



825 NE Multnomah, Suite 2000
Portland, Oregon 97232

December 31, 2013

***VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY***

Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
P.O. Box 47250
Olympia, WA 98504-7250

Attention: Steven V. King
Executive Director and Secretary

RE: **UE-13 _____
Petition for Accounting Order**

Dear Mr. King,

In accordance with WAC 480-07-370(b), enclosed for filing are an original and 12 copies of PacifiCorp's petition for deferral of a reduction in depreciation expense.


It is respectfully requested that all data requests be addressed in the following manner, with copies to the Company's counsel:

By Email (preferred): datarequest@pacificorp.com

By Regular Mail: Data Request Response Center
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232

Please direct any informal inquiries to Gary Tawwater, Manager of Regulatory Affairs, at (503) 813-6805.

Sincerely,


William R. Griffith
Vice President, Regulation

Enclosures

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

PACIFICORP d/b/a PACIFIC POWER &
LIGHT COMPANY

Petition for an Order Approving Deferral of
Reduced Depreciation Expense

DOCKET UE-13 _____

PACIFICORP'S PETITION FOR AN
ACCOUNTING ORDER

I. INTRODUCTION

In accordance with WAC 480-07-370(b), PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp or Company) petitions the Washington Utilities and Transportation Commission (Commission) for an order authorizing the Company to defer a reduction in depreciation expense related to the difference between the depreciation rates approved in Order 01 in Docket UE-130052 and the depreciation rates reflected in the Company's 2013 general rate case, Docket No. UE-130043. The Company requests that the deferral begin on January 1, 2014, and continue until the revised depreciation expense is included in rates through the Company's next general rate revision.

II. BACKGROUND

PacifiCorp is an electric utility and public service company doing business in the state of Washington under RCW 80.04.010 and is subject to the jurisdiction of the Commission with regard to its public utility operations, retail rates, service, and accounting practices. The Company also provides retail electricity service under the name Pacific Power in Oregon and California and under the name Rocky Mountain Power in Utah, Wyoming, and Idaho. PacifiCorp's principal place of business is 825 NE Multnomah Street, Suite 2000, Portland, Oregon, 97232.

PacifiCorp's name and address:

PacifiCorp Washington Dockets
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Washington.Dockets@PacifiCorp.com

Sarah K. Wallace
Senior Counsel
825 NE Multnomah Street, Suite 1800
Portland, OR 97232
Phone: (503) 813-5865
sarah.wallace@pacificorp.com

In addition, PacifiCorp respectfully requests that all data requests regarding this matter be addressed to:

By e-mail (preferred) datarequest@pacificorp.com

By regular mail Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232

Informal inquiries may be directed to Gary Tawwater, Manager of Regulatory Affairs, at (503) 813-6805.

III. THE BASIS FOR REQUESTING DEFERRED ACCOUNTING

A. Description

On January 11, 2013, PacifiCorp filed in Docket UE-130052 a petition for an order authorizing a change in depreciation rates applicable to electric property based on its most recent depreciation study. The updated depreciation study was based on December 31, 2013 electric plant balances and reflected an increase in Washington-allocated depreciation expense of approximately \$792,000. The Company also filed petitions in Oregon, Idaho, Utah, and Wyoming requesting a revision of its existing depreciation rates in those states. On July 30, 2013, PacifiCorp filed in Docket UE-130052 First Supplemental Testimony and a revised depreciation study reducing Washington-allocated depreciation expense by approximately \$340,000 from its original filing to reflect a settlement reached in the Company's Oregon depreciation docket. On

September 20, 2013, the Company filed in Docket UE-130052 Second Supplemental Testimony to reflect additional modifications to the Company's depreciation rates for system-allocated assets included in the west control area based on settlements in the Company's depreciations filings in Utah, Wyoming, and Idaho. That filing further reduced Washington-allocated depreciation expense by approximately \$669,000. The Commission approved the depreciation rates reflected in the Second Supplemental Testimony in Order 01 in Docket UE-130052.

