

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFICORP dba
PACIFIC POWER & LIGHT COMPANY

Respondent.

Docket UE-210402

PACIFICORP

CROSS-EXAMINATION EXHIBIT FOR BRADLEY G. MULLINS

**Excerpt of Rebuttal and Cross Answering Testimony of Bradley G. Mullins
Docket No. UE-390
2022 PacifiCorp Oregon Transition Adjustment Mechanism**

January 7, 2022

**BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON
UE 390**

In the Matter of)
)
PacifiCorp d/b/a Pacific Power)
)
2022 Transition Adjustment Mechanism)
_____)

**REBUTTAL AND CROSS-ANSWERING TESTIMONY OF
BRADLEY G. MULLINS
ON BEHALF OF
ALLIANCE OF WESTERN ENERGY CONSUMERS**

(REDACTED)

July 30, 2021

1 **Q. HOW DID PACIFICORP RESPOND?**

2 A. PacifiCorp did not dispute that the BCC material and supplies expenses had been grossly
3 overstated. PacifiCorp also acknowledged that it has historically overstated the cost per ton of
4 coal from the BCC. Notwithstanding, PacifiCorp accuses me of “cherry-picking.”^{17/}
5 PacifiCorp also has concerns with my calculations, including the use of a single royalty rate
6 and the inclusion of reclamation volumes in my adjustment calculation.

7 **Q. WAS YOUR ANALYSIS “CHERRY PICKING”?**

8 A. As a threshold matter, it is unclear to me what meaning PacifiCorp intended by using the term
9 “cherry-picking” when referring to my testimony. PacifiCorp seems to be objecting to the idea
10 that an adjustment to a single cost item should be allowed. If that were the case, however, then
11 no party could ever propose an adjustment to the utility’s rates. Indeed, PacifiCorp’s proposal
12 to change the market caps method is just as much “cherry-picking” as my adjustment to BCC
13 materials and supplies. The development of an accurate power cost forecast demands that each
14 element of that forecast be independently predicted with as much precision as possible.

15 **Q. DID YOU IGNORE RELEVANT EVIDENCE THAT CONTRADICTS YOUR**
16 **PROPOSAL?**

17 A. No. To the extent that PacifiCorp is arguing that I ignored offsetting factors, I also disagree
18 with that characterization. PacifiCorp acknowledges it has materially overstated its budget for
19 BCC in past proceedings. PacifiCorp acknowledges that “During 2018 through 2020, Jim
20 Bridger plant coal received costs from BCC expressed on a cost per one million British thermal
21 units (MMBtu) basis are [REDACTED] less than rates estimated in the referenced TAM filings.”^{18/}
22 In conducting my review, I also noted this large discrepancy between the forecast costs

^{17/} PAC/400, Staples/94:8-9.

^{18/} PAC/600, Ralston/31:20-32:1 (internal citations omitted).