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January 21, 2011

VIA ELECTRONIC FILING AND U.S. MAIL

PUC Filing Center
Public Utility Commission of Oregon
PO Box 2148
Salem, OR 97308-2148

Re: Docket No. UE 177 (4)

Enclosed for filing in Docket UE 177(4) are an original and five copies of PacifiCorp's Motion to Admit Prefiled Testimony and Exhibits, the Joint Testimony in Support of the Stipulation, and the affidavits of Ryan Fuller and Gordon Feighner. A copy of this filing has been served on all parties to this proceeding as indicated on the enclosed service list.

Very truly yours,

A handwritten signature in black ink, appearing to read "Amie Jamieson".

Amie Jamieson

Enclosure

cc: Service List

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 177(4)

In the Matter of:

PACIFICORP, dba PACIFIC POWER &
LIGHT COMPANY

Filing of tariffs establishing automatic
adjustment clauses under the terms of
SB 408

STAFF-PACIFICORP-CUB

JOINT TESTIMONY IN SUPPORT OF STIPULATION

**Staff, PacifiCorp, and CUB Testimony in Support of Stipulation Part 1
Staff and PacifiCorp Testimony in Support of Stipulation Part 2
CUB Testimony in Opposition to Stipulation Part 2**

WITNESSES: CARLA BIRD, RYAN FULLER, AND GORDON FEIGHNER

January 21, 2011

1 **INTRODUCTION**

2 **Q. Who is sponsoring this testimony?**

3 A. This testimony is jointly sponsored by Staff of the Public Utility Commission of Oregon
4 (Staff), PacifiCorp (or the Company) and the Citizens' Utility Board of Oregon (CUB).

5 In this Joint Testimony, the settling parties are referred to collectively as the "Settling
6 Parties."

7 **Q. Please state your names.**

8 A. Carla Bird testifying on behalf of Staff; Ryan Fuller testifying on behalf of PacifiCorp;
9 and Gordon Feighner testifying on behalf of CUB. The qualifications of the witnesses
10 are set forth in Exhibits Joint Testimony/101-103.

11 **Q. What is the purpose of your testimony?**

12 A. This testimony describes and supports the Stipulation dated and filed in this case on
13 January 14, 2011 among PacifiCorp, Staff, and CUB (the Stipulation). As explained
14 below, Staff's and PacifiCorp's testimony supports all provisions of the Stipulation;
15 CUB's testimony supports Part 1 of the Stipulation only.

16 **Q. Have all parties to this docket joined in the Stipulation?**

17 A. No. Not all parties who participated in settlement discussions have joined in the
18 Stipulation. Staff and the Company have joined the entire stipulation, CUB has joined in
19 only part one of the Stipulation, and the Industrial Customers of Northwest Utilities
20 (ICNU) have not joined in any of the Stipulation. The Stipulation was, however,
21 provided to all parties and all parties were invited to join by signing and filing a copy of
22 the Stipulation.

1 **Background**

2 **Q. Why did PacifiCorp file its 2009 Tax Report in this proceeding on October 15,**
3 **2010?**

4 A. SB 408 requires certain Oregon public utilities to file an annual tax report with the Public
5 Utility Commission of Oregon (Commission) that provides information on: (1) the
6 amount of taxes paid by the utility to units of government or that was paid by affiliated
7 groups and that is properly attributed to the utility's regulated operations; and (2) the
8 amount of taxes authorized to be collected in rates. ORS 757.268(1). Under ORS
9 757.268(13)(f)(C), the Commission is required to adjust taxes paid "by deferred taxes
10 related to the regulated operations of the utility." The law requires the Commission to
11 review the tax report to determine whether the amount of taxes paid differs from the
12 amount of taxes included in rates by more than \$100,000. ORS 757.268(4).

13 **Q. What does SB 408 require the Commission to do if the amount of taxes paid differs**
14 **from the amount of taxes collected by more than \$100,000?**

15 A. The Commission must require the public utility to establish an automatic adjustment
16 clause (AAC) to account for the difference. ORS 757.268(4). The Commission must
17 complete its review of the tax report and order an AAC if necessary within 180 days after
18 the tax report is filed. ORS 757.268(4); OAR 860-022-0041(7).

