

**Exhibit No. \_\_\_ (KHB-6)**  
**Docket UE-100749**  
**Witness: Kathryn H. Breda**

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

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PACIFICORP D/B/A PACIFIC POWER  
& LIGHT COMPANY,**

**Respondent.**

**DOCKET UE-100749**

**EXHIBIT TO TESTIMONY OF**

**Kathryn H. Breda**

**STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

**December 6, 2010**  
**Revised December 7, 2010**

Revised 12-7-10

Line No.	Tax Description	Total Washington Unadjusted Results	Total Adjustments (Company Basis)	Total Washington Adjusted DIT (Company Basis)	Staff Reversal of Company Adj 7.9	Total Staff Flow-Through vs. Norm. NEW Adj 7.9	Staff Repairs Deduction Adj 8.10	Total Washington Adjusted DIT (Staff Commission Basis)	Staff Commission Basis vs. Company Normalized DIT	Fuller Exhibit No. (RF-12) Page 3 of 6 'Flow-Through'	Staff Commission Basis vs. Company Basis (RF-12)
a	b	c	d	e=(c+d)	f	g	h	i=(c+f+g)	j=(i-e)	k	l=(i-k)
	Deferred Income Tax Expense (1)	22,359,798	3,723,897	26,083,695	(525,562)	(323,865)		25,234,268	(849,427)	26,002,815	(768,547)
	Accumulated Deferred Income Tax (2)	(128,569,574)	(12,019,788)	(140,589,362)	262,781	(5,401,575)	(14,463,670)	(160,191,827)	(19,602,464)	(139,257,432)	(20,934,396)

(1) Deferred income tax expense is detailed by book-tax timing difference and adjustment summarized in these columns on pages 2 through 4  
 (2) Accumulated deferred income taxes are detailed by book-tax timing difference and adjustment summarized in these columns on pages 5 through 7

Revised 12-7-10

PacifiCorp  
State of Washington  
Deferred Income Tax Expense (DIT)  
Twelve Months Ending - December 2009

