway Lighting Direct assigned - Jurisdiction	S
445	Other Sales to Public Authority Direct assigned - Jurisdiction	S
448	Interdepartmental Direct assigned - Jurisdiction	S
447	Sales for Resale Direct assigned - Jurisdiction Non-Firm Firm	S SE SG
449	Provision for Rate Refund Direct assigned - Jurisdiction	S SG
Other Electric Operating Revenues		
450	Forfeited Discounts & Interest Direct assigned - Jurisdiction	S
451	Misc Electric Revenue Direct assigned - Jurisdiction Other - Common	S SO
454	Rent of Electric Property Direct assigned - Jurisdiction Common	S SG

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT	DESCRIPTION	ALLOCATION FACTOR
456	Other Electric Revenue	
	Direct assigned - Jurisdiction	S
	Wheeling Non-firm, Other	SE
	Common	SO
	Wheeling - Firm, Other	SG
Miscellaneous Revenues		
41160	Gain on Sale of Utility Plant - CR	
	Direct assigned - Jurisdiction	S
	Production, Transmission	SG
	General Office	SO
41170	Loss on Sale of Utility Plant	
	Direct assigned - Jurisdiction	S
	Production, Transmission	SG
	General Office	SO
4118	Gain from Emission Allowances	
	SO2 Emission Allowance sales	SE
41181	Gain from Disposition of NOX Credits	
	NOX Emission Allowance sales	SE
421	(Gain) / Loss on Sale of Utility Plant	
	Direct assigned - Jurisdiction	S
	Production, Transmission	SG
	General Office	SO
Miscellaneous Expenses		
4311	Interest on Customer Deposits	
	Utah Customer Service Deposits	CN

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT	DESCRIPTION	ALLOCATION FACTOR
Steam Power Generation		
500, 502, 504-514	Operation Supervision & Engineering	
	Remaining Steam Plants	SG
	Peaking Plants	SSCCT
	Cholla	SSGCH
	Huntington	DGU
501	Fuel Related	
	Remaining steam plants	SE
	Peaking Plants	SSECT
	Cholla	SSECH
	Huntington	DEU
503	Steam From Other Sources	
	Steam Royalties	SE
Nuclear Power Generation		
517 - 532	Nuclear Power O&M	
	Nuclear Plants	SG
Hydraulic Power Generation		
535 - 545	Hydro O&M	
	Pacific Hydro	DGP
	East Hydro	SG
Other Power Generation		
546, 548-554	Operation Super & Engineering	
	Other Production Plant	SG
547	Fuel	
	Other Fuel Expense	SE
Other Power Supply		
555	Purchased Power	
	Direct assigned - Jurisdiction	S
	Firm	SG
	Non-firm	SE
	Mid C Contracts, 100 MW Hydro Extension	DGP
	Peaking Contracts	SSGC
556 - 557	System Control & Load Dispatch	
	Other Expenses	SG

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT	DESCRIPTION	ALLOCATION FACTOR
TRANSMISSION EXPENSE		
560-564, 566-573	Transmission O&M	
	Transmission Plant	SG
565	Transmission of Electricity by Others	
	Firm Wheeling	SG
	Non-Firm Wheeling	SE
DISTRIBUTION EXPENSE		
580 - 598	Distribution O&M	
	Direct assigned - Jurisdiction	S
	Other Distribution	SNPD
CUSTOMER ACCOUNTS EXPENSE		
901 - 905	Customer Accounts O&M	
	Direct assigned - Jurisdiction	S
	Total System Customer Related	CN
CUSTOMER SERVICE EXPENSE		
907 - 910	Customer Service O&M	
	Direct assigned - Jurisdiction	S
	Total System Customer Related	CN
SALES EXPENSE		
911 - 916	Sales Expense O&M	
	Direct assigned - Jurisdiction	S
	Total System Customer Related	CN
ADMINISTRATIVE & GEN EXPENSE		
920-935	Administrative & General Expense	
	Direct assigned - Jurisdiction	S
	Customer Related	CN
	General	SO
	FERC Regulatory Expense	SG