19 **PacifiCorp's 2009 Tax Report**

20 **Q. Please provide an overview of PacifiCorp's 2009 Tax Report.**

21 A. As originally filed, PacifiCorp's 2009 Tax Report reflected \$29.4 million of federal, state,
22 and local taxes paid above taxes authorized to be collected in rates. Under SB 408, this
23 difference, plus interest, is to be collected as a surcharge through an AAC.

1 ORS 757.268(6). PacifiCorp's AAC for state and federal taxes is contained in Schedule
2 102 and its AAC for local taxes is contained in Schedule 103.

3 **Q. Based upon PacifiCorp's original filing, please explain which methodology,**
4 **pursuant to OAR 860-022-0041, resulted in PacifiCorp's taxes paid amount in the**
5 **2009 Tax Report?**

6 A. In its originally filed 2009 Tax Report, PacifiCorp's taxes paid were determined under
7 the deferred income tax floor in OAR 860-022-0041(4)(d) ("(4)(d) limitation"), which is
8 the result of a rule modification adopted in Order No. 07-401 (Docket AR 517). The
9 (4)(d) limitation is designed to ensure compliance with normalization requirements of the
10 Internal Revenue Code (IRC) by fully protecting deferred taxes related to depreciation on
11 public utility property. The IRC requires the inclusion of deferred income taxes
12 associated with accelerated tax depreciation on public utility property in rates in order for
13 public utility property to be eligible for accelerated depreciation for income tax purposes.

14 **Q. Does SB 408 address this issue?**

15 A. Yes. The inclusion of deferred income taxes associated with the regulated operations of
16 the utility in determining taxes paid is also required by SB 408 (ORS 757.268(13)(f)(C)).

17 **Q. Why did the Company experience increased levels of deferred income tax expense in**
18 **2009?**

19 A. The Company reported increased levels of deferred income tax expense during 2009,
20 primarily as the result of the combination of significant capital investment and bonus
21 depreciation.

22 **Q. Was the same taxes paid methodology relied upon for the outcome of PacifiCorp's**
23 **2009 tax report associated with the Stipulation filed on January 14, 2011?**

1 A. No. As discussed in more detail below, under Staff's and CUB's approach to the
2 deferred tax floor, PacifiCorp's taxes paid were determined under the standalone method.

3 **Q. Please describe the procedures for evaluating PacifiCorp's 2009 Tax Report.**

4 A. The Commission held a prehearing conference on November 1, 2010, at which
5 Administrative Law Judge Wallace adopted a full procedural schedule for this docket,
6 including testimony and a hearing.

7 **Q. Did Staff conduct a thorough examination of the Company's filing?**

8 A. Yes. Staff served discovery and convened a workshop on November 17, 2010 to review
9 issues raised by the 2009 Tax Report. All parties were invited to participate, and
10 representatives from Staff, PacifiCorp, CUB, ICNU, and Portland General Electric
11 Company (PGE) attended.

12 **Q. How did the Parties arrive at the Stipulation?**

13 A. The parties convened settlement conferences on December 2 and 9, 2010, and on
14 January 6 and 7, 2011, which the Company, Staff, CUB, and ICNU attended. The
15 settlement conferences were noticed to all parties in the docket.

16 **Q. What issues did the parties identify during their review of the 2009 Tax Report?**

17 A. As described in Staff's Issues List, attached to the Stipulation as Exhibit A, three initial
18 issues surfaced during the parties' audit of the 2009 Tax Report: (1) the Company's
19 exclusion of certain supplemental schedules in the calculation of taxes authorized to be
20 collected in rates; (2) the Company's inclusion of the impact of depreciation flow-
21 through in the calculation of the deferred tax floor under the (4)(d) limitation; and (3) the
22 Company's methodology for allocating to Oregon the total Company book-tax difference
23 for book and tax depreciation. The first issue addresses the calculation of taxes collected
24 and decreases taxes collected by \$5.06 million; the second and third issues address the

1 calculation of the deferred tax floor, which is the basis for taxes paid under the
2 Company's original filing, and reduce the floor (representing the taxes paid amount) by
3 \$7.18 million.

