BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON
UM 1633

In the Matter of	)	
	)	
PUBLIC UTILITY COMMISSION OF OREGON,	)	CUB'S LIST OF EXHIBITS TO BE ENTERED INTO THE RECORD
	)	
Investigation into Treatment of Pension Costs in Utility Rates.	)	

CUB Pre-Filed Exhibits in UM 1633

<u>CUB 100 Series</u>

Exhibit CUB/100	UM 1633 CUB/100 Reply Testimony of the Citizens' Utility Board of Oregon dated December 19, 2013
Exhibit CUB/101	UM 1633 CUB/101 Witness Qualification Statement
Exhibit CUB/102	UM 1633 CUB/102 Avista *CONFIDENTIAL* Pension Plan Worksheet in Millions of $$
Exhibit CUB/103	UM 1633 CUB/103 Cascade Pension Plan Worksheet in Millions of $$
Exhibit CUB/104	UM 1633-CUB/104 Idaho Power *CONFIDENTIAL* Pension Plan Worksheet in Millions of $$
Exhibit CUB/105	UM 1633 CUB/105 NW Natural DR 5 Attachment -1 *CONFIDENTIAL*
Exhibit CUB/106	UM 1633 CUB/106 PacifiCorp Pension Plan Worksheet in Millions of $$
Exhibit CUB 107	UM 1633 CUB/107 Portland General Electric Pension Plan Worksheet in Millions of $$ *CONFIDENTIAL*
Exhibit CUB 108	UM 1633 CUB/108 Data Request Response CUB DR 31 - PacifiCorp
Exhibit CUB 109	UM 1633 CUB/109 Data Request Response CUB DR 30 – PacifiCorp

Exhibit CUB 110	UM 1633 CUB/110 Data Request Response 36 - PGE.
Exhibit CUB 111	UM 1633 CUB/111 Data Request Response 21 – NWN
Exhibit CUB 112	UM 1633 CUB/112 OPUC Joint Utilities DR 007 Attachment 007-A
Exhibit CUB 113	UM 1633 CUB/113 Data Request Response CUB DR 34 – PacifiCorp
Exhibit CUB 114	UM 1633 CUB/114 PacifiCorp Attachment CUB 25-1 Moody's Special Comment
Exhibit CUB 115	UM 1633 CUB/115 PacifiCorp Attachment CUB 25-3 Standard & Poor's Report on Utility Pensions.

CUB 200 Series

Exhibit CUB/200	UM 1633 CUB/200 All Party Rebuttal Testimony of the Citizens' Utility Board of Oregon dated Wednesday, March 12, 2014

CUB 300 Series

Exhibit CUB/300	UM 1633 CUB/300 Opening Testimony of the Citizens' Utility Board of Oregon dated September 25, 2015
Exhibit CUB/301	UM 1633 CUB/301 Data Request Response CUB DR 30 – PacifiCorp

CUB 400 Series

Exhibit CUB/400	UM 1633 CUB/400 Rebuttal Testimony of the Citizens' Utility Board of Oregon dated October 17, 2014
Exhibit CUB/401	UM 1633 CUB/401 Data Request Response CUB DR 34 – PGE
Exhibit CUB/402	UM 1633 CUB/402 Data Request Response OPUC DR 26 – PacifiCorp
Exhibit CUB/403	UM 1633 CUB/403 Data Request Response OPUC 28 – PacifiCorp

CUB Additional Exhibits to Offer into the Record

Exhibit No.	**Witness**	**Party**	**Document Reference Information**	**No. of pages**
CUB/500		Idaho Power	Data Request Response OPUC 15 – Idaho Power	1
CUB/501		Idaho Power	Data Request Response OPUC 25 – Idaho Power *CONFIDENTIAL*	1
CUB/502		Idaho Power	Data Request Response OPUC 26 – Idaho Power *CONFIDENTIAL*	2
CUB/503		Idaho Power	Data Request Response CUB 5, Supplemental Response dated April 9, 2014 – Idaho Power *CONFIDENTIAL*	3
CUB/504		Idaho Power	Data Request Response CUB 14, Supplemental Response dated April 3, 2014 – Idaho Power *CONFIDENTIAL*	5
CUB/505		Idaho Power	Data Request Response CUB 29 – Idaho Power	1
CUB/506		Idaho Power	Data Request Response CUB 52 – Idaho Power *CONFIDENTIAL*	2
CUB/507		Idaho Power	Data Request Response CUB 58 – Idaho Power	1
CUB/508		Idaho Power	Data Request Response CUB 60 – Idaho Power	2
CUB/509	Ryan Krasselt	Avista	Data Request Response CUB 026 - Avista	1
CUB/510	Ryan Krasselt	Avista	Data Request Response CUB 027 – Avista *CONFIDENTIAL*	7
CUB/511	Ryan Krasselt	Avista	Data Request Response CUB 037 - Avista	1
CUB/512	Ryan Krasselt	Avista	Data Request Response OPUC 037 - Avista	1
CUB/513	Michael Parvinen	Cascade	Data Request Response CUB 25 - Cascade	1
CUB/514	Michael Parvinen	Cascade	Data Request Response CUB 26 - Cascade	1
CUB/515	Michael Parvinen	Cascade	Data Request Response OPUC 37 - Cascade	1
CUB/516	Michael Parvinen	Cascade	Data Request Response OPUC 38 – Cascade	1

CUB/517		PacifiCorp	Data Request Response CUB 2 – PacifiCorp	8
CUB/518		PacifiCorp	Data Request Response CUB 5 with Attachments A - C - PacifiCorp	4
CUB/519		PacifiCorp	Data Request Response CUB 15 – PacifiCorp	1
CUB/520		PacifiCorp	Data Request Response CUB 16 – PacifiCorp	1
CUB/521		PacifiCorp	Data Request Response CUB 26 with Attachments A & B – PacifiCorp	2
CUB/522		PacifiCorp	Data Request Response CUB 32 – PacifiCorp	1
CUB/523		PacifiCorp	Data Request Response CUB 33 – PacifiCorp	1
CUB/524		PacifiCorp	Data Request Response CUB 40 – PacifiCorp	1
CUB/525		PacifiCorp	Data Request Response CUB 42 – PacifiCorp	1
CUB/526		PacifiCorp	Data Request Response CUB 43 – PacifiCorp	2
CUB/527		PacifiCorp	Data Request Response CUB 44 – PacifiCorp	1
CUB/528		PacifiCorp	Data Request Response OPUC 43 – PacifiCorp	1
CUB/529		NWN	Data Request Response CUB 5 with Attachments A – C (Attachment C is CONFIDENTIAL)– NWN	6
CUB/530		NWN	Data Request Response CUB 9 – NWN	1
CUB/531		NWN	Data Request Response CUB 10 – NWN	1
CUB/532		NWN	Data Request Response CUB 26 – NWN	1
CUB/533		NWN	Data Request Response CUB 35 - NWN	2
CUB/534		NWN	Data Request Response CUB 36 – NWN *CONFIDENTIAL*	1
CUB/535		NWN	Data Request Response OPUC DR 36 – NWN	1
CUB/536		NWN	Data Request Response OPUC DR 38 with Attachment A (Attachment A is CONFIDENTIAL)-NWN	4
CUB/537	Patrick Hager	PGE	Data Request Response CUB 005 with CONFIDENTIAL ATTACHMENTS A & B– PGE	6
CUB/538	Patrick Hager	PGE	Data Request Response CUB 007 - PGE	1
CUB/539	Patrick Hager	PGE	Data Request Response CUB 026 - PGE	2
CUB/540	Patrick Hager	PGE	Data Request Response CUB 031 - PGE	1
CUB/541	Patrick Hager	PGE	Data Request Response CUB 040 – PGE	1
CUB/542	Patrick Hager	PGE	Data Request Response CUB 042 – PGE	1
CUB/543	Patrick Hager	PGE	Data Request Response CUB 043 – PGE	2
CUB/544	Patrick Hager	PGE	Data Request Response OPUC 37 – PGE	1
CUB/545	Patrick Hager	PGE	Data Request Response OPUC 38 – PGE CUB does not have the *CONFIDENTIAL* Attachment A at the time of filing but expects OPUC to also include these documents in its exhibit list.	2
CUB/546	Patrick	Joint	Data Request Response CUB 001 – Joint Utilities	1

	Hager	Utilities		
CUB/547	Patrick Hager	Joint Utilities	Data Request Response CUB 005 – Joint Utilities	1
CUB/548	Patrick Hager	PGE	Data Request Response CUB 010 – PGE	3
CUB/549	Patrick Hager	PGE	Data Request Response CUB 023 – PGE	2

Dated this 19th day of February, 2015.

Respectfully submitted,

G. Catriona McCracken, Attorney #933587
General Counsel/Regulatory Program Dir.
Citizens' Utility Board of Oregon
610 SW Broadway, Ste. 400
Portland, OR 97205
(503) 227-1984 phone
(503) 274-2596 fax
Catriona@oregoncub.org

UM 1633 – CERTIFICATE OF SERVICE

I hereby certify that, on this 19th day of January, 2015, I served the foregoing **EXHIBIT LIST OF THE CITIZENS' UTILITY BOARD OF OREGON** in docket UM 1633 upon each party listed in the UM 1633 PUC Service List by email and, where paper service is not waived, by U.S. mail, postage prepaid, and upon the Commission by email and by sending one original and five copies by U.S. mail, postage prepaid, to the Commission's Salem offices.

W=Waive Paper service	**C=Confidential HC=Highly Confidential**	Sort by Last Name Sort by Company Name
W	EDWARD FINKLEA **(C)** EXECUTIVE DIRECTOR	326 FIFTH ST LAKE OSWEGO OR 97034 efinklea@nwigu.org
W	**AVISTA CORPORATION**	
	DAVID J MEYER **(C)** VICE PRESIDENT & CHIEF COUNSEL	PO BOX 3727 SPOKANE WA 99220-3727 david.meyer@avistacorp.com
W	**AVISTA UTILITIES**	
	ELIZABETH ANDREWS **(C)**	PO BOX 3727 SPOKANE WA 99220-3727 liz.andrews@avistacorp.com
	PATRICK EHRBAR **(C)** MANAGER, RATES & TARIFFS	PO BOX 3727 SPOKANE WA 99220-3727 pat.ehrbar@avistacorp.com
W	**CABLE HUSTON BENEDICT HAAGENSEN & LLOYD**	
	TOMMY A BROOKS **(C)**	1001 SW FIFTH AVE, STE 2000 PORTLAND OR 97204-1136 tbrooks@cablehuston.com
W	**CABLE HUSTON BENEDICT HAAGENSEN & LLOYD LLP**	
	CHAD M STOKES **(C)**	1001 SW 5TH - STE 2000 PORTLAND OR 97204-1136 cstokes@cablehuston.com

W	**CASCADE NATURAL GAS**	
	PAMELA ARCHER **(C)** SUPERVISOR-REGULATORY ANALYSIS	8113 W. GRANDRIDGE BLVD. KENNEWICK WA 99336 pamela.archer@cngc.com
	MICHAEL PARVINEN **(C)** DIRECTOR - REGULATORY AFFAIRS	8113 W GRANDRIDGE BLVD KENNEWICK WA 99336-7166 michael.parvinen@cngc.com
	MARYALICE ROSALES **(C)** REGUALTORY ANALYST I	8113 W GRANDRIDGE BLVD KENNEWICK WA 99336 maryalice.rosales@cngc.com
W	**CITIZENS' UTILITY BOARD OF OREGON**	
	OPUC DOCKETS	610 SW BROADWAY, STE 400 PORTLAND OR 97205 dockets@oregoncub.org
	ROBERT JENKS **(C)**	610 SW BROADWAY, STE 400 PORTLAND OR 97205 bob@oregoncub.org
	G. CATRIONA MCCRACKEN **(C)**	610 SW BROADWAY, STE 400 PORTLAND OR 97205 catriona@oregoncub.org
W	**DAVISON VAN CLEVE PC**	
	S BRADLEY VAN CLEVE **(C)**	333 SW TAYLOR - STE 400 PORTLAND OR 97204 bvc@dvclaw.com
W	**DAVISON VAN CLEVE, PC**	
	TYLER C PEPPLE **(C)**	333 SW TAYLOR SUITE 400 PORTLAND OR 97204 tcp@dvclaw.com

W	**IDAHO POWER**	

	COMPANY	
	REGULATORY DOCKETS	PO BOX 70 BOISE ID 83707-0070 dockets@idahopower.com
	LISA D NORDSTROM **(C)**	PO BOX 70 BOISE ID 83707-0070 lnordstrom@idahopower.com
W	**LARKIN & ASSOCIATES PLLC**	
	RALPH SMITH **(C)**	15728 FARMINGTON RD LIVONIA MI 48154 rsmithla@aol.com
W	**MCDOWELL RACKNER & GIBSON PC**	
	LISA F RACKNER **(C)**	419 SW 11TH AVE., SUITE 400 PORTLAND OR 97205 dockets@mcd-law.com
W	**NORTHWEST NATURAL**	
	E-FILING	220 NW 2ND AVE PORTLAND OR 97209 efiling@nwnatural.com
	MARK R THOMPSON **(C)**	220 NW 2ND AVE PORTLAND OR 97209 mark.thompson@nwnatural.com
W	**PACIFIC POWER**	
	R. BRYCE DALLEY **(C)**	825 NE MULTNOMAH ST., STE 2000 PORTLAND OR 97232 bryce.dalley@pacificorp.com
	SARAH WALLACE **(C)**	825 NE MULTNOMAH ST STE 1800 PORTLAND OR 97232 sarah.wallace@pacificorp.com
W	**PACIFICORP, DBA**	

	PACIFIC POWER	
	OREGON DOCKETS	825 NE MULTNOMAH ST, STE 2000 PORTLAND OR 97232 oregondockets@pacificorp.com
W	**PORTLAND GENERAL ELECTRIC**	
	DOUGLAS C TINGEY **(C)**	121 SW SALMON 1WTC1301 PORTLAND OR 97204 doug.tingey@pgn.com
	JAY TINKER **(C)**	121 SW SALMON ST 1WTC-0702 PORTLAND OR 97204 pge.opuc.filings@pgn.com
W	**PUBLIC UTILITY COMMISSION OF OREGON**	
	BRIAN BAHR **(C)**	PO BOX 1088 SALEM OR 97308-1088 brian.bahr@state.or.us
W	**PUC STAFF--DEPARTMENT OF JUSTICE**	
	JASON W JONES **(C)**	BUSINESS ACTIVITIES SECTION 1162 COURT ST NE SALEM OR 97301-4096 jason.w.jones@state.or.us

Respectfully submitted,

G. Catriona McCracken, #933587
General Counsel/Reg. Program Dir.
Citizens' Utility Board of Oregon
610 SW Broadway, Ste. 400
Portland, OR 97205
(503) 227-1984 phone
(503) 274-2596 fax
Catriona@oregoncub.org

STAFF'S DATA REQUEST NO. 15:

Please explain what components, in addition to cash contributions, might lead to an increase or decrease in the annual prepaid pension asset (eg. if the prepaid pension asset increased $15 million in one year and no contributions had been made by the Company, what might have caused that increase?).

IDAHO POWER COMPANY'S RESPONSE TO STAFF'S DATA REQUEST NO. 15:

A prepaid pension asset is increased by cash contributions and (generally) decreased by SFAS 87 expense. In a given year, the direction of the change in the prepaid asset balance is determined by which amount (contribution or SFAS 87 expense) is larger with the change being equal to the net of the two amounts. A prepaid pension asset can also be increased by negative SFAS 87 expense, which results in the contribution and negative SFAS 87 expense being added together to determine the increase in the prepaid pension asset. This might occur, for instance, when the expected return on plan assets more than offsets the other components of SFAS 87 expense, causing the net periodic pension cost to become a net periodic pension benefit for the period (or negative SFAS 87 expense).

This relationship is inverted when the balance is an accrued pension liability instead of a prepaid pension asset. The liability is increased by SFAS 87 expense (generally) and decreased by plan contributions.

CUB EXHIBIT 501 IS CONFIDENTIAL
SUBJECT TO PROTECTIVE ORDER NO. 13-013

CUB EXHIBIT 502 IS CONFIDENTIAL
SUBJECT TO PROTECTIVE ORDER NO. 13-013

IDAHO POWER®
An IDACORP Company

April 9, 2014

Subject: Docket No. UM 1633
Idaho Power Company's ***Supplemental*** Responses to the Citizens' Utility Board of Oregon's ("CUB") Data Requests 5 and 14

CUB'S DATA REQUEST NO. 5:

Please complete the attached spreadsheet. Attach any necessary workpapers and additional spreadsheets with your response.

