

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
STAFF RESPONSE TO DATA REQUEST

DATE PREPARED: July 29, 2013	WITNESSES: Joanna Huang and Kendra White
DOCKET: UE-130043	RESPONDER: Joanna Huang and Kendra White
REQUESTER: Bench	TELEPHONE: 360-664-1317 and 360-664-1315

Bench Request No. 4:

Please explain why Ms. Huang's results of operations exhibit (i.e., Exhibit JH-2) states per books results of operations and rate base that do not conform fully to the requirements of the Commission's final order resolving the Company's most recently completed general rate case, as required by WAC 480-07-510(3)(h). It appears that Staff is accepting the modifications (essentially pro forma adjustments) to the Commission-approved WCA allocation methodology that PacifiCorp proposes through Mr. McDougal and other witnesses. Since Staff opposes the proposed modifications, why does Staff accept the Company's portrayal of per books results of operations that include the modifications?

RESPONSE:

Staff's results of operations Exhibit No. __ (JH-2) shows Staff's adjustments based on the Company's presentation of its per books results of operations and rate base. This is not an acceptance by Staff of the Company's proposed modifications to the Commission-approved WCA methodology.

Rather Staff witness Ms. Kendra A. White's primary recommendation is that the Commission should reject the Company's proposed modifications to the Commission-approved WCA methodology. She also presents an alternate recommendation for the WCA allocation methodology if and only if the Commission adopts the Company's proposals. Each of her recommendations would result in different changes to per books results of operations and rate base. See Exhibit No. __ (KAW-1CT) at 3:6-10 and at 4:12 to 5:10.

Staff was unable to reconcile the Company's responses to Staff Data Requests 264 and 265 (attached) with the revenue requirement model in the time allowed, because each individual Staff adjustment would have needed to be completely recalculated for each version of the per books results of operations and rate base. Thus, Staff recommended that the Company re-run the underlying RAM and JAM models as part of the compliance filing at the end of this case to reflect the Commission's overall decision on revenue requirements. See Exhibit No. __ (KAW-1CT) at page 3, footnote 2.

Attachment A - Company Response to Staff Data Request 264
Attachment B - Company Response to Staff Data Request 265