4 **Q. Were additional issues raised after the publication of Staff's Issues List?**

5 A. Yes. As partially described in Staff's Issues List, a final issue emerged at the conclusion
6 of Staff's investigation regarding the application of the deferred tax floor under the (4)(d)
7 limitation as currently written. While Staff concluded that the Company properly applied
8 the deferred tax floor as required by the (4)(d) limitation, Staff also reasoned that the
9 application of the deferred tax floor to the taxes paid result produced by the standalone
10 method is not necessary to ensure compliance with the normalization requirements of the
11 IRC. CUB agreed with Staff. Staff has therefore proposed to promptly commence a
12 temporary rulemaking process, followed by a permanent rulemaking to amend OAR 860-
13 022-0041(4)(d) to conform the rule to Staff's and CUB's view of its proper scope.

14 **Q. How does the application of Staff's and CUB's view of the deferred taxes floor affect
15 the calculations in the Company's 2009 Tax Report?**

16 A. Under Staff's and CUB's approach to the deferred tax floor, PacifiCorp's taxes paid
17 would be determined under the standalone method, and Staff would continue to apply its
18 adjustment for supplemental schedules to PacifiCorp's taxes collected. The result is an
19 adjusted surcharge of \$13.47 million.

20 **AGREEMENT OF STAFF, PACIFICORP, AND CUB: PART 1 OF THE STIPULATION**

21 **Q. Did all three Settling Parties join in all elements of the Stipulation?**

22 A. No. The Settling Parties reached a two-part settlement in this case—the first part of the
23 settlement is supported by Staff, PacifiCorp and CUB; the second part of the settlement is
24 supported by Staff and PacifiCorp only.

1 **Q. Please explain Part 1 of the Stipulation.**

2 A. The Parties agree, based upon the assumptions that: (1) the Commission will amend OAR
3 860-022-0041(4)(d) so that the deferred tax floor does not apply to taxes paid determined
4 under the standalone method; and (2) the Internal Revenue Service (IRS) will conclude
5 that OAR 860-022-0041(4)(d) as so revised is consistent with the normalization
6 requirements of the IRC, that PacifiCorp's taxes paid in its 2009 Tax Report shall be
7 determined by the standalone method. The Settling Parties further agree that taxes
8 collected shall be adjusted for the inclusion of RAC deferrals in taxes authorized to be
9 collected in rates. The result is an adjusted surcharge of \$13.47 million.

10 **Q. Did the Settling Parties agree that PacifiCorp would file a revised 2009 Tax Report?**

11 A. Yes. Upon issuance of a temporary amendment to OAR 860-022-0041(4)(d) making the
12 deferred tax floor inapplicable to taxes paid determined under the standalone method,
13 PacifiCorp will file a revised 2009 Tax Report incorporating these changes (Revised
14 2009 Tax Report). The Settling Parties agree that the Revised 2009 Tax Report, filed
15 pursuant to this Stipulation, will comply with SB 408 and OAR 860-022-0041, as then
16 amended, and will result in rates that are fair, just, and reasonable.

17 **Q. What level of surcharge will be reflected in the revised 2009 Tax Report?**

18 A. The Settling Parties agree that the 2009 Federal and State taxes paid results in a surcharge
19 of \$13,474,662 and a refund of \$86,932 for local taxes.

20 **Q. Did the Settling Parties address the amount that would be amortized based on the**
21 **surcharge and interest accrued during amortization?**

22 A. Yes. The following table shows PacifiCorp's estimates of interest during the deferral and
23 amortization periods:

Table 1
Amortization Summary
PACIFICORP 2009 Tax Report

	<u>State /</u> <u>Federal</u>	<u>Local</u>
Surcharge (Refund)	\$ 13,474,662	(\$ 86,932)
Estimated interest through May 2011	\$ 2,137,802	(\$ 13,792)
Estimated interest June 2011 – May 2012 *	<u>\$ 157,295</u>	<u>(\$ 1,015)</u>
Estimated amount to amortize	<u>\$15,769,759</u>	<u>(\$ 101,739)</u>

* Blended treasury rate of 2.01% calculated by PacifiCorp per the methodology prescribed by Order No. 08-263 in Docket UM 1147.

