

Davison Van Cleve PC

Attorneys at Law

TEL (503) 241-7242 • FAX (503) 241-8160 • jog@dvclaw.com
1750 SW Harbor Way, Suite 450
Portland, OR 97201

June 9, 2021

Via Electronic Filing

Public Utility Commission of Oregon
Attn: Filing Center
201 High St. SE, Suite 100
Salem OR 97301

Re: In the Matter of PACIFICORP, dba PACIFIC POWER
2022 Transition Adjustment Mechanism.
Docket No. UE 390

Dear Filing Center:

Please find enclosed the Opening Testimony and Exhibits of Bradley G. Mullins (AWEC/100 – 105) on behalf of the Alliance of Western Energy Consumers (“AWEC”) in the above-referenced docket.

Please note that Exhibit AWEC/105 contains protected information that is being handled in accordance with Order No. 16-128. The confidential version of Exhibit AWEC/105 has been encrypted with 7-zip software and is being transmitted electronically to the Commission and qualified persons.

Thank you for your assistance. If you have any questions, please do not hesitate to call.

Sincerely,

/s/ Jesse O. Gorsuch
Jesse O. Gorsuch

Enclosures

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served **Confidential Exhibit AWEC/105** upon the parties shown below by sharing an encrypted copy via electronic mail and by posting to the Huddle workspace in this docket.

Dated this 9th day of June, 2021.

Sincerely,

/s/ Jesse O. Gorsuch

Jesse O. Gorsuch

CITIZENS' UTILITY BOARD OF OREGON

Robert Jenks
Michael Goetz
610 SW Broadway, Suite 400
Portland, OR 97205
bob@oregoncub.org
mike@oregoncub.org

PACIFICORP

Ajay Kumar
825 NE Multnomah Street
Suite 2000
Portland, OR 97232
ajay.kumar@pacificorp.com

SIERRA CLUB

Rose Monahan
Ana Boyd
Thien Chau
Sierra Club Law Program
2101 Webster St., Suite 1300
Oakland, CA 94612
rose.monahan@sierraclub.org
ana.boyd@sierraclub.org
thien.chau@sierraclub.org

SBUA

James Birkelund
Small Business Utility Advocates
548 Market St., Suite 11200
San Francisco, CA 94104
james@utilityadvocates.org

PUC STAFF - DEPARTMENT OF JUSTICE

Sommer Moser
PUC Staff – Dept. of Justice
Business Activities Section
1162 Court St. NE
Salem, OR 97301-4096
sommer.moser@doj.state.or.us

CALPINE ENERGY

Gregory M. Adams
Richardson Adams, PLLC
P.O. Box 7218
Boise, ID 83702
greg@richardsonadams.com

CALPINE ENERGY

Kevin Higgins
Energy Strategies LLC
215 State St., Suite 200
Salt Lake City, UT 84111-2322
khiggins@energystrat.com

SBUA

Diane Henkels
Small Business Utility Advocates
621 SW Morrison St., STE 1025
Portland, OR 97205
diane@utilityadvocates.org

SBUA

Darren Wertz
wertzds@gmail.com

OPUC STAFF

Moya Enright

OPUC

P.O. Box 1088

Salem, OR 97308

moya.enright@state.or.us

OPUC STAFF

Scott Gibbens

201 High St. SE

Salem, OR 97301

scott.gibbens@puc.oregon.gov

**BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON**

UE 390

In the Matter of)
)
PacifiCorp d/b/a Pacific Power)
)
2022 Transition Adjustment Mechanism)
_____)

**OPENING TESTIMONY OF
BRADLEY G. MULLINS
ON BEHALF OF
ALLIANCE OF WESTERN ENERGY CONSUMERS**

June 9, 2021

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EXHIBIT LIST

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AWEC/102 – PacifiCorp Responses to Discovery Requests

AWEC/103 – 2022 Production Tax Credit Rate Analysis

AWEC/104 – Other Revenue Analysis

Confidential AWEC/105 – Bridger Coal Company Materials and Supplies Forecast Error 2018-2022

I. INTRODUCTION AND SUMMARY

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Q. PLEASE STATE YOUR NAME AND OCCUPATION.

A. My name is Bradley G. Mullins. I am a consultant representing utility customers before state public utility commissions in the Northwest and Intermountain West. My witness qualification statement can be found at Exhibit AWEC/101.

Q. PLEASE IDENTIFY THE PARTY ON WHOSE BEHALF YOU ARE TESTIFYING.

A. I am testifying on behalf of the Alliance of Western Energy Consumers (“AWEC”). AWEC is a non-profit trade association whose members are large energy users in the Western United States, including customers receiving electric services from PacifiCorp.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. I discuss my initial review of PacifiCorp’s proposed Transition Adjustment Mechanism (“TAM”) revenues, including Net Power Costs (“NPC”), for calendar year 2022. Specifically, I discuss my review of PacifiCorp’s proposed \$1,214,140 revenue increase associated with the 2022 TAM filing. Relevant discovery responses may be found in Exhibit AWEC/102.

Q. PLEASE SUMMARIZE YOUR RECOMMENDATIONS.

A. My recommendations are summarized in Table 1, below, followed by brief descriptions of each issue.

Table 1
AWEC Proposed TAM Adjustments
(\$000)

1	Initial Filing	1,214,140
2	Adjustments	
3	PTC Rate	(2,649,684)
4	Market Caps	(5,229,355)
5	Other Revenues	(949,615)
6	BCC Materials & Supplies	(785,644)
7	Total Adjustments	(9,614,299)
8	Adjusted	(8,400,159)

1 **Production Tax Credit Rate:** I recommend updating the production tax credit rate
2 for 2022 to 2.6¢/kWh.

3 **Market Caps:** I recommend maintaining the currently approved methodology for
4 Market Caps because no evidence or analysis was presented to justify a change.

5 **Other Revenues:** Consistent with past stand-alone TAM filings, I recommend
6 PacifiCorp continue to update its Other Revenues forecast in this proceeding. I also
7 recommend that fly ash sales be considered in the Other Revenue forecast.

8 **Bridger Coal Company Materials & Supplies:** I recommend an adjustment for the
9 materials and supplies forecast at Bridger Coal Company, recognizing the fact that
10 PacifiCorp has consistently over-forecast those amounts by a significant margin in
11 past proceedings.

