

BEFORE THE

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFICORP d/b/a PACIFIC POWER
AND LIGHT COMPANY,

Respondent.

DOCKET UE-230172
(*Consolidated*)

In the Matter of

ALLIANCE OF WESTERN ENERGY
CONSUMERS'

Petition for Order Approving Deferral of
Increased Fly Ash Revenues

DOCKET UE-210852
(*Consolidated*)

EXHIBIT LDK-3

DISCOVERY RESPONSES

(REDACTED)

UE-230172 / PacifiCorp
August 3, 2023
AWEC Data Request 008

AWEC Data Request 008

Revenue Requirement - Please identify all capital and expenses included in proposed rates that are associated with wildfire repairs or litigation.

Response to AWEC Data Request 008

The total-Company capital costs associated with wildfire repairs that have been placed into service since the Company’s last general case (GRC), Docket No. UE-191024, and included in the proposed rates in this GRC are \$703,405 for the Mill Fire Damage Rebuild project and \$563,495 for the Jack Fire Damage Repair project. Both are transmission projects allocated on a System Generation (SG) allocation factor basis of approximately 7.979 percent. The Washington-allocated capital costs included in rates for both identified project is approximately \$101,083.

In this current GRC, Docket No. UE-230172, the Company included Adjustment 8.8 (Labor Day Wildfire Restoration Capital), which removes the historical capital additions placed in-service as part of Labor Day Wildfire restoration efforts.

The Company inadvertently misidentified some distribution costs for states outside of Washington as transmission assets. As a result, Adjustment 8.8 in the Company’s direct filing removed too much capital from rate base. The Company will correct this amount in its rebuttal filing. The impact to Washington-allocated rate base of this correction is shown below:

Remove Labor Day Wildfire Restoration			
	WA Allocated	WA Allocated	
Account	As Filed	Corrected	Change
355	(17,855,801)	(11,095,768)	6,760,033
108	499,944	301,559	(198,385)
282	759,932	788,418	28,486
	(16,595,925)	(10,005,791)	6,590,133

The Company is not seeking recovery of specific wildfire litigation expenses in this GRC. The Company is using a three-year cash average to establish the level of liability expense in proposed rates, but the Company is not seeking recovery of any specific events. For legal expense, the Company has included legal expenses based on historical period actuals, which is consistent with prior GRCs, and is also not seeking recovery of specific events.

PREPARER: Laura Miller

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SPONSOR: Sherona L. Cheung

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AWEC Data Request 021

AWEC Data Request 021

Cost of Capital - Please refer to Exhibit No. AEB-1T, Figure 12, page 58.

- (a) Please identify each instance over the dates covered by the referenced figure during which PacifiCorp was unable to attract sufficient capital to maintain PacifiCorp's Washington electric service in a safe and reliable manner. For each instance, provide the amount of capital PacifiCorp sought, the amount of capital that PacifiCorp acquired, and the impact of the shortfall on operations.
- (b) Is PacifiCorp aware of any Washington investor-owned electric utility that has been unable to attract sufficient capital over the referenced period? If yes, identify each such utility and provide the basis for determining the utility was not able to attract sufficient capital.

Response to AWEC Data Request 021

- (a) PacifiCorp has been able to attract sufficient capital to maintain PacifiCorp's Washington electric service in a safe and reliable manner because of the investment grade credit ratings the Company has been able to maintain.
- (b) Company witness, Ann E. Bulkley has not conducted the requested research.

PREPARER: Kristi Olsen / Ann Bulkley

SPONSOR: Ann Bulkley

UE-230172 / PacifiCorp
September 11, 2023
AWEC Data Request 102

AWEC Data Request 102

Revenue Requirement - Please identify each lawsuit in which PacifiCorp or a PacifiCorp subsidiary was a plaintiff or defendant with litigation expenses between 2020 and 2022 (inclusive of both years). For each case identify.

- (a) The name of the firm representing PacifiCorp,
- (b) All named plaintiffs,
- (c) All named defendant,
- (d) A description of the claims in the case,
- (e) The total charges billed to PacifiCorp, and
- (f) The amount of any settlement, fine, penalty, and other costs of restitution for PacifiCorp.

Response to AWEC Data Request 102

PacifiCorp objects to this request as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving the foregoing objection, PacifiCorp responds as follows:

Please refer to Confidential Attachment AWEC 102, which provides transaction level detail supporting litigation expenses and settlements included in the historical test period of 12 months ended June 2022. Penalties and fines are recorded below-the-line and are not included in regulatory results, and therefore not reflected in customer rates. Also, consistent with past rate case treatment, in calculating regulatory results, the Company prepares a restating adjustment to reallocate the Company's per books legal expenses. Underlying legal matters are reviewed on a case-by-case basis to verify whether per books allocation is appropriate. The legal expense adjustment in the current general rate case (GRC) proceeding is Adjustment 4.9, presented in Exhibit No. SLC-4. This adjustment removes any legal expenses deemed to be inaccurately assigned as booked in the historical test period and reallocates them on a situs basis back to the state to which the underlying legal matter pertains. A similar adjustment has been included in the final revenue requirement calculations approved by the Washington Utilities and Transportation Commission (WUTC) in rate filings since Docket No. UE-111190, including the Company's most recently concluded Washington GRC, Docket No. UE-191024.

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AWEC Data Request 102

Please refer to the work papers supporting the direct testimony of Company witness, Sherona L. Cheung, specifically file “230172-PAC-SLC-4.9LegalExp-ExhSLC4.xlsx”.

Designated information in Confidential Attachment 102 is confidential per Protective Order in UTC Docket UE-230172

PREPARER: Christina Lopas

SPONSOR: Sherona L. Cheung

Pages 6 – 8 of Exhibit LDK-3 are Confidential Per the Protective Order in WUTC Docket UE-230172 and have been redacted in their entirety.