IDAHO POWER COMPANY'S *SUPPLEMENTAL* RESPONSE TO CUB'S DATA REQUEST NO. 5:

Please see the confidential Excel file provided on the confidential CD for updates to certain projected amounts for the years 2014 through 2022. The confidential worksheet is based on information received from Idaho Power Company's ("Company") actuary. The amounts included in the confidential worksheet are consistent with and should be read in conjunction with the explanations provided in the Company's response to CUB's Data Request No. 5.

The attachment produced in response to this Request is confidential and will be provided separately in accordance with Protective Order No. 13-013.

ATTACHMENT TO CUB EXHIBIT 503 IS CONFIDENTIAL
SUBJECT TO PROTECTIVE ORDER NO. 13-013

CUB Exhibit 503 - Attachment is confidential pursuant to protective order 13-013. An electronic copy of this exhibit will be mailed to the Commission and those parties that have signed the protective order.

CUB EXHIBIT 504 IS CONFIDENTIAL
SUBJECT TO PROTECTIVE ORDER NO. 13-013

CUB'S DATA REQUEST NO. 29:

Within Oregon, in the last two general rate cases, what dollar amount in revenue requirement was sought and received for pension funds? Was this exact dollar amount contributed to or allocated to the pension fund trust? What was the basis for the request in Oregon?

IDAHO POWER COMPANY'S RESPONSE TO CUB'S DATA REQUEST NO. 29:

In UE 213, filed July 31, 2009, the Company's initial filing included no pension expenses. On October 20, 2009, the Company filed an application (UM 1455) with the Commission requesting permission to account for pension expenses on a cash basis as opposed to an accrual basis. As part of the settlement stipulation in UE 213, Idaho Power continued to account for pension expense on an accrual basis and the parties agreed that the stipulated revenue requirement adopted in the rate case included a SFAS 87 pension expense amount. The Oregon jurisdictional revenue requirement amount in UE 213 was a settled amount that did not include a specified level of SFAS 87 expense. However, the Oregon allocated share of SFAS 87 expense for 2009 was $1,302,533. The Company withdrew its application in UM 1455 in response to the settlement stipulation in UE 213.

In UE 233, the Company included SFAS 87 expense of $1,286,223 in its revenue requirement. In UE 233, the Company settled the case with a "black box" revenue requirement. Because of the "black box" revenue requirement, the Company assumes pension expense was included and recovered at the requested level. The basis for the request was the Oregon allocated share of the test year FAS 87 expense. The amounts related to UE 213 and UE 233 do not correspond with amounts contributed to the pension trust fund.

CUB'S DATA REQUEST NO. 52:

Please provide an updated version of the Company's response to CUB DR 5 that includes 2012 actual data, and another update with 2013 actual (as opposed to predicted) at the earliest available dates.

IDAHO POWER COMPANY'S RESPONSE TO CUB'S DATA REQUEST NO. 52:

Amounts provided for 2012 in the Company's response to CUB's Data Request No. 5 were final and no updates are required. Amounts available for update for 2013 are provided below and are listed by the row identifier as presented in the Company's original response. For rows that are not included below either actual information is not yet available because the year is not yet completed or the amounts previously provided were already final. The updates provided below should be read in conjunction with the explanations for each item provided in the Company's response to CUB's Data Request No. 5:

A. The Company clarifies that the projected benefit obligation amounts provided in Row A for years 2013 through 2023, which were taken from the confidential letter dated July 24, 2013, from Milliman, the plan's actuary, provided in Exhibit 4 to the Company's response to CUB's Data Request No. 5, are as of January 1 of the year listed rather than December 31. Amounts provided for years 1985 through 2012 were as of December 31 of the year listed as the Company previously stated.

C. $487.9 million

E. None

G. $0.0 million

H. $40.8 million

I. Actual amount contributed during 2013 through the third quarter: $30.0 million

I.2. $25.9 million

J.3. Yes

J.4. 101 percent

ATTACHMENT TO CUB EXHIBIT 506 IS CONFIDENTIAL
SUBJECT TO PROTECTIVE ORDER NO. 13-013

CUB EXHIBIT 506 ATTACHMENT A IS CONFIDENTIAL PURSUANT TO PROTECTIVE ORDER 13-013. HARD COPIES OF THIS EXHIBIT WILL BE MAILED TO THE COMMISSION AND THOSE PARTIES THAT HAVE SIGNED THE PROTECTIVE ORDER.

April 9, 2014

Subject: Docket No. UM 1633
Idaho Power Company's Response to the Citizens' Utility Board of Oregon's ("CUB") Data Request 58

CUB'S DATA REQUEST NO. 58:

Please provide the numbers for expected retirement plan compensation for all years between 2013 and 2023.

IDAHO POWER COMPANY'S RESPONSE TO CUB'S DATA REQUEST NO. 58:

Idaho Power Company ("Company") understands this Request to refer to projected Statement of Financial Accounting Standard ("SFAS") 87 expense, which is being provided for years 2014 through 2022 in row L1 of the confidential attachment to the Company's supplemental response to CUB's Data Request No. 5. SFAS 87 expense for 2013 was previously provided in the Company's confidential supplemental response to CUB's Data Request No. 52. The Company does not have an update available for the projected SFAS 87 expense for 2023.

<u>CUB'S DATA REQUEST NO. 60</u>:

It is CUB's understanding that the prepaid pension asset is calculated in the following way:

Year End Prepaid Pension asset = Year Begin Prepaid Pension Asset
+Annual Contribution
-FAS 87 Expense
-FAS 88 Expense

a. Please verify the accuracy of this statement.
b. If the Company uses a formula other than that set forth above, please set forth the current, and all prior formulas, by year.
c. Using the appropriate formula, as indicated above for each year, and using the attached spreadsheet[1], please provide all data to demonstrate the calculation of the Company's actual prepaid pension asset.[2] In other words, please provide reconciliation of the prepaid pension asset and its components. Please leave the cells workable and formulaic.

<u>IDAHO POWER COMPANY'S RESPONSE TO CUB'S DATA REQUEST NO. 60</u>:

a. The Company agrees with this statement, adding only that any resulting negative balance would be referred to as an accrued pension liability rather than a prepaid pension asset.
b. This is not applicable because the Company's formula agrees with the formula set forth above.
c. The requested information is provided in the attached Pension Plan Asset ("PPA") Reconciliation Sheet. In some instances the formula for ending prepaid pension asset includes a plus or minus 0.1 rounding adjustment.

[1] See PPA Reconciliation Sheet.
[2] CUB understands that some of the data requested here may have been provided in response to prior data requests. CUB nevertheless requests provision of the data in the form described above for the sake of completeness and clarity of the requested calculation.)

AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION

JURISDICTION:	Oregon	DATE PREPARED:	12/02/2013
CASE NO:	UM 1633	WITNESS:	
REQUESTER:	CUB Staff	RESPONDER:	Ryan Krasselt
TYPE:	Data Request	DEPT:	Finance
REQUEST NO.:	CUB – 026	TELEPHONE:	(509) 495-2273
		EMAIL:	ryan.krasselt@avistacorp.com

REQUEST:

Please supply all presentations, in the past 7 years, to ratings agencies where pensions have been discussed.

RESPONSE:

In the past seven years, the Company had no presentations to rating agencies where pensions were discussed.

AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION

JURISDICTION:	Oregon	DATE PREPARED:	12/02/2013
CASE NO:	UM 1633	WITNESS:	
REQUESTER:	CUB Staff	RESPONDER:	Ryan Krasselt
TYPE:	Data Request	DEPT:	Finance
REQUEST NO.:	CUB – 027	TELEPHONE:	(509) 495-2273
		EMAIL:	ryan.krasselt@avistacorp.com

REQUEST:

Please provide an updated version of the Company's response to CUB DR 5 that includes 2012 actual data, and another update with 2013 actual (as opposed to predicted) at the earliest available dates.

RESPONSE:

Please see the Company’s response in CUB_DR_027C for the requested information. CUB_DR_027C is **CONFIDENTIAL SUBJECT TO GENERAL PROTECTIVE ORDER 13-013**.

Please see CUB_DR_027C Confidential Attachment A for updated information for 2012 and 2013. Additional updates for 2013 year will be provided when available.

ATTACHMENT TO CUB EXHIBIT 510 IS CONFIDENTIAL
SUBJECT TO PROTECTIVE ORDER NO. 13-013

CUB EXHIBIT 510 ATTACHMENT A IS CONFIDENTIAL
SUBJECT TO PROTECTIVE ORDER NO. 13-013. ELECTRONIC COPIES OF THESE ATTACHMENTS WILL BE MAILED TO THE COMMISSION AND THOSE PARTIES THAT HAVE SIGNED THE PROTECTIVE ORDER.

AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION

JURISDICTION:	Oregon	DATE PREPARED:	11/24/2014
CASE NO:	UM 1633	WITNESS:	Ryan Krasselt
REQUESTER:	CUB	RESPONDER:	Tracy Van Orden
TYPE:	Data Request	DEPT:	Accounting
REQUEST NO.:	CUB - 037	TELEPHONE:	(509) 495-4942
		EMAIL:	tracy.vanorden@avistacorp.com

REQUEST:

It is CUB's understanding that the prepaid pension asset is calculated in the following way:

Year End Prepaid Pension asset = Year Begin Prepaid Pension Asset
+Annual Contribution
-FAS 87 Expense
-FAS 88 Expense

a. Please verify the accuracy of this statement.
b. If the Company uses a formula other than that set forth above, please set forth the current, and all prior formulas, by year.
c. Using the appropriate formula, as indicated above for each year, and using the attached spreadsheet,1 please provide all data to demonstrate the calculation of the Company's actual prepaid pension asset.2 In other words, please provide reconciliation of the prepaid pension asset and its components.. Please leave the cells workable and formulaic.

RESPONSE:

a. The calculation defined above is correct and reflects the way the Company calculates and records the prepaid pension asset.
b. Not applicable.
c. The Company has previously provided this data in response to past data requests. Please see Avista's responses to CUB_DR_5C, Staff_DR_8C and Staff_DR_23..

AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION

JURISDICTION:	Oregon	DATE PREPARED:	03/03/2014
CASE NO:	UM 1633	WITNESS:	Ryan Krasselt
REQUESTER:	OPUC Staff	RESPONDER:	Ryan Krasselt
TYPE:	Data Request	DEPT:	Finance
REQUEST NO.:	Staff - 37	TELEPHONE:	(509) 495-2273
		EMAIL:	ryan.krasselt@avistacorp.com

REQUEST:

Please provide the 2013 actual year-end amounts and the most updated current actual balances for the following items:

a. Prepaid pension asset / accrued pension liability balance;
b. Accumulated deferred tax benefit associated with the prepaid pension asset;
c. Funding status percentage of each of the Company's pension plans; and,
d. Cumulative funding percentage of the Company's pension plans.

RESPONSE:

a. The prepaid asset as of December 31, 2013 was $80,704,270.
b. The deferred tax liability associated with the prepaid asset as of December 31, 2013 was $26,980,497.
c. The funded status (based upon the fair value of assets as compared to the project benefit obligation) of the Company's defined benefit plan as of December 31, 2013 was 96.1%. The assets of the plan were $481.5 million compared to the projected benefit obligation of $501.1 million as of December 31, 2013.
d. Refer to item C above.

CASCADE NATURAL GAS CORPORATION
Citizens' Utility Board of Oregon
Investigation into Treatment of Pension Costs
UM 1633

Request No. 25

Date prepared: December 16, 2013

Preparer: Michael Parvinen

Contact: Michael Parvinen

Telephone: 509-734-4593

A25. Please supply all presentations, in the past 7 years, to ratings agencies where pensions have been discussed.

Response:

There were none.

CASCADE NATURAL GAS CORPORATION

Citizens' Utility Board of Oregon
Investigation into Treatment of Pension Costs
UM 1633

Request No. 26 Update

Date prepared: April 2, 2014

Preparer: Michael Parvinen

Contact: Michael Parvinen

Telephone: 509-734-4593

A26. Please provide an updated version of the Company's response to CUB DR 5 that includes 2012 actual data, and another update with 2013 actual (as opposed to predicted) at the earliest available dates.

Response:

2012 was included in the original response. 2013 is now included.

	Pension Plan Worksheet, in Millions of $s	NYL to provide	Questions from NYL						
	YEAR			2008	2009	2010	2011	2012	2013
Status									
A	Pension Benefit Obligation	Y	Assumed to be at end of year	61,684,201	66,898,654	73,472,802	87,103,752	92,987,240	81,927,802
B	Prepaid pension asset	Y	Assumed to be at end of year	11,516,654	9,885,455	7,834,430	11,781,679	15,134,521	17,703,926
C	Present value of plan assets in $*	Y	Not sure what the "*" footnote means. Assumes this means assets used for funding, which would include receivables and asset smoothing.	60,918,709	48,027,030	51,109,064	53,264,719	61,515,517	68,986,737
D	Funding target in $	Y		63,648,320	52,282,111	62,247,142	66,580,898	73,786,540	65,542,242
E	Unfunded liability in $/funding shortfall	Y	Credit balance is subtracted from plan assets.	13,187,659	10,456,422	12,449,428	13,316,179	14,757,308	(3,444,495)
F	Target normal cost	Y		839,398	651,416	808,885	849,179	111,282	278,861
G	Minimum required contribution	Y		839,398	1,955,002	2,633,414	3,405,977	4,161,353	2,080,982
H	Credit balance (A-B)	Y	Reference to "(A-B)" doesn't make sense.	10,458,048	6,201,341	1,311,350	0	2,486,285	0
I	Annual contribution in $s	Y	Assume that I = I1 plus I2	842,100	1,955,002	6,691,204	6,923,447	4,672,063	5,481,000
I1	Contribution from shareholders in $s	Y	Assumes this means actual cash deposited. Includes contributions paid after year-end attributable to current year.	485,000	0	5,379,854	6,923,447	2,185,778	5,481,000
I2	Contribution from credit balance in $s	Y		357,100	1,955,002	1,311,350	0	2,486,285	0
I3	Capital cost of shareholder contribution	N							
I4	Debt financing cost of contribution	N							
J	Funding status (choose one Y/N)								
J1	Underfunded	Y		Y	Y	Y	Y	Y	Y
J2	Overfunded	Y		N	N	N	N	N	N
J3	Fully funded	Y		N	N	N	N	N	N
J4	Funding target attainment percentage (A/B)	Y	Reference to "(A-B)" doesn't make sense. Assumes credit balance subtracted from plan assets.	79.28%	80.00%	80.00%	80.00%	80.00%	84.17%
K	Amount recovered in rates (pre-tax)	N	Amount recovered would be amount booked as expense (FAS 87)	93,269	1,631,199	2,161,731	3,296,961	1,595,543	628,782
L	Amount recovered in rates (post-tax)	N							
L1	FAS 87 expense	Y		93,269	1,631,199	2,161,731	3,296,961	1,595,543	628,782
M-1	Actual interest rate	Y	Effective rate used to calculate funding target in Row D	6.11%	8.19%	6.67%	6.27%	5.49%	6.30%
M-2	Actual interest rate	Y	Effective rate used to calculate PBO in Row A	6.25%	5.75%	5.25%	4.15%	3.68%	4.56%
N	Actual return on plan assets	Y	Estimated actual return based on market value assets	-24.2%	20.5%	14.7%	-1.7%	12.3%	11.8%
Assumptions									
O	Assumed discount** rate for		The "**" footnote doesn't make sense. Are these discount rates for FAS87 purposes? Why the reference to PPA?						
O1	Benefit obligation	Y	Assumed to be at end of year	6.25%	5.75%	5.25%	4.15%	3.68%	4.56%
O2	Benefit cost	Y	Assumed to be beginning of year	6.00%	6.25%	5.75%	5.25%	4.15%	3.68%
P	Expected return on plan assets	Y	Assumed to be beginning of year	8.50%	8.50%	8.25%	7.75%	7.75%	7.00%
Q	Wage escalation assumed	Y	Assumed to be beginning of year	N/A	N/A	N/A	N/A	N/A	N/A
R	Years of ammortization assumed	Y	Assumes the amortization refers to FAS87 expense (gain/loss component).	11.50	11.32	10.95	10.11	9.83	25.01
S	Funding target percentage per year	Y		80%	80%	80%	80%	80%	93%
T	"at risk" under PPA (choose one Y/N)	Y		N	N	N	N	N	N
U	Tax benefit, in dollars of annual contribution	N							
V	Cash flow benefit of cash contribution	N							
W	Value of prepaid pension asset	Y	Same as Row B (as of end of year)	11,516,654	9,885,455	7,834,430	11,781,679	15,134,521	17,703,926
X	Accumulated Other Comprehensive Income/Expense	Y	Assumed to be at end of year	29,539,919	27,738,370	28,742,448	43,874,190	45,407,742	30,644,991
Y	Company contribution (cash basis)		Without receivables	485,000	0	110,706	7,244,210	4,948,385	3,200,097
	*as determined by the actuarial calculation of future retirement obligations - please specify any assumptions								
	**as determined by the PPA post 2006. Please specify method determination in earlier years.								
	NYL provided funding and expense valuations starting with the 2008 plan year.								
	NOTE: For all historical values, use information that was available in the year of filing. For future years, use predictions consistent with the company's filings								

