

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)	DOCKET UE-152253
TRANSPORTATION COMMISSION,)	
)	
Complainant,)	
)	BOISE WHITE PAPER, L.L.C.
v.)	RESPONSE TO BENCH REQUEST
)	NO. 2
)	
PACIFIC POWER & LIGHT COMPANY,)	
)	
Respondent.)	

BENCH REQUEST NO. 2

1. Please re-file Bradley G. Mullins’ exhibit, Exh. No. BGM-3 along with the electronic worksheets supporting all calculations contained therein to reflect the proposed adjustments starting from actual per-books figure. Please provide supporting workpapers in electronic spreadsheet format with all formulas and links intact. See WAC 480-07-510(3)(e).

Please see Exhibit No. BGM-3 Revised and supporting workpapers. By the term “per-books figure,” Boise White Paper, L.L.C. (“Boise”) interprets the request to mean the Company’s “unadjusted results.”

Mr. Mullins’ original exhibit, Exh. No. BGM-3, is based on the Company unadjusted results, as those results were reflected in the Company’s JAM (the “Jurisdictional Allocation Model”) and RAM (the “Regulatory Adjustment Model”) revenue requirement models. Mr. Mullins’ Exh. No. BGM-3 had not intended to detail all of the adjustments the Company made in the JAM and RAM revenue requirement models to its unadjusted results. Rather, the purpose of Exh. No. BGM-3 was to calculate the net operating income (“NOI”), rate base, and revenue requirement impacts of the specific adjustments proposed by Mr. Mullins, including an adjustment to account for the offsetting impacts of various proposals. The NOI, rate base and revenue requirement impacts associated with Mr. Mullins’ recommendations are summarized in Table 1 of Mr. Mullins’ testimony.

Exhibit No. BGM-3 Revised, filed along with this response, provides a table with the NOI, rate base, and revenue requirement impacts of each of the Company’s adjustments, as well as Mr. Mullins’ adjustments, starting from the Company’s unadjusted results. This new table also modifies the numbering convention used by Mr. Mullins in testimony, to prepend the alphabetical identifiers that Mr. Mullins assigned to each adjustment by adding “BWP-” to the

beginning of each, e.g. BWP-A. The new table is not meant to replace the revenue requirement calculations Mr. Mullins performed in the original Exh. No. BGM-3, and is being prepended to the information contained in Exhibit No. BGM-3. Note that the NOI, rate base, and revenue requirement calculations Mr. Mullins performed were designed to take into consideration the impacts on interest expense for tax purposes and the exclusion of state deferred taxes, both of which are adjustments that the Company performs separately in its model.

In addition, the file that the Company provided to Boise entitled “Revenue Requirement Summary Model – 2015 ERF.xls,” which provides a high-level detail of the NOI, rate base and revenue requirement of the Company’s adjustments, did not tie to the adjustment values presented in Exh. No. SEM-3, Page 1.7-1.14, nor to the adjustments detailed in the RAM model. Accordingly, the adjustments detailed in the Company’s RAM model were used in the attachment. In addition, note that the final numbers in the prepended table included in Exhibit No. BGM-3 Revised are off by approximately \$1 relative to Table 1 in Mr. Mullins’ testimony, due to rounding.

2. Please identify each adjustment using the descriptions and adjustment numbers included in Ms. 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. BWP-1).

Please see Boise’s response to the first segment of Bench Request No. 2, and the prepended table within Exhibit No. BGM-3 Revised.