II. PRODUCTION TAX CREDIT RATE

13 **Q. PLEASE SUMMARIZE YOUR RECOMMENDATION RELATED TO PRODUCTION**
14 **TAX CREDITS.**

15 A. PacifiCorp’s TAM filing assumes a PTC rate equal to 2.5¢/kWh for the 2022 forecast period.
16 The 2.5¢/kWh rate was acknowledged on April 27, 2021, by the Internal Revenue Service
17 (“IRS”) as the PTC rate for 2021.^{1/} Notwithstanding, in 2022—the year in which the proposed
18 net power costs at issue in this proceeding will be in effect—the PTC rate will increase to

^{1/} Federal Register Vol 86, No 79, page 22300-22301 (Apr. 27, 2021).

1 2.6¢/kWh, as discussed below. Accordingly, I recommend updating PacifiCorp’s forecast to
2 be based on a 2.6¢/kWh PTC rate. The impact of using a 2.6¢/kWh PTC rate is a \$2,649,684
3 reduction to the Oregon-allocated TAM revenues.

4 **Q. WHAT CAUSES THE PTC RATE TO CHANGE FROM YEAR-TO-YEAR?**

5 A. The PTC rate is established pursuant to Internal Revenue Code (“IRC”) § 45.^{2/} The PTC rate
6 was first authorized in 1993 and established at a baseline of 1.5¢/kWh. To account for
7 inflation, the IRS adjusts the PTC rate each year by applying an “inflation adjustment factor.”

8 In IRC § 45(e)(2)(B), the calculation of the inflation adjustment factor is outlined as follows:

9 The term “inflation adjustment factor” means, with respect to a calendar
10 year, a fraction the numerator of which is the [Gross Domestic Product
11 (“GDP”)] implicit price deflator for the preceding calendar year and the
12 denominator of which is the GDP implicit price deflator for the calendar
13 year 1992. The term “GDP implicit price deflator” means the most recent
14 revision of the implicit price deflator for the gross domestic product as
15 computed and published by the Department of Commerce before March 15
16 of the calendar year.^{3/}

17 In addition, when applying the inflation adjustment factor, the credit rate is rounded to
18 the nearest multiple of 0.1¢/kWh. Consequently, while the inflation adjustment factor changes
19 every year, the PTC rate does not necessarily change each year. For example, in 2022, the
20 unrounded PTC rate would need to exceed 2.550¢/kWh to trigger an increase to 2.6¢/kWh.

21 **Q. WHAT WAS THE INFLATION ADJUSTMENT FACTOR FOR 2021?**

22 A. The inflation adjustment factor for 2021 was 1.6878, resulting in an unrounded PTC rate of
23 2.5317 ¢/kWh. Thus, while the PTC rate rounded down to 2.5¢/kWh in 2021, the unrounded
24 PTC credit rate was within 0.0183¢/kWh of 2.550¢/kWh and rounding up to 2.6¢/kWh.

^{2/} 26 U.S.C. § 45(b)(2) (2021).

^{3/} IRC § 45(e)(2)(B).

1 **Q. WHAT INFLATION ADJUSTMENT FACTOR WILL RESULT IN AN INCREASE TO**
2 **THE PTC RATE?**

3 A. The inflation adjustment factor must equal or exceed 1.700 to trigger an increase in the PTC
4 rate to 2.6¢/kWh. Whether this level is achieved, however, depends on the annual GDP
5 implicit price deflator, which, as noted above, is an economic index of inflation published by
6 the Department of Commerce, Bureau of Economic Analysis. As I discuss below, based on
7 information that is known about the GDP implicit price deflator today, it can be determined
8 that the inflation adjustment factor will be sufficient to cause the PTC rate to round up to
9 2.6¢/kWh in 2022.

10 **Q. HOW DOES THE GDP IMPLICIT PRICE DEFLATOR DETERMINE THE**
11 **INFLATION ADJUSTMENT FACTOR?**

12 A. Exhibit AWEC/103 contains an analysis showing how the GDP implicit price deflator is used
13 to calculate the PTC inflation adjustment factor. As noted in IRC § 45(e)(2)(B), the calculation
14 of the inflation adjustment factor is a simple fraction.

15 The numerator of the fraction is equal to the GDP implicit price deflator for the
16 calendar year prior to the tax year. For tax year 2022, for example, the numerator will be based
17 on the GDP implicit price deflator from calendar year 2021.

18 The denominator of the fraction is equal to the GDP implicit price deflator for 1992, the
19 calendar year prior to the 1993 tax year when the PTC was first implemented.

20 The denominator of the inflation adjustment factor is a known value. The GDP implicit
21 price deflator for calendar year 1992 was 67.325.^{4/} Thus, while the precise value for the
22 inflation adjustment factor for calendar year 2022 is not yet known, the periodically published

^{4/} This is based on the current index values. Note that the baseline year used to establish the GDP implicit price deflator index value has been updated, which can be seen in Exhibit AWEC/103.

1 GDP price deflator values can be used to determine whether the ultimate inflation adjustment
2 factor will exceed 1.700 in 2022 and trigger an increase to the PTC rate.

3 **Q. WHAT GDP PRICE DEFLATOR VALUE WILL TRIGGER AN INCREASE TO THE**
4 **PTC RATE?**

5 A. Since the denominator of the inflation adjustment factor is known, it can be concluded that a
6 GDP implicit price deflator of 114.45 or more will result in an inflation adjustment factor of
7 1.700 and a corresponding increase to the PTC rate to 2.6¢/kWh.

8 **Q. IS ENOUGH DATA AVAILABLE AT THIS TIME TO DETERMINE WHETHER THE**
9 **GDP IMPLICIT PRICE DEFLATOR WILL EXCEED 114.45 FOR 2021?**

10 A. Yes. Based on the GDP implicit price deflator published for Q1 of 2021, it can be concluded
11 with reasonable certainty that the annual 2021 GDP implicit price deflator will exceed 114.450.
12 Accordingly, it also can be concluded that the 2022 PTC Inflation Adjustment Factor will
13 exceed 1.700, and as a result, the 2022 PTC rate will round to 2.6¢/kWh, consistent with the
14 discussion above.

15 The annual GDP implicit price deflator represents an average over the course of the
16 calendar year. The annual GDP implicit price deflator is not, for example, based on the year
17 end value. Rather, the amount is calculated over four quarters and the average of those
18 quarterly values is used to derive the annual value.

19 In 2020, for example, the average annual GDP implicit price deflator was 113.625.
20 Notwithstanding, the Q4 2020 the GDP implicit price deflator index value was higher than that
21 value. In Q4 2020, the GDP implicit price deflator increased to 114.368, within only 0.082 of
22 the threshold value to trigger the PTC rate change under discussion.