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT		DESCRIPTION	ALLOCATION FACTOR
DEPRECIATION EXPENSE			
403SP	Steam Depreciation		
		Remaining Steam Plants	SG
		Peaking Plants	SSCCT
		Cholla	SSGCH
		Huntington	DGU
403NP	Nuclear Depreciation		
		Nuclear Plant	SG
403HP	Hydro Depreciation		
		Pacific Hydro	DGP
		East Hydro	SG
403OP	Other Production Depreciation		
		Other Production Plant	SG
403TP	Transmission Depreciation		
		Transmission Plant	SG
403	Distribution Depreciation Direct assigned - Jurisdiction		
		Land & Land Rights	S
		Structures	S
		Station Equipment	S
		Poles & Towers	S
		OH Conductors	S
		UG Conduit	S
		UG Conductor	S
		Line Trans	S
		Services	S
		Meters	S
		Inst Cust Prem	S
		Leased Property	S
		Street Lighting	S

Allocation Factor Applied to each Component of Revenue Requirement

<u>FERC</u> <u>ACCT</u>		<u>DESCRIPTION</u>	<u>ALLOCATION</u> <u>FACTOR</u>
403GP	General Depreciation		
		Distribution	S
		Remaining Steam Plants	SG
		Peaking Plants	SSCCT
		Cholla	SSGCH
		Huntington	DGU
		Pacific Hydro	DGP
		East Hydro	SG
		Transmission	SG
		Customer Related	CN
		General SO	SO
403MP	Mining Depreciation		
		Remaining Mining Plant	SE
		Deer Creek/Energy West (Huntington)	DGU

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT	DESCRIPTION	ALLOCATION FACTOR
AMORTIZATION EXPENSE		
404GP	Amort of LT Plant - Capital Lease Gen	
	Direct assigned - Jurisdiction	S
	General	SO
	Customer Related	CN
404SP	Amort of LT Plant - Cap Lease Steam	
	Steam Production Plant	SG
404IP	Amort of LT Plant - Intangible Plant	
	Distribution	S
	Production, Transmission	SG
	General	SO
	Mining Plant	SE
	Customer Related	CN
404MP	Amort of LT Plant - Mining Plant	
	Mining Plant	SE
404HP	Amortization of Other Electric Plant	
	Pacific Hydro	DGP
	East Hydro	SG
405	Amortization of Other Electric Plant	
	Direct assigned - Jurisdiction	S
406	Amortization of Plant Acquisition Adj	
	Direct assigned - Jurisdiction	S
	Production Plant	SG
407	Amort of Prop Losses, Unrec Plant, etc	
	Direct assigned - Jurisdiction	S
	Production, Transmission	SG
	Trojan	TROJP

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT	DESCRIPTION	ALLOCATION FACTOR
Taxes Other Than Income		
408	Taxes Other Than Income	
	Direct assigned - Jurisdiction	S
	Property	GPS
	General Payroll Taxes	SO
	Misc Energy	SE
	Misc Production	SG
DEFERRED ITC		
41140	Deferred Investment Tax Credit - Fed ITC	DGU
41141	Deferred Investment Tax Credit - Idaho ITC	DGU
Interest Expense		
427	Interest on Long-Term Debt	
	Direct assigned - Jurisdiction	S
	Interest Expense	SNP
428	Amortization of Debt Disc & Exp Interest Expense	SNP
429	Amortization of Premium on Debt Interest Expense	SNP
431	Other Interest Expense Interest Expense	SNP
432	AFUDC - Borrowed AFUDC	SNP
Interest & Dividends		
419	Interest & Dividends Interest & Dividends	SNP

Allocation Factor Applied to each Component of Revenue Requirement

<u>FERC</u>		<u>DESCRIPTION</u>	<u>ALLOCATION</u>
<u>ACCT</u>			<u>FACTOR</u>
DEFERRED INCOME TAXES			
41010	Deferred Income Tax - Federal-DR		
		Direct assigned - Jurisdiction	S
		Electric Plant in Service	DITEXP
		Pacific Hydro	DGP
		Production, Transmission	SG
		Customer Related	CN
		General	SO
		Property Tax related	GPS
		Miscellaneous	SNP
		Trojan	TROJP
		Distribution	SNPD
		Mining Plant	SE
41011	Deferred Income Tax - State-DR		
		Direct assigned - Jurisdiction	S
		Electric Plant in Service	DITEXP
		Pacific Hydro	DGP
		Production, Transmission	SG
		Customer Related	CN
		General	SO
		Property Tax related	GPS
		Miscellaneous	SNP
		Trojan	TROJP
		Distribution	SNPD
		Mining Plant	SE
41110	Deferred Income Tax - Federal-CR		
		Direct assigned - Jurisdiction	S
		Electric Plant in Service	DITEXP
		Pacific Hydro	DGP
		Production, Transmission	SG
		Customer Related	CN
		General	SO
		Property Tax related	GPS
		Miscellaneous	SNP
		Trojan	TROJP
		Distribution	SNPD
		Mining Plant	SE