1 **Q. How will the 2009 Surcharge be reflected in rates?**

2 A. The total amortization for the combined 2009 Surcharge will be \$15,769,759 (including
3 interest) to be recovered during the 12-month period beginning June 1, 2011 through May
4 31, 2012 in Schedule 102, PacifiCorp's Income Tax Adjustment tariff. The proposed
5 surcharge will be allocated by customer rate schedule on an equal cents per kilowatt-hour
6 basis, as required by OAR 860-022-0041(8)(d). The local tax refund of \$101,739
7 reflected in the Revised 2009 Tax Report will be implemented through Schedule 103,
8 PacifiCorp's Multnomah County Business Income Tax tariff.

9 Upon approval of this Stipulation, PacifiCorp will make a compliance filing to
10 reflect (1) the 2009 Surcharge of \$13,474,662, plus interest, in Schedule 102; and (2) the
11 SB 408 local tax refund of \$86,932, plus interest, in Schedule 103. The tariff schedules
12 will reflect an effective date of June 1, 2011, and reflect the 2011 Blended Treasury Rate
13 (BTR) that will apply to the amortization period.

14 **Q. How will implementation of the 2009 Surcharge affect rates?**

1 A. The net change on June 1, 2011, will reflect the difference between the currently effective
2 Schedule 102 surcharge of approximately \$4.2 million implemented effective June 1,
3 2010, and the surcharge filed in the compliance filing in this docket. The resulting rate
4 impact will be an overall increase to net revenues of 1.2 percent.

5 **AGREEMENT OF STAFF AND PACIFICORP: PART 2 OF THE STIPULATION**

6 **Q. Ms. Bird and Mr. Fuller, please explain why Staff and PacifiCorp have entered into**
7 **an additional agreement related to the 2009 Surcharge.**

8 A. Staff and PacifiCorp have agreed to Part 2 of the Stipulation to explain their agreement in
9 the case that the Commission does not amend OAR 860-022-0041(4)(d) to make the
10 deferred tax floor inapplicable to taxes paid determined under the standalone method or
11 the IRS determines that the amendments to OAR 860-022-0041(4)(d) are inconsistent
12 with the normalization requirements of the IRC.

13 **Q. Why do PacifiCorp and Staff believe the IRS must weigh in on the amendments to**
14 **OAR 860-022-0041(4)(d) discussed in the Stipulation?**

15 A. Under OAR 860-022-0041(8)(g), prior to the Commission implementing an SB 408 rate
16 adjustment, each utility was required to seek a Private Letter Ruling (PLR) from the IRS
17 on whether the utility's compliance with SB 408 or OAR 860-022-0041 "would cause the
18 utility to fail to comply with any provision of federal tax law, including normalization
19 requirements." Pursuant to OAR 860-022-0041(8)(g), PacifiCorp initially submitted its
20 PLR request to the IRS in December 2006.

21 After the Commission amended OAR 860-022-0041 in AR 517 to add the
22 deferred tax floor, the Company supplemented its PLR request by attaching the amended
23 rules and describing the deferred tax floor. The IRS issued PacifiCorp's PLR on
24 January 9, 2008. The ruling favorably determined that an adjustment to rates under SB

1 408, as constituted in ORS statute and OAR rules presented at that time, would not
2 violate the normalization requirements of Internal Revenue Code §168(i)(9).

3 PacifiCorp's favorable PLR was expressly issued based on the representations and rule
4 provisions cited in PacifiCorp's request. Priv. Ltr. Rul. 101217-07 at 6 (Jan. 9, 2008).

5 Because PacifiCorp's PLR was based in part on the current language of OAR 860-022-
6 0041(4)(d), PacifiCorp believes that it must submit any revision of OAR 860-022-
7 0041(4)(d) to the IRS and ask that a new, updated PLR be issued in light of the proposed
8 rule change.