23 As detailed in Exhibit AWEC/103, the GDP implicit price deflator index value
24 increased to 115.514 in Q1 of 2021, exceeding the 114.450 threshold value by a margin of

1 1.564. Since the annual value is calculated as an average and the threshold value has already
2 been exceeded in Q1 of 2021, the GDP implicit price deflator value would need to decline by a
3 significant amount in each of the three remaining quarters of 2021 for the average annual value
4 to decline back below the 114.450 threshold value. In other words, the economy would need to
5 fall into a recession, with three quarters of unprecedented deflation, for the annual GDP
6 implicit price deflator to decline back below 114.450 and for the PTC rate to remain at
7 2.5¢/kWh. As I discuss below, the level of deflation necessary for the GDP implicit price
8 deflator index to decline below 114.450 as an annual average—and thus the PTC rate to remain
9 at 2.5¢/kWh—is so unlikely as to be nearly impossible. Therefore, while the precise GDP
10 implicit price deflator for 2021 is not yet known at this juncture, it can be concluded that the
11 average GDP implicit price deflator will exceed 114.50 for 2021 and that the PTC rate will
12 increase to 2.6¢/kWh in 2022.

13 **Q. WHAT MAGNITUDE OF DEFLATION WOULD BE REQUIRED FOR THE GDP**
14 **IMPLICIT PRICE DEFLATOR TO REMAIN BELOW 114.50?**

15 A. Mathematically, for the GDP implicit price deflator to decline back below 114.50 and thus not
16 trigger an upward rounding of the PTC rate, the economy would need to experience deflation
17 of 0.62% in each of the three remaining quarters of 2021. This calculation is shown in Exhibit
18 AWEC/103. On a cumulative basis, such a scenario would represent deflation of 1.84% over
19 the three-quarter period. Such a level of inflation would have no precedent in modern history,
20 particularly since the abolition of the gold standard in the 1970s. During the period of modern
21 monetary policy, when the dollar has been decoupled from gold prices, there have been only
22 four instances of modest deflation, as measured by the GDP implicit price deflator—and none

1 of those instances have come remotely close to deflation of 1.84%.^{5/} In the 2008 financial
2 crisis, for example, the GDP implicit price deflator declined by 0.16%. Further, in Q1 of 2015,
3 modest deflation was experienced, corresponding to a 0.09% reduction to the GDP implicit
4 price deflator. Similarly, in Q1 of 2016, modest deflation corresponding to a 0.07% reduction
5 to GDP implicit price deflator was also experienced. Finally, in Q2 of 2020, corresponding to
6 the onset of the COVID-19 pandemic, GDP implicit price deflator declined by 0.53%. All of
7 these instances, however, were limited to a single quarter. Thus, experiencing deflation of
8 1.84% over a three-quarter period would represent an unprecedented catastrophe that is more
9 than three times more significant than what has recently been experienced due to the COVID-
10 19 pandemic. Given the health of the economy in 2021 to date, such an outcome is a near
11 impossibility.

12 **Q. WHAT LEVEL OF INFLATION IS EXPECTED FOR THE REMAINDER OF 2021?**

13 A. We will know more about the economic condition in 2021 as this case progresses. However,
14 the general consensus in the financial press is that, as a result of the easing of the COVID-19
15 pandemic, prices will increase. Certainly, inflationary expectations have been high in the past
16 few months. Prices of lumber, for example, have experienced record high levels during the
17 first half of 2021.

18 Further, as of writing this testimony, Q2 2021 is underway. Based on the general
19 health of the economy, it can be observed that catastrophic deflation is not being experienced
20 in Q2 2021. Based on this observation, it can be concluded that the likelihood of catastrophic
21 deflation necessary for the PTC rate to remain at 2.5¢/kWh is even more remote. If one simply

^{5/} The historical data is provided in my workpapers.

1 assumes that the GDP implicit price deflator will remain constant in Q2 of 2021, the level of
2 deflation in Q3 and Q4 necessary for the PTC rate to stay at 2.5¢/kWh is 2.45% on a
3 cumulative basis. Based on this observation and the discussion above, I recommend increasing
4 the PTC rate to 2.6¢/kWh as a known and measurable change in this proceeding.

5 III.AVERAGE MARKET CAPS

6 Q. WHAT IS PACIFICORP PROPOSING WITH RESPECT TO MARKET CAPS?

7 A. PacifiCorp is proposing to modify its Market Cap methodology to be based on the
8 methodology that the Commission rejected in the 2013 TAM, Docket UE 245. Rather than
9 using the Market Cap methodology based on the highest monthly levels of short-term firm
10 market transactions, in the four-year base period, PacifiCorp proposes to use Market Caps
11 based on average levels, consistent with its proposal in the 2012 TAM filing, Docket UE 227.
12 PacifiCorp provides no justification for this change, and the actual data does not support such a
13 change. Moreover, since PacifiCorp is changing its modeling framework from the GRID
14 model to the AUOROA model, there is little need to attempt to modify GRID's modeling
15 parameters at this time. Accordingly, I recommend the Commission reject PacifiCorp's
16 proposal and require PacifiCorp to continue to use the approved methodology.

17 Q. WHAT ARE MARKET CAPS?

18 A. The GRID model is a production cost model that uses a linear program to optimize market
19 sales, market purchases, plant dispatch, and transmission, subject to series of cost and
20 operational inputs meant to simulate plant dispatch. Market caps are a particular parameter
21 input into the GRID model that limits the amount of sales or purchases that the model may
22 make at any particular market hub and time period.

1 **Q. HAS THE MARKET CAP METHODOLOGY BEEN LITIGATED IN PAST**
2 **PROCEEDINGS?**

3 A. Yes. The current Market Cap methodology is the byproduct of many years of litigation.

4 Market caps were originally introduced in the early years of the GRID model, but were limited
5 to graveyard hours for major market hubs, except Mona.^{6/}

6 In Docket UE 227 (the 2012 TAM), however, PacifiCorp made a material change to
7 Market Cap modeling, changing the methodology to be based on an average level of short-term
8 firm sales, on a diurnal basis, over the 48-month base period. In that docket, ICNU, AWEC's
9 predecessor, opposed the change to the Market Cap methodology because there are many hours
10 in the historical period when the actual hourly sales amount exceeded the average sales value
11 used in the Market Cap calculation.^{7/} In that Docket, the Commission acknowledged ICNU's
12 concerns, while making the following finding:

13 We will accept Pacific Power's modeling of Market Caps here on a non-
14 precedential basis. We direct Staff to conduct workshops with the parties to
15 address the market caps issue, with the goal of determining whether agreement
16 can be reached on a fair and reasonable method for modeling (or excluding)
17 market caps in the future. If no agreement can be reached, we will expect Pacific
18 Power to provide clear and robust evidence justifying its modeling of market caps
19 in the company's next TAM proceeding. We will also ask Staff to present in the
20 next TAM docket its own technical analysis of this issue.^{8/}

21 In Docket UE 245 (the 2013 TAM), parties were unable to reach a consensus on the
22 issue surrounding Market Caps, and PacifiCorp filed its case using the average Market Cap
23 methodology. Accordingly, the average Market Cap methodology was again litigated, with
24 ICNU and Staff opposing the use of Market Caps altogether. In resolution, the Commission

^{6/} UE 245, Direct Testimony of Gregory N. Duvall, PAC/100, Duvall/19:6-12 (Feb. 29, 2012).

