

Exhibit No. \_\_\_\_ (CTM-4)  
Docket UE-130043  
Witness: Christopher T. Mickelson

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PACIFIC POWER & LIGHT  
COMPANY, d/b/a PACIFICORP,**

**Respondent.**

**DOCKET UE-130043**

**EXHIBIT TO  
TESTIMONY OF**

**CHRISTOPHER T. MICKELSON**

**STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

*Electric Cost of Service*

**June 21, 2013**

**PACIFICORP  
 COST OF SERVICE BY RATE SCHEDULE (EARNED)  
 FOR THE TWELVE MONTHS ENDED JUNE 30, 2012  
 2013 GENERAL RATE CASE**

Line No.	Schedule No.	Description	Annual Revenue	Total Cost	Generation Cost	Transmission Cost		Distribution Cost	Retail Cost	Misc. Cost	Increase / (Decrease)	Percentage Change	Parity Ratio
						F	G						
	A	B	C	D	E	F	G	H	I	J	K	L	
1	16-18	Residential	\$ 134,571,287	\$ 139,302,879	\$ 84,054,928	\$ 20,641,859	\$ 25,622,105	\$ 6,886,677	\$ 2,097,310	\$ 4,731,592	\$ 3,52%	96.6%	
2	24	Small General Service	\$ 45,261,337	\$ 41,366,542	\$ 26,763,333	\$ 6,571,522	\$ 6,400,881	\$ 949,283	\$ 681,524	\$ (3,894,795)	\$ -8.61%	109.4%	
3	36	Large General Service <1,000 kW	\$ 61,297,411	\$ 59,892,830	\$ 42,435,869	\$ 10,405,225	\$ 5,910,141	\$ 120,949	\$ 1,020,646	\$ (1,404,580)	\$ -2.29%	102.3%	
4	48T	Large General Service >1,000 kW	\$ 23,069,502	\$ 23,424,505	\$ 16,767,324	\$ 4,110,373	\$ 2,107,485	\$ 42,707	\$ 396,617	\$ 355,004	\$ 1.54%	98.5%	
5	48T	Dedicated Facilities	\$ 25,058,234	\$ 26,757,359	\$ 20,718,430	\$ 5,075,169	\$ 452,178	\$ 40,879	\$ 470,703	\$ 1,699,124	\$ 6.78%	93.6%	
6	40	Agricultural Pumping Service	\$ 12,299,348	\$ 11,075,268	\$ 7,063,575	\$ 1,734,277	\$ 1,910,945	\$ 183,832	\$ 182,640	\$ (1,224,080)	\$ -9.95%	111.1%	
7	15,51-54,57	Street Lighting	\$ 1,670,477	\$ 1,408,212	\$ 472,974	\$ 117,278	\$ 697,089	\$ 103,864	\$ 17,007	\$ (262,265)	\$ -15.70%	118.60%	
8		Total Washington Jurisdiction	\$ 303,227,596	\$ 303,227,596	\$ 198,276,433	\$ 48,655,703	\$ 43,100,824	\$ 8,328,191	\$ 4,866,445	\$ (0)	\$ 0.00%	100.0%	

**PACIFICORP**  
**COST OF SERVICE BY RATE SCHEDULE (TARGET)**  
**FOR THE TWELVE MONTHS ENDED JUNE 30, 2012**  
**2013 GENERAL RATE CASE**