9 **Q. How have Staff and PacifiCorp decided to address the contingencies related to the**
10 **Commission's amendment of OAR 860-022-0041 and the IRS's ruling on a new**
11 **PLR?**

12 A. Staff agrees to support before the Commission an application by PacifiCorp to defer the
13 difference between the surcharge produced by deferred tax floor (\$27.3 million) and the
14 surcharge agreed to in Part 1 (\$13.47 million) (2009 Tax Report deferral). This
15 difference is \$13.83 million. Staff agrees to support such an application pending: (1) the
16 Commission's adoption of a permanent amendment to OAR 860-022-0041(4)(d) making
17 the deferred tax floor inapplicable to taxes paid determined under the standalone method;
18 and (2) the IRS's issuance of a new PLR concluding that OAR 860-022-0041(4)(d) as so
19 revised is consistent with the normalization requirements of the IRC.

20 **Q. When will PacifiCorp file its deferral application?**

21 A. Staff and PacifiCorp agree that PacifiCorp will file its application for deferral with the
22 Commission by no later than February 15, 2011.

23 **Q. Have PacifiCorp and Staff reached agreement on the interest rate that will be**
24 **applied to the deferred amount during the deferral period?**

1 A. Yes. PacifiCorp agrees that the deferral application will request that interest accrue
2 during the deferral period at the BTR. PacifiCorp's agreement to request the BTR is
3 expressly for settlement purposes only and is not precedential.

4 **Q. Have Staff and PacifiCorp agreed to a limit on the time that interest will accrue on**
5 **the deferral?**

6 A. Yes. Staff and PacifiCorp further agree that, if granted, the 2009 Tax Report deferral
7 shall not accrue interest beyond one year commencing with the date the Commission
8 adopts a permanent amendment to OAR 860-022-0041(4)(d).

9 **Q. What have Staff and PacifiCorp agreed with respect to the PLR request?**

10 A. Staff and PacifiCorp agree to work cooperatively on the new PLR request to the IRS.
11 Staff and PacifiCorp agree to submit the new PLR request to the IRS expeditiously upon
12 issuance of a permanent amendment to OAR 860-022-0041(4)(d).

13 **Q. What is Staff's position should the Commission not adopt a permanent amendment**
14 **to OAR 860-022-0041(4)(d) as described above, or the IRS concludes that the**
15 **revised rule does not comply with normalization requirements?**

16 A. If either or both of these contingencies occur, Staff agrees to support PacifiCorp's request
17 to amortize the deferral balance of \$13.83 million plus accrued interest.

18 **CUB'S OPPOSITION TO AGREEMENT OF STAFF AND PACIFICORP:**
19 **PART 2 OF STIPULATION**

20 **Q. Mr. Feighner, please explain why CUB is not a party to Part 2 of the Stipulation.**

21 A. CUB is not a party to Part 2 of the Stipulation because based upon independent research,
22 CUB has determined that there would be no normalization violation and that the
23 requested rule change should not, therefore, result in an IRS finding of a normalization
24 violation. As such, CUB believes that both the proposed deferral request and the

1 proposed PLR request are unnecessary and will unnecessarily delay appropriate process
2 in this docket.

3 CUB does not, therefore, support Part 2 of this Stipulation, Staff and PacifiCorp's
4 agreement to seek a PLR, or Staff and PacifiCorp's agreement to seek a deferral.

5 Given the agreement of Staff and PacifiCorp that CUB should set forth its
6 opposition to Part 2 of the Stipulation in this Joint Testimony filing, for the sake of
7 judicial economy, CUB will not make a separate testimony filing in opposition to the
8 Stipulation Part 2.

9 **CONCLUSION**

10 **Q. What action do you recommend the Commission take with respect to the**
11 **Stipulation?**

12 A. For the reasons discussed above, the Settling Parties recommend that the Commission
13 find that Part 1 of the Stipulation is in the public interest and would produce rates that are
14 fair, just, and reasonable. Accordingly, the Settling Parties jointly recommend that the
15 Commission adopt Part 1 of this Stipulation in its entirety. Staff and PacifiCorp
16 recommend that the Commission also adopt Part 2 of this Stipulation in its entirety;
17 CUB recommends that the Commission does not.