^{7/} UE 227, Order 11-435 at 21 (Nov. 4, 2011).

^{8/} Id. at 23.

1 accepted PacifiCorp’s continued use of Market Caps. Notwithstanding, rather than using the
2 arithmetic average over the four-year period, the Commission accepted Staff’s alternate
3 position and directed PacifiCorp “to revise GRID to base market caps on the highest of the four
4 most recently available relevant averages for each trading hub, each month, and differentiated
5 by on- and off-peak hours.”^{9/} This is the methodology that is in place today.

6 Importantly, in discussing the arguments surrounding the modeling of Market Caps in
7 GRID, the Commission noted that “[b]ecause GRID is a forecasting model that is only as good
8 as its constructs and inputs, the real question presented is not whether market caps should be
9 used as a patch to address certain limitations of the GRID model, but whether the GRID model
10 itself should be fixed.”^{10/} As discussed below, given PacifiCorp’s anticipated replacement of
11 GRID with AURORA, it is not necessary to experiment with fixing GRID at this time.

12 **Q. WHAT IS PACIFICORP PROPOSING IN THIS PROCEEDING?**

13 A. Notwithstanding the extensive litigation discussed above, PacifiCorp is proposing that the
14 Commission reverse its decision in Docket UE 245 (the 2013 TAM), and revert to using
15 average Market Caps.

16 **Q. WHY IS PACIFICORP PROPOSING TO REVERSE THE COMMISSION’S**
17 **DECISION IN DOCKET UE 245?**

18 A. PacifiCorp witness Webb identified language in the final order in Docket UE 374, its 2020
19 general rate case, stating that “PacifiCorp may be able to make targeted forecast adjustments to
20 remedy specific issues with its under-recovery.”^{11/} PacifiCorp believes that statements such as

^{9/} UE 245, Order 12-409 at 8 (Oct. 29, 2012).

^{10/} Id. at 7.

^{11/} UE 374, Order No. 20-473 at 130 (Dec. 18, 2020).

1 this from the Docket UE 374 Order justify its reinstatement of a previously rejected Market
2 Caps method.

3 PacifiCorp also makes a number of other blanket assertions such as the “original market
4 caps methodology did not use the maximum monthly capacity and PacifiCorp opposed this
5 revision in the 2013 TAM on the basis that it would reduce forecast accuracy,”^{12/} and
6 statements such as “the maximum monthly capacity of the last four years which makes Market
7 Caps higher, or less restrictive, without regard to whether those caps replicate actual market
8 conditions.”^{13/} These assertions, however, were not supported by analysis.

9 **Q. DID PACIFICORP PERFORM ANY QUANTITATIVE ANALYSIS TO SUPPORT ITS**
10 **PROPOSAL?**

11 A. No. While PacifiCorp makes blanket assertions about the accuracy of the Market Caps
12 assumption, no quantitative analysis was provided to support those assertions. In contrast,
13 Market Caps are an issue that has been extensively litigated in past proceedings based on
14 thorough quantitative analysis. To the extent that PacifiCorp seeks to reverse the
15 Commission’s prior decision, PacifiCorp bears the burden to present evidence supporting the
16 change. In this case, the only evidence PacifiCorp has provided are unsupported, and
17 previously rejected, assertions, without any analytical backing.

18 **Q. IS THE COMMISSION’S DECISION IN DOCKET UE 374 A VALID BASIS TO**
19 **JUSTIFY A CHANGE TO THE MARKET CAPS METHODOLOGY?**

20 A. No. My understanding is that the Commission must decide this case based on the evidence
21 submitted in this case. To the extent the Commission made a statement in its Order in Docket
22 UE 374 questioning the level of sales forecast in the GRID model, such a finding would have

^{12/} PAC/100, Webb/10:11-13.

^{13/} Id. at 11:7-9.

1 been based on the evidence submitted in that docket and not something that can be relied upon
2 to arrive at a decision in this case.

3 **Q. DO YOU AGREE WITH PACIFICORP’S ASSERTION THAT ITS PROPOSAL**
4 **REPRESENTS THE ORIGINAL METHODOLOGY?**

5 A. No. As discussed above, the original Market Cap methodology was limited to graveyard hours
6 at major market hubs. The methodology PacifiCorp proposes in this docket was accepted only
7 in the 2012 TAM on a provisional and non-precedential basis. Following further review, the
8 Commission evaluated the merits of the average Market Cap method in the 2013 TAM and
9 explicitly rejected it in favor of Staff’s alternative method.

10 **Q. IS THE HYPOTHETICAL EXAMPLE PACIFICORP PROVIDED ABOUT**
11 **EXTRAORDINARY SALES RELEVANT?**

12 A. PacifiCorp also provides a hypothetical example where sales were extraordinary in March of
13 one year and April of another year.^{14/} This example was not based on any actual analysis that
14 PacifiCorp performed, and therefore is not relevant.

15 **Q. HAVE YOU REVIEWED STAFF’S ANALYSIS FROM DOCKET UE 374 ALLEGING**
16 **THAT OFF-SYSTEM SALES ARE BEING OVER FORECAST?**

17 A. No. It appears that much of PacifiCorp’s recommendation relies on an analysis that Staff
18 performed in Docket UE 374. That information has not been provided in this docket.
19 Notwithstanding, it is necessary to point out that performing an analysis of off-system sales
20 between forecast NPC and actual operations can be somewhat difficult. This is primarily
21 because much of the sales that PacifiCorp makes are not reported in actual NPC. A large
22 portion of PacifiCorp’s off-system sales are “booked-out,” i.e., netted against offsetting
23 purchases and not included in actual NPC. Similarly, the NPC forecast also includes the “day-

^{14/} Id. at 11:9-17.

1 ahead/real-time” (“DA/RT”) adjustment, which represents additional balancing transactions in
2 the form of offsetting sales and purchases that are added to net power costs outside of the
3 GRID model. Thus, when preparing a comparison of forecast off-system sales to actual off-
4 system sales, it is necessary to view these netting transactions in a consistent manner.

