

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1968

In the Matter of

PACIFICORP, dba PACIFIC POWER,

Application for Authority to Implement
Revised Depreciation Rates.

BENCH REQUEST

This bench request seeks additional explanation about the stipulated depreciation rates to facilitate a more complete understanding of the agreement and the impact on rates. The questions below are directed to PacifiCorp, dba Pacific Power. PacifiCorp is directed to file responses to the questions 15 days after issuance of this bench request. Parties may file responses within seven days of PacifiCorp's filing.

1. The stipulation at paragraphs 12-13 describes revised depreciation rates due to depreciation parameters (curve life and net salvage). The stipulation states that PacifiCorp originally requested a change in depreciation rates of \$67.9 million, Oregon-allocated. The stipulation then describes that the updated curves and net salvage rates will be applied to 2017 and 2020 plant balances to determine depreciation rates.

Please explain the general impact of stipulated life curves with net salvage rates versus the impact of the updated plant balances. For example, please explain if most of the increased depreciation expense is due to updated life curves and salvage rates, or whether most of the increase is due to new plant in the 2017 and 2020 plant balances.

2. If possible please provide a version of Table 2 (Stipulating Parties/100, Kobliha, Peng, Gehrke, Kaufman/5) that shows the Oregon-allocated depreciation expense by category compared to existing rates. This would be the Oregon-allocated version of "(C-A)" from Table 1. If that comparison is not practicable, then please provide an estimate of the expected increase in Oregon's annual depreciation expense from the stipulated depreciation rates.

3. For the category of “Other” please explain the increase in Oregon’s depreciation expense due to new wind plant. Please explain how wind plant for Oregon may have been treated differently than other new system plant due to Oregon’s Schedule 202 rates that already incorporated depreciation expense in the revenue requirement for most repowered wind.
4. Please review Attachment 2 to the stipulation. If there was a printing error (with Gadsby and Blundell appearing at the top of each page) please provide a corrected copy for the record.

Dated this 22nd day of October, 2020, at Salem, Oregon.



Sarah Rowe
Administrative Law Judge