

### Bench Request 3

Exh. JT-1T at 13:6-8 states that “All plant related balances are reflected in Washington rates on a December 31, 2021, end-of-period basis.” At the Settlement Hearing on December 9, 2021, Bradley Mullins testified that gross plant amounts were held at their May 2021 actual levels (except for TB Flats) and that accumulated depreciation and accumulated deferred income taxes were rolled forward to their end-of-period levels. Please confirm that this treatment was consistently applied to all eight capital projects for which PacifiCorp is seeking prudency determinations in Docket UE-210532.

### Response to Bench Request 3

All plant-related balances are reflected in Washington rates on a December 2021, end-of-period basis for all projects included in Docket UE-201532. Where no further plant additions have been added onto gross plant balances since May 2021 (and July 2021 for TB Flats) for purposes of this docket, the May 2021 (and July 2021 for TB Flats) gross plant balance would be the same as the end-of-period balance as of December 2021.

An example would better demonstrate this. Assume a project had monthly plant addition schedule, and a corresponding depreciation schedule per the table below:

	Monthly Addition	Gross Plant Balance	Depreciation (5%)	Accumulated Depreciation
Jan-21	60.0	60.0	3.0	(3.0)
Feb-21	45.0	105.0	5.3	(8.3)
Mar-21	40.0	145.0	7.3	(15.5)
Apr-21	30.0	175.0	8.8	(24.3)
May-21	25.0	200.0	10.0	(34.3)
Jun-21		200.0	10.0	(44.3)
Jul-21	-	200.0	10.0	(54.3)
Aug-21	-	200.0	10.0	(64.3)
Sep-21	-	200.0	10.0	(74.3)
Oct-21	-	200.0	10.0	(84.3)
Nov-21	-	200.0	10.0	(94.3)
Dec-21	-	200.0	10.0	(104.3)

As monthly plant addition amounts are placed in-service through May 2021, Gross Plant Balance changes monthly. However, once the monthly additions cease, Gross Plant Balance as of May 2021 is the same balance as December 2021's end-of-period balance. For this reason, the Alliance of Western Energy Consumers' (AWEC) consultant, Bradley Mullins, comment that plant amounts were held at May 2021 actual levels (except for TB Flats) is not contradictory to the testimony cited in Exhibit JT-1T from a Gross Plant perspective. Accumulated depreciation and accumulated deferred income tax

UE-210532 / PacifiCorp

December 29, 2021

Bench Request 3

(ADIT) balances on the other hand continue to vary as time goes on. Walking these balances to reflect levels consistent with those for the last month immediately before requested rate effective date is consistent with prior rate case determinations and provides customers with the largest possible rate base credit within the test period, and hence the maximum benefit.