5 In Docket UE 296, PacifiCorp described the proper way to compare forecast off-system
6 sales to actual off-system sales. When comparing the volumes of off-system sales transactions
7 in forecast NPC, which includes the DA/RT adjustment, it is necessary to compare against the
8 volume of transactions from actual net power costs that also include book-out transactions.^{15/}
9 This is because the DA/RT transactions that are added outside of the GRID model are based on
10 total historical volumes “including transactions that may later be booked-out.”^{16/}

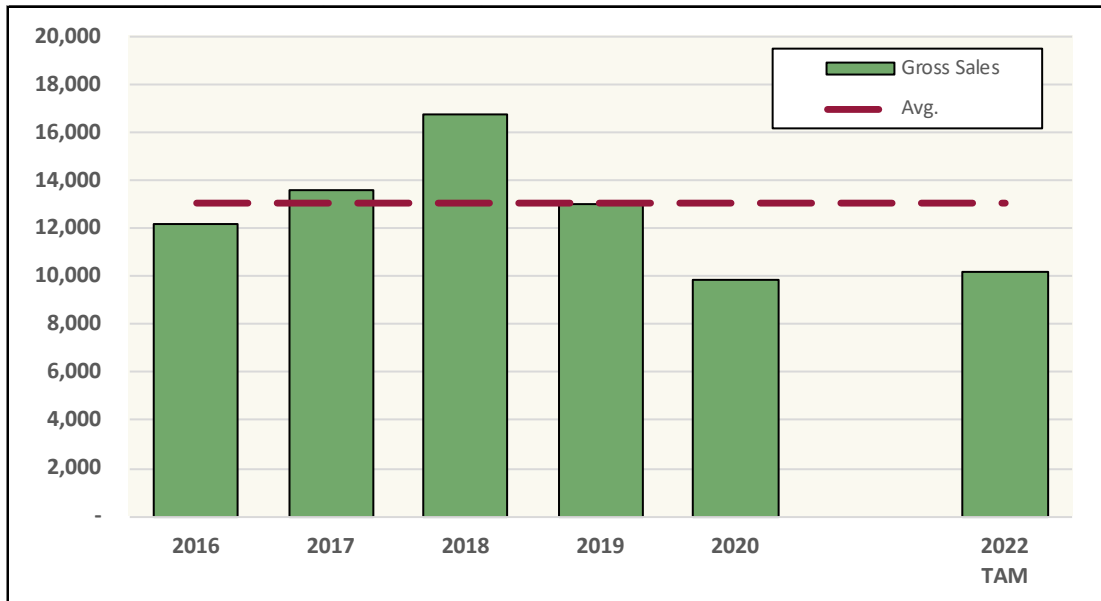
11 **Q. HAVE YOU PERFORMED THAT ANALYSIS?**

12 A. Yes. In Figure 1 below, I perform the same comparison PacifiCorp performed in Docket UE
13 296, supporting the DA/RT adjustment. The analysis compares the short-term firm sales
14 volumes included in the 2022 NPC forecast, using the currently approved market cap
15 methodology, with the actual volumes over the period 2016 through 2020 with the amount
16 forecast in the current TAM proceeding, including the DA/RT adjustment and the book-outs.

^{15/} UE 296, Reply Testimony of Brian Dickman, PAC/500, Dickman/25:1-26:16.

^{16/} Id. at 21:18-19.

Figure 1
Sales Volume Comparison 2016-2020 vs 2022 TAM w/Current Market Cap Method
Including Netting Transactions (GWh)



1 **Q. PLEASE PROVIDE AN OVERVIEW OF FIGURE 1.**

2 A. Figure 1 is a comparison between the volume of sales, in gigawatt-hours, over the period 2016
3 through 2020 to the volume of sales forecast in the current TAM proceeding. The solid, green
4 portion of the bars represents the volume of gross sales, i.e., including book-outs and the
5 DA/RT adjustment. The book-out amounts are based on the amounts reported in PacifiCorp’s
6 FERC Form 1 in the respective years. Finally, the dashed line represents the average of the
7 sales transactions over the period 2016 to 2020.

8 Consistent with PacifiCorp’s analysis in Docket UE 296, this analysis shows the
9 “system balancing volumes in this case are comparable to the historical levels.”^{17/} In fact, the
10 off-system sales being forecast in the GRID model are less than the historical average,
11 suggesting that the current market cap methodology is too restrictive.

^{17/} Id. at 26:15-16.

1 **Q. ARE THERE REASONS TO EXPECT SALES VOLUMES TO BE INCREASING?**

2 A. Yes. As a result of the wind repowering and Energy Vision (“EV”) 2020, PacifiCorp is
3 producing a large volume of additional generation that it will be to able market, which was not
4 available in the historical period. The EV 2020 resources alone produce approximately 5,300
5 GWh of additional generation, and all other things being equal, that new generation is a reason
6 to expect a material increase to sales volumes relative to historical averages. This increase in
7 sales volumes is not necessarily being borne out in the sales data detailed in Figure 1, above.
8 Thus, PacifiCorp’s current Market Cap methodology already represents a moderate level of
9 sales relative to what is expected with the addition of the EV 2020 and repowering resources,
10 which its proposed change to this method would further reduce.

11 **Q. HAS PACIFICORP EVER PERFORMED AN ANALYSIS TO VALIDATE WHETHER**
12 **THE GRID MODEL PRODUCES AN ACCURATE FORECAST INCLUDING THE**
13 **EXISTING MARKET CAP METHODOLOGY?**

14 A. Yes. In Docket UE 339, PacifiCorp performed a backcast using actual data from 2016, which
15 included the use of the existing Market Cap methodology. As a result of that analysis,
16 PacifiCorp concluded that “when actual data is used as inputs, GRID is able to produce the
17 2016 NPC within a very reasonable range compared to actual 2016 NPC.”^{18/} In the study,
18 “[t]he GRID model estimated total company 2016 NPC to be \$1,466.3 million compared to
19 actual costs of \$1,465.9 million, a variance of \$0.4 million or 0.03 percent.”^{19/} Consequently,
20 while PacifiCorp has repeatedly asserted that the GRID model under-forecasts its power costs,
21 any under-recovery PacifiCorp has incurred in recent years does not appear to be due to

^{18/} UE 339, PAC/100, Wilding/25:20-22.

^{19/} Id. at 19:21-23.

1 modeling, but to real-world impacts that were not forecasted, such as the Enbridge outage.