18 **Q. Does this conclude your testimony?**

19 A. Yes.

WITNESS QUALIFICATION STATEMENT

NAME: Carla M. Bird
EMPLOYER: Public Utility Commission of Oregon
TITLE: Senior Utility Analyst/Revenue Requirement/Rates and Regulation
ADDRESS: 550 Capitol Street NE Suite 215, Salem, Oregon 97301-2115.
EDUCATION: Professional Accounting Degree
Trend College of Business 1983

EXPERIENCE: I have been employed by the Public Utility Commission of Oregon since April of 2001. I am the Senior Utility Analyst for revenue requirement for the Rates and Regulation Division of the Utility Program. Current responsibilities include leading research and providing technical support on a wide range of policy issues for electric and gas utilities.

From September 1994 to April 2001, I worked for the Oregon Department of Revenue as a Senior Industrial/Utility Appraiser. I was responsible for the valuation of large industrial properties as well as utility companies throughout the State of Oregon.

I have testified in behalf of the Public Utility Commission in Docket Nos. UE 177, UE 178, UG 170, UG 171, UE 180, UM 1234, UE 167, UE 180, UE 188, UE 197, UE 177, UE 178, UM 1121, UM 1261 and UM 1271 and numerous other dockets.

OTHER EXPERIENCE: I received my certification from the National Association of State Boards of Accountancy in the Principles of Public Utilities Operations and Management in March of 1997. I have attended the Institute of Public Utilities sponsored by the National Association of Regulatory Utility Commissioners at Michigan State University in August of 2002 and the College of Business Administration and Economics at New Mexico State University's Center for Public Utilities in May of 2004.

In 2008, I attended the Energy Utility Consultants presentation on Performance Benchmarking in Denver, Colorado. In 2005, I attended the National Association of Regulatory Utility Commissioners Advanced Course at Michigan State University. I worked for seven years for the Oregon State Department of Revenue as a Senior Utility and Industrial Appraiser.

1 **Q. Please state your name, business address and present position with**
2 **PacifiCorp (the Company).**

3 A. My name is Ryan Fuller and my business address is 825 NE Multnomah St., Suite
4 1900, Portland, OR 97062. My present position is Tax Director.

5 **Qualifications**

6 **Q. Please describe your educational and professional background.**

7 A. I graduated from the University of Idaho in 1997 with a Bachelor of Science
8 Degree in Accounting. I am a licensed CPA. Before joining the PacifiCorp tax
9 department in 2003, I worked in public accounting for six years, first with Talbot,
10 Korvola and Warwick LLP and then for PricewaterhouseCoopers LLP.

11 **Q. What are your responsibilities as Assistant Tax Director?**

12 A. My primary responsibilities include income tax accounting and providing support
13 for the income tax component of the Company's regulatory filings.

14 **Q. Have you testified in previous regulatory proceedings?**

15 A. Yes. I have previously testified on behalf of the Company in the states of Oregon
16 and Utah.

WITNESS QUALIFICATION STATEMENT

NAME: Gordon Feighner

EMPLOYER: Citizens' Utility Board of Oregon (CUB)

TITLE: Utility Analyst

ADDRESS: 610 SW Broadway, Suite 308
Portland, OR 97205

EDUCATION: Master of Environmental Management, 2005
Duke University, Durham, NC

Bachelor of Arts, Economics, 2002
Reed College, Portland, OR

WORK EXPERIENCE: I have previously provided testimony in dockets including UE 196, UE 204, UE 207, UE 208, UE 210, UE 213, UE 214, UE 216, UE 217, UE 219, UM 1355, UM 1431 and UM 1484. I have also completed the Annual Regulatory Studies Program at the Institute of Public Utilities at Michigan State University in 2010.