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT	DESCRIPTION	ALLOCATION FACTOR
SCHEDULE - M ADDITIONS		
SCHMAF	Additions - Flow Through	
	Direct assigned - Jurisdiction	S
SCHMAP	Additions - Permanent	
	Mining related	SE
	General	SO
SCHMAT	Additions - Temporary	
	Direct assigned - Jurisdiction	S
	Contributions in aid of construction	CIAC
	Miscellaneous	SNP
	Trojan	TROJP
	Pacific Hydro	DGP
	Mining Plant	SE
	Production, Transmission	SG
	Property Tax	GPS
	General	SO
Depreciation	SCHMDEXP	
SCHEDULE - M DEDUCTIONS		
SCHMDF	Deductions - Flow Through	
	Direct assigned - Jurisdiction	S
	Production, Transmission	SG
	Pacific Hydro	DGP
SCHMDP	Deductions - Permanent	
	Direct assigned - Jurisdiction	S
	Mining Related	SE
	Miscellaneous	SNP
	General	SO
SCHMDT	Deductions - Temporary	
	Direct assigned - Jurisdiction	S
	Bad Debt	BADDEBT
	Miscellaneous	SNP
	Pacific Hydro	DGP
	Mining related	SE
	Production, Transmission	SG
	Property Tax	GPS
	General	SO
	Depreciation	TAXDEPR
Distribution	SNPD	

Allocation Factor Applied to each Component of Revenue Requirement

<u>FERC</u>		<u>DESCRIPTION</u>	<u>ALLOCATION</u>
<u>ACCT</u>			<u>FACTOR</u>
41111		Deferred Income Tax - State-CR	
		Direct assigned - Jurisdiction	S
		Electric Plant in Service	DITEXP
		Pacific Hydro	DGP
		Production, Transmission	SG
		Customer Related	CN
		General	SO
		Property Tax related	GPS
		Miscellaneous	SNP
		Trojan	TROJP
		Distribution	SNPD
		Mining Plant	SE

Allocation Factor Applied to each Component of Revenue Requirement

<u>FERC</u>		<u>DESCRIPTION</u>	<u>ALLOCATION</u>
<u>ACCT</u>			<u>FACTOR</u>
State Income Taxes			
40911	State Income Taxes	Income Before Taxes	IBT
40910		FIT True-up	S
40910		Wyoming Wind Tax Credit	SG

Allocation Factor Applied to each Component of Revenue Requirement

<u>FERC</u> <u>ACCT</u>	<u>DESCRIPTION</u>	<u>ALLOCATION</u> <u>FACTOR</u>
Steam Production Plant 310 - 316	Remaining Steam Plants	SG
	Peaking Plants	SSCCT
	Cholla	SSGCH
	Huntington	DGU
Nuclear Production Plant 320-325	Nuclear Plant	SG
Hydraulic Plant 330-336	Pacific Hydro	DGP
	East Hydro	SG
Other Production Plant 340-346	Other Production Plant	SG
TRANSMISSION PLANT 350-359	Transmission Plant	SG
DISTRIBUTION PLANT 360-373	Direct assigned - Jurisdiction	S

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT		DESCRIPTION	ALLOCATION FACTOR
GENERAL PLANT 389 - 398		Distribution	S
		Remaining Steam Plants	SG
		Peaking Plants	SSCCT
		Cholla	SSGCH
		Huntington	DGU
		Pacific Hydro	DGP
		East Hydro	SG
		Transmission	SG
		Customer Related	CN
		General SO	SO
399	Coal Mine	Remaining Mining Plant	SE
		Deer Creek/Energy West (Huntington)	DEU
399L	WIDCO Capital Lease	WIDCO Capital Lease	SE
1011390	General Capital Leases	Direct assigned - Jurisdiction	S
		General	SO
GP	Unclassified Gen Plant - Acct 300	Distribution	S
		Remaining Steam Plants	SG
		Peaking Plants	SSCCT
		Cholla	SSGCH
		Huntington	DGU
		Pacific Hydro	DGP
		East Hydro	SG
		Transmission	SG
		Customer Related	CN
		General	SO