2 The power cost adjustment mechanism exists to address these types of impacts.

3 Fundamentally, PacifiCorp has not demonstrated in this case that there is a problem
4 with the GRID model that warrants changing the Market Cap methodology. The goal of a
5 forecast is not necessarily to perfectly emulate every aspect of net power costs viewed in
6 isolation. The goal of the forecast is to arrive at a reasonable level of overall costs to include in
7 rates. Market caps are one element in the overall power cost forecast, and if the overall
8 forecast is reasonable, there is no justification to make a change to individual assumptions such
9 as Market Caps.

10 **Q. IS PACIFICORP PLANNING TO REPLACE THE GRID MODEL?**

11 A. Yes. PacifiCorp is in the process of implementing the AURORA model for ratemaking.
12 PacifiCorp had indicated that it would use the Aurora model for this TAM filing, but was
13 unable to complete the modeling in time for the filing. Despite this delay, it is now certain that
14 PacifiCorp will use AURORA to model power costs in next year's TAM, as the Company has
15 recently filed a "power cost only rate case" in Washington that transitions from GRID to
16 AURORA.^{20/}

17 Through its Market Caps proposal, PacifiCorp is requiring a major change in the way
18 GRID modeling is being performed, but the change will be moot once the new AURORA
19 model is implemented next year. As noted above, with respect to Market Cap modeling inputs,
20 the Commission has previously commented that "the real question is not whether market caps
21 should be used as a patch to address certain limitations of the GRID model, but whether the

^{20/} Washington Utilities & Transp. Docket No. UE-210402.

1 GRID model itself should be fixed.”^{21/} Given the impending replacement of the GRID model,
2 making a dramatic change to precedent, only for the change to be superseded the next year, is
3 neither desirable nor an efficient use of the Commission’s resources.

4 **Q. PLEASE SUMMARIZE YOUR RECOMMENDATION.**

5 A. I recommend the Commission reject PacifiCorp’s proposal to use the average Market Cap
6 methodology that the Commission previously rejected in the 2013 TAM. PacifiCorp’s only
7 justification for changing the methodology are vague references to the Commission’s order in
8 Docket UE 374. PacifiCorp provides no concrete analysis or justification to make such a
9 change in this proceeding and relying on obscure references to analyses performed by another
10 party in another proceeding by no means meets the burden of proof to justify such a significant
11 rate increase on ratepayers. To the contrary, the actual data shows that the GRID model is not
12 over-forecasting sales. PacifiCorp recently concluded that the GRID model configured with
13 the current Market Cap methodology produces an accurate forecast in the backcast analysis
14 performed in Docket UE 339. Further, such a change is not timely, as PacifiCorp will be
15 moving to a new model shortly.

16 **Q. WHAT IS THE IMPACT OF YOUR RECOMMENDATION?**

17 A. The impact of rejecting PacifiCorp’s proposal is a \$19,747,145 system, or \$5,229,355 Oregon-
18 allocated, adjustment to NPC.

^{21/} Docket No. 245, Order 12-409 at 7.

1 **IV. OTHER REVENUES**

2 **Q. WHAT ARE YOUR RECOMMENDATIONS RELATED TO OTHER REVENUES?**

3 A. I have two recommendations related to Other Revenues. First, PacifiCorp omitted the
4 calculation of Other Revenues from this case and refused to provide the analysis in discovery.
5 I recommend including an Other Revenues forecast in TAM revenues, consistent with past
6 TAM filings. Second, I have observed that PacifiCorp has experienced a material increase in
7 fly ash sales in recent years. Accordingly, I recommend that Fly Ash Sales also be considered
8 in the Other Revenues calculation. These recommendations reduce TAM revenues by \$949,615
9 on an Oregon-allocated basis.

10 **Q. HOW ARE OTHER REVENUES CONSIDERED IN PACIFICORP'S TAM FILINGS?**

11 A. In Docket UE 216, PacifiCorp stipulated to, and the Commission approved, a requirement to
12 include an adjustment for Other Revenues in stand-alone TAM filings.^{22/} The stipulation stated
13 “[i]n future stand-alone TAM filings, the Company will reflect forecast changes in Other
14 Revenue for items that have a direct relation to NPC.”^{23/} In a general rate case year,
15 PacifiCorp updates Other Revenues in the context of the overall revenue requirement, and no
16 Other Revenue adjustment is made in the TAM. PacifiCorp did not, for example, make an
17 adjustment for Other Revenue in the 2020 TAM because Other Revenues were updated in
18 PacifiCorp’s GRC filing in Docket UE 374. Notwithstanding, when preparing this case,
19 PacifiCorp did not reintroduce the adjustment in this year’s stand-alone TAM filing.

^{22/} UE 216, Stipulation ¶ 9 (July 6, 2010).

^{23/} Id.

1 **Q. DID YOU REQUEST PACIFICORP TO PROVIDE THE CALCULATION OF THE**
2 **OTHER REVENUE ADJUSTMENT?**

3 A. Yes. In AWEC Data Request No. 16(b), PacifiCorp was asked to provide an updated
4 calculation of Other Revenues, consistent with the Commission Order in Docket UE 216.
5 PacifiCorp, however, refused to perform the analysis, stating that “[b]ecause the forecasted
6 revenues for 2022 are not expected to change from Other Revenues included in the Company’s
7 general rate case (GRC), Docket UE 374, the Company has not requested any adjustment
8 related to Other Revenues in the 2022 TAM.” Strangely, while not identified in the text of the
9 response, PacifiCorp did provide an attachment to its response which appears to have
10 attempted to update the Other Revenue Calculation, showing that the Other Revenue value was
11 expected to change in 2022.

12 **Q. DO YOU AGREE THAT THE COMPANY HAS THE OPTION TO DECIDE**
13 **WHETHER TO REQUEST AN OTHER REVENUE ADJUSTMENT?**

14 A. No. My understanding is that PacifiCorp does not have the authority to unilaterally change the
15 effect of a prior Commission order. Accordingly, including the Other Revenue adjustment is
16 not at the Company’s discretion, but an affirmative requirement of its TAM filings.

17 **Q. IS IT POSSIBLE THAT THE OTHER REVENUE AMOUNTS ARE NOT**
18 **CHANGING?**

19 A. No. Because the allocation factors are changing, it would be impossible from a mathematical
20 perspective for the Other Revenue amounts to not change at all. Even if the system revenues
21 remain the same, the Oregon-allocated revenues will change. Further, if PacifiCorp believes
22 the amounts are not changing, PacifiCorp is still required to present the analysis to demonstrate
23 so, consistent with the requirement from Docket UE 216.