Between 2004 and 2008, I worked for the US Environmental Protection Agency and the City of Portland Bureau of Environmental Services, conducting economic and environmental analyses on a number of projects. In November 2008 I joined the Citizens' Utility Board of Oregon as a Utility Analyst and began conducting research and analysis on behalf of CUB.

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UE 177 (4)

In the Matter of

PACIFICORP, dba PACIFIC POWER &
LIGHT COMPANY

AFFIDAVIT OF RYAN FULLER

Filing of tariffs establishing automatic
adjustment clauses under the terms of SB
408.

I, Ryan Fuller, being first duly sworn on oath, depose and say:

1. My full name is Ryan Fuller. I am employed by PacifiCorp. My present position is Tax Director.
2. I am the same Ryan Fuller that previously filed testimony on behalf of PacifiCorp in this matter. (See Joint Testimony/100-101).
3. My pre-filed testimony and exhibit are true and accurate based on my information and belief.

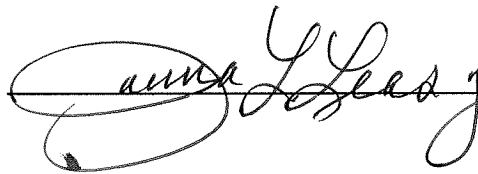
I declare under penalty of perjury under the laws of the state of Oregon that the foregoing is true and correct based on my information and belief.

Dated this 21 day of January, 2011.



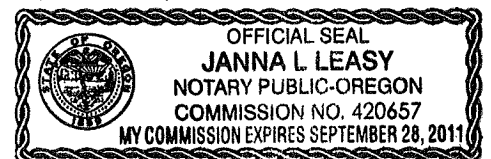
Ryan Fuller

SUBSCRIBED AND SWORN to before me this 21 day of January, 2011.



Notary Public, State of Oregon
County of Multnomah
My Commission Expires: 9/28/2011

AFFIDAVIT OF RYAN FULLER



**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 177(4)

In the Matter of:

PACIFICORP, dba PACIFIC POWER &
LIGHT COMPANY
Filing of tariffs establishing automatic
adjustment clauses under the terms of
SB 408

**AFFIDAVIT OF GORDON
FEIGHNER**

I, Gordon Feighner, being first duly sworn on oath, depose and say:

1. My name is Gordon Feighner. I am a Utility Analyst with the Citizens' Utility Board of Oregon ("CUB").
2. I am filing testimony and associated exhibits (JOINT TESTIMONY/100 and 101 on behalf of CUB in this matter. JOINT TESTIMONY/100 is divided into five parts which demonstrate CUB's support for Stipulation Part 1 and CUB's opposition to Stipulation Part 2:
 - INTRODUCTION
 - AGREEMENT OF STAFF, PACIFICORP, AND CUB: PART 1 OF THE STIPULATION
 - AGREEMENT OF STAFF AND PACIFICORP: PART 2 OF THE STIPULATION
 - CUB'S OPPOSITION TO AGREEMENT OF STAFF AND PACIFICORP: PART 2 OF STIPULATION
 - CONCLUSION

3. To the best of my knowledge, my testimony is true and accurate.

SIGNED this 21st day of January, 2011.



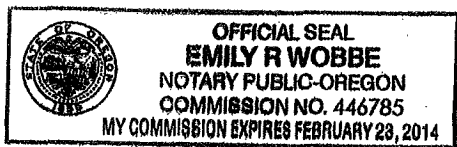
GORDON FEIGHNER

SUBSCRIBED AND SWORN to before me this 21 day of January, 2011.



Notary Public for Oregon

My Commission Expires: 2/23/2014



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CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing document in Docket UE 177 on the following named person(s) on the date indicated below by email and first-class mail addressed to said person(s) at his or her last-known address(es) indicated below.

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Gordon R. Feighner
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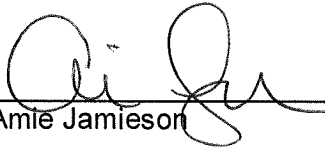
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DATED: January 21, 2011


Amie Jamieson

Of Attorneys for PacifiCorp