

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION,)	
)	
Complainant,)	
)	
v.)	DOCKET NOS. UE-140762 and
)	UE-140617 (<i>consolidated</i>)
PACIFICORP D/B/A PACIFIC POWER &)	
LIGHT COMPANY,)	
)	
Respondent.)	
_____)	
)	
In the Matter of the Petition of)	
)	
PACIFIC POWER & LIGHT)	DOCKET NO. UE-131384
COMPANY,)	(<i>consolidated</i>)
)	
For an Order Approving Deferral of)	
Costs Related to Colstrip Outage)	
_____)	
)	
In the Matter of the Petition of)	
)	
PACIFIC POWER & LIGHT)	DOCKET NO. UE-140094
COMPANY,)	(<i>consolidated</i>)
)	
For an Order Approving Deferral of)	
Costs Related to Declining Hydro)	
Generation)	
_____)	

EXHIBIT NO.____(BGM-3)

REVENUE REQUIREMENT CALCULATIONS

October 10, 2014

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) Σ (2):(7)	(9)	(10) (8) + (9)
	Company Proposed Results	Boise Cost of Capital	Pro Forma Capital Additions	EOP Rate Base	Non-labor O&M Escalation	EIM Capital and Ongoing O&M	Net Power Cost Adjustments	Total Adjusted Results	Price Change	Results with Price Change
Operating Revenues:										
General Business Revenues	321,605,659	321,605,659	-	-	-	-	-	321,605,659	(2,736,141)	318,869,518
Interdepartmental	-	-	-	-	-	-	-	-	-	-
Special Sales	21,276,368	21,276,368	-	-	-	-	-	21,276,368	-	21,276,368
Other Operating Revenues	7,085,531	7,085,531	-	-	-	-	-	7,085,531	-	7,085,531
Total Operating Revenues	349,967,558	349,967,558	-	-	-	-	-	349,967,558	(2,736,141)	347,231,417
Operating Expenses:										
Steam Production	66,445,152	66,445,152	-	-	(362,528)	-	-	66,082,624	-	66,082,624
Nuclear Production	-	-	-	-	-	-	-	-	-	-
Hydro Production	7,625,921	7,625,921	-	-	(194,266)	-	-	7,431,655	-	7,431,655
Other Power Supply	85,764,809	85,764,809	-	-	(382,058)	-	(15,944,443)	69,438,308	-	69,438,308
Transmission	31,289,089	31,289,089	-	-	(147,938)	-	-	31,141,150	-	31,141,150
Distribution	12,252,659	12,252,659	-	-	(172,039)	-	-	12,080,619	-	12,080,619
Customer Accounting	6,967,383	6,967,383	-	-	(119,811)	-	-	6,847,572	(17,347)	6,830,225
Customer Service & Info Sales	790,894	790,894	-	-	(7,080)	-	-	783,814	-	783,814
Administrative & General	12,471,080	12,471,080	-	-	(54,573)	237,172	-	12,653,679	-	12,653,679
Total O&M Expenses	223,606,986	223,606,986	-	-	(1,440,294)	237,172	(15,944,443)	206,459,421	(17,347)	206,442,074
Depreciation	44,425,461	44,425,461	(487,151)	-	-	-	-	43,938,309	-	43,938,309
Amortization	5,116,519	5,116,519	-	-	-	-	-	5,116,519	-	5,116,519
Taxes Other Than Income	21,407,838	21,407,838	-	-	-	-	-	21,407,838	(111,443)	21,296,395
Income Taxes - Federal	1,999,282	1,999,282	1,184,064	-	504,103	(83,010)	5,580,555	9,184,994	(912,573)	8,272,421
Income Taxes - State	-	-	-	-	-	-	-	-	-	-
Income Taxes - Def Net	5,855,792	5,855,792	(1,099,019)	-	-	-	-	4,756,773	-	4,756,773
Investment Tax Credit Adj.	-	-	-	-	-	-	-	-	-	-
Misc Revenue & Expense	(762,127)	(762,127)	-	-	-	-	-	(762,127)	-	(762,127)
Total Operating Expenses:	301,649,751	301,649,751	(402,106)	-	(936,191)	154,162	(10,363,888)	290,101,727	(1,041,363)	289,060,364
Operating Rev For Return:	48,317,807	48,317,807	402,106	-	936,191	(154,162)	10,363,888	59,865,831	(1,694,778)	58,171,053