1 **Q. DID YOU ATTEMPT TO REVIEW THE OTHER REVENUE ITEMS INCLUDED IN**
2 **THE UE 374 FORECAST?**

3 A. Yes. In response to AWEC Data Request 16(c), PacifiCorp confirmed that “[t]he wind-based
4 ancillary service revenues on a Total Company basis included in base rates is \$10,024,343.
5 Allocated on the approved system generation (SG) allocation factor at 26.023 percent,
6 Oregon’s share of this amount is \$2,608,598.” Based on the revenue requirement workpapers
7 from Docket UE 374, the primary source of Other Revenues was from a contract with Seattle
8 City Light for the Stateline wind farm. In AWEC Data Request 16(e), AWEC requested that
9 PacifiCorp provide a copy of the Seattle City Light - Stateline contract. With no explanation,
10 PacifiCorp responded that no such contract exists.

11 **Q. WHAT DO YOU RECOMMEND?**

12 A. Given PacifiCorp’s unwillingness to provide a forecast for Other Revenues and the fact that
13 PacifiCorp was unable to produce any agreement associated with the Seattle City Light -
14 Stateline revenues, I recommend using the revenue forecast from the attachment provided in
15 response to AWEC Data Request 16. Notwithstanding, I updated the revenue amount included
16 in base rates to be consistent with the amounts that PacifiCorp reported in response to AWEC
17 Data Request 16(c).

18 **Q. DO YOU HAVE ANY OTHER RECOMMENDATIONS RELATED TO THE OTHER**
19 **REVENUE FORECAST?**

20 A. Yes. Upon review of PacifiCorp’s FERC Form 1, it is apparent that PacifiCorp has
21 experienced a material increase to revenues associated with fly ash sales relative to the
22 amounts included in base rates. These sales are directly tied to the production at PacifiCorp’s
23 coal plants, primarily Jim Bridger, so I recommend that they also be considered in the Other
24 Revenue forecast.

1 **Q. WHAT IS FLY ASH?**

2 A. Fly ash is a byproduct of the combustion of coal. It is used in construction to develop concrete,
3 bricks and other building supply products.

4 **Q. WHAT AMOUNT OF REVENUES DOES PACIFICORP EARN FROM SELLING FLY**
5 **ASH?**

6 A. In 2020 PacifiCorp recognized \$6,851,586 of fly ash sales, with approximately \$1,814,408
7 allocated to Oregon. This represents a material increase from the \$4,256,000 of fly ash sales,
8 or \$1,108,000 Oregon-allocated, considered in Docket UE 374.

9 **Q. FROM WHAT COAL PLANTS DOES PACIFICORP SELL FLY ASH?**

10 A. In response to AWEC Data Request 17, PacifiCorp identified the sources of its fly ash sales for
11 calendar year 2020. PacifiCorp responded that the fly ash sales are predominantly from the
12 Jim Bridger power plant, with small amounts being sold from the Naughton, Craig and Cholla
13 plants.

14 **Q. HOW DO YOU PROPOSE TO DEVELOP A FORECAST FOR FLY ASH SALES?**

15 A. I recommend using calendar year 2020 as the basis for the forecast in this proceeding, adjusted
16 for known and measurable changes. In addition, I propose to adjust the 2020 amount for
17 retirement of Cholla, removing all fly ash sales from Cholla included in the historical data.
18 This is consistent with the way that wheeling expenses are forecast.

19 **Q. WHAT IS THE IMPACT OF YOUR RECOMMENDATION?**

20 A. Based on the proposal above, I have performed an updated Other Revenue calculation—
21 including a provision for fly ash sales—which may be found in Exhibit AWEC/104. As can be
22 seen, the effect of these recommendations is a \$949,615 reduction to Oregon-allocated TAM
23 revenues.

1 **V. BRIDGER COAL COMPANY MATERIALS AND SUPPLIES**

2 **Q. PLEASE DESCRIBE THE ANALYSIS THAT YOU PERFORMED WITH RESPECT**
3 **TO BRIDGER COAL COMPANY MATERIALS AND SUPPLIES EXPENSES.**

4 A. In Confidential Exhibit AWEC/105, I have performed an analysis evaluating the accuracy of
5 PacifiCorp's forecast of materials and supplies expenses at Bridger Coal Company ("BCC").
6 The analysis reviews the BCC forecast prepared in the final TAM update filings in Dockets UE
7 232 (2018 TAM), UE 339 (2019 TAM) and UE 356 (2020 TAM). PacifiCorp provided the
8 BCC forecasts for these respective TAM filings in response to AWEC Data Request 20. The
9 analysis compares the forecasted materials and supplies expenses in each of these dockets to
10 the materials and supplies expenses incurred in actual operations. The actual operating results
11 of BCC was provided in response to AWEC Data Request 04. Based on the comparison, it is
12 possible to evaluate how accurate the prior forecasts have been. This is an important
13 consideration because these forecast levels are based on subjective judgements, rather than a
14 predetermined methodology.

15 **Q. WHAT DID YOU FIND?**

16 A. Based on the analysis, I determined that PacifiCorp's prior forecasts for materials and supplies
17 expenses at BCC were grossly overstated in every year analyzed. In 2020, for example, the
18 forecast was overstated by 32%.

19 **Q. WHAT DO YOU RECOMMEND?**

20 A. Given the consistent history of over-estimating materials and supplies expenses as well as the
21 magnitude of the overstatement, I recommend an adjustment based the historical variances
22 identified in Confidential AWEC/105. As can be seen, my analysis applies the average
23 historical percent variances, measured on a dollars-per-ton basis, to the forecast materials and

1 supplies expenses for the test period. The result is used to develop an adjustment to the test
2 period forecast.

3 **Q. WHAT IS THE IMPACT OF YOUR RECOMMENDATION?**

4 A. This recommendation produces a \$3,096,823 reduction to PacifiCorp allocated coal costs. On
5 an Oregon-allocated basis, this adjustment amounts to a \$785,644 reduction to NPC.

6 **Q. DOES THIS CONCLUDE YOUR OPENING TESTIMONY?**

7 A. Yes.

**BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON**

UE 390

In the Matter of)
)
PacifiCorp, dba Pacific Power,)
)
2022 Transition Adjustment Mechanism.)
_____)

**EXHIBIT AWEC/101
QUALIFICATION STATEMENT OF
BRADLEY G. MULLINS**

MW ANALYTICS

Energy & Utility Consulting

Brad Mullins
Principal Consultant
Vihiluoto 15
FIN-90440 Kempele, Finland
USA +1 503 841-1465
brmullins@mwanalytics.com
www.mwanalytics.com

ABOUT

MW Analytics is the professional consulting practice of Brad Mullins, a consultant and expert witness that represents utility customers in regulatory proceedings before state utility commissions throughout the Western United States. Brad has sponsored expert witness testimony in over 70 regulatory proceeding encompassing a variety of subject matters, including revenue requirement, regulatory accounting, rate development, and new resource additions. Brad has also assisted his clients through numerous informal regulatory, legislative and energy policy matters. In addition to providing regulatory services, MW Analytics also provides advisory, energy marketing and other energy consulting services.