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT		DESCRIPTION	ALLOCATION FACTOR
INTANGIBLE PLANT			
301	Organization	Direct assigned - Jurisdiction	S
302	Franchise & Consent	Direct assigned - Jurisdiction	S
		Production, Transmission	SG
303	Miscellaneous Intangible Plant		
		Distribution	S
		Remaining Steam Plants	SG
		Peaking Plants	SSCCT
		Cholla	SSGCH
		Huntington	DGU
		Pacific Hydro	DGP
		East Hydro	SG
		Transmission	SG
		Customer Related	CN
		General	SO
303	Less Non-Utility Plant	Direct assigned - Jurisdiction	S

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT	DESCRIPTION	ALLOCATION FACTOR
Rate Base Additions		
105	Plant Held For Future Use	
	Direct assigned - Jurisdiction	S
	Production, Transmission	SG
	Mining Plant	SE
114	Electric Plant Acquisition Adjustments	
	Direct assigned - Jurisdiction	S
	Production Plant	SG
115	Accum Provision for Asset Acquisition Adjustments	
	Direct assigned - Jurisdiction	S
	Production Plant	SG
120	Nuclear Fuel	
	Nuclear Fuel	SE
124	Weatherization	
	Direct assigned - Jurisdiction	S
	General	SO
182W	Weatherization	
	Direct assigned - Jurisdiction	S
186W	Weatherization	
	Direct assigned - Jurisdiction	S
151	Fuel Stock	
	Other Steam Production Plant	SE
	Huntington	DEU
152	Fuel Stock - Undistributed	
	Other Steam Production Plant	SE
	Huntington	DEU
25316	DG&T Working Capital Deposit	
	Mining Plant	SE
25317	DG&T Working Capital Deposit	
	Mining Plant	SE

Allocation Factor Applied to each Component of Revenue Requirement

<u>FERC</u> <u>ACCT</u>	<u>DESCRIPTION</u>	<u>ALLOCATION</u> <u>FACTOR</u>
25319	Provo Working Capital Deposit Mining Plant	SE
154	Materials and Supplies Direct assigned - Jurisdiction Production, Transmission Mining General Production - Common Hydro Distribution	S SG SE SO SNPPS SNPPH SNPD SG
163	Stores Expense Undistributed General	SO
25318	Provo Working Capital Deposit Provo Working Capital Deposit	SNPPS
165	Prepayments Direct assigned - Jurisdiction Property Tax Production, Transmission Mining General	S GPS SG SE SO
182M	Misc Regulatory Assets Direct assigned - Jurisdiction Production, Transmission Cholla Transaction Costs Mining General	S SG SSGCH SE SO
186M	Misc Deferred Debits Direct assigned - Jurisdiction Production, Transmission General Mining Production - Common	S SG SO SE SNPPS

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT		DESCRIPTION	ALLOCATION FACTOR
Working Capital			
CWC	Cash Working Capital		
		Direct assigned - Jurisdiction	S
OWC		Other Working Capital	
131		Cash	SNP
135		Working Funds	SG
143		Other Accounts Receivable	SO
232		Accounts Payable	SO
232		Accounts Payable	SE
253		Deferred Hedge	SE
25330		Other Deferred Credits - Misc	SE
Miscellaneous Rate Base			
18221	Unrec Plant & Reg Study Costs		
		Direct assigned - Jurisdiction	S
18222	Nuclear Plant - Trojan		
		Trojan Plant	TROJP
		Trojan Plant	TROJD
141	Impact Housing - Notes Receivable		
		Employee Loans - Hunter Plant	SG

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT	DESCRIPTION	ALLOCATION FACTOR
Rate Base Deductions		
235	Customer Service Deposits Direct assigned - Jurisdiction	S
2281	Prov for Property Insurance	SO
2282	Prov for Injuries & Damages	SO
2283	Prov for Pensions and Benefits	SO
22841	Accum Misc Oper Prov-Black Lung Mining	SE
22842	Accum Misc Oper Prov-Trojan Trojan Plant	TROJD
252	Customer Advances for Construction Direct assigned - Jurisdiction Production, Transmission Customer Related	S SG CN
25399	Other Deferred Credits Direct assigned - Jurisdiction Production, Transmission Mining	S SG SE
190	Accumulated Deferred Income Taxes Direct assigned - Jurisdiction Bad Debt Pacific Hydro Production, Transmission Customer Related General Miscellaneous Trojan	S BADDEBT DGP SG CN SO SNP TROJP
281	Accumulated Deferred Income Taxes Production, Transmission	SG

