

PACIFICORP d/b/a PACIFIC POWER AND LIGHT COMPANY

SUMMARY OF PUBLIC COUNSEL REVENUE REQUIREMENT ADJUSTMENTS

	<u>Year 1</u>	<u>Year 2</u>
1 Company Claim (A)	\$26,763,219	\$27,947,817
2 49.1% Equity @ 9.25% (B)	(9,541,132)	(2,550,217)
3 Pension Expense (C)	(620,000)	(480,000)
4 CETA Deferral (D)	(868,045)	0
5 EV Pilot Deferral (E)	(957,483)	0
6 COVID Deferral (F)	(5,541,786)	0
7 Incremental T&D Expenses (G)	(632,602)	(632,602)
8 Jim Bridger Repowering (H)	(2,640,092)	(772,812)
9 Cancelled Colstrip Projects (I)	(17,536)	(28,318)
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10 Recommended Increase	<u>\$5,944,543</u>	<u>\$23,483,867</u>

Sources:

(A) Company Exhibit SLC-4, page 2 and Exhibit SLC-5, page 1.

(B) Exhibit ACC-3, page 2.

(C) Response to Staff Data Request No. 71.

(D) Exhibit ACC-3, page 4.

(E) Exhibit ACC-3, page 5.

(F) Exhibit ACC-3, page 6.

(G) Exhibit ACC-3, page 7.

(H) Exhibit ACC-3, page 8.

(I) Response to Staff Data Request No. 86.

PACIFICORP d/b/a PACIFIC POWER AND LIGHT COMPANY

IMPACT of PUBLIC COUNSEL COST OF CAPITAL ADJUSTMENTS

	Rate Year 1	Rate Year 2
1. Pro Forma Rate Base (A)	\$1,100,424,347	\$1,357,485,561
2. Required Cost of Capital (B)	6.97%	6.97%
3. Required Return	\$76,698,234	\$94,615,087
4. Operating Income @ Present Rates (C)	63,750,325	75,520,664
5. Operating Income Deficiency	\$12,947,909	\$19,094,423
6. Gross Up Factor (D)	0.7518	0.7518
7. Base Revenue Increase (E)	\$17,222,087	\$25,397,600
8. Company Claim (A)	\$26,763,219	\$27,947,817
9. Recommended Adjustment	<u>(\$9,541,132)</u>	<u>(\$2,550,217)</u>

Sources:

(A) Company Exhibit SLC-4, page 2 and Exhibit SLC-5, page 1.

(B) Exhibit ACC-3, page 3.

(C) Rate Year 1 and 2 based on Company Exhibit SLC-5, page 1, adjusted to reflect Public Counsel Cost of Capital recommendation.

(D) Company Exhibit SLC-4, page 5.

(E) Line 5 / Line 6.

PACIFICORP d/b/a PACIFIC POWER AND LIGHT COMPANY

PUBLIC COUNSEL RECOMMENDED COST OF CAPITAL

Capital	Capitalization Ratio	Cost Rate	Weighted Cost Rate
1 Long-Term Debt	50.89%	4.77%	2.43%
2 Preferred Stock	0.01%	6.75%	0.00%
3 Common Stock	49.10%	9.25%	4.54%
			<u>6.97%</u>

Sources:

(A) Testimony of Dr. Woolridge.

PACIFICORP d/b/a PACIFIC POWER AND LIGHT COMPANY**CETA DEFERRAL**

	<u>Rate Year 1</u>
1 Amortization Expense Adjustment (A)	\$826,093
2 Income Taxes @ 21.00%	<u>173,480</u>
3 Operating Income Impact	\$652,613
4 Gross up Factor (B)	<u>0.75182</u>
5 Revenue Requirement Impact (C)	<u>\$868,045</u>

Sources:

(A) Company Exhibit SLC-4, page 261.

(B) Company Exhibit SLC-4, page 5.

(C) Line 3 / Line 4.

PACIFICORP d/b/a PACIFIC POWER AND LIGHT COMPANY

EV PILOT PROGRAM DEFERRAL

	<u>Rate Year 1</u>
1 Amortization Expense Adjustment (A)	\$911,209
2 Income Taxes @ 21.00%	<u>191,354</u>
3 Operating Income Impact	\$719,855
4 Gross up Factor (B)	<u>0.75182</u>
5 Revenue Requirement Impact (C)	<u>\$957,483</u>

Sources:

(A) Company Exhibit SLC-4, page 261.

(B) Company Exhibit SLC-4, page 5.

(C) Line 3 / Line 4.

PACIFICORP d/b/a PACIFIC POWER AND LIGHT COMPANY

COVID DEFERRAL

	<u>Rate Year 1</u>
1 Amortization Expense Adjustment (A)	\$5,273,956
2 Income Taxes @ 21.00%	<u>1,107,531</u>
3 Operating Income Impact	\$4,166,425
4 Gross up Factor (B)	<u>0.75182</u>
5 Revenue Requirement Impact (C)	<u>\$5,541,786</u>

Sources:

(A) Company Exhibit SLC-4, page 261.

(B) Company Exhibit SLC-4, page 5.

(C) Line 3 / Line 4.

PACIFICORP d/b/a PACIFIC POWER AND LIGHT COMPANY

INCREMENTAL T&D EXPENSES

	Base Period (A)	Public Counsel (B)	Company (A)	Adjustment	WA Allocation (%) (C)	WA Allocation (\$)
1 PP Vegetation - Admin	\$3,847,683	\$4,888,481	\$7,090,567	\$2,202,086	6.26%	\$137,939
2 Distribution	11,841,555	15,044,696	15,267,216	222,520	100.00%	222,520
3 Transmission	7,136,221	9,066,569	12,094,141	3,027,572	7.98%	241,570
4 Total	\$22,825,459	\$28,999,746	\$34,451,924	\$5,452,178		\$602,029
5 Income Taxes @ 21%						<u>126,426</u>
6 Operating Income Impact (D)						\$475,603
7 Gross up Factor (E)						<u>0.75182</u>
8 Revenue Requirement Impact (F)						<u>\$632,602</u>

Sources:

(A) Company Exhibit SLC-4, page 135.

(B) Reflects 2.5 years at 10% annual increase.

(C) Company Exhibit SLC-4, page 134.

(D) Line 4 - Line 5.

(E) Company Exhibit SLC-4, page 5.

(F) Line 6 / Line 7.

PACIFICORP d/b/a PACIFIC POWER AND LIGHT COMPANY

JIM BRIDGER REPOWERING O&M EXPENSE

	<u>Rate Year 1</u>	<u>Rate Year 2</u>
1 Expense Adjustment (A)	\$2,512,499	\$735,463
2 Income Taxes @ 21.00%	<u>527,625</u>	<u>154,447</u>
3 Operating Income Impact	\$1,984,874	\$581,016
4 Gross up Factor (B)	<u>0.75182</u>	<u>0.75182</u>
5 Revenue Requirement Impact (C)	<u>\$2,640,092</u>	<u>\$772,812</u>

Sources:

(A) Testimony of Public Counsel witness Dr. Earle.

(B) Company Exhibit SLC-4, page 5.

(C) Line 3 / Line 4.