825 NE Multnomah, Suite 2000 Portland, Oregon 97232



May 14, 2013

VIA ELECTRONIC FILING AND OVERNIGHT DELIVERY

Public Utility Commission of Oregon 550 Capitol Street NE, Suite 215 Salem, OR 97301-2551

Attn: Filing Center

Re: UE 264—2014 Transition Adjustment Mechanism Pacific Power's List of Corrections or Omissions

PacifiCorp d/b/a Pacific Power (Company) provides for filing a summary of all identified corrections or omissions to net power costs since the Company's March 1, 2013 initial filing in this docket. This submission complies with Section A(4) of the TAM Guidelines, adopted by the Commission in Order No. 09-274.

Corrections:

- <u>Lake Side 2 Pipeline Expense</u>—The Company included pipeline expenses related to the Lake Side 2 generation facility for two months before the unit's expected online date. Costs incurred before the unit being placed into service will be capitalized and not be part of net power costs. The impact of the correction is to reduce total-company net power costs approximately \$0.9 million.
- <u>Small QF Pricing</u>—The Company incorrectly calculated the contract prices for several qualifying facility contracts that are expected to be extended through 2014. Correcting the contract prices increases total-company net power costs approximately \$15,000.
- <u>Heat Rate Calculation</u>—The Company inadvertently excluded some months from the calculation of the 48-month average heat rate for its coal-fired generating units. In addition, the calculation of derated heat rates was not updated to the June 2012 base period. The impact of correcting the heat rate calculations is to reduce total-company net power costs approximately \$3.7 million.
- <u>Hydro Generation</u>—The Company inadvertently relied on a previous version of normalized hydro flows in calculating forecasted generation from the Lewis, Klamath, and North Umpqua river systems rather than updating to normalized flows calculated in 2012. In addition, the forced outage rate calculation for the Copco plant was averaging incorrect rows in the spreadsheet. The impact of the correction is to increase total-company net power costs approximately \$2.0 million.
- <u>Gadsby Combustion Turbine Commitment</u>—The Company incorrectly calculated the startup costs used to determine the unit commitment for the three Gadsby CT generators. The impact of the correction is to reduce total-company net power costs approximately \$3,400.

Oregon Public Utility Commission May 14, 2013 Page 2

• <u>Wheeling Contracts</u>—The Company did not include a replacement San Juan transmission contract that began in December 2012, and incorrectly calculated the capacity and rates for two Colorado-to-Mona transmission contracts. The impact of the corrections is to reduce total-company net power costs approximately \$86,000.

The total impact of these corrections is a reduction of approximately \$2.7 million to the filed total-company net power costs. The Company will include these corrections in the update included with its reply testimony to be filed on July 15, 2013.

Please direct informal correspondence and questions regarding this filing to Bryce Dalley, Director, Regulatory Affairs & Revenue Requirement, at (503) 813-6389.

A copy of this filing has been served on all parties to this proceeding, as indicated on the attached certificate of service.

Sincerely,

Willi P- GAA / PBD

William R. Griffith Vice President, Regulation

Enclosures

cc: UE 264 Service List

CERTIFICATE OF SERVICE

I certify that I served a true and correct copy of Pacific Power's List of Correction or Omissions in the 2014 Transition Adjustment Mechanism on the parties listed below via electronic mail and/or US mail in compliance with OAR 860-001-0180.

SERVICE LIST UE-264

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Dated this 14th of May 2013.

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