Rate Base:										
Electric Plant In Service	1,751,925,684	1,751,925,684	(29,036,054)	(22,392,711)	-	1,249,105	-	1,701,746,024	-	1,701,746,024
Plant Held for Future Use	234,062	234,062	-	-	-	-	-	234,062	-	234,062
Misc Deferred Debits	8,025,149	8,025,149	-	-	-	-	-	8,025,149	-	8,025,149
Elec Plant Acq Adj	-	-	-	-	-	-	-	-	-	-
Nuclear Fuel	-	-	-	-	-	-	-	-	-	-
Prepayments	(0)	(0)	-	-	-	-	-	(0)	-	(0)
Fuel Stock	(0)	(0)	-	-	-	-	-	(0)	-	(0)
Material & Supplies	0	0	-	-	-	-	-	0	-	0
Working Capital	31,018,483	31,018,483	-	-	-	-	-	31,018,483	-	31,018,483
Weatherization	1,932,316	1,932,316	-	-	-	-	-	1,932,316	-	1,932,316
Misc Rate Base	-	-	-	-	-	-	-	-	-	-
Total Electric Plant:	1,793,135,695	1,793,135,695	(29,036,054)	(22,392,711)	-	1,249,105	-	1,742,956,035	-	1,742,956,035
Rate Base Deductions:										
Accum Prov For Deprec	(639,633,916)	(639,633,916)	496,407	6,488,165	-	-	-	(632,649,344)	-	(632,649,344)
Accum Prov For Amort	(46,269,157)	(46,269,157)	-	38,827	-	-	-	(46,230,330)	-	(46,230,330)
Accum Def Income Tax	(246,671,789)	(246,671,789)	1,462,274	-	-	-	-	(245,209,515)	-	(245,209,515)
Unamortized ITC	(246,775)	(246,775)	-	-	-	-	-	(246,775)	-	(246,775)
Customer Adv For Const	(488,824)	(488,824)	-	-	-	-	-	(488,824)	-	(488,824)
Customer Service Deposits	(3,361,134)	(3,361,134)	-	-	-	-	-	(3,361,134)	-	(3,361,134)
Misc Rate Base Deductions	(6,838,657)	(6,838,657)	-	-	-	-	-	(6,838,657)	-	(6,838,657)
Total Rate Base Deductions	(943,510,252)	(943,510,252)	1,958,681	6,526,993	-	-	-	(935,024,579)	-	(935,024,579)
Total Rate Base:	849,625,443	849,625,443	(27,077,373)	(15,865,718)	-	1,249,105	-	807,931,456	-	807,931,456
Return on Rate Base	5.7%	5.7%	0.2%	0.1%	0.1%	0.0%	1.2%	7.4%	-0.2%	7.2%
Attained Return on Equity	6.2%	6.2%	0.5%	0.2%	0.2%	-0.1%	2.5%	9.7%	-0.4%	9.3%
Target Return on Equity	10.0%	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%
Estimated Price Change	27,201,266	(6,446,948)	(3,796,702)	(1,844,255)	(1,511,448)	394,087	(16,732,141)	(2,736,141)		
TAX CALCULATION:										
Operating Revenue	56,172,881	56,172,881	487,151	-	1,440,294	(237,172)	15,944,443	73,807,598	(2,607,351)	71,200,247
Other Deductions	-	-	-	-	-	-	-	-	-	-
Interest (AFUDC)	(3,560,992)	(3,560,992)	-	-	-	-	-	(3,560,992)	-	(3,560,992)
Interest	21,235,113	21,235,113	-	-	-	-	-	21,235,113	-	21,235,113
Schedule "M" Additions	64,818,776	64,818,776	(533,301)	-	-	-	-	64,285,475	-	64,285,475
Schedule "M" Deductions	79,928,836	79,928,836	(3,429,188)	-	-	-	-	76,499,648	-	76,499,648
Income Before Tax	23,388,700	23,388,700	3,383,039	-	1,440,294	(237,172)	15,944,443	43,919,304	(2,607,351)	41,311,953
State Income Taxes	-	-	-	-	-	-	-	-	-	-
Taxable Income	23,388,700	23,388,700	3,383,039	-	1,440,294	(237,172)	15,944,443	43,919,304	(2,607,351)	41,311,953
Federal Income Taxes Before Credits	8,186,045	8,186,045	1,184,064	-	504,103	(83,010)	5,580,555	15,371,756	(912,573)	14,459,183
Energy Tax Credits	(6,186,763)	(6,186,763)	-	-	-	-	-	(6,186,763)	-	(6,186,763)
Federal Income Taxes	1,999,282	1,999,282	1,184,064	-	504,103	(83,010)	5,580,555	9,184,994	(912,573)	8,272,421