Line No.	Schedule No.	Description	Annual Revenue	Total Cost	Generation Cost	Transmission Cost	Distribution Cost	Retail Cost	Misc. Cost	Increase / (Decrease)	Percentage Change	Parity Ratio	Proposed		
													L	M	N
1	16-18	Residential	\$ 134,571,287	\$ 146,082,470	\$ 87,725,245	\$ 21,692,400	\$ 27,686,222	\$ 6,864,820	\$ 2,113,784	\$ 11,511,182	8.55%	92.1%	\$ 7,455,249	5.54%	97.2%
2	24	Small General Service	\$ 45,261,337	\$ 43,396,644	\$ 27,932,650	\$ 6,905,910	\$ 6,923,490	\$ 947,796	\$ 686,798	\$ (1,864,693)	-4.12%	104.3%	\$ 1,090,798	2.41%	106.8%
3	36	Large General Service <1,000 kW	\$ 61,297,411	\$ 62,764,064	\$ 44,291,848	\$ 10,934,927	\$ 6,388,443	\$ 119,981	\$ 1,028,865	\$ 1,466,653	2.39%	97.7%	\$ 2,807,421	4.58%	102.1%
4	48T	Large General Service >1,000 kW	\$ 23,069,502	\$ 24,536,027	\$ 17,500,765	\$ 4,319,701	\$ 2,272,941	\$ 42,771	\$ 399,849	\$ 1,466,525	6.56%	94.0%	\$ 1,278,050	5.54%	99.2%
5	48T	Dedicated Facilities	\$ 25,058,234	\$ 27,954,791	\$ 21,625,333	\$ 5,334,075	\$ 479,839	\$ 40,892	\$ 474,653	\$ 2,896,557	11.56%	89.6%	\$ 1,691,707	6.75%	95.7%
6	40	Agricultural Pumping Service	\$ 12,299,348	\$ 11,637,300	\$ 7,372,210	\$ 1,822,444	\$ 2,075,148	\$ 183,460	\$ 184,038	\$ (662,048)	-5.38%	105.7%	\$ 296,414	2.41%	108.2%
7	15.51-54.57	Street Lighting	\$ 1,670,477	\$ 1,475,941	\$ 493,456	\$ 123,198	\$ 737,774	\$ 104,401	\$ 17,112	\$ (194,536)	-11.65%	113.2%	\$ -	0.00%	113.20%
8		Total Washington Jurisdiction	\$ 303,227,596	\$ 317,847,237	\$ 206,941,507	\$ 51,132,655	\$ 46,563,858	\$ 8,304,120	\$ 4,905,097	\$ 14,619,641	4.82%	95.4%	\$ 14,619,641	4.82%	100.0%

**PACIFICORP**  
**MONTHLY CUSTOMER CHARGE**  
**FOR THE TWELVE MONTHS ENDED JUNE 30, 2012**  
**2013 GENERAL RATE CASE**