Line No.	Tax Description	Total Washington Unadjusted Results	Total Adjustments (Company Basis)	Total Washington Adjusted DIT (Company Basis)	Staff Reversal of Company Adj 7.9	Total Staff Flow-Through vs. Norm. Adj 7.9	Total Washington Adjusted DIT (Staff Commission Basis)	Staff Commission Basis vs. Company Normalized DIT	Fuller Exhibit No. (RF-12) Page 3 of 6 'Flow-Through'	Staff Commission Basis vs. Company Basis (RF-12) k=(h-j)
a	b	c	d	e=(c+d)	f	g	h=(e+f)	i=(h-e)	j	k
54	283FAS 109 Def Tax Liab WA-NUTIL	(5,532,834)	5,532,834	-	-	-	-	-	-	-
55	Willow Wind Account Receivable	(39,930)	3,105	(36,825)	-	36,825	-	36,825	-	-
56	190Distribution O&M	(17)	1	(16)	-	16	(0)	16	-	(0)
57	283LAKEVIEW BUYOUT-SG	(302)	302	-	-	-	-	-	-	-
58	283JOSEPH SETTLEMENT-SG	(11,516)	11,516	-	-	-	-	-	-	-
59	190Hermiston Swap	(14,392)	14,392	-	-	-	-	-	-	-
60	190Bonus Liability	(1,079)	84	(995)	-	995	-	995	-	-
61	190PMI Vacation Bonus	(5,460)	425	(5,035)	-	5,035	-	5,035	-	-
62	190Pension/Retirement (Accrued/Prepaid)	(1,797)	140	(1,657)	-	1,657	-	1,657	-	-
63	190Property Insurance	(3,081)	240	(2,841)	-	2,841	-	2,841	-	-
64	190SERP - Cash Basis	(14,024)	1,090	(12,934)	-	12,934	-	12,934	-	-
65	283Post Merger Debt Loss	(76,020)	5,911	(70,109)	-	70,109	-	70,109	-	-
66	190FAS112 Book Reserve Postretirement B	(50,198)	3,903	(46,295)	-	46,295	-	46,295	-	-
67	283PMI Development Costs	(360,218)	28,010	(332,208)	-	332,208	-	332,208	-	-
68	190PMISec 471 Adjustment	(42,239)	3,284	(38,955)	-	38,955	-	38,955	-	-
69	30% Capitalized Labor Costs	(578,588)	(354,196)	(932,784)	432,843	(33,657)	(533,598)	399,186	(533,598)	0
70	Depreciation Flow-Through - W/A	(69,888)	5,434	(64,454)	-	-	(64,454)	-	(64,454)	(0)
71	Book Depreciation	(16,085,130)	1,250,750	(14,834,380)	-	-	(14,834,380)	-	(14,834,380)	(0)
72	282DIT PMIDepreciation-Book	(1,240,064)	96,425	(1,143,639)	-	-	(1,143,639)	-	(1,143,639)	1
73	Sec 481a Adj - Repair Deduction	(313,358)	24,366	(288,992)	-	-	(288,992)	-	(288,992)	-
74	CIAC	(1,351,601)	105,098	(1,246,503)	-	-	(1,246,503)	-	(1,246,503)	0
75	Reimbursements/Highway Relocation	(129,553)	52,255	(77,298)	(45,738)	3,557	(119,479)	(42,181)	(119,480)	1
76	Avoided Costs	(2,197,929)	170,908	(2,027,021)	-	-	(2,027,021)	-	(2,027,022)	1
77	Capitalization of Test Energy	(5,888)	458	(5,430)	-	-	(5,430)	-	(5,430)	0
78	Gain/Loss on Disposition	(310,604)	24,152	(286,452)	-	-	(286,452)	-	(286,452)	0
79	Coal Mine Development	(159)	12	(147)	-	-	(147)	-	(146)	(0)
80	Coal Mine Receding Face (Extension)	(29,180)	2,269	(26,911)	-	-	(26,911)	-	(26,911)	0
81	283INTERIM PROVISION TOTAL REG	(1,028,154)	79,947	(948,207)	-	948,207	-	948,207	-	-
82	190REG LIABILITY	(396,845)	30,858	(365,987)	-	365,987	-	365,987	-	-
83	283Hazardous Waste/Envir. Cleanup	(15,595)	15,595	-	-	-	-	-	-	-
84	190Hazardous Waste/Environmental-WA	(224,611)	224,611	-	-	-	-	-	-	-
85	283WA DISALLOWED COLSTRIP #3 WR	(19,806)	19,806	-	-	-	-	-	-	-
86	RTO Grid West N/R Writeoff WA	(17,815)	1,385	(16,430)	-	-	(16,430)	-	-	(16,430)
87	Unrecovered Plant-Powderdale	(341,171)	341,171	-	-	-	-	-	-	-
88	Deferred Excess Net Power Costs - WA Hyd	(627,345)	627,345	-	-	-	-	-	-	-
89	283TROJAN DECOMMISSIONING AMOH	(294,743)	294,743	-	-	-	-	-	-	-
90	283Reg Liability-WA Low Energy Program	(126,418)	126,418	-	-	-	-	-	-	-
91	MEHC Transition Costs-WA	(241,766)	241,766	-	-	-	-	-	-	-
92	SO2 Emission Allowances	-	(10,080)	(10,080)	-	-	(10,080)	-	(10,080)	-
93	Colstrip Removal	-	107,392	107,392	-	-	107,392	-	107,392	-
94	Environmental Remediation Third West	-	(8,911)	(8,911)	-	-	(8,911)	-	(8,911)	(8,911)
95	Powderdale Hydro	-	(205,218)	(205,218)	-	-	(205,218)	-	(205,218)	(205,218)
96	Chehalis	-	(1,050,000)	(1,050,000)	-	-	(1,050,000)	-	(1,050,000)	(1,050,000)
97	Adjustment 7.4 Malin	-	(268,988)	(268,988)	-	-	(268,988)	-	(268,988)	-
98	Total Account 411.1 Provision for Deferred Income Taxes - Credit	\$ (31,799,318)	\$ 7,551,009	\$ (24,248,310)	\$ 387,105	\$ 1,831,964	\$ (22,029,241)	\$ 2,219,069	\$ (20,748,686)	\$ (1,280,555)
99	TOTAL DEFERRED INCOME TAX EXPENSE	\$ 22,359,798	\$ 3,723,897	\$ 26,083,695	\$ (525,562)	\$ (323,865)	\$ 25,234,268	\$ (849,427)	\$ 26,002,815	\$ (768,547)