	Pension Plan Worksheet, in Millions of $s	NYL to provide	Questions from NYL						
	YEAR			2014	2015	2016	2017	2018	2019
Status									
A	Pension Benefit Obligation	Y	Assumed to be at end of year						
B	Prepaid pension asset	Y	Assumed to be at end of year						
C	Present value of plan assets in $*	Y	Not sure what the "*" footnote means. Assumes this means assets used for funding, which would include receivables and asset smoothing.						
D	Funding target in $	Y							
E	Unfunded liability in $/funding shortfall	Y	Credit balance is subtracted from plan assets.						
F	Target normal cost	Y							
G	Minimum required contribution	Y							
H	Credit balance (A-B)	Y	Reference to "(A-B)" doesn't make sense.						
I	Annual contribution in $s	Y	Assume that I = I1 plus I2	2,610,000	3,229,000	2,337,000	1,682,000	678,000	
I1	Contribution from shareholders in $s	Y	Assumes this means actual cash deposited. Includes contributions paid after year-end attributable to current year.						
I2	Contribution from credit balance in $s	Y							
I3	Capital cost of shareholder contribution	N							
I4	Debt financing cost of contribution	N							
J	Funding status (choose one Y/N)								
J1	Underfunded	Y							
J2	Overfunded	Y							
J3	Fully funded	Y							
J4	Funding target attainment percentage (A/B)	Y	Reference to "(A-B)" doesn't make sense. Assumes credit balance subtracted from plan assets.						
K	Amount recovered in rates (pre-tax)	N	Amount recovered would be amount booked as expense (FAS 87)						
L	Amount recovered in rates (post-tax)	N							
L1	FAS 87 expense	Y							
M-1	Actual interest rate	Y	Effective rate used to calculate funding target in Row D						
M-2	Actual interest rate	Y	Effective rate used to calculate PBO in Row A						
N	Actual return on plan assets	Y	Estimated actual return based on market value assets						
Assumptions									
O	Assumed discount** rate for		The "**" footnote doesn't make sense. Are these discount rates for FAS87 purposes? Why the reference to PPA?						
O1	Benefit obligation	Y	Assumed to be at end of year						
O2	Benefit cost	Y	Assumed to be beginning of year						
P	Expected return on plan assets	Y	Assumed to be beginning of year						
Q	Wage escalation assumed	Y	Assumed to be beginning of year						
R	Years of ammortization assumed	Y	Assumes the amortization refers to FAS87 expense (gain/loss component).						
S	Funding target percentage per year	Y							
T	"at risk" under PPA (choose one Y/N)	Y							
U	Tax benefit, in dollars of annual contribution	N							
V	Cash flow benefit of cash contribution	N							
W	Value of prepaid pension asset	Y	Same as Row B (as of end of year)						
X	Accumulated Other Comprehensive Income/Expense	Y	Assumed to be at end of year						
Y	Company contribution (cash basis)		Without receivables						
	*as determined by the actuarial calculation of future retirement obligations - please specify any assumptions								
	**as determined by the PPA post 2006. Please specify method determination in earlier years.								
	NYL provided funding and expense valuations starting with the 2008 plan year.								
	NOTE: For all historical values, use information that was available in the year of filing. For future years, use predictions consis								

	Pension Plan Worksheet, in Millions of $s	NYL to provide	Questions from NYL				
	YEAR			2020	2021	2022	2023
Status							
A	Pension Benefit Obligation	Y	Assumed to be at end of year				
B	Prepaid pension asset	Y	Assumed to be at end of year				
C	Present value of plan assets in $*	Y	Not sure what the "*" footnote means. Assumes this means assets used for funding, which would include receivables and asset smoothing.				
D	Funding target in $	Y					
E	Unfunded liability in $/funding shortfall	Y	Credit balance is subtracted from plan assets.				
F	Target normal cost	Y					
G	Minimum required contribution	Y					
H	Credit balance (A-B)	Y	Reference to "(A-B)" doesn't make sense.				
I	Annual contribution in $s	Y	Assume that I = I1 plus I2				
I1	Contribution from shareholders in $s	Y	Assumes this means actual cash deposited. Includes contributions paid after year-end attributable to current year.				
I2	Contribution from credit balance in $s	Y					
I3	Capital cost of shareholder contribution	N					
I4	Debt financing cost of contribution	N					
J	Funding status (choose one Y/N)						
J1	Underfunded	Y					
J2	Overfunded	Y					
J3	Fully funded	Y					
J4	Funding target attainment percentage (A/B)	Y	Reference to "(A-B)" doesn't make sense. Assumes credit balance subtracted from plan assets.				
K	Amount recovered in rates (pre-tax)	N	Amount recovered would be amount booked as expense (FAS 87)				
L	Amount recovered in rates (post-tax)	N					
L1	FAS 87 expense	Y					
M-1	Actual interest rate	Y	Effective rate used to calculate funding target in Row D				
M-2	Actual interest rate	Y	Effective rate used to calculate PBO in Row A				
N	Actual return on plan assets	Y	Estimated actual return based on market value assets				
Assumptions							
O	Assumed discount** rate for		The "**" footnote doesn't make sense. Are these discount rates for FAS87 purposes? Why the reference to PPA?				
O1	Benefit obligation	Y	Assumed to be at end of year				
O2	Benefit cost	Y	Assumed to be beginning of year				
P	Expected return on plan assets	Y	Assumed to be beginning of year				
Q	Wage escalation assumed	Y	Assumed to be beginning of year				
R	Years of ammortization assumed	Y	Assumes the amortization refers to FAS87 expense (gain/loss component).				
S	Funding target percentage per year	Y					
T	"at risk" under PPA (choose one Y/N)	Y					
U	Tax benefit, in dollars of annual contribution	N					
V	Cash flow benefit of cash contribution	N					
W	Value of prepaid pension asset	Y	Same as Row B (as of end of year)				
X	Accumulated Other Comprehensive Income/Expense	Y	Assumed to be at end of year				
Y	Company contribution (cash basis)		Without receivables				
	*as determined by the actuarial calculation of future retirement obligations - please specify any assumptions						
	**as determined by the PPA post 2006. Please specify method determination in earlier years.						
	NYL provided funding and expense valuations starting with the 2008 plan year.						
	NOTE: For all historical values, use information that was available in the year of filing. For future years, use predictions consis						

CASCADE NATURAL GAS CORPORATION

Oregon Public Utility Commission

Investigation into Treatment of Pension Costs in Utility Rates

UM 1633

Request No. 37

Date prepared: December 16, 2013

Preparer: Michael Parvinen

Contact: Michael Parvinen

Telephone: 509-734-4593

A37. Please indicate what, if any, amount of the Company's annual year-end prepaid pension asset since its inception through 2012 is due to achieving returns on the pension asset higher than forecasted. Please identify and explain all assumptions used, keep all formula and calculations intact, and include a narrative description of how the amount is calculated.

Response:

Cascade is unable to quantify as there are too many variables to measure impact.

CASCADE NATURAL GAS CORPORATION

Oregon Public Utility Commission
Investigation into Treatment of Pension Costs in Utility Rates
UM 1633

Request No. 38

Date prepared: March 7, 2014

Preparer: Michael Parvinen

Contact: Michael Parvinen

Telephone: 509-734-4593

A38. Please provide the 2013 actual year-end amounts and the most updated current actual balances for the following items:

a. Prepaid pension asset / accrued pension liability balance;
b. Accumulated deferred tax benefit associated with the prepaid pension asset;
c. Funding status percentage of each of the Company's pension plans; and,
d. Cumulative funding percentage of the Company's pension plans.

Response:

a. $17,703,926 (system), $4,346,314 (Oregon)
b. There currently is no deferred tax booked as tax benefits have been flowed through. Assuming rate base treatment of Prepaid Asset Cascade would propose booking a deferred tax based on 35% applied to the asset.
c. 84.17%
d. 84.17%

UM 1633/PacifiCorp
March 1, 2013
CUB Data Request 2

CUB Data Request 2

With regard to pensions contributions over the past 15 years:

a. For each year, what amount was recovered in rates through FAS 87 or any other Commission-approved mechanism?

b. Please identify which years reflect rate case test years. For non-rate case test years, what is the basis for determining the amount that was recovered in rates?

c. For each year, what was the ratepayer funded FAS 87 expense?

d. For each year, what expense did the Company incur in excess of FAS 87?

e. For each year, what was the Company's pension obligation as dictated by federal or state law, including but not limited to, the Pension Protection Act (PPA) and ERISA? Please provide a comprehensive list of any and all federal or state sources of law that the Company relied upon in determining its pension obligation each year.

f. For each year, what dollar amount did the Company contribute to its pension fund?

g. What, if any, deferrals, balancing accounts or other mechanisms did the Company apply to use?

h. For each year, what, if any, deferrals, balancing accounts or other mechanisms did the Company actually utilize?

i. For each year, what were the projected returns on plan assets?

j. For each year, what were the actual returns on plan assets?

k. For each year, was the pension fund over-funded or under-funded with regard to legal funding requirements?
   i. If under-funded, by how much?
   ii. If over-funded, by how much?

l. For each year, did the Company make contributions in excess of what was required by law, including but not limited to the PPA and ERISA?
   i. If yes, please answer the following:
      1. When were the excess contributions made?
      2. What was the justification for making the excess contributions?
      3. How much did the Company contribute in excess of legally required amounts?
      4. Were there tax benefits associated with any contributions made in excess of what was required by law? By year, what was the amount of tax benefits? Were the tax benefits passed through to customers?

m. For each year, what were the Company's earnings based on Results of Operations (ROO) on both a normalized and un-adjusted basis?

n. For each year, if the Company did not contribute to its pension fund, what was the basis for the decision not to contribute?

o. For each year, what, if any, tax benefits were associated with each year's pension contributions and expenses?

p. For each year, what organization managed the Company's pension fund investments?

q. For each year, what policies and controls were in place to restrict investment decisions that affect affiliates?

r. For each year, were there any of the following that were part of the pension plans:
   i. Non-utility employees?
   ii. Affiliate employees?
   iii. Un-regulated activity employees?
   iv. If yes to any of the above, how have FAS 87 contributions and contributions in excess of FAS 87 taken into account any and all of the types of employees listed above? What mechanisms are in place to ensure that ratepayers are only paying their regulated share of such contributions?

s. For each year, was the pension plan open to executive and management level employees?
   i. If yes, were salary and bonuses not paid by customers used to calculate the appropriate level of pension contribution for each executive and management employee?

Response to CUB Data Request 2

The Company objects to this request as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving these objections, the Company responds as follows:

a. For the past 15 years, PacifiCorp's rates have been established based primarily on all party or multiparty settlements. See Attachment CUB 2 for the pension expense costs in rate case filings over the past 15 years.

b. See Attachment CUB 2 for the years that reflect rate case test years and for pension costs filed in those cases. For years where there was not a corresponding rate case test year, the amount recovered in rates is not available.

c. See Attachment CUB 2 for PacifiCorp's FAS 87 expense.

d. See Attachment CUB 2. PacifiCorp interprets this to mean one-time charges related to special termination benefits, curtailments, and the measurement date change.

e. See Attachment CUB 2. There are no state laws dictating pension obligations. The following is a comprehensive list of the federal laws to which PacifiCorp was subject for its pension funding valuations since 1998:
   - Employee Retirement Income Security Act of 1974 (ERISA)
   - Omnibus Budget Reconciliation Act of 1987
   - Retirement Protection Act of 1994
   - Economic Growth and Tax Relief Reconciliation Act of 2001
   - Job Creation and Worker Assistance Act of 2002
   - Pension Funding Equity Act of 2004

- Pension Protection Act of 2006
- Worker, Retiree, and Employer Recovery Act of 2008
- Moving Ahead for Progress in the 21st Century Act
- Statute and Regulations under the following Internal Revenue Code Sections:
    - 401(a)(17)
    - 404(a)
    - 404(g)
    - 412
    - 415
    - 430
    - 436
- Internal Revenue Service Revenue Ruling:
    - 77-2
    - 81-212
    - 81-213
    - 81-214
    - 95-31
    - 2000-20
- Internal Revenue Service Notice:
    - 89-52
    - 90-11
    - 2008-29
    - 2008-85
    - 2009-22

f. See Attachment CUB 2.

g and h:

Application for Pension Deferrals or Other Mechanisms		
Docket	Description	Utilized
UM-12	1983 Pacific Power & Light Special Early Retirement Program	1984 - Current
UM-311	1990 Early Retirement Program	1990 - 1995
UM-978	2000 Voluntary and Enhanced Early Retirement Program	2000 - 2010
UM-1073	Recording of Pension Regulatory Asset	2003 - Current
UE-210	Recording of Pension Regulatory Asset	2006 - 2012
UM-1400	Deferral of Pension Curtailment Gain and Measurement Change	2008 - Current

i. See Attachment CUB 2.

j. See Attachment CUB 2.

k. See Attachment CUB 2.

l. See Attachment CUB 2 for response to 2.l.i. parts 1 through 4. With respect to subpart i.4., income tax benefits are obtained for the associated contributions made in excess of the minimum contributions. The attachment reflects the inclusion of a current income tax deduction for cash contributions to the pension plan on an income tax return, which results in a zero net income tax expense as the associated current income tax benefit generated with the current income tax deduction is offset entirely by a deferred income tax expense. This deferred income tax expense occurs as a result of having previously recorded a deferred income tax asset in conjunction with the accrual of FAS 87 pension expense. The realization of the deferred tax asset, resulting in a reduction to the deferred income tax asset, occurs as the deductions are taken on the return and income taxes payable are reduced. The income tax benefit from a reduction to the deferred tax balance was provided as a benefit through a reduction to rate base in the as filed rate cases filed before 2009. For rate cases filed in later years, the reduction to the deferred income tax balance was not included as a reduction to rate base, which is consistent with the exclusion of the prepaid pension asset from rate base.

m:

	OREGON RESULTS OF OPERATIONS EARNINGS				
		UTILITY OPERATING INCOME		ROE	
12 Months Ending		Unadjusted	Normalized	Unadjusted	Normalized
December	2011	256,287,232	239,091,977	9.73%	8.12%
December	2010	208,791,545	241,765,886	8.00%	8.42%
December	2009	208,249,963	208,329,504	8.23%	7.02%
December	2008	213,239,182	205,026,302	9.37%	7.20%
December	2007	194,141,645	185,109,253	9.62%	7.34%
December	2006	193,056,315	188,682,550	10.30%	8.22%
March	2006	179,612,094	165,150,436	10.09%	7.76%
March	2005	140,526,687	143,871,510	7.07%	6.90%
March	2004	204,230,405	141,692,894	13.72%	7.04%
March	2003	167,439,103	163,735,010	9.98%	8.49%
March	2002	169,091,439	166,367,545	8.08%	7.94%
March	2001	131,159,383	129,691,722	3.96%	3.88%
December	2000	136,687,035	160,548,727	4.23%	6.13%
December	1999	147,839,240	165,721,277	4.87%	6.47%

n. N/A.

o. See Attachment CUB 2.

p. Since July 1, 2006, the PacifiCorp Pension Committee manages the Company's pension fund. Before that date, the PacifiCorp Pension Investment Committee.

managed the funds. Both of these committees hire external investment managers to invest the funds.

q. All funds were invested solely for the benefit of plan participants as required by ERISA.

r.
  i. Before March 2006, non-utility employees associated with PacifiCorp's former affiliates in non-regulated businesses participated in PacifiCorp's pension plan. Effective with the acquisition of PacifiCorp by MEHC in March 2006, these participants were separated from PacifiCorp's plan and transferred to a plan formed under the ScottishPower group. As a result, the benefit obligation associated with these participants, a portion of plan assets, and a portion of unrecognized losses were transferred to the ScottishPower successor plan. The amount of assets transferred was determined based on ERISA requirements. The amount of unrecognized losses transferred was determined in accordance with the applicable accounting guidance. Since the March 2006 acquisition by MEHC, all employees have supported the utility. although a few PacifiCorp Environmental Remediation Company (PERCo) employees remained for a short period of time after the acquisition.
  ii. Refer to the response in r.i. above. Affiliate employees that remained in the plan subsequent to March 2006 include employees of Pacific Minerals, Inc. (dedicated to Bridger Coal Company operations), Interwest Mining Company (Interwest), non-union employees in Energy West Mining Company (Energy West), and PERCo (very few employees for a short time). With the exception of PERCo, these affiliate employees are considered utility employees for ratemaking purposes.
  iii. Refer to i. above. PacifiCorp does not participate in un-regulated activities.
  iv. PacifiCorp's practice with its former affiliates was to charge to each affiliate their share of expense. This resulted in a reduction in PacifiCorp's FAS 87 expense and receipt of cash from the affiliate. As Energy West and Interwest fully support PacifiCorp's operations, no cash is transferred. PacifiCorp charges Bridger Coal Company its share of FAS 87 expense, which is then reflected in the cost of fuel as PacifiCorp purchases coal from Bridger Coal Company.

s. Yes, in each year all employees were eligible for participation, subject to any plan changes.
  i. Yes, the retirement plan is governed by ERISA and PacifiCorp's plan document defines compensation (salary plus up to 10 percent of the annual incentive, or the compensation limit, whichever is reached first) eligible for use in determining the retirement plan contribution/values. This was done in order to continue providing market competitive benefits to employees. Had the company applied an adjustment commensurate with the commission rulings on this plan, the benefits would no longer be competitive and in turn

would have placed the operations and customers at risk given impacts to recruitment and retention of the workforce.

UM 1633/PacifiCorp
July 29, 2013
CUB Data Request 5

CUB Data Request 5

Please complete the attached spreadsheet. Attach any necessary workpapers and additional spreadsheets with your response.

Response to CUB Data Request 5

The Company objects to this request as unduly burdensome, overly broad, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving these objections, the Company responds as follows:

Please refer to Attachment CUB 5-1 and Attachment CUB 5-2. Please note that since 1998, PacifiCorp's rates have been established based on settlements. Refer to the attachments for pension costs included in the rate case filings.

For the information requested in part "U," please refer to the Company's response to CUB data request 4 for a discussion of how pension contributions affect the Company's tax returns.

The Company only provides information since 1998 because actuarial reports before 1998 are not readily available. This timing also aligns with the change to recovery based on FAS 87 pension expense beginning in 1998, as discussed in the response to CUB 13.

Pension Plan Worksheet, in Millions of $s

	YEAR : If provided on a fiscal year basis (3/31/XX or 12/31/XX)		1998	03/31/00	03/31/01	03/31/02	03/31/03	03/31/04	03/31/05	03/31/06	2006	2007	2008	2009	2010	2011	2012
	YEAR : If provided on a plan year basis (1/1/XX)	1984	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Status																	
A	Pension Benefit Obligation		(1,168.5)	(1,036.1)	(1,093.1)	(1,039.3)	(1,107.6)	(1,181.7)	(1,287.0)	(1,289.8)	(1,279.4)	(1,059.1)	(1,020.1)	(1,144.5)	(1,180.2)	(1,232.9)	(1,328.7)
B(1)	Plan Assets		983.5	1,192.1	1,152.6	826.2	681.2	733.2	806.5	828.6	883.9	962.6	692.1	824.9	960.0	930.7	1,012.0
B	Prepaid pension asset		(108.0)	(60.4)	(104.2)	(89.0)	(60.6)	(46.1)	(20.3)	(17.2)	10.9	35.2	75.8	110.3	210.0	261.8	282.4
C	Present value of plan assets in $*		884.9	981.4	1,066.9	1,045.9	953.4	853.6	889.4	882.8	910.9	903.9	968.2	763.2	831.6	958.4	1,016.1
D	Funding target in $		(1,086.4)	(1,044.6)	(1,052.4)	(1,080.3)	(1,018.3)	(1,009.0)	(1,002.3)	(1,022.4)	(1,048.9)	(904.0)	(1,093.4)	(877.2)	(1,037.7)	(1,068.3)	(984.9)
E	Unfunded liability in $/funding shortfall		201.5	63.2	(14.5)	34.4	64.9	155.4	112.9	139.6	138.0	0.1	125.2	114.0	206.1	109.9	(31.2)
F	Target normal cost		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	28.4	22.2	16.0	12.1	9.9
G	Minimum required contribution, before credit balance		57.7	42.9	38.9	35.6	33.9	60.1	60.2	72.8	83.8	91.6	49.3	44.7	55.8	47.2	25.3
G1	Minimum required contribution, if all credit balance was used		41.5	0.2	0.0	0.0	0.0	11.5	6.2	14.6	17.0	28.1	11.7	44.7	55.8	6.4	0.0
H	Credit balance (A-B)		39.5	89.0	61.4	42.1	45.0	50.1	53.8	61.8	58.8	37.5	0.0	0.0	0.0	0.0	34.6
I	Annual contribution in $s																
I1	Contribution from Company in $s during fiscal year		94.0	68.0	19.4	4.2	26.4	33.4	61.6	63.7	72.7	75.8	65.6	49.6	112.8	66.5	44.9
I1a	Contribution from Company in $s*** for plan year		79.0	87.4	4.2	26.4	33.4	61.6	60.0	76.4	75.8	65.6	12.5	116.3	100.0	44.9	59.2
I2	Contribution from credit balance in $s		0.0	0.0	27.6	5.3	0.0	0.0	0.0	0.0	3.0	21.3	37.5	0.0	0.0	0.0	0.0
I3	Capital cost of Company contribution		please refer to separate excel response														
I4	Debt financing cost of contribution		please refer to separate excel response														
J	Funding status (choose one Y/N)																
J1	Underfunded		Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N
J2	Overfunded		N	N	Y	N	N	N	N	N	N	N	N	N	N	N	Y
J3	Fully funded		N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
J4	Funding target attainment percentage (A/B)		77.8%	85.4%	101.4%	92.9%	89.2%	79.6%	83.4%	80.3%	81.24%	95.8%	88.5%	87.0%	80.1%	89.7%	103.2%
K	Amount recovered in rates (pre-tax)		please refer to separate excel response														
L	Amount recovered in rates (post-tax)		please refer to separate excel response														
L1	FAS 87 expense and special charges		(133.6)	(20.4)	(63.2)	11.0	1.9	(18.9)	(35.8)	(60.6)	(44.7)	(51.5)	(25.0)	(15.1)	(13.1)	(14.6)	(24.4)
M	Actual interest rate		7.00%	6.75-7.5%	7.50%	7.75%	7.50%	6.75%	6.25%	5.75%	5.75%	5.76%	6.30%	6.90%	5.80%	5.35%	4.90%
N	Actual return on plan assets		154.5	279.4	55.3	(147.7)	(60.0)	128.3	87.5	72.6	55.4	118.0	(224.0)	160.0	101.9	(12.7)	119.9
Assumptions																	
O	Assumed discount** rate for																
O1	Benefit obligation		6.75-7.5%	7.50%	7.75%	7.50%	6.75%	6.25%	5.75%	5.75%	5.85%	6.30%	6.90%	5.80%	5.35%	4.90%	4.05%
O2	Benefit cost		7.00%	6.75-7.5%	7.50%	7.75%	7.50%	6.75%	6.25%	5.75%	5.75%	5.76%	6.30%	6.90%	5.80%	5.35%	4.90%
P	Expected return on plan assets		89.4	118.9	105.8	99.9	92.8	80.7	77.7	76.9	54.3	69.4	88.8	70	74.4	75	74.4
Q	Wage escalation assumed		4-5%	4-4.5%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	3.5%	3.5%	3.5%	3.0%
R	Years of amortization assumed		12	12	12	11	11	11	11	11	11	10.17	9.78	9.67	9.31	9.06	9.53
S	Funding target percentage per year		77.8%	85.4%	101.4%	92.9%	89.2%	79.6%	83.4%	80.3%	81.2%	95.8%	88.5%	87.0%	80.1%	89.7%	103.2%
T	"at risk" under PPA (choose one Y/N)		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N	N	N	N	N
U	Tax benefit, in dollars of annual contribution		please refer to narrative response														
V	Cash flow benefit of cash contribution		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
W	Value of prepaid pension asset		(108.0)	(60.4)	(104.2)	(89.0)	(60.6)	(46.1)	(20.3)	(17.2)	10.9	35.2	75.8	110.3	210.0	261.8	282.4
X	Accumulated Other Comprehensive Income/Expense	0	77.0	(216.4)	(163.7)	124.2	365.7	402.4	460.2	444.0	406.3	131.8	403.8	429.9	430.1	564.1	599.1

		Preliminary and unapproved projections										
	YEAR : If provided on a fiscal year basis (3/31/XX or 12/31/XX)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	YEAR : If provided on a plan year basis (1/1/XX)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Status												
A	Pension Benefit Obligation	(1,291.1)	(1,225.0)	(1,156.3)	(1,087.6)	(1,038.1)	(985.8)	(930.3)	(874.2)	(827.4)	(781.2)	(735.1)
B(1)	Plan Assets	1046.9	1015.3	1015.5	1016.4	1013.4	1004.2	984.8	964.7	925.9	888.2	851.2
B	Prepaid pension asset	311.0	288.6	306.8	332.4	352.3	368.1	378.1	390.4	377.8	366.9	358.0
C	Present value of plan assets in $*	1,052.7	1,035.2	1,016.7	1,010.6	1,007.6	996.3	986.2	985.6	950.5	918.1	883.7
D	Funding target in $	(1,050.9)	(1,083.0)	(1,107.8)	(1,118.4)	(1,109.6)	(1,057.5)	(1,002.8)	(944.9)	(886.6)	(837.8)	(790.0)
E	Unfunded liability in $/funding shortfall	(1.8)	47.8	91.1	107.8	102.0	61.2	16.6	(40.7)	(63.9)	(80.3)	(93.7)
F	Target normal cost	8.8	10.0	9.7	9.2	8.4	7.2	5.9	0.0	0.0	0.0	0.0
G	Minimum required contribution, before credit balance	38.3	46.2	31.8	35.4	19.8	18.2	30.9	0.0	0.0	0.0	0.0
G1	Minimum required contribution, if all credit balance was used	0.0	11.9	31.8	35.3	19.8	18.2	30.9	0.0	0.0	0.0	0.0
H	Credit balance (A-B)	70.2	34.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
I	Annual contribution in $s											
I1	Contribution from Company in $s during fiscal year	59.2	0.0	34.4	35.5	26.2	19.4	20.2	18.7	0.0	0.0	0.0
I1a	Contribution from Company in $s*** for plan year	0.0	13.0	33.1	36.6	20.5	18.8	32.4	0.0	0.0	0.0	0.0
I2	Contribution from credit balance in $s	38.3	34.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
I3	Capital cost of Company contribution											
I4	Debt financing cost of contribution											
J	Funding status (choose one Y/N)											
J1	Underfunded	N	Y	Y	Y	Y	Y	Y	N	N	N	N
J2	Overfunded	Y	N	N	N	N	N	N	Y	Y	Y	Y
J3	Fully funded	N	N	N	N	N	N	N	N	N	N	N
J4	Funding target attainment percentage (A/B)	100.2%	92.4%	91.8%	90.4%	90.8%	94.2%	98.3%	104.3%	107.2%	109.6%	111.9%
K	Amount recovered in rates (pre-tax)											
L	Amount recovered in rates (post-tax)											
L1	FAS 87 expense and special charges	(30.6)	(22.4)	(16.2)	(9.9)	(6.3)	(3.6)	(10.2)	(6.4)	(12.6)	(10.9)	(8.9)
M	Actual interest rate	4.05%	4.05%	4.20%	4.35%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
N	Actual return on plan assets	74.3	75.1	73.9	73.8	74.5	74.0	63.4	62.0	51.1	49.0	46.9
Assumptions												
O	Assumed discount** rate for											
O1	Benefit obligation	4.05%	4.20%	4.35%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
O2	Benefit cost	4.05%	4.05%	4.20%	4.35%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
P	Expected return on plan assets	74.3	75.1	73.9	73.8	74.5	74	63.4	62	51.1	49.0	46.9
Q	Wage escalation assumed	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
R	Years of amortization assumed	9.306	8.996	8.839	8.693	8.54	8.417	8.312	8.232	8.166	8.107	8.047
S	Funding target percentage per year	100.2%	92.4%	91.8%	90.4%	90.8%	94.2%	98.3%	104.3%	107.2%	109.6%	111.9%
T	"at risk" under PPA (choose one Y/N)	N	N	N	N	N	N	N	N	N	N	N
U	Tax benefit, in dollars of annual contribution											
V	Cash flow benefit of cash contribution	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
W	Value of prepaid pension asset	311.0	288.6	306.8	332.4	352.3	368.1	378.1	390.4	377.8	366.9	358.0
X	Accumulated Other Comprehensive Income/Expense	555.1	498.3	447.6	403.6	377.0	349.7	323.5	299.8	279.2	259.9	241.8

*as determined by the actuarial calculation of future retirement obligations - please specify any assumptions

**as determined by the PPA post 2006. Please specify method determination in earlier years.

***Amounts shown are undiscounted. The Company has the ability to make plan year contributions in the following year. For example, in order to meet a 2015 plan year minimum required contribution of $10 million the Company could make a $11 million contribution during calendar year 2016. The contribution would cover the required minimum contribution amount and any asset returns the pension trust lost out on by having the contribution made in the following year. For this reason, there will be times that it appears based on this schedule the Company contributed slightly more than the minimum ($1-3 million) in a given plan year, when in actuality only the required minimum contribution was made.

NOTE: For all historical values, use information that was available in the year of filing. For future years, use predictions consistent with the company's filings

UM 1633/PacifiCorp
July 29, 2013
Data Request 5(I3)(I4)(K)(L)

DR 5 request:			I3	I4	K and L
Docket	Test Period	Effective Date	Return on Equity	Return on Debt	Amount of Pension expense included in filing (in $millions)
UE-246	CY 2013	1/1/2013	9.80%	5.32%	27.6
UE-217	CY 2011	1/1/2011	10.125%	5.960%	31.2
UE-210	CY 2010	2/2/2010	10.125%	5.960%	23.9
UE-179	CY 2007	1/1/2007	10.00%	6.32%	54.6
UE-170	CY 2006	10/4/2005	10.00%	6.29%	47.1
UE-147	FY 04	9/1/2003	10.50%	6.48%	34.2
UE-116	CY 2001	9/10/2001	10.75%	6.88%	(11.3)
UE -111	CY 1998	10/1/2000	11.13%	6.95%	27.8
UE - 94	CY 1994	7/15/1996	10.00%	7.640%	46.1

	Pension Plan Worksheet, in Millions of $s																	Updated for 2013 actuals	Preliminary and unapproved projections									
	YEAR : If provided on a fiscal year basis (3/31/XX or 12/31/XX)		1998	03/31/00	03/31/01	03/31/02	03/31/03	03/31/04	03/31/05	03/31/06	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	YEAR : If provided on a plan year basis (1/1/XX)	1984	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Status																												
A	Pension Benefit Obligation		(1,168.5)	(1,036.1)	(1,093.1)	(1,039.3)	(1,107.6)	(1,181.7)	(1,287.0)	(1,289.8)	(1,279.4)	(1,059.1)	(1,020.1)	(1,144.5)	(1,180.2)	(1,232.9)	(1,328.7)	(1,172.9)	(1,225.0)	(1,156.3)	(1,087.6)	(1,038.1)	(985.8)	(930.3)	(874.2)	(827.4)	(781.2)	(735.1)
B(1)	Plan Assets		983.5	1,192.1	1,152.6	826.2	681.2	733.2	806.5	828.6	883.9	962.6	692.1	824.9	960.0	930.7	1,012.0	1,171.0	1015.3	1015.5	1016.4	1013.4	1004.2	984.8	964.7	925.9	888.2	851.2
B	Prepaid pension asset		(108.0)	(60.4)	(104.2)	(89.0)	(60.6)	(46.1)	(20.3)	(17.2)	10.9	35.2	75.8	110.3	210.0	261.8	282.4	311.0	288.6	306.8	332.4	352.3	368.1	378.1	390.4	377.8	366.9	358.0
C	Present value of plan assets in $*		884.9	981.4	1,066.9	1,045.9	953.4	853.6	889.4	882.8	910.9	903.9	968.2	763.2	831.6	958.4	1,016.1	1,051.8	1,035.2	1,016.7	1,010.6	1,007.6	996.3	986.2	985.6	950.5	918.1	883.7
D	Funding target in $		(1,086.4)	(1,044.6)	(1,052.4)	(1,080.3)	(1,018.3)	(1,009.0)	(1,002.3)	(1,022.4)	(1,048.9)	(904.0)	(1,093.4)	(877.2)	(1,037.7)	(1,068.3)	(984.9)	(1,050.9)	(1,083.0)	(1,107.8)	(1,118.4)	(1,109.6)	(1,057.5)	(1,002.8)	(944.9)	(886.6)	(837.8)	(790.0)
E	Unfunded liability in $/funding shortfall		201.5	63.2	(14.5)	34.4	64.9	155.4	112.9	139.6	138.0	0.1	125.2	114.0	206.1	109.9	(31.2)	(0.9)	47.8	91.1	107.8	102.0	61.2	16.6	(40.7)	(63.9)	(80.3)	(93.7)
F	Target normal cost		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	28.4	22.2	16.0	12.1	9.9	8.9	10.0	9.7	9.2	8.4	7.2	5.9	0.0	0.0	0.0	0.0
G	Minimum required contribution, before credit balance		57.7	42.9	38.9	35.6	33.9	60.1	60.2	72.8	83.8	91.6	49.3	44.7	55.8	47.2	25.3	38.4	46.2	31.8	35.4	19.8	18.2	30.9	0.0	0.0	0.0	0.0
G1	Minimum required contribution, if all credit balance was used		41.5	0.2	0.0	0.0	0.0	11.5	6.2	14.6	17.0	28.1	11.7	44.7	55.8	6.4	0.0	0.0	11.9	31.8	35.3	19.8	18.2	30.9	0.0	0.0	0.0	0.0
H	Credit balance (A-B)		39.5	89.0	61.4	42.1	45.0	50.1	53.8	61.8	58.8	37.5	0.0	0.0	0.0	0.0	34.6	70.0	34.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
I	Annual contribution in $s																											
I1	Contribution from Company in $s during fiscal year		94.0	68.0	19.4	4.2	26.4	33.4	61.6	63.7	72.7	75.8	65.6	49.6	112.8	66.5	44.9	59.2	0.0	34.4	35.5	26.2	19.4	20.2	18.7	0.0	0.0	0.0
I1a	Contribution from Company in $s*** for plan year		79.0	87.4	4.2	26.4	33.4	61.6	60.0	76.4	75.8	65.6	12.5	116.3	100.0	44.9	59.2	0.0	13.0	33.1	36.6	20.5	18.8	32.4	0.0	0.0	0.0	0.0
I2	Contribution from credit balance in $s		0.0	0.0	27.6	5.3	0.0	0.0	0.0	0.0	3.0	21.3	37.5	0.0	0.0	0.0	0.0	35.7	34.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
I3	Capital cost of Company contribution		please refer to separate excel response																									
I4	Debt financing cost of contribution		please refer to separate excel response																									
J	Funding status (choose one Y/N)																											
J1	Underfunded		Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N	Y	Y	Y	Y	Y	Y	N	N	N	N
J2	Overfunded		N	N	Y	N	N	N	N	N	N	N	N	N	N	N	Y	Y	N	N	N	N	N	N	Y	Y	Y	Y
J3	Fully funded		N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
J4	Funding target attainment percentage (A/B)		77.8%	85.4%	101.4%	92.9%	89.2%	79.6%	83.4%	80.3%	81.24%	95.8%	88.5%	87.0%	80.1%	89.7%	103.2%	100.1%	92.4%	91.8%	90.4%	90.8%	94.2%	98.3%	104.3%	107.2%	109.6%	111.9%
K	Amount recovered in rates (pre-tax)		please refer to separate excel response																									
L	Amount recovered in rates (post-tax)		please refer to separate excel response																									
L1	FAS 87 expense and special charges		(133.6)	(20.4)	(63.2)	11.0	1.9	(18.9)	(35.8)	(60.6)	(44.7)	(51.5)	(25.0)	(15.1)	(13.1)	(14.6)	(24.4)	(30.6)	(22.4)	(16.2)	(9.9)	(6.3)	(3.6)	(10.2)	(6.4)	(12.6)	(10.9)	(8.9)
M	Actual interest rate		7.00%	6.75-7.5%	7.50%	7.75%	7.50%	6.75%	6.25%	5.75%	5.75%	5.76%	6.30%	6.90%	5.80%	5.35%	4.90%	4.80%	4.05%	4.20%	4.35%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
N	Actual return on plan assets		154.5	279.4	55.3	(147.7)	(60.0)	128.3	87.5	72.6	55.4	118.0	(224.0)	160.0	101.9	(12.7)	119.9	217.1	75.1	73.9	73.8	74.5	74.0	63.4	62.0	51.1	49.0	46.9
Assumptions																												
O	Assumed discount** rate for																											
O1	Benefit obligation		6.75-7.5%	7.50%	7.75%	7.50%	6.75%	6.25%	5.75%	5.75%	5.85%	6.30%	6.90%	5.80%	5.35%	4.90%	4.80%	4.05%	4.20%	4.35%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
O2	Benefit cost		7.00%	6.75-7.5%	7.50%	7.75%	7.50%	6.75%	6.25%	5.75%	5.75%	5.76%	6.30%	6.90%	5.80%	5.35%	4.90%	4.80%	4.05%	4.20%	4.35%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
P	Expected return on plan assets		89.4	118.9	105.8	99.9	92.8	80.7	77.7	76.9	54.3	69.4	88.8	70	74.4	75	74.4	217.1	75.1	73.9	73.8	74.5	74	63.4	62	51.1	49.0	46.9
Q	Wage escalation assumed		4-5%	4-4.5%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	3.5%	3.5%	3.5%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
R	Years of amortization assumed		12	12	12	11	11	11	11	11	11	10.17	9.78	9.67	9.31	9.06	9.53	9.00	8.996	8.839	8.693	8.54	8.417	8.312	8.232	8.166	8.107	8.047
S	Funding target percentage per year		77.8%	85.4%	101.4%	92.9%	89.2%	79.6%	83.4%	80.3%	81.2%	95.8%	88.5%	87.0%	80.1%	89.7%	103.2%	100.1%	92.4%	91.8%	90.4%	90.8%	94.2%	98.3%	104.3%	107.2%	109.6%	111.9%
T	"at risk" under PPA (choose one Y/N)		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
U	Tax benefit, in dollars of annual contribution		please refer to narrative response																									
V	Cash flow benefit of cash contribution		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
W	Value of prepaid pension asset		(108.0)	(60.4)	(104.2)	(89.0)	(60.6)	(46.1)	(20.3)	(17.2)	10.9	35.2	75.8	110.3	210.0	261.8	282.4	311.0	288.6	306.8	332.4	352.3	368.1	378.1	390.4	377.8	366.9	358.0
X	Accumulated Other Comprehensive Income/Expense	0	77.0	(216.4)	(163.7)	124.2	365.7	402.4	460.2	444.0	406.3	131.8	403.8	429.9	430.1	564.1	599.1	312.9	498.3	447.6	403.6	377.0	349.7	323.5	299.8	279.2	259.9	241.8

*as determined by the actuarial calculation of future retirement obligations - please specify any assumptions

**as determined by the PPA post 2006. Please specify method determination in earlier years.

***Amounts shown are undiscounted. The Company has the ability to make plan year contributions in the following year. For example, in order to meet a 2015 plan year minimum required contribution of $10 million the Company could make a $11 million contribution during calendar year 2016. The contribution would cover the required minimum contribution amount and any asset returns the pension trust lost out on by having the contribution made in the following year. For this reason, there will be times that it appears based on this schedule the Company contributed slightly more than the minimum ($1-3 million) in a given plan year, when in actuality only the required minimum contribution was made.

NOTE: For all historical values, use information that was available in the year of filing. For future years, use predictions consistent with the company's filings

UM 1633/PacifiCorp
July 29, 2013
CUB Data Request 15

CUB Data Request 15

If in any year, the expected contribution, or actual contribution exceeds the amount required by FAS 87, please explain why the Company chose to make an excess contribution.

Response to CUB Data Request 15

FAS 87 determines the amount of expense the Company recognizes, but does not determine the contribution required. The minimum required contribution is determined based upon Employee Retirement Income Security Act (ERISA) standards.

The Company's response to CUB 2, subpart l, noted that contributions in excess of the minimum were made in 1998, 1999, 2002 to 2005, and 2009.

From 2002 to 2005, the Company made the contributions based on its funding policy. In general, subject to minimum required contributions and maximum deductibility thresholds, beginning January 1, 2001, through the Pension Protection Act becoming effective for the 2008 plan year, the Company's funding policy was to contribute its normal cost plus a five-year amortization of the underfunded actuarial liability as of January 1, 2001. Any subsequent changes in the underfunded actuarial liabilities were also amortized over new five-year amortization periods.

Contributions in 2009 were made to avoid benefit restrictions being placed on the PacifiCorp Retirement Plan.

For excess contributions made in 1998 and 1999, there is no readily available information to ascertain the basis for these contributions. However, the excess contributions served to reduce required contributions in subsequent years.

Under the funding relief provisions of the Moving Ahead for Progress in the 21st Century Act (MAP-21) enacted in July 2012, excess contributions were deemed to be made for the 2012 plan year. This is because the Company was already in the process of contributing its 2012 contributions when MAP-21 was enacted. IRS regulations clarifying the implementation of the MAP-21 provisions were not released until August and September 2012. Although the Company considered reducing its 2012 plan year contributions based on MAP-21 funding relief, it concluded that making the incremental contributions reduced expense by a greater amount than the cost to finance those contributions.

UM 1633/PacifiCorp
July 29, 2013
CUB Data Request 16

CUB Data Request 16

If in any year between 1984 and 2023, the company has a balance credit, or expects a balance credit, please explain (1) whether the Company uses or will use this pension balance credit to offset future contribution requirements and (2) if not, why not.

Response to CUB Data Request 16

The Company's response to CUB 2, subpart l, noted that PacifiCorp had a credit balance from 1998 to 2007. The credit balance was used in accordance with the Company's funding policy.

A credit balance was established in 2012 as a result of MAP-21, which is discussed in the response to CUB 15. The Company anticipates applying this credit balance to future years' minimum required contributions.

The Company considers various factors when determining whether to apply the credit balance to subsequent years (impact on asset returns, Pension Benefit Guaranty Corporation (PBGC) premiums, impact to future year cash contribution requirements). Please note that customers have received the benefit in the years the Company did not apply an existing credit balance (i.e., lower expense).

UM 1633/PacifiCorp
December 6, 2013
CUB Data Request 26

CUB Data Request 26

Please provide an updated version of the Company's response to CUB DR 5 that includes 2012 actual data, and another update with 2013 actual (as opposed to predicted) at the earliest available dates.

Response to CUB Data Request 26

The Company's response to CUB Data Request 5 included actual data for 2012. Actual data for 2013 will be available mid-January 2014. A supplemental response will be provided as soon as possible thereafter.

UM 1633/PacifiCorp
January 30, 2014
CUB Data Request 26 – 1st Supplemental

CUB Data Request 26

Please provide an updated version of the Company's response to CUB DR 5 that includes 2012 actual data, and another update with 2013 actual (as opposed to predicted) at the earliest available dates.

1st Supplemental Response to CUB Data Request 26

Please refer to Attachment CUB 26 1st Supplemental for an updated version of Attachment CUB 5-1 with actual 2013 amounts included. As previously noted, the Company's response to CUB Data Request 5 included actual data for 2012.

	Pension Plan Worksheet, in Millions of $s																Updated for 2013 actuals	Preliminary and unapproved projections										
	YEAR : If provided on a fiscal year basis (3/31/XX or 12/31/XX)		1998	03/31/00	03/31/01	03/31/02	03/31/03	03/31/04	03/31/05	03/31/06	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
	YEAR : If provided on a plan year basis (1/1/XX)	1984	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Status																													
A	Pension Benefit Obligation		(1,168.5)	(1,036.1)	(1,093.1)	(1,039.3)	(1,107.6)	(1,181.7)	(1,287.0)	(1,289.8)	(1,279.4)	(1,059.1)	(1,020.1)	(1,144.5)	(1,180.2)	(1,232.9)	(1,328.7)	(1,172.9)	(1,225.0)	(1,156.3)	(1,087.6)	(1,038.1)	(985.8)	(930.3)	(874.2)	(827.4)	(781.2)	(735.1)	
B(1)	Plan Assets		983.5	1,192.1	1,152.6	826.2	681.2	733.2	806.5	828.6	883.9	962.6	692.1	824.9	960.0	930.7	1,012.0	1,171.0	1015.3	1015.5	1016.4	1013.4	1004.2	984.8	964.7	925.9	888.2	851.2	
B	Prepaid pension asset		(108.0)	(60.4)	(104.2)	(89.0)	(60.6)	(46.1)	(20.3)	(17.2)	10.9	35.2	75.8	110.3	210.0	261.8	282.4	311.0	288.6	306.8	332.4	352.3	368.1	378.1	390.4	377.8	366.9	358.0	
C	Present value of plan assets in $*		884.9	981.4	1,066.9	1,045.9	953.4	853.6	889.4	882.8	910.9	903.9	968.2	763.2	831.6	958.4	1,016.1	1,051.8	1,035.2	1,016.7	1,010.6	1,007.6	996.3	986.2	985.6	950.5	918.1	883.7	
D	Funding target in $		(1,086.4)	(1,044.6)	(1,052.4)	(1,080.3)	(1,018.3)	(1,009.0)	(1,002.3)	(1,022.4)	(1,048.9)	(904.0)	(1,093.4)	(877.2)	(1,037.7)	(1,068.3)	(984.9)	(1,050.9)	(1,083.0)	(1,107.8)	(1,118.4)	(1,109.6)	(1,057.5)	(1,002.8)	(944.9)	(886.6)	(837.8)	(790.0)	
E	Unfunded liability in $/funding shortfall		201.5	63.2	(14.5)	34.4	64.9	155.4	112.9	139.6	138.0	0.1	125.2	114.0	206.1	109.9	(31.2)	(0.9)	47.8	91.1	107.8	102.0	61.2	16.6	(40.7)	(63.9)	(80.3)	(93.7)	
F	Target normal cost		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	28.4	22.2	16.0	12.1	9.9	8.9	10.0	9.7	9.2	8.4	7.2	5.9	0.0	0.0	0.0	0.0	
G	Minimum required contribution, before credit balance		57.7	42.9	38.9	35.6	33.9	60.1	60.2	72.8	83.8	91.6	49.3	44.7	55.8	47.2	25.3	38.4	46.2	31.8	35.4	19.8	18.2	30.9	0.0	0.0	0.0	0.0	
G1	Minimum required contribution, if all credit balance was used		41.5	0.2	0.0	0.0	0.0	11.5	6.2	14.6	17.0	28.1	11.7	44.7	55.8	6.4	0.0	0.0	11.9	31.8	35.3	19.8	18.2	30.9	0.0	0.0	0.0	0.0	
H	Credit balance (A-B)		39.5	89.0	61.4	42.1	45.0	50.1	53.8	61.8	58.8	37.5	0.0	0.0	0.0	0.0	34.6	70.0	34.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
I	Annual contribution in $s																												
I1	Contribution from Company in $s during fiscal year		94.0	68.0	19.4	4.2	26.4	33.4	61.6	63.7	72.7	75.8	65.6	49.6	112.8	66.5	44.9	59.2	0.0	34.4	35.5	26.2	19.4	20.2	18.7	0.0	0.0	0.0	917.9
I1a	Contribution from Company in $s*** for plan year		79.0	87.4	4.2	26.4	33.4	61.6	60.0	76.4	75.8	65.6	12.5	116.3	100.0	44.9	59.2	0.0	13.0	33.1	36.6	20.5	18.8	32.4	0.0	0.0	0.0	0.0	
I2	Contribution from credit balance in $s		0.0	0.0	27.6	5.3	0.0	0.0	0.0	0.0	3.0	21.3	37.5	0.0	0.0	0.0	0.0	35.7	34.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
I3	Capital cost of Company contribution		please refer to separate excel response																										
I4	Debt financing cost of contribution		please refer to separate excel response																										
J	Funding status (choose one Y/N)																												
J1	Underfunded		Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N	Y	Y	Y	Y	Y	Y	N	N	N	N	
J2	Overfunded		N	N	Y	N	N	N	N	N	N	N	N	N	N	N	Y	Y	N	N	N	N	N	N	Y	Y	Y	Y	
J3	Fully funded		N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	
J4	Funding target attainment percentage (A/B)		77.8%	85.4%	101.4%	92.9%	89.2%	79.6%	83.4%	80.3%	81.24%	95.8%	88.5%	87.0%	80.1%	89.7%	103.2%	100.1%	92.4%	91.8%	90.4%	90.8%	94.2%	98.3%	104.3%	107.2%	109.6%	111.9%	
K	Amount recovered in rates (pre-tax)		please refer to separate excel response																										0.0
L	Amount recovered in rates (post-tax)		please refer to separate excel response																										0.0
L1	FAS 87 expense and special charges		(133.6)	(20.4)	(63.2)	11.0	1.9	(18.9)	(35.8)	(60.6)	(44.7)	(51.5)	(25.0)	(15.1)	(13.1)	(14.6)	(24.4)	(30.6)	(22.4)	(16.2)	(9.9)	(6.3)	(3.6)	(10.2)	(6.4)	(12.6)	(10.9)	(8.9)	(538.6)
M	Actual interest rate		7.00%	6.75-7.5%	7.50%	7.75%	7.50%	6.75%	6.25%	5.75%	5.75%	5.76%	6.30%	6.90%	5.80%	5.35%	4.90%	4.80%	4.05%	4.20%	4.35%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	
N	Actual return on plan assets		154.5	279.4	55.3	(147.7)	(60.0)	128.3	87.5	72.6	55.4	118.0	(224.0)	160.0	101.9	(12.7)	119.9	217.1	75.1	73.9	73.8	74.5	74.0	63.4	62.0	51.1	49.0	46.9	
Assumptions																													
O	Assumed discount** rate for																												
O1	Benefit obligation		6.75-7.5%	7.50%	7.75%	7.50%	6.75%	6.25%	5.75%	5.75%	5.85%	6.30%	6.90%	5.80%	5.35%	4.90%	4.80%	4.05%	4.20%	4.35%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	
O2	Benefit cost		7.00%	6.75-7.5%	7.50%	7.75%	7.50%	6.75%	6.25%	5.75%	5.75%	5.76%	6.30%	6.90%	5.80%	5.35%	4.90%	4.80%	4.05%	4.20%	4.35%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	
P	Expected return on plan assets		89.4	118.9	105.8	99.9	92.8	80.7	77.7	76.9	54.3	69.4	88.8	70	74.4	75	74.4	217.1	75.1	73.9	73.8	74.5	74	63.4	62	51.1	49.0	46.9	
Q	Wage escalation assumed		4-5%	4-4.5%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	3.5%	3.5%	3.5%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
R	Years of amortization assumed		12	12	12	11	11	11	11	11	11	10.17	9.78	9.67	9.31	9.06	9.53	9.00	8.996	8.839	8.693	8.54	8.417	8.312	8.232	8.166	8.107	8.047	
S	Funding target percentage per year		77.8%	85.4%	101.4%	92.9%	89.2%	79.6%	83.4%	80.3%	81.2%	95.8%	88.5%	87.0%	80.1%	89.7%	103.2%	100.1%	92.4%	91.8%	90.4%	90.8%	94.2%	98.3%	104.3%	107.2%	109.6%	111.9%	
T	"at risk" under PPA (choose one Y/N)		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	
U	Tax benefit, in dollars of annual contribution		please refer to narrative response																										
V	Cash flow benefit of cash contribution		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
W	Value of prepaid pension asset		(108.0)	(60.4)	(104.2)	(89.0)	(60.6)	(46.1)	(20.3)	(17.2)	10.9	35.2	75.8	110.3	210.0	261.8	282.4	311.0	288.6	306.8	332.4	352.3	368.1	378.1	390.4	377.8	366.9	358.0	
X	Accumulated Other Comprehensive Income/Expense	0	77.0	(216.4)	(163.7)	124.2	365.7	402.4	460.2	444.0	406.3	131.8	403.8	429.9	430.1	564.1	599.1	312.9	498.3	447.6	403.6	377.0	349.7	323.5	299.8	279.2	259.9	241.8	

*as determined by the actuarial calculation of future retirement obligations - please specify any assumptions
**as determined by the PPA post 2006. Please specify method determination in earlier years.

***Amounts shown are undiscounted. The Company has the ability to make plan year contributions in the following year. For example, in order to meet a 2015 plan year minimum required contribution of $10 million the Company could make a $11 million contribution during calendar year 2016. The contribution would cover the required minimum contribution amount and any asset returns the pension trust lost out on by having the contribution made in the following year. For this reason, there will be times that it appears based on this schedule the Company contributed slightly more than the minimum ($1-3 million) in a given plan year, when in actuality only the required minimum contribution was made.

NOTE: For all historical values, use information that was available in the year of filing. For future years, use predictions consistent with the company's filings

UM 1633/PacifiCorp
December 6, 2013
CUB Data Request 32

CUB Data Request 32

Please explain why in response to CUB DR 5, the Company provides no data before 1998.

Response to CUB Data Request 32

As previously noted in the Company's response to CUB Data Request 5, data before 1998 is not readily available. In addition, the Company's recovery of pension expense in customer rates before 1998 was based on contributions, not FAS 87 expense.

UM 1633/PacifiCorp
December 6, 2013
CUB Data Request 33

CUB Data Request 33

In Oregon PUC Order 01-787, pages 42 & 43, the Company was denied the request to amortize pension costs that were stranded as a result of the accounting legislation regarding pensions that had recently taken effect. Are any of those monies that were denied, included in the Companies prepaid pension asset, or in the response to CUB DR5 in any manner? If so, please describe in detail where and how. If not, please demonstrate that this money was not included.

Response to CUB Data Request 33

Yes, the $86.877 million of unrecovered FAS 87 expense (total-company) referred to in Oregon PUC Order 01-787 is included as a reduction to the prepaid pension asset despite its lack of recovery in rates.

UM 1633/PacifiCorp
April 8, 2014
CUB Data Request 40

CUB Data Request 40

Using PacifiCorp's response to CUB DR5, and the corresponding cells, please explain how the company calculates the prepaid pension asset in any given year.

Response to CUB Data Request 40

As discussed in the direct testimony of the Joint Utilities, the difference between total cumulative contributions made to the pension trust and the cumulative pension expense recognized over the life of the plan equals either a prepaid pension asset (when contributions exceed pension expense) or accrued pension liability (when pension expense exceeds contributions).

Referring to PacifiCorp's response to CUB Data Request 5, to calculate the prepaid pension asset in a given year, take row B from the previous period (the prepaid pension asset at the end of the prior year), add row I1 from the current period (the amount of contributions made in the current year) and add L1 from the current period, (the amount of pension expense recognized in the current year). Because pension expense reduces the prepaid pension asset, and the prepaid pension asset is presented as a positive amount in the CUB 5 response, pension expense is presented as a negative amount in the response. Because contributions increase the prepaid pension asset, they are presented as positive amounts in the CUB 5 response.

UM 1633/PacifiCorp
November 25, 2014
CUB Data Request 42

CUB Data Request 42

Please provide FAS 88 charges on a Total Company and an Oregon Only basis for all years since 1987, with a detailed explanation of the charges. In addition, please provide all documentation discussing the value of the actions that caused said FAS 88 charges to be incurred.

Response to CUB Data Request 42

Please refer to Attachment CUB 43 for the FAS 88 charges on total-company and Oregon-allocated bases. As discussed in the Company's response to CUB Data Request 2, subpart (d) and CUB Data Request 34, the FAS 88 expenses incurred from 1998 through the fiscal year ended March 31, 2003, represented one-time charges associated with early retirement programs and workforce transition plans accounted for under FAS 88. The credits in fiscal years ended March 31, 2000, and March 31, 2003, were true-up adjustments of the 1998 and March 31, 2001 early retirement programs.

In 2008, the FAS 88 gain was the result of a one-time election for non-union participants to elect enhanced 401(k) benefits instead of continued benefit accruals in the pension plan. In 2010, the FAS 88 gain was the result of freezing certain participants' benefits in the pension plan and providing them with 401(k) benefits.

These amounts have been included in rates; the value of the actions that caused the FAS 88 expense to be incurred would have been addressed in the following rate cases.

Fiscal Year of FAS 88 Expense	**Docket Addressed**
1998 and 3/31/2000	UE-111
3/31/2001 and 3/31/2003	UE-147, UM-978
2008	UE-210, UM-1400
2010	UE-217

The Company only provides information since 1998 because actuarial reports before 1998 are not readily available. This timing also aligns with the change to recovery based on FAS 87 pension expense beginning in 1998, as discussed in the Company's response to CUB Data Request 13.

UM 1633/PacifiCorp
November 25, 2014
CUB Data Request 43

CUB Data Request 43

It is CUB's understanding that the prepaid pension asset is calculated in the following way:

Year End Prepaid Pension asset = Year Begin Prepaid Pension Asset
+Annual Contribution
-FAS 87 Expense
-FAS 88 Expense

a. Please verify the accuracy of this statement.
b. If the Company uses a formula other than that set forth above, please set forth the current, and all prior formulas, by year.
c. Using the appropriate formula, as indicated above for each year, and using the attached spreadsheet[1], please provide all data to demonstrate the calculation of the Company's actual prepaid pension asset.[2] In other words, please provide reconciliation of the prepaid pension asset and its components. Please leave the cells workable and formulaic.

Response to CUB Data Request 43

a. Yes, the only exception is related to a spinoff when, effective with the acquisition of the Company by MidAmerican Energy Holdings Company in March 2006, the non-regulated employees were separated from the Company's plan and transferred to a plan formed under the ScottishPower group. As a result, the benefit obligation associated with these participants, a portion of plan assets, and a portion of unrecognized losses (collectively, the prepaid pension asset associated with the transferred employees) were transferred to the ScottishPower successor plan, resulting in a net reduction to the prepaid pension asset. The net loss on the transaction reduced equity and was not recovered from customers. The amount of assets transferred was determined based on Employee Retirement Income Security Act (ERISA) requirements.
b. N/A.
c. Please refer to Attachment CUB 43. The Company only provides information since 1998 because actuarial reports before 1998 are not readily available. This timing also aligns with the change to recovery based on FAS 87 pension expense beginning in 1998, as discussed in the response to CUB 13.

[1] See PPA Reconciliation Sheet.
[2] CUB understands that some of the data requested here may have been provided in response to prior data requests. CUB nevertheless requests provision of the data in the form described above for the sake of completeness and clarity of the requested calculation.)

UM 1633/PacifiCorp
November 25, 2014
CUB Data Request 44

CUB Data Request 44

Regarding the FAS 88 expenses in 1998 and 2001, reported in OPUC DR 26 [redacted] please explain (1) the nature of these charges, and how, in any way, they were related to mergers or acquisitions and (2) why they were so much larger than the other years surrounding them.

Response to CUB Data Request 44

Please refer to the Company's response to CUB Data Request 42 for a discussion of the nature of the charges. The FAS 88 charges for the 1998 early retirement program and the 2001 workforce transition plans were driven by enhanced benefits provided by those plans. The 2001 workforce transition plans charge was related to the ScottishPower acquisition.

The FAS 88 curtailment gains in 2008 resulted from the Company's offer to employees to elect having their benefits in the pension plan frozen and instead earn enhanced benefits in the Company's 401(k) plan. A similar arrangement was made with a union group in 2010. As a result of those participants whose benefits were frozen, the Company was required to accelerate recognition of prior service credits under curtailment accounting requirements. (The prior service credits subjected to accelerated recognition were primarily related to the plan's previous changes to a cash balance formula from a final average pay formula for nonunion and certain union groups).

UM 1633/PacifiCorp
January 23, 2015
OPUC Data Request 43

OPUC Data Request 43

Please provide the 2014 actual year-end amounts and the most updated current actual balances for the following items:

(a) Prepaid pension asset / accrued pension liability balance;
(b) Accumulated deferred tax benefit associated with the prepaid pension asset;
(c) Funding status percentage of each of the Company's pension plans; and,
(d) Cumulative funding percentage of the Company's pension plans.

Response to OPUC Data Request 43

(a) $304.8 million prepaid pension asset;

(b) $116.0 million associated accumulated deferred tax benefit;

(c) Pension Benefit Obligation (PBO) funding percentage of 87.2%; and

(d) Please refer to response to (c), above.

NW Natural

Rates & Regulatory Affairs

UM 1633 – Investigation into
Treatment of Pension Costs in Utility Rates

Data Request Response

Request No. UM 1633-CUB-DR 5**:**
Please complete the attached spreadsheet. Attach any necessary workpapers and additional spreadsheets with your response.

Response:

Please refer to UM 1633 CUB DR 5 for the Company's data. Below are clarifying explanations for certain lines and columns in the spreadsheet.

"N/A" Responses: Unless otherwise indicated below, years for which "N/A" is shown indicates that the information is unavailable.

Year 1986: The Company adopted FAS 87 for accounting purposes in 1986. Companies were required to adopt the standard by 1987; however, early adoption was permitted and even encouraged in the accounting standard's language.

Years 2022-2023: Actuarial estimates of the accounting results are only available through 2021. The report provided in UM 1633 CUB DR 14 Attachment-1 CONFIDENTIAL shows amounts through 2022; however, the accounting results are on a year-lag.

Line A: The actuaries calculate the pension benefit obligation each year using several assumptions including (this is not an exhaustive list):

- Discount rate used to present value the future pension obligation
- Retirement age, life expectancy, and turnover
- Expected wage increases and final average pay
- Expected percentage of employees that will take a lump-sum payment at retirement

Line B: Amounts shown represent the cumulative contributions in excess (or for two years below) cumulative FAS 87 expense.

Line C: CUB included in the template a footnote to this line clarifying "as determined by the actuarial calculation of future retirement obligations - please specify any assumptions". We believe this note actually pertains to Line A instead which is the

Pension Benefit Obligation. See above for a list of assumptions. The amounts shown on Line C are the fair value (i.e. market value) of the plan assets for each year reported.

Line E: Represents the funded status of the plan at year-end. It is calculated as the fair value of plan assets less the pension benefit obligation (Line C les Line A).

Line G: Represents the minimum funding requirement at the beginning of the year.

Line H: We are unsure what information CUB is requesting in this line. The pension benefit obligation less the prepaid pension asset does not result in a “credit balance”. If by “credit balance” CUB is asking whether the plan is overfunded (i.e. plan assets are greater than the obligation), this information is provided on Lines J1 through J3. If, instead, CUB means whether the prepaid pension asset is actually a liability (i.e. cumulative contributions is less than cumulative expense), this information is provided in Line B.

Line I3: Represents the Commission-authorized return on equity.

Line I4: Represents the Commission-authorized cost of long-term debt. In some years, the Company had preferred stock; however, the Commission-authorized return is not weighted in this line.

Line J4: We are unsure what information CUB is requesting in this line. The pension benefit obligation divided by the prepaid pension asset does not result in the level of funding target the Company achieved. For the funding target attainment, please refer to Line S.

Line L: We are unsure what information CUB is requesting in this line. If “post tax” mean what customers pay assuming the franchise tax is included, the Company does not calculate this because franchise taxes are remitted to the specific jurisdictions and not retained. If “post tax” means the amount collected multiplied by the Company’s combined state and federal tax rate, the Company does not calculate this as the tax rate is only applied after including total revenues and expenses.

Line L1: The amounts shown represent the actual total FAS 87 expense incurred (both O&M and capital).

Lines M, N, Q, R: For historical years where combined amounts were unavailable, a simple average of the BU and NBU plans was shown.

Lines O1 and O2: The interest rate on the benefit cost lags one year behind the rate used for determining the pension benefit obligation. The interest rate is actuarially determined using benchmark rates from market indices. For further explanation, please refer to the Company’s response to UM1633 OPUC DR 8o.

Line S: Funding target percentage first began to be calculated in 2008 with the implementation of the 2006 Pension Protection Act. As such, we have included the available percentages from 2008 through 2012. These figures are calculated using a simple average between the BU and NBU plans.

Line U: Tax deductions are allowed for contributions (up to an annual limit allowed) in excess of FAS 87 expense. Please note that the amounts shown are the deferred taxes calculated using a 39.88% effective tax rate on contributions less FAS 87 expense. Also, while the records for deductions prior to 1996 are unavailable, total deductions taken on contributions made prior to this year total $0.7 million. The total deduction for 2012 contributions is not yet available as the Company will not file its 2012 tax return until September 2013. For further discussion of tax benefits, please refer to UM 1633 CUB DR 7.

Line V: In no year did the Company have cash flow benefits from pension plan contributions.

NW Natural

Rates & Regulatory Affairs

UM 1633 – Investigation into
Treatment of Pension Costs in Utility Rates

Data Request Response

Request No. UM 1633-CUB-DR 26**:**
Please provide an updated version of the Company's response to CUB DR 5 that includes 2012 actual data, and another update with 2013 actual (as opposed to predicted) at the earliest available dates.

Response: 12/6/2013

Our original response to CUB DR 5 includes 2012 actual data. The 2013 actuarial data will be available at the end of January and we will update CUB DR 5 with that data as soon as practicable.

NW Natural

Rates & Regulatory Affairs

UM 1633 – Investigation into
Treatment of Pension Costs in Utility Rates

Data Request Response

Request No. UM 1633-CUB-DR 10**:**
Please provide any other ratemaking treatment of pensions used between 1986 and 2012.

Response:

Per Order No. 11-051 in In UM 1475, the Company established a pension balancing account whereby the difference in actual FAS 87 expense (O&M portion) and the amount embedded in rates is deferred. In 2011, the amount included in base rates as set in the 2003 rate case (Docket No. UG 152) was approximately $3.9 million.

As stipulated, the Company did not seek in its recent rate case (Docket No. UG 221) a change to the level of FAS 87 expense included in rates.

NW Natural

Rates & Regulatory Affairs

UM 1633 – Investigation into
Treatment of Pension Costs in Utility Rates

Data Request Response

Request No. UM 1633-CUB-DR 26**:**
Please provide an updated version of the Company's response to CUB DR 5 that includes 2012 actual data, and another update with 2013 actual (as opposed to predicted) at the earliest available dates.

Response: 12/6/2013

Our original response to CUB DR 5 includes 2012 actual data. The 2013 actuarial data will be available at the end of January and we will update CUB DR 5 with that data as soon as practicable.

NW Natural

Rates & Regulatory Affairs

UM 1633 – Investigation into
Treatment of Pension Costs in Utility Rates

Data Request Response

Request No. UM 1633-CUB-DR 35**:**
Since the Company switched to FAS 87 recovery, in which years, if any, were contributions to the pension plans facilitated via methods other than (1) cash or (2) prior year credit balance? In years in which other contribution methods were used, please provide
a. The year
b. The amount
c. The source of funding (i.e. credit or loan from life insurance plan, etc.)
d. Any communication with the Board of Directors related to the use of other contribution methods.

Response: 05/15/2014
The only method used by the Company to fund the pension plan has been through cash contributions.

Please note that, in 2008, the Company requested and received approval from the Board of Directors to use Company Owned Life Insurance ("COLI") policies, in lieu of cash contributions, to fund the pension contribution requirement for that particular year due to the unstable financial market conditions and the Company's desire to preserve cash balances if necessary. However, the Company was able to borrow under short-term credit facilities and therefore did not elect to use COLI policies in lieu of cash to fund the plans.

In regards to credit balances, these primarily arise as a result of changes in plan assumptions and performance. The Funding Standard Carryover Balance ("FSCB") is a credit balance that may be applied towards minimum contribution levels. For NW Natural, credit balances have arisen when the Company has made contributions in accordance with its funding policy and those contributions were in excess of IRS minimum funding levels. (See UM 1633 CUB DR 2(n) for details on our funding policies)

As of January 1, 2008, NW Natural had a credit balance of $20.2 million. This was largely driven from an increase in the funded status of the plan, allowing a portion of the contributions made by NW Natural in 2005 to carry forward as credit balances. The minimum required contribution increased in the 2008 and 2009 plan years as a result of changes in funding requirements (Pension Protection Act) and changes in plan assumptions and performance (i.e. great recession). NW Natural used its available credit balance carryover to reduce these increased minimum required contributions and paid the remainder with new cash.

In April 2009, NWN contributed $25 million to satisfy the remaining minimum required contributions and maintain a funded ratio of at least 80%, the threshold at which benefit restrictions begin to apply.

NW Natural

Rates & Regulatory Affairs

UM 1633 – Investigation into
Treatment of Pension Costs in Utility Rates

Data Request Response

Request No. UM 1633-CUB-DR 43**:**
It is CUB's understanding that the prepaid pension asset is calculated in the following way:
Year End Prepaid Pension asset = Year Begin Prepaid Pension Asset
+Annual Contribution
-FAS 87 Expense
-FAS 88 Expense
a. Please verify the accuracy of this statement.
b. If the Company uses a formula other than that set forth above, please set forth the current, and all prior formulas, by year.
c. Using the appropriate formula, as indicated above for each year, and using the attached spreadsheet, please provide all data to demonstrate the calculation of the Company's actual prepaid pension asset.* In other words, please provide reconciliation of the prepaid pension asset and its components. Please leave the cells workable and formulaic.

*CUB understands that some of the data requested here may have been provided in response to prior data requests. CUB nevertheless requests provision of the data in the form described above for the sake of completeness and clarity of the requested calculation.

Response: 11/26/2014

a. NW Natural has not incurred any FAS 88 expenses since 1987, however it is our understanding that your calculation as presented is correct.

b.-c. See amounts presented in the chart below. We have no proposed formula adjustments.

Pension Plan Worksheet, in Millions of $s YEAR	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Year Begin Prepaid pension asset	0	0	0	0	0	1	1	2	1	1	2	3	6	8	13	17	17	11	12	36	28	21	17	27	26	30	35
Annual contribution in $s	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	0	8	31	0	0	0	25	10	20	24	12
FAS 87 expense (actual)	0	0	0	0	0	(1)	0	(1)	0	1	1	3	2	5	4	0	(6)	(7)	(7)	(8)	(7)	(4)	(15)	(11)	(16)	(19)	(22)
FAS 88 expense (actual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Year end prepaid pension asset	0	0	0	0	1	1	2	1	1	2	3	6	8	13	17	17	11	12	36	28	21	17	27	26	30	35	25

CUB EXHIBIT 535 IS CONFIDENTIAL PURSUANT TO PROTECTIVE ORDER 13-013. HARD COPIES OF THIS EXHIBIT WILL BE MAILED TO THE COMMISSION AND THOSE PARTIES THAT HAVE SIGNED THE PROTECTIVE ORDER.

NW Natural

Rates & Regulatory Affairs

UM 1633 – Investigation into
Treatment of Pension Costs in Utility Rates

Data Request Response

Request No. UM 1633-OPUC-DR 38**:**
Please provide the 2014 actual year-end amounts and the most updated current actual balances for the following items:

a. Prepaid pension asset / accrued pension liability balance;
b. Accumulated deferred tax benefit associated with the prepaid pension asset;
c. Funding status percentage of each of the Company's pension plans; and,
d. Cumulative funding percentage of the Company's pension plans.

Response:

[redacted]

c. NW Natural does not currently have 2014 actual year information regarding its funding status percentage for its pension plan. This information depends on receiving actuarial reports which NW Natural will not receive until around the end of January. NW Natural will provide the information at that time.

d. NW Natural does not currently have 2014 actual year information regarding its cumulative funding percentage for its pension plan. This information depends on receiving actuarial reports which NW Natural will not receive until around the end of January. NW Natural will provide the information at that time.

NW Natural

Rates & Regulatory Affairs

UM 1633 – Investigation into
Treatment of Pension Costs in Utility Rates

Data Request Response

Request No. UM 1633-OPUC-DR 38**:**
Please provide the 2014 actual year-end amounts and the most updated current actual balances for the following items:

a. Prepaid pension asset / accrued pension liability balance;
b. Accumulated deferred tax benefit associated with the prepaid pension asset;
c. Funding status percentage of each of the Company's pension plans; and,
d. Cumulative funding percentage of the Company's pension plans.

Response – *UPDATED 2-6-15*:

a. [redacted]

b.

c. NW Natural does not currently have 2014 actual year information regarding its funding status percentage for its pension plan. This information depends on receiving actuarial reports which NW Natural will not receive until around the end of January. NW Natural will provide the information at that time.

UPDATED 2-6-15:

NW Natural's Funding Status Percentage for its pension plan as of the end of 2014 is [redacted]

d. NW Natural does not currently have 2014 actual year information regarding its cumulative funding percentage for its pension plan. This information depends on receiving actuarial reports which NW Natural will not receive until around the end of January. NW Natural will provide the information at that time.

UPDATED 2-6-15**:** Because NW Natural only has one pension plan, the answer to this request is the same as is provided in response to c above.

July 29, 2013

TO: Catriona McCracken
Citizens' Utility Board of Oregon (CUB)

Jaime McGovern
Citizens' Utility Board of Oregon (CUB)

FROM: Patrick G. Hager
Manager, Regulatory Affairs

PORTLAND GENERAL ELECTRIC
UM 1633
PGE Response to CUB Data Request No. 005
Dated July 16, 2013

Request:

Please complete the attached spreadsheet. Attach any necessary workpapers and additional spreadsheets with your response.

Response:

PGE objects to this request as vague and unduly burdensome. Notwithstanding this objection, PGE responds as follows:

The requested spreadsheet is provided as Attachment 005-A. Attachment 005-A is confidential and subject to Protective Order No. 13-013.

However, several items require clarification:

FAS 87 expense and related pension measurement assumptions were adopted for financial statements beginning in 1987, therefore PGE is not providing data for years 1984 through 1986.

Regarding row E, the undefined liability in $/Funding shortfall has been interpreted to mean the dollar value difference between the Adjusted Value of Plan Assets and the Funding Target.

The Adjusted Value of Plan Assets represents the Value of Plan Assets for PPA purposes less the Funding Standard Carryover Balance (FSCB).

The Funding Target represents the present value of all benefits as calculated under IRS rules that have been accrued or earned under the plan as of the first day of the plan year, based on current service and current pay.

The relationship between the Adjusted Value of Plan Assets and Funding Target is also expressed as a ratio in row K.

Regarding row H, the credit balance (or "funding credit") also known as the Funding Standard Carryover Balance is not calculated as row A minus row B. Rather, it is calculated as the FSCB as of the last day of the prior plan year, reduced by any amount used to offset the Minimum Required Contribution for the plan year and any election to reduce the FSCB. After these reductions, the FSCB is adjusted for the plan's actual investment experience during the year.

Regarding row J4, the funding target attainment percentage is not calculated as row A divided by row B. Rather, it is the Value of Plan Assets for PPA purposes divided by the funding target (row D).

Regarding row K, per a discussion with CUB Staff, PGE understands that this is seeking amounts used to set rates rather than amounts recovered, which are subject to factors such as changes in loads, etc. The amount used for setting rates in 1997 was approximately $0.8 million (this amount is approximate as PGE agreed to an overall reduction to its rate case request of approximately 5%). At this time, PGE is unable to identify the amounts used for setting customer prices prior to 1997.

Regarding row L, per the understanding regarding row K (above), PGE and other Oregon utilities establish a revenue requirement (pre-tax) for ratemaking purposes rather than on a regulated net income (post-tax) basis. As such, this row is not applicable.

Regarding row M, PGE interprets "[a]ctual interest rate" as "discount rate for FAS 87 purposes".

Regarding row U, the actual tax benefit of a cash contribution is subject to PGE's taxable income and other tax deductions in a particular year. Refer to PGE's response to CUB Data Request No. 007 for an explanation of deferred tax accounting related to pensions.

Regarding row V, per a discussion with CUB Staff, PGE understands this to be a reference to page 57 of PGE's 2012 10-K. On this page, PGE discusses its cash flows from operating activities comparing 2011 (a $26 million pension-related outflow) to 2012 ($0 million). This year-over-year change is the "improvement" referenced by the title for row V. Other than in the context of a year-over-year comparison, a cash contribution does not provide a cash flow benefit. PGE has provided actual and projected cash contributions in row I.

y:\ratecase\opuc\dockets\um-1633 (pension costs)\dr-in\cub\cub_dr_005.docx

UM 1633

Attachment 005-A

Confidential and Subject to Protective Order No. 13-013

CUB's Spreadsheet

CUB EXHIBIT 537 ATTACHMENTS A AND B ARE CONFIDENTIAL PURSUANT TO PROTECTIVE ORDER 13-013. ELECTRONIC COPIES OF THESE ATTACHMENTS WILL BE MAILED TO THE COMMISSION AND THOSE PARTIES THAT HAVE SIGNED THE PROTECTIVE ORDER.

July 29, 2013

TO: Catriona McCracken
Citizens' Utility Board of Oregon (CUB)

Jaime McGovern
Citizens' Utility Board of Oregon (CUB)

FROM: Patrick G. Hager
Manager, Regulatory Affairs

PORTLAND GENERAL ELECTRIC
UM 1633
PGE Response to CUB Data Request No. 007
Dated July 16, 2013

Request:

Are there any tax benefits from the pension plan, prepaid pension asset, and/or it's contributions?

Response:

Tax pension expense is equal to cash contributions to the pension plan, adjusted for the portion of the cash contribution that is capitalized for tax purposes. GAAP pension expense is determined by FAS 87.

When pension expense for GAAP is higher than pension expense for tax, a deferred tax asset arises (or reduces a deferred tax liability), increasing rate base.

When pension expense for tax is higher than pension expense for GAAP, a deferred tax liability arises (or reduces a deferred tax asset), decreasing rate base.

Since the pension plan's inception, cash contributions have exceeded pension expense, creating a "prepaid pension asset". The tax effect on this cumulative prepaid pension asset is partially offset by a corresponding deferred tax liability, which is a reduction to rate base currently.

July 29, 2013

TO: Catriona McCracken
Citizens' Utility Board of Oregon (CUB)

Jaime McGovern
Citizens' Utility Board of Oregon (CUB)

FROM: Patrick G. Hager
Manager, Regulatory Affairs

PORTLAND GENERAL ELECTRIC
UM 1633
PGE Response to CUB Data Request No. 026
Dated July 16, 2013

Request:

On the Company's 10-k filed in February 2013, on page 104, for Defined Benefit Pension Plans, the Company lists in years 2011 and 2012, Benefit obligation/As of January 1/Service cost as $12m and $14m respectively. Please illustrate the calculation of these figures, and detail the assumptions used.

Response:

PGE objects to this request on the basis that it is overly burdensome. Notwithstanding this objection, PGE responds as follows:

PGE provided a detailed explanation of the development of 2012 service cost in PGE's response to OPUC Data Request No. 010, Attachment 10-A. This attachment is provided here for convenience as Attachment 026-A.

Attachment 026-A is confidential and subject to Protective Order No. 13-013.

y:\ratecase\opuc\dockets\um-1633 (pension costs)\dr-in\cub\cub_dr_026.docx

UM 1633

Attachment 026-A

Confidential and Subject to Protective Order No. 13-013

Attachment A to OPUC Data Request No. 10

CUB Exhibit 539 Attachment A is confidential pursuant to protective order 13-013. An electronic copy of this attachment will be mailed to the Commission and those parties that have signed the protective order.

September 23, 2013

TO: Nadine Hanhan
Citizens' Utility Board of Oregon (CUB)
Nadine@oregoncub.org
dockets@oregoncub.org

FROM: Patrick G. Hager
Manager, Regulatory Affairs

PORTLAND GENERAL ELECTRIC
UM 1633
PGE Response to CUB Data Request No. 031
Dated September 6, 2013

Request:

For every year in which the company made a shareholder contribution in excess of the minimum required contribution (stated in CUB DR 5), please explain why the Company chose to make a contribution beyond the required amount.

Response:

In 2005, PGE made a shareholder contribution of $10 million that was in excess of the minimum required contribution. The reasons and benefits of this contribution included a reduction to 2005 pension expense by an estimated $0.9 million, a 2005 estimated tax benefit of approximately $4 million, and an increase to the funded status of the plan reducing expense and potential cash contributions for future years. In 2011, PGE made a contribution of $26 million (which would have otherwise been required under the Pension Protection Act by 2012/2013) because it created a tax benefit and reduced future pension expense, benefitting customers.

April 8, 2014

TO: Nadine Hanhan
Citizens' Utility Board of Oregon (CUB)
nadine@oregoncub.org
dockets@oregoncub.org

FROM: Patrick G. Hager
Manager, Regulatory Affairs

PORTLAND GENERAL ELECTRIC
UM 1633
PGE Response to CUB Data Request No. 040
Dated March 25, 2014

Request:

Using PGE's response to CUB DR5, and the corresponding cells, please explain how the company calculates the prepaid pension asset in any given year.

Response:

For any given year, the prepaid pension asset/accrued pension liability can be calculated using the following calculation:

  Present Value of Pension Plan Assets (Row C)
+ Accumulated Other Comprehensive Income/Expense (Row X)
- Pension Benefit Obligation (Row A)
= Prepaid Asset (Row B)

November 25, 2014

TO: Nadine Hanhan
Citizens' Utility Board of Oregon (CUB)

FROM: Patrick G. Hager
Manager, Regulatory Affairs

PORTLAND GENERAL ELECTRIC
UM 1633
PGE Response to CUB Data Request No. 042
Dated November 12, 2014

Request:

Please provide FAS 88 charges on a Total Company and an Oregon Only basis for all years since 1987, with a detailed explanation of the charges. In addition, please provide all documentation discussing the value of the actions that caused said FAS 88 charges to be incurred.

Response:

After a detailed review of SEC 10-K filings from 1987 to present, PGE has identified a FAS 88 curtailment credit of approximately $5 million, recorded in 1999. This was a one-time nonrecurring credit associated with certain union employees ceasing participation in the pension plan as a result of union negotiations. PGE has represented this amount in previous data responses as part of PGE's 1999 total net periodic pension benefit of approximately $12 million.

November 25, 2014

TO: Nadine Hanhan
Citizens' Utility Board of Oregon (CUB)

FROM: Patrick G. Hager
Manager, Regulatory Affairs

PORTLAND GENERAL ELECTRIC
UM 1633
PGE Response to CUB Data Request No. 043
Dated November 12, 2014

Request:

It is CUB's understanding that the prepaid pension asset is calculated in the following way:

Year End Prepaid Pension asset = Year Begin Prepaid Pension Asset
+Annual Contribution
-FAS 87 Expense
-FAS 88 Expense

a. Please verify the accuracy of this statement.
b. If the Company uses a formula other than that set forth above, please set forth the current, and all prior formulas, by year.
c. Using the appropriate formula, as indicated above for each year, and using the attached spreadsheet[1], please provide all data to demonstrate the calculation of the Company's actual prepaid pension asset[2] In other words, please provide reconciliation of the prepaid pension asset and its components. Please leave the cells workable and formulaic.

Response:

a. See PGE's response to OPUC Data Request No. 23.

[1] See PPA Reconciliation Sheet

[2] CUB understands that some of the data requested here may have been provided in response to prior data requests. CUB nevertheless requests provision of the data in the form described above for the sake of completeness and clarity of the requested calculation.)

b. In addition to the method described above, the prepaid pension asset for any given period is calculated as the sum of unrecognized costs and the funded status of the plan as described in Joint Testimony Exhibit 200, page 12.
c. See PGE's response to OPUC Data Request No. 23.

y:\ratecase\opuc\dockets\um-1633 (pension costs)\dr-in\cub\cub_dr_043.docx

December 19, 2014

TO: Nadine Hanhan
Citizens' Utility Board of Oregon (CUB)

FROM: Patrick G. Hager
Manager, Regulatory Affairs

PORTLAND GENERAL ELECTRIC
UM 1633
PGE *First Supplemental* Response to CUB Data Request No. 043
Dated November 12, 2014

Request:

It is CUB's understanding that the prepaid pension asset is calculated in the following way:

Year End Prepaid Pension asset = Year Begin Prepaid Pension Asset
+Annual Contribution
-FAS 87 Expense
-FAS 88 Expense

a. Please verify the accuracy of this statement.
b. If the Company uses a formula other than that set forth above, please set forth the current, and all prior formulas, by year.
c. Using the appropriate formula, as indicated above for each year, and using the attached spreadsheet[1], please provide all data to demonstrate the calculation of the Company's actual prepaid pension asset[2] In other words, please provide reconciliation of the prepaid pension asset and its components. Please leave the cells workable and formulaic.

Response (Dated November 25, 2014):

a. See PGE's response to OPUC Data Request No. 23.

[1] See PPA Reconciliation Sheet
[2] CUB understands that some of the data requested here may have been provided in response to prior data requests. CUB nevertheless requests provision of the data in the form described above for the sake of completeness and clarity of the requested calculation.)

b. In addition to the method described above, the prepaid pension asset for any given period is calculated as the sum of unrecognized costs and the funded status of the plan as described in Joint Testimony Exhibit 200, page 12.
c. See PGE's response to OPUC Data Request No. 23.

First Supplemental Response (Dated December 19, 2014):

Per a discussion with CUB on December 12, 2014, PGE is providing additional information in order to define "unrecognized costs" and demonstrate the method described in part b. above.

Unrecognized costs as defined in Joint Testimony Exhibit 200, page 4 are:

> "The change in liability due to plan changes, changes in actuarial assumptions used to value plan liabilities, differences between expected and actual asset returns, and/or experienced gains or losses (that) will be recognized over time and are subject to amortization. The amortization period is not to exceed the average future lifetime of plan participants. In amortizing unrecognized gains or losses, a 10% corridor is allowed to be used in which only those gains or losses in excess of the greater of 10% of the PBO or the market-related value of assets are subject to amortization."

Pension plan contributions in excess of expense are included on the balance sheet as an unrecognized cost listed in accumulated other comprehensive loss (AOCL). As such, the prepaid pension asset, defined as the accumulated difference between pension expense and cash contributions, can be calculated using financial statements by determining all unrecognized costs (as included in AOCL) net of the plan's funded status.

The components (as described in part b) used to determine PGE's December 31, 2013 prepaid pension asset are as follows:

($ millions)		
Fair Value of Plan Assets		$596
Pension Benefit Obligation	-	$705
Funded Status (millions)	=	($109)
Amounts included in AOCL	+	$186
Prepaid Pension Asset	=	$77

These components can be found and are highlighted on page 106 of PGE's 2013 SEC Form 10-K, provided as Attachment 043-A.

UM 1633

PGE *First Supplemental* Response to CUB DR No. 043

Attachment 043-A

PGE 2013 SEC Form 10-K, Page 106

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, continued

The following tables provide certain information with respect to the Company's defined benefit pension plan, other postretirement benefits, and non-qualified benefit plans as of and for the years ended December 31, 2013 and 2012 . Information related to the Other NQBP is not included in the following tables (dollars in millions):

	Defined Benefit Pension Plan		Other Postretirement Benefits		Non-Qualified Benefit Plans	
	2013	2012	2013	2012	2013	2012
Benefit obligation:						
As of January 1	$ 728	$ 634	$ 84	$ 75	$ 27	$ 27
Service cost	17	14	2	2	—	—
Interest cost	30	31	3	3	1	1
Participants' contributions	—	—	2	2	—	—
Actuarial (gain) loss	(38)	77	(9)	7	(2)	1
Contractual termination benefits	—	—	1	1	—	—
Benefit payments	(32)	(28)	(6)	(6)	(2)	(2)
As of December 31	$ 705	$ 728	$ 77	$ 84	$ 24	$ 27
Fair value of plan assets:						
As of January 1	$ 537	$ 487	$ 28	$ 27	$ 15	$ 17
Actual return on plan assets	91	78	5	3	3	—
Company contributions	—	—	3	2	—	—
Participants' contributions	—	—	2	2	—	—
Benefit payments	(32)	(28)	(6)	(6)	(2)	(2)
As of December 31	$ 596	$ 537	$ 32	$ 28	$ 16	$ 15
Unfunded position as of December 31	$ (109)	$ (191)	$ (45)	$ (56)	$ (8)	$ (12)
Accumulated benefit plan obligation as of December 31	$ 631	$ 640	N/A	N/A	$ 24	$ 27
Classification in consolidated balance sheet:						
Noncurrent asset	$ —	$ —	$ —	$ —	$ 16	$ 15
Current liability	—	—	—	—	(2)	(2)
Noncurrent liability	(109)	(191)	(45)	(56)	(22)	(25)
Net liability	$ (109)	$ (191)	$ (45)	$ (56)	$ (8)	$ (12)
Amounts included in comprehensive income:						
Net actuarial (gain) loss	$ (89)	$ 40	$ (11)	$ 5	$ (1)	$ 2
Amortization of net actuarial loss	(24)	(17)	(1)	(1)	(1)	(1)
Amortization of prior service cost	—	—	(1)	(1)	—	—
	$ (113)	$ 23	$ (13)	$ 3	$ (2)	$ 1
Amounts included in AOCL*:						
Net actuarial loss	$ 186	$ 298	$ 6	$ 18	$ 9	$ 11
Prior service cost	—	1	2	4	—	—
	$ 186	$ 299	$ 8	$ 22	$ 9	$ 11

March 7, 2014

TO: Kay Barnes
Oregon Public Utility Commission
puc.datarequests@state.or.us

FROM: Patrick Hager
Manager, Regulatory Affairs

PORTLAND GENERAL ELECTRIC
UM 1633
PGE Response to OPUC Data Request No. 037
Dated February 21, 2014

Request:

Please provide the 2013 actual year-end amounts and the most updated current actual balances for the following items:

- **a. Prepaid pension asset / accrued pension liability balance;**
- **b. Accumulated deferred tax benefit associated with the prepaid pension asset;**
- **c. Funding status percentage of each of the Company's pension plans; and,**
- **d. Cumulative funding percentage of the Company's pension plans.**

Response:

a) PGE's current prepaid pension asset as of December 31, 2013 totals $76,572,878.
b) PGE's net Deferred Tax Liability related to the prepaid pension asset as of December 31, 2013 totals -$29,062,558.
c) PGE must consider two different measures of funded status. First, for Pension Protection Act[1] (PPA) purposes, PGE's pension plan complied with a target 80% funded ratio as of December 31, 2013. Second, for Financial Accounting Standards (FAS) purposes, PGE's pension plan was 85% funded as of December 31, 2013.
d) Please see PGE's response to part c.

[1] The Pension Protection Act of 2006 (Pub. L. 109–280), 120 Stat. 780.

January 21, 2015

TO: Kay Barnes
Oregon Public Utility Commission
puc.datarequests@state.or.us

FROM: Patrick Hager
Manager, Regulatory Affairs

PORTLAND GENERAL ELECTRIC
UM 1633
PGE Response to OPUC Data Request No. 038
Dated December 31, 2014

Request:

Please provide the 2014 actual year-end amounts and the most updated current actual balances for the following items:

a. **Prepaid pension asset / accrued pension liability balance;**
b. **Accumulated deferred tax benefit associated with the prepaid pension asset;**
c. **Funding status percentage of each of the Company's pension plans; and,**
d. **Cumulative funding percentage of the Company's pension plans.**

Response:

Attachment 038-A provides the requested detail.

Attachment 038-A is confidential and subject to Protective Order No. 13-013 until PGE files its SEC Form 10-K for the fiscal year ended December 31, 2014. The expected filing date is February 13, 2015.

UM 1633

Attachment 038-A

Confidential and Subject to Protective Order No. 13-013 until PGE's SEC Form 10-K for the fiscal year ended December 31, 2014 is filed

2014 Year-end Prepaid Pension Asset balance, Deferred Tax Liability, and Funded Status.

November 12, 2013

TO: Nadine Hanhan
Citizens' Utility Board of Oregon (CUB)

FROM: Patrick G. Hager
Manager, Regulatory Affairs

PORTLAND GENERAL ELECTRIC
UM 1633
Joint Utilities' Response to CUB Data Request No. 001
Dated October 29, 2013

Request:

Joint Testimony/200 Vogl/6. In your testimony you describe the roll of FAS 88 with regards to curtailment or settlement of a pension. Please describe any circumstances where a pension would end without creating a FAS 88 cost.

Response:

Assuming the phrase "pension would end" is intended to mean the plan no longer exists (e.g., if the plan were to be terminated or after the last benefit payment has been made to the last participant), a FAS 88 cost would not be created if the plan was 100 percent funded; had no unrecognized costs at that time; and under the plan termination scenario; incurred no additional costs associated with settling the plan's obligations.

November 12, 2013

TO: Nadine Hanhan
Citizens' Utility Board of Oregon (CUB)

FROM: Patrick G. Hager
Manager, Regulatory Affairs

PORTLAND GENERAL ELECTRIC
UM 1633
Joint Utilities' Response to CUB Data Request No. 005
Dated October 29, 2013

Request:

Joint Testimony/200 Vogl/14. On table 8, you provide an example - based on certain assumptions - of how the pension would operate over the next 10 years. In this you assumed an 8% expected return on assets.

a. **Did you use this for both the long term projected gain used for actuarial purposes, and your assumed short term growth rate for each year?**
b. **We have found that the median expected gain is generally higher than the long-term expected gain on assets. How do gains that are larger than the 8% expected return on assets affect the expected accounting and cash costs?**

Response:

a. The eight percent assumption was used for the actual return on the plan assets each year of the projection as well as for the assumption that is used to calculate the "Expected Return on Asset" component of FAS 87 expense.

b. The Joint Utilities object to this request as including an unsubstantiated factual assertion. Without waiving this objection, Mr. Vogl on behalf of the Joint Utilities responds as follows:

   To the extent the actual asset return in a given year is higher than the assumed return, an unrecognized gain will occur reducing future accounting costs. Cash costs will also generally decline, except when cash costs are already zero.

July 29, 2013

TO: Catriona McCracken
Citizens' Utility Board of Oregon (CUB)

Jaime McGovern
Citizens' Utility Board of Oregon (CUB)

FROM: Patrick G. Hager
Manager, Regulatory Affairs

PORTLAND GENERAL ELECTRIC
UM 1633
PGE Response to CUB Data Request No. 010
Dated July 16, 2013

Request:

Please provide any other ratemaking treatment of pensions used between 1986 and 2012.

Response:

Please see PGE's Response to CUB Data Request No. 037 for Docket UE 262, provided here as Attachment 010-A. Additionally, PGE's ratemaking treatment since 1991 has been FAS 87 pension expense.

UM 1633

Attachment 010-A

UE 262 CUB DR 037

March 29, 2013

TO: Nadine Hanhan
Citizens' Utility Board of Oregon

FROM: Patrick G. Hager
Manager, Regulatory Affairs

PORTLAND GENERAL ELECTRIC
UE 262
PGE Response to CUB Data Request No. 037
Dated March 18, 2013

Request:

Please provide any other ratemaking treatment of pensions used between 1987 and 1997.

Response:

PGE objects to the request on the basis that it is vague. Notwithstanding this objection, PGE responds as follows:

PGE's ratemaking treatment of pension-related costs between 1987 and 1997 was split between an accrual basis and FAS 87 pension expense.

1. Though effective in 1987 and reported in PGE's 10-K for that year, FAS 87 pension expense likely was not contemplated at the time PGE prepared its UE 47/48 budgets. The likely starting point for use of FAS 87 pension expense in ratemaking was with test year 1991 with docket UE 79.
2. Ratemaking treatment in UE 47/48 was likely based on PGE's accounting practice at the time which was on an accrual basis somewhat similar to FAS 87 expense. Additionally, PGE's practice at that time was to make contributions to its pension plan that were equivalent to the amount accrued for the year. Also, the UE 47/48 docket was well under way by the time FAS 87 was issued and no supplemental testimony, motion, or issue was filed.

July 29, 2013

TO: Catriona McCracken
Citizens' Utility Board of Oregon (CUB)

Jaime McGovern
Citizens' Utility Board of Oregon (CUB)

FROM: Patrick G. Hager
Manager, Regulatory Affairs

PORTLAND GENERAL ELECTRIC
UM 1633
PGE Response to CUB Data Request No. 023
Dated July 16, 2013

Request:

On the Company's 10-k filed in February 2013, on page 64, the Company states "Changes in actuarial assumptions can also have a material effect on net periodic pension expense. A 0.25% reduction in the expected long-term rate of return on plan assets, or reduction in the discount rate, would have the effect of increasing the 2012 net periodic pension expense by approximately $2 million." Please demonstrate this calculation, and define the assumptions used to make this illustration..

Response:

The following represent simplified, illustrative calculations of the sensitivity of FAS 87 expense to changes in the interest rate.

Projected benefit obligation at January 1, 2012:		$634 million
0.25% impact:	x	0.25%
Impact to FAS 87 expense:		$1.59 million[1]

[1] Changes in interest rate also increase or decrease the projected benefit obligation. The calculation presented above represents a minimum impact of a 25 basis point change.

Plan assets at December 31, 2012:		$537 million
0.25% impact:	x	0.25%
Impact to FAS 87 expense:		$1.34 million[2]

y:\ratecase\opuc\dockets\um-1633 (pension costs)\dr-in\cub\cub_dr_023.docx

[2] The benefit or detriment due to changes in the expected rate of return was rounded up by $1 million to be conservative.