

1 This problem is also corrected in Adjustment 6. By itself, this error results in
 2 additional costs in GRID of \$173,597.65 (Washington’s share is \$38,503.96).

3 **D. TRANSMISSION MODELING**

4 **Adjustments 7 and 8. PACE Transmission Costs**

5 **Q. HAS THE COMPANY INCLUDED ANY TRANSMISSION COSTS**
 6 **RELATED TO PROVIDING SERVICE IN PACE?**

7 **A.** Yes. The Company has included half of the cost related to wheeling expense for
 8 the Colstrip plant. This follows from the Company’s testimony in Docket No.
 9 UE-090205. In that case, Company witness Dr. Hui Shu testified as follows:

10 [T]he Company modified its inputs of wheeling expenses in the
 11 west control area in this filing to: (1) remove half of the wheeling
 12 expense for the Colstrip plant to reflect that only Colstrip 4, half of
 13 the Colstrip plant, is authorized by the Commission for rate setting
 14 in Washington. . . .^{1/}

15 **Q. DO YOU AGREE WITH THE COMPANY’S ADJUSTMENT?**

16 **A.** No. I agree that some Colstrip related wheeling costs should be removed from the
 17 WCA model. However, review of transmission topology maps for the PacifiCorp
 18 system, show that more than half of the costs related to Colstrip wheeling are
 19 attributable to providing service to PACE. Based on the topology, there is ■■■
 20 MW of transfer capacity from Colstrip to the PacifiCorp system. Of this amount,
 21 ■■■ is attributable to connecting Colstrip to PACE, while on ■ MW is
 22 attributable to connection to PACW.^{2/} Because the interconnections to PACE are
 23 not modeled in GRID, these costs should be excluded. As a result, I apportion
 24 ■■■ (45%) of the cost to PAC~~W~~E, rather than 50% as used by the Company.

^{1/} WUTC v. PacifiCorp, WUTC Docket No. UE-090205, Direct Testimony of Hui Shu, Exhibit No. HS-1T at 12 (Feb. 9, 2009).

^{2/} See Confidential Exhibit No. ____ (RJF-6C) (a current system topology map).