Line No.	Description	Large General									
		A	B	C	D	E	F	G	H	I	J
		Total	Residential (Sch. 16-18)	Small General (Sch. 24)	Service <1,000 kW (Sch. 36)	Service >1,000 kW (Sch. 48T)	Dedicated Facilities (Sch. 48T)	Pumping (Sch. 40)	Lighting (Sch. 15,51-54,57)		
1	Services	\$ 58,513,900	\$ 42,197,440	\$ 11,457,195	\$ 3,506,395	\$ 924,094	\$ 42,687	\$ 301,812	\$	\$ 84,278	
2	Services Accum. Deprn.	\$ (29,008,503)	\$ (19,922,373)	\$ (5,333,509)	\$ (2,416,143)	\$ (735,270)	\$ (93,901)	\$ (507,307)	\$	\$ (127,676)	
3	Total Services	\$ 29,505,397	\$ 22,275,067	\$ 6,123,685	\$ 1,090,252	\$ 188,824	\$ (51,214)	\$ (205,495)	\$	\$ (43,398)	
4	Meters	\$ 12,828,809	\$ 8,603,931	\$ 2,065,839	\$ 1,068,498	\$ 208,185	\$ 120,148	\$ 743,730	\$	\$ 18,477	
5	Meters Accum. Deprn.	\$ (4,276,779)	\$ (2,703,202)	\$ (669,120)	\$ (474,336)	\$ (137,308)	\$ (39,291)	\$ (225,491)	\$	\$ (28,032)	
6	Total Meters	\$ 8,552,030	\$ 5,900,730	\$ 1,396,718	\$ 594,162	\$ 70,878	\$ 80,857	\$ 518,239	\$	\$ (9,554)	
7		\$ 38,057,427	\$ 28,175,797	\$ 7,520,403	\$ 1,684,415	\$ 259,702	\$ 29,643	\$ 312,744	\$	\$ (52,932)	
8	Total Rate Base (Ln 3+7)										
9		\$ 2,670,255	\$ 1,983,576	\$ 529,436	\$ 118,583	\$ 18,283	\$ 2,087	\$ 22,017	\$	\$ (3,728)	
10	Return on Rate Base @ 7.04%	0.62004	0.62004	0.62004	0.62004	0.62004	0.62004	0.62004		0.62004	
11	Revenue Conversion Factor	\$ 4,306,584	\$ 3,199,110	\$ 853,875	\$ 191,250	\$ 29,487	\$ 3,366	\$ 35,509	\$	\$ (6,012)	
12	Rate Base Revenue Requirement (Ln 11/12)										
13		\$ 1,477,131	\$ 1,056,051	\$ 286,576	\$ 93,823	\$ 25,588	\$ 2,725	\$ 9,747	\$	\$ 2,620	
14	Services Deprn Exp.	\$ 490,333	\$ 329,006	\$ 79,004	\$ 40,584	\$ 7,791	\$ 4,903	\$ 28,471	\$	\$ 574	
15	Meters Deprn Exp.	\$ 467,374	\$ 261,733	\$ 68,772	\$ 70,595	\$ 25,584	\$ 11,490	\$ 22,127	\$	\$ 7,073	
16	Services Op Exp.	\$ 1,209,596	\$ 798,946	\$ 192,273	\$ 99,963	\$ 19,619	\$ 13,244	\$ 69,396	\$	\$ 16,155	
17	Meters Op Exp.	\$ 4,936,562	\$ 3,986,482	\$ 684,005	\$ 45,227	\$ 12,712	\$ 220	\$ 121,849	\$	\$ 86,068	
18	Meter Reading/Billing Exp.	\$ 1,133,983	\$ 675,902	\$ 171,130	\$ 156,622	\$ 54,179	\$ 9,058	\$ 53,769	\$	\$ 13,322	
19	Services Taxes	\$ 264,636	\$ 157,734	\$ 39,936	\$ 36,551	\$ 12,644	\$ 2,114	\$ 12,548	\$	\$ 3,109	
20	Meters Taxes	\$ 579	\$ 246	\$ 78	\$ 124	\$ 49	\$ 61	\$ 21	\$	\$ 1	
21	Misc.	\$ 9,980,195	\$ 7,266,100	\$ 1,521,776	\$ 543,489	\$ 158,166	\$ 43,814	\$ 317,928	\$	\$ 128,922	
22	Net Expenses (Sum Ln 15-22)	0.953900	0.953900	0.953900	0.953900	0.953900	0.953900	0.953900		0.953900	
23	Revenue Conversion Factor	\$ 10,462,517	\$ 7,617,255	\$ 1,595,320	\$ 569,755	\$ 165,810	\$ 45,931	\$ 333,293	\$	\$ 135,153	
24	Expense Revenue Requirement (Ln 23/24)										
25		\$ 14,769,101	\$ 10,816,365	\$ 2,449,195	\$ 761,005	\$ 195,296	\$ 49,297	\$ 368,802	\$	\$ 129,141	
26	Total Revenue Requirement (Ln 13+25)										
27		1,588,530	1,251,564	223,761	12,534	695	12	63,120		36,844	
28	Total Customers Bills (Annual)	\$ 9.30	\$ 8.64	\$ 10.95	\$ 60.72	\$ 281.03	\$ 4,108.09	\$ 55.84		\$ 3.51	
29	Monthly Customer Charge (Ln 27/29)										
30		\$ 21,887,970	\$ 16,715,230.13	\$ 3,152,925	\$ 947,289	\$ 250,276	\$ 103,467	\$ 509,717	\$	\$ 209,066	
31	Total Customer Cost & Return	\$ 13.78	\$ 13.36	\$ 14.09	\$ 75.58	\$ 360.14	\$ 8,622.23	\$ 88.08		\$ 5.67	
32	Customer Cost per Customer per Month										
33		\$ 88,483,568	\$ 51,484,184	\$ 12,914,157	\$ 13,018,016	\$ 4,608,116	\$ 331,360	\$ 4,516,787	\$	\$ 1,610,950	
34	All Distribution Cost & Return (Poles, Wires, Trans)	\$ 14,062,944	\$ 7,135,649	\$ 1,912,306	\$ 2,512,554	\$ 944,398	\$ 602,205	\$ 871,163	\$	\$ 84,670	
35	All Distribution Cost & Return (Substation)	#####	#####	#####	#####	#####	#####	#####		#####	
36	Total Distribution Related Cost & Return	\$ 64.55	\$ 46.84	\$ 66.26	\$ 1,239.08	\$ 7,989.92	\$ 77,797.10	\$ 85.36		\$ 46.02	
37	Distribution Cost per Customer per Month										
38		\$ 78.33	\$ 60.19	\$ 80.35	\$ 1,314.66	\$ 8,350.07	\$ 86,419.33	\$ 93.44		\$ 51.70	
39	Total Customer and Distribution Cost with Return per Customer per Month										
40											
41											
42											