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT	DESCRIPTION	ALLOCATION FACTOR
282	Accumulated Deferred Income Taxes	
	Direct assigned - Jurisdiction	S
	Depreciation	DITBAL
	Hydro Pacific	DGP
	Production, Transmission	SG
	Customer Related	CN
	General	SO
	Miscellaneous	SNP
	Trojan	TROJP
283	Accumulated Deferred Income Taxes	
	Direct assigned - Jurisdiction	S
	Depreciation	DITBAL
	Hydro Pacific	DGP
	Production, Transmission	SG
	Customer Related	CN
	General	SO
	Miscellaneous	SNP
	Trojan	TROJP
255	Accumulated Investment Tax Credit	
	Direct assigned - Jurisdiction	S
	Investment Tax Credits	ITC84
	Investment Tax Credits	ITC85
	Investment Tax Credits	ITC86
	Investment Tax Credits	ITC88
	Investment Tax Credits	ITC89
	Investment Tax Credits	ITC90
	Investment Tax Credits	DGU

Allocation Factor Applied to each Component of Revenue Requirement

<u>FERC</u> <u>ACCT</u>	<u>DESCRIPTION</u>	<u>ALLOCATION</u> <u>FACTOR</u>
PRODUCTION PLANT ACCUM DEPRECIATION		
108SP	Steam Prod Plant Accumulated Depr	
	Remaining Steam Plants	SG
	Peaking Plants	SSCCT
	Cholla	SSGCH
	Huntington	DGU
108NP	Nuclear Prod Plant Accumulated Depr	
	Nuclear Plant	SG
108HP	Hydraulic Prod Plant Accum Depr	
	Pacific Hydro	DGP
	East Hydro	SG
108OP	Other Production Plant - Accum Depr	
	Other Production Plant	SG
TRANS PLANT ACCUM DEPR		
108TP	Transmission Plant Accumulated Depr	
	Transmission Plant	SG
DISTRIBUTION PLANT ACCUM DEPR		
108360 - 108373	Distribution Plant Accumulated Depr	
	Direct assigned - Jurisdiction	S
108D00	Unclassified Dist Plant - Acct 300	
	Direct assigned - Jurisdiction	S
108DS	Unclassified Dist Sub Plant - Acct 300	
	Direct assigned - Jurisdiction	S
108DP	Unclassified Dist Sub Plant - Acct 300	
	Direct assigned - Jurisdiction	S

Allocation Factor Applied to each Component of Revenue Requirement

<u>FERC</u>		<u>DESCRIPTION</u>	<u>ALLOCATION</u>
<u>ACCT</u>			<u>FACTOR</u>
GENERAL PLANT ACCUM DEPR			
108GP	General Plant Accumulated Depr		
		Distribution	S
		Remaining Steam Plants	SG
		Peaking Plants	SSCCT
		Cholla	SSGCH
		Huntington	DGU
		Pacific Hydro	DGP
		East Hydro	SG
		Transmission	SG
		Customer Related	CN
		General SO	SO
108MP	Mining Plant Accumulated Depr.		
		Other Mining Plant	SE
		Deer Creek/Energy West (Huntington)	DEU
108MP	Less Centralia Situs Depreciation		
		Direct assigned - Jurisdiction	S
1081390	Accum Depr - Capital Lease		
		General	SO
1081399	Accum Depr - Capital Lease		
		Direct assigned - Jurisdiction	S

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT		DESCRIPTION	ALLOCATION FACTOR
ACCUM PROVISION FOR AMORTIZATION			
111SP	Accum Prov for Amort-Steam		
		Remaining Steam Plants	SG
		Peaking Plants	SSCCT
		Cholla	SSGCH
		Huntington	DGU
111GP	Accum Prov for Amort-General		
		Distribution	S
		Remaining Steam Plants	SG
		Peaking Plants	SSCCT
		Cholla	SSGCH
		Huntington	DGU
		Pacific Hydro	DGP
		East Hydro	SG
		Transmission	SG
		Customer Related	CN
		General SO	SO
111HP	Accum Prov for Amort-Hydro		
		Pacific Hydro	DGP
		East Hydro	SG
111IP	Accum Prov for Amort-Intangible Plant		
		Distribution	S
		Pacific Hydro	DGP
		Production, Transmission	SG
		General	SO
		Mining	SE
		Customer Related	CN
111IP	Less Non-Utility Plant		
		Direct assigned - Jurisdiction	S
111399	Accum Prov for Amort-Mining		
		Other Mining Plant	SE
		Deer Creek/Energy West (Huntington)	DEU