

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)	DOCKET NO. UE-051840
)	
Pacific Power and Light Company)	ORDER NO. 01
(PacifiCorp),)	
)	
Petitioner,)	
)	
For Authorization to sell of)	
distribution assets serving the)	ORDER AUTHORIZING SALE OF
interest of certain Yakama Nation)	DISTRIBUTION ASSETS AND
accounts within the Yakama Indian)	AUTHORIZING ACCOUNTING
Reservation, Washington)	TREATMENT
.....)	

BACKGROUND

- 1 On November 28, 2005, Pacific Power & Light Company (PacifiCorp or the Company), filed a petition seeking an Order under WAC 480-143-120 and WAC 480-143-180 requesting an order approving the sale of interest in distribution assets serving certain Yakama Nation accounts within the Yakama Indian Reservation. Yakama Nation and Yakama Power advised PacifiCorp of their desire to acquire PacifiCorp’s Yakama Distribution Facilities serving the Yakama Tribal Customer Accounts in order to avoid duplication of facilities.
- 2 The facilities are located on Yakama tribal land and serve certain tribal residential, commercial and industrial customers. PacifiCorp has advised the Commission that the Yakima Nation threatened to condemn the subject properties. PacifiCorp and the Yakima Nation subsequently negotiated a sales price of \$575,000 (the depreciated replacement cost of the facilities). The gain associated with the difference between actual Net Book Value and actual sales price less the actual sales costs shall be credited to PacifiCorp’s Washington

customers by recording it to FERC Account 108, Accumulated Provision for Depreciation of Electric Utility Plant, and assigning it situs to Washington.

FINDINGS AND CONCLUSIONS

- 3 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, rules, regulations, practices, accounts, securities, and transfers of public service companies, including electric companies. *RCW 80.01.040; Chapter 80.04 RCW; Chapter 80.12 RCW and Chapter 80.28 RCW.*
- 4 (2) PacifiCorp is an electric company and is a public service company subject to the jurisdiction of the Commission.
- 5 (3) WAC 480-143-120 and WAC 480-143-180 require companies to file a petition including that for which PacifiCorp seeks approval.
- 6 (4) Staff has reviewed the petition in Docket UE-051840 including related workpapers. Staff believes the proposed sale and transfer of property request and “used and useful” determination requested by PacifiCorp is reasonable and should be approved.
- 7 (5) This matter was brought before the Commission at its regularly scheduled meeting on January 25, 2006.
- 8 (6) After examination of the petition filed in Docket UE-051840 by PacifiCorp on November 28, 2005, and giving due consideration to all relevant matters and for good cause shown, the Commission finds that the Petition filed should be approved.

ORDER

THE COMMISSION ORDERS:

- 9 (1) Pacific Power and Light Company (PacifiCorp), request to sell its interest in distribution assets serving certain Yakama Nation accounts within the Yakama Indian Reservation, Washington is approved.
- 10 (2) The Company shall credit PacifiCorp's Washington customers with the gain by recording it to FERC Account 108, Accumulated Provision for Depreciation of Electric Utility Plant, and assigning it situs to Washington.
- 11 (3) This Order shall in no way affect the authority of this Commission over rates, services, accounts, evaluations, estimates, or determination of costs on any matters whatsoever that may come before it, nor shall anything herein be construed as an acquiescence in any estimate or determination of costs claimed or asserted.
- 12 (4) The Commission retains jurisdiction over the subject matter and Pacific Power and Light Company (PacifiCorp), to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective this 25th day of January, 2006.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK H. SIDRAN, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner