

March 16, 2020

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
201 High Street SE, Suite 100
Salem, OR 97301-3398

Attn: Filing Center

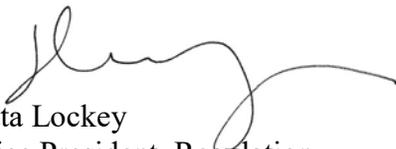
RE: UE 352—PacifiCorp’s March 2020 Final Cost Update for Marengo I and Marengo II and Request for Waiver from Providing Hard Copies of Confidential Information

Attached is the March 2020 final cost update to Exhibit PAC/401—Annual RAC Repowering Revenue Requirement for Marengo I and Marengo II. The updated costs are lower than those reflected in the Stipulation. As such PacifiCorp will use the updated costs reflected in this filing to set rates in a compliance filing on March 17, 2020.

Information included with this filing is considered confidential and is provided pursuant to the protective order in this docket, Order No. 18-490. To help control the spread and transmission of the Covid-19 virus, PacifiCorp has requested all non-essential employees work remotely from home limiting employee access to company printers and mail facilities. As such, PacifiCorp respectfully requests a temporary waiver from providing hard copies of the confidential materials included in this filing. PacifiCorp will provide these confidential materials to the commission via encryption concurrent with this filing. If the Commission requests, hard copies will be provided once normal business resumes.

If you have questions about this filing, please contact Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

Sincerely,


Etta Lockey
Vice President, Regulation

Enclosure

REDACTED
Docket No. UE 352
Updated Exhibit PAC/401
Witness: Steven R. McDougal

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

PACIFICORP

REDACTED
Updated Exhibit Accompanying Direct Testimony of Steven R. McDougal
Annual RAC Repowering Revenue Requirement

September 2019

PacifiCorp
Oregon
 Renewable Adjustment Clause
 Revenue Requirement - Marengo I & Marengo II

March 2020 Update PAC/401
 CONFIDENTIAL
 PROTECTED INFORMATION
 SUBJECT TO GENERAL PROTECTIVE ORDER

RAC Effective Date April 1, 2020

Line No.	Reference	Apr. 2020 - Mar. 2021			
		(a) Total Company	(b) Factor	(c) Factor %	(d) Oregon Allocated
\$-Thousands					
Plant Revenue Requirement					
1	Capital Investment		SG	26.7248%	
2	Depreciation Reserve		SG	26.7248%	
3	Accumulated DIT Balance		SG	26.7248%	
4	Net Rate Base	194,849			52,073
5	Pre-Tax Rate of Return	9.244%			9.244%
6	Pre-Tax Return on Rate Base	18,012			4,814
7	Operation & Maintenance		SG	26.7248%	
8	Depreciation		SG	26.7248%	
9	Property Taxes		GPS	27.1069%	
10	Wind Tax		SG	26.7248%	
11	Depreciation Expense Adjustment	(8,425)	SG	26.7248%	(2,252)
12	Rev. Reqt. Before Revenue Gross-up	17,420			4,655
13	Franchise Taxes				113
14	Bad Debt Expense				23
15	Resource Supplier Tax				6
16	PUC Fee				14
17	Total Revenue Requirement				4,812
18	Federal/State Combined Tax Rate			24.587%	
19	Net to Gross Bump up Factor = (1/(1-tax rate))			1.3260	
20	Pretax Return			9.244%	
21	Property Tax Rate			0.87%	
22	Oregon SG Factor			26.7248%	
23	Oregon GPS Factor			27.1069%	

Footnotes:

- 1) Capital balances equal the 13-month average of the monthly balances in PAC/402.
- 2) Equals the annual cost of the first full year subsequent to the rate effective date. See PAC/402.
- 3) Equals the 12 consecutive months beginning with the rate effective date. See PAC/402.
- 4) As stated in testimony, actual depreciation expense will be adjusted by the impact of the retired assets until the next depreciation study.
- 5) Depreciation expense for the replaced equipment currently in rates is removed as an incremental revenue requirement savings. Reference OPUC 22.

CERTIFICATE OF SERVICE

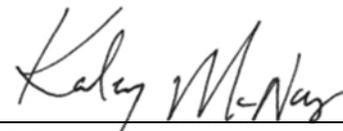
I certify that I served a true and correct copy of **PacifiCorp's March 2020 Final Cost Update** on the parties listed below via electronic mail and/or overnight delivery in compliance with OAR 860-001-0180.

Service List UE 352

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Dated this 16th day of March, 2020.



Kaley McNay
Coordinator, Regulatory Operations