

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 352

In the Matter of

PACIFICORP, dba PACIFIC POWER,

2019 Renewable Adjustment Clause.

BENCH REQUEST

On August 1, 2019, PacifiCorp, dba Pacific Power, Oregon Public Utility Commission Staff, the Oregon Citizens' Utility Board, the Alliance of Western Energy Consumers, Small Business Utility Advocates, and Calpine Energy Solutions, LLC (collectively the stipulating parties) filed a stipulation and joint testimony (Stipulating Parties/100, Lockey, Storm, Jenks, Mullins, Higgins) in this proceeding. The following bench requests are intended to facilitate a complete understanding of the rate impacts on customers and the mechanics of all adjustments associated with the use of excess deferred income taxes (EDIT) resulting from the Tax Cuts and Jobs Act, including how such adjustments will effectively remove return on the investment for the undepreciated plant replaced by repowering.

(1) To ensure a complete understanding of the rate impact on customers, I request that the stipulating parties provide revised detailed billing comparisons for the projected October 1, 2019 and December 1, 2019 RAC rates based on the anticipated revenue requirements and rate spread identified in the stipulation. Please provide the billing comparisons in the same format as included in the company's initial filing, Exhibits PAC/504 and PAC/505.

(2) Refer to Stipulating Parties/100, Lockey, Storm, Jenks, Mullins, Higgins/9, stating that "[t]he effective removal of the return on investment for undepreciated plant replaced by repowering is accomplished by offsetting this value with the return on the EDIT value that would have been earned by PacifiCorp had the EDIT balance remained in customer rates."

- a. Provide a detailed explanation and illustrative calculation of "the return on the EDIT value that would have been earned by PacifiCorp had the EDIT balance remained in customer rates."
- b. Provide a detailed explanation of whether/how the company would have earned a return on an EDIT balance.

- c. Provide a detailed explanation of how the return on the EDIT value relates to the deferral of the EDIT regulatory liability authorized in *In the Matter of PacifiCorp, dba Pacific Power, Application for an Accounting Order and Request for Amortization Related to the Federal Tax Act*, Docket No. UM 1985, Order No. 19-028 at 7-8 (Jan 29, 2019).
- d. Provide a detailed explanation of how the effective removal of the return on investment for the undepreciated, replaced plant will be implemented. As part of this response, please:
 - i. Identify the date(s) the effective removal of the return on investment for undepreciated plant replaced by repowering would be accomplished for both book purpose and in customer rates.
 - ii. Identify each adjustment underlying the effective removal of the return on investment for undepreciated plant replaced by repowering. For each adjustment indicate when that adjustment would be reflected in customer rates.
 - iii. Confirm whether any adjustments are included in the calculation of the RAC revenue requirement in Exhibit Settlement PAC/401 to implement removal of the return on investment for undepreciated plant replaced by repowering.

The stipulating parties are directed to file a response by close of business, Tuesday, August 20, 2019.

Dated this 13th day of August, 2019 at Salem, Oregon.



Alison Lackey
Administrative Law Judge