

September 3, 2019

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 September 1, 2019 Final Cost Update

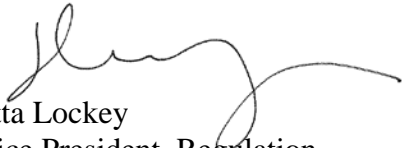
In accordance with the Section 22 of the signed Stipulation in the above referenced docket, PacifiCorp d/b/a Pacific Power encloses for filing the following document:

- September 1, 2019 update to Exhibit PAC/401 – Annual RAC Repowering Revenue Requirement.

This filing updates costs for the proposed October 1, 2019 rate effective date. These 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 made in accordance with a commission order on the Stipulation.

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

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

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

PACIFICORP

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

September 2019

RAC Effective Date October 1, 2019

Line No.	Reference	(a) (b) (c) (d)			
		Oct. 2019 - Sept. 2020			
		Total Company	Factor Factor %	Oregon Allocated	
Plant Revenue Requirement					
1	Capital Investment	Footnote 1	353,522	SG 26.7248%	94,478
2	Depreciation Reserve	Footnote 1	(6,094)	SG 26.7248%	(1,628)
3	Accumulated DIT Balance	Footnote 1	(21,301)	SG 26.7248%	(5,693)
4	Net Rate Base	sum of lines 1-3	326,128		87,157
5	Pre-Tax Rate of Return	line 20	9.244%		9.244%
6	Pre-Tax Return on Rate Base	line 4 * line 5	30,148		8,057
7	Operation & Maintenance	Footnote 2	416	SG 26.7248%	111
8	Depreciation	Footnote 3 and 4	12,187	SG 26.7248%	3,257
9	Property Taxes	Footnote 2	3,053	GPS 27.1069%	828
10	Wind Tax	Footnote 2	160	SG 26.7248%	43
11	Depreciation Expense Adjustment	Footnote 5	(12,635)	SG 26.7248%	(3,377)
12	Rev. Req. Before Revenue Gross-up	sum of lines 6-11	33,329		8,919
13	Franchise Taxes	PAC/404, line 17			216
14	Bad Debt Expense	PAC/404, line 18			44
15	Resource Supplier Tax	PAC/404, line 19			12
16	PUC Fee	PAC/404, line 20			28
17	Total Revenue Requirement	sum of lines 12-16			9,218
18	Federal/State Combined Tax Rate	PAC/404, line 5	24.587%		
19	Net to Gross Bump up Factor = (1/(1-tax rate))	PAC/404, line 6	1.3260		
20	Pretax Return	PAC/404, line 4	9.244%		
21	Property Tax Rate	PAC/404, line 14	0.87%		
22	Oregon SG Factor	PAC/404, line 15	26.7248%		
23	Oregon GPS Factor	PAC/404, line 16	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, excluding Dunlap and Glenrock 3.