

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION**

**WUTC v. PacifiCorp
DOCKET NO. UE-152253**

Public Counsel's Response to Bench Request No. 1

Bench Request No. 1:

1. Please re-file Donna M. Ramas' exhibits, Exh. Nos. DMR-2 and DMR-3 along with the electronic worksheets supporting all calculations contained therein to reflect the proposed adjustments starting from actual per-books amounts. Please provide supporting workpapers in electronic spreadsheet format with all formulas and links intact. See WAC 480-07-510(3)(e).
2. Please provide a specific adjustment for each contested issue. For example, rejection of the end-of-period (EOP) methodology and inclusion of bonus depreciation (PATH Act impacts) should be reflected with a corresponding adjustment in Exh. No. DMR-3.
3. Please identify each adjustment using the descriptions and adjustment numbers included in Shelley E. McCoy's exhibits, Exh. Nos. SEM-2 and SEM-4. For example, Pro Forma Plant Additions – Adjustment 8.4. If you advocate adjustments not identified in Ms. McCoy's exhibits, assign each a unique alpha-numeric identifier (e.g. PC-1).

RESPONSE:

Exhibit Nos. DMR-2 and DMR-3 have been revised as requested and are enclosed for filing as Revised Exhibit Nos. DMR-2 and DMR-3. Please note that Exhibit Nos. DMR-2 and DMR-3 have been revised in their entirety so there is no highlighting in the Excel spreadsheets or PDF's to indicate where changes have occurred. While not specifically requested by the bench, Public Counsel has also included in this response the revised testimony of Ms. Ramas that identifies in red-line the changes that result from Revised Exhibit Nos. DMR-2 and DMR-3.

Please note that Ms. Ramas' revised exhibits and testimony also incorporate the corrections to Ms. Ramas's Exhibit Nos. DMR-2 and DMR-3 filed on March 29, 2016.

Finally, while preparing Revised Exhibit DMR-3 and the Interest True-Up adjustment contained therein (Company Adjustment 7.1), Ms. Ramas discovered that she used an incorrect weighted cost of debt in her original interest synchronization adjustment of

2.64 percent instead of the Company's proposed weighted cost of debt of 2.634 percent. The corrected weighted cost of debt of 2.634 percent is now included in the Interest True-Up Adjustment – Company Adjustment 7.1 in Revised Exhibit No. DMR-3 and caused the Public Counsel recommended revenue requirement to go from the (\$3,396,464) to (\$3,389,490). This correction is also identified in red-line in the revised testimony of Ms. Ramas.

1. The summary schedules and adjustments contained in these exhibits now begin with the amounts the Company has provided as the per-books amounts on a Washington jurisdictional basis. As requested, each recommended adjustment to a Company proposed adjustment uses the descriptions and adjustment numbers included in Shelley E. McCoy's Exhibit No. SEM-2. Each adjustment advocated by Ms. Ramas that is not identified as an adjustment in Ms. McCoy's exhibits are assigned alpha-number identifiers consisting of Adjustment PC-1 through Adjustment PC-5. The electronic version of revised Exhibit Nos. DMR-2 and DMR-3 being provided includes all formulas and calculations made by Ms. Ramas in preparing the revised exhibits. No additional workpapers exist and the source documents relied upon are referenced in the exhibits (Company exhibits, discovery responses, etc.).
2. For the recommended rejection of the end-of-period (EOP) methodology, Ms. Ramas is unable to provide a single specific adjustment as the EOP methodology impacted nine (9) separate individual Company sponsored adjustments contained in Ms. McCoy's Exhibit Nos. SEM-2 and SEM-3 (adjustments 6.1, 6.2, 6.3, 7.1, 7.4, 7.7, 8.1, 8.11, and 8.13). Similarly, the recommended reflection of the PATH Act impacted four separate Company sponsored adjustments contained in Ms. McCoy's Exhibit Nos. SEM-2 and SEM-3 (adjustments 7.1, 7.4, 7.7, and 8.4). Thus, while Ms. Ramas is unable to present a single specific adjustment for the rejection of EOP rate base methodology and for the impacts of the PATH Act, Revised Exhibit No. DMR-3 presents adjustments showing the necessary revisions to each of the Company proposed adjustments that are impacted (Company adjustments 6.1, 6.2, 6.3, 7.1, 7.4, 7.7, 8.1, 8.4, 8.11, and 8.13). Additionally, Revised Exhibit No. DMR-3, at page 1 of 32, provides a summary level side-by-side comparison of adjusted rate base, adjusted operating income and revenue requirements for: 1) Per Company amounts in its original filing; 2) Per Company revised amounts with PATH Act impacts (provided by the Company); 3) Per Company revised amounts with PATH Act and AMA rate base impacts (provided by the Company); and 4) per Public Counsel amounts. Thus,

while Ms. Ramas is unable to provide a single isolated adjustment showing the impacts of the PATH Act and a single isolated adjustment showing the impacts of using AMA instead of EOP approach, Revised Exhibit No. DMR-3, at page 1 of 32, shows the overall impacts of the PATH Act and AMA rate base.

3. See response to question number 2.