The net impact of the depreciation rates approved by the Commission is a *decrease* in Washington-allocated depreciation expense of approximately \$217,000 per year.¹ The depreciation rates reflected in the Company's 2013 general rate case, Docket No. UE-130043, were based on the rates proposed by the Company in the First Supplemental Testimony. PacifiCorp therefore respectfully requests to defer the difference (reduction) in depreciation expense from the levels included in the 2013 general rate case and the final rates approved by the Commission in Order 01 in Docket UE-130052 of approximately \$669,000.²

B. Proposed Accounting

During the deferral period, PacifiCorp proposes to account for reduced depreciation expense by debiting general business revenues (FERC Accounts 440—Residential Sales, 442—Commercial and Industrial Sales, and 444—Public Street and Highway Lighting) and crediting Account 254—Other Regulatory Liabilities.


¹ This amount is calculated by taking the Company's initial filing, which reflected an increase in Washington-allocated depreciation expense of \$792,000, less \$340,000 for changes included as part of the Company's First Supplemental Testimony, less \$669,000 for changes included as part of the Company's Second Supplemental Testimony.

² The calculation of the \$669,000 is reflected in Exhibit No. __ (HEL-6) in Docket UE-130052. Refer to cell AP286 in the Excel version of the exhibit.

IV. CONCLUSION

The Company proposes to defer for future inclusion in customer rates the \$669,000 reduction in depreciation expense. This amount reflects the reduction in depreciation expense for system-allocated assets included in the west control area from the rates approved by the Commission in Order 01 in Docket UE-130052 and the rates reflected in the Company's 2013 general rate case, Docket No. UE-130043. The Company requests that the deferral begin on January 1, 2014, and continue until the revised depreciation expense is included in rates through the Company's next general rate revision

Respectfully submitted this 31st day of December, 2013.

By: 
Sarah K. Wallace
Senior Counsel
PacifiCorp d/b/a Pacific Power & Light Company
825 NE Multnomah, Ste 1800
Portland, OR 97232

CERTIFICATE OF SERVICE

I hereby certify that I have this day served this document upon all parties of record in this proceeding by electronic mail.

Washington Utilities & Transportation Commission

Robert D. Cedarbaum
Senior Assistant Attorney General
1400 S. Evergreen Park Drive S.W.
PO Box 40128
Olympia WA 98504-0128
bcedarba@utc.wa.gov

Boise White Paper, L.L.C.

Scott Blickenstaff (e-mail)
Michael Gorman (e-mail)
Don Schoenbeck (e-mail)
scottblickenstaff@boiseinc.com
mgorman@consultbai.com
dws@r-c-s-inc.com

PacifiCorp

Bryce Dalley
825 NE Multnomah, Suite 2000
Portland, OR 97232
Bryce.Dalley@pacificorp.com

PacifiCorp

Bill Griffith
825 NE Multnomah, Suite 2000
Portland, OR 97232
Bill.Griffith@pacificorp.com

Public Counsel

Lisa Gafken
Simon ffitich
Lea Daeschel (e-mail)
Carol Williams (e-mail)
Annya Ritchie (e-mail)
Office of the Attorney General
800 5th Avenue – Suite 2000
Seattle WA 98104-3188
lisa.gafken@atg.wa.gov; lead@atg.wa.gov
carolw@atg.wa.gov; annya.ritchie@atg.wa.gov;
simonf@atg.wa.gov

Boise White Paper, L.L.C.

Melinda Davison
Joshua D. Weber
Davison Van Cleve, P.C.
333 S.W. Taylor, Suite 400
Portland, OR 97204
mjd@dvclaw.com ; jdw@dvclaw.com

PacifiCorp

Katherine McDowell
McDowell Rackner & Gibbon PC
419 SW 11th Avenue, Suite 400
Portland, OR 97245-2605
Katherine@mcd-law.com

PacifiCorp

Sarah Wallace
Senior Counsel
825 NE Multnomah, Suite 1800
Portland, OR 97232
sarah.wallace@pacificorp.com

The Energy Project

Brad Purdy
Chuck Eberdt
Attorney at Law
2019 N. 17th St.
Bosie, ID 83702
bmpurdy@hotmail.com; Chuck_eberdt@oppco.org

DATED at Portland, OR this 31st day of December 2013.



Amy Eissler
Coordinator, Regulatory Operations