PRACTICE AREAS

MW Analytics has experience representing customer interests in litigated and informal regulatory proceedings, including the following subject areas:

- Revenue Requirement
- Power Cost Modeling
- Tax Provisions and Tax Reform
- Capital Additions and Forecasting
- Regulatory Accounting
- Depreciation Studies
- Ratemaking Mechanisms
- Integrated Resource Planning
- Avoided Cost Calculations
- Utility Plant Retirements

EDUCATION AND WORK EXPERIENCE

Brad has a Master of Accounting degree from the University of Utah. After obtaining his master's degree, Brad worked at Deloitte Tax in San Jose, California, where he was responsible for preparing corporate tax returns for multinational corporate clients and partnership returns for hedge fund clients. Brad was later promoted to a Tax Senior position in a national tax practice specializing research and development tax credit studies. Following Deloitte, Brad worked at PacifiCorp Energy, as an analyst involved in power cost modeling and forecasting. At PacifiCorp Brad was responsible for preparing power cost forecasts and supporting testimony for regulatory filings, preparing annual power cost deferral filings, and developing qualifying facility avoided cost calculations.

REGULATORY APPEARANCES

Brad has sponsored expert witness testimony in the following regulatory proceedings:

Docket	Party	Topics
<u>In re Avista 2020 General Rate Case</u> , Wa.U.T.C. Docket No. UE-200900 (Cons.)	Alliance of Western Energy Consumers	Revenue Requirement
<u>In re NV Energy's Fourth Amendment to Its 2018 Joint Integrated Resource Plan</u> , PUC Nv. Docket No 20-07023	Wynn Las Vegas, LLC; Smart Energy Alliance	Transmission Planning

Docket	Party	Topics
<u>In re Cascade Natural Gas Corporation, 2020 General Rate Case, Wa.U.T.C. Docket No. UG-200568</u>	Alliance of Western Energy Consumers	Revenue Requirement
<u>In re Cascade Natural Gas Corporation, Petition to File Depreciation Study, Or.PUC Docket No. UM 2073</u>	Alliance of Western Energy Consumers	Depreciation Rates
<u>In re the Application of Rocky Mountain Power for Authority to Increase Current Rates By \$7.4 Million to Recover Deferred Net Power Costs Under Tariff Schedule 95 Energy Cost Adjustment Mechanism and to Decrease Current Rates by \$604 Thousand Under Tariff Schedule 93, Rec and So2 Revenue Adjustment Mechanism, Wy.PSC Docket No. 20000-582-EM-20</u>	Wyoming Industrial Energy Consumers	Power Cost Deferral
<u>In re the Complaint of Willamette Falls Paper Company and West Linn Paper Company against Portland General Electric Company, Or.PUC Docket No. UM 2107</u>	Willamette Falls Paper Company	Consumer Direct Access, Tariff Dispute
<u>In re The Application of Rocky Mountain Power for Authority to Increase its Retail Electric Service Rates by Approximately \$7.1 Million Per Year or 1.1 Percent, to Revise the Energy Cost Adjustment Mechanism, and to Discontinue Operations at Cholla Unit 4, Wy.PSC Docket No. 2000-578-ER-20</u>	Wyoming Industrial Energy Consumers	Power Cost Modeling
<u>Avista Corporation 2021 General Rate Case, Or.PUC Docket No. UG 389</u>	Alliance of Western Energy Consumers	Revenue Requirement, Rate Design
<u>In re NW Natural Request for a General Rate Revision, Or.PUC Docket No. UG 388.</u>	Alliance of Western Energy Consumers	Revenue Requirement, Rate Design
<u>In re PacifiCorp, Request to Initiate an Investigation of Multi-Jurisdictional Issues and Approve an Inter-Jurisdictional Cost Allocation Protocol, Or.PUC, UM 1050.</u>	Alliance of Western Energy Consumers	Jurisdictional Allocation
<u>In re Puget Sound Energy 2019 General Rate Case, Wa.UTC Docket No. UE 190529.</u>	Alliance of Western Energy Consumers	Revenue Requirement, Coal Retirement Costs
<u>Avista Corporation 2020 General Rate Case, Wa.UTC Docket No. UE-190334 (Cons.)</u>	Alliance of Western Energy Consumers	Revenue Requirement, Rate Design
<u>In re Cascade Natural Gas Corporation Application for Approval of a Safety Cost Recovery Mechanism, Or. PUC Docket No. UM 2026</u>	Alliance of Western Energy Consumers	Ratemaking Policy
<u>In re Avista Corporation, Request for a General Rate Revision, Or.PUC Docket No. UG 366.</u>	Alliance of Western Energy Consumers	Revenue Requirement, Rate Design
<u>In re Portland General Electric, 2020 Annual Update Tariff (Schedule 125), Or.PUC Docket No UE 359.</u>	Alliance of Western Energy Consumers	Power Cost Modeling
<u>In re PacifiCorp 2020 Transition Adjustment Mechanism, Or.PUC Docket No. UE 356.</u>	Alliance of Western Energy Consumers	Power Cost Modeling
<u>In re PacifiCorp 2020 Renewable Adjustment Clause, Or.PUC Docket No. UE 352.</u>	Alliance of Western Energy Consumers	Single-issue Ratemaking
<u>2020 Joint Power and Transmission Rate Proceeding, Bonneville Power Administration, Case No. BP-20</u>	Alliance of Western Energy Consumers	Revenue Requirement, Policy
<u>In the Matter of the Application of MSG Las Vegas, LLC for a Proposed Transaction with a Provider of New Electric Resources, PUC Nv. Docket No. 18-10034</u>	Madison Square Garden	Customer Direct Access
<u>Puget Sound Energy 2018 Expedited Rate Filing, Wa.UTC Dockets UE-180899/UG-180900 (Cons.)</u>	Alliance of Western Energy Consumers	Revenue Requirement, Settlement
<u>Georgia Pacific Gypsum LLC's Application to Purchase Energy, Capacity, and/or Ancillary Services from a Provider of New Electric Resources, PUC Nv. Docket No. 18-09015.</u>	Georgia Pacific	Customer Direct Access

Docket	Party	Topics
<u>Joint Application of Nevada Power Company d/b/a NV Energy for approval of their 2018-2038 Triennial Integrated Resource Plan and 2019-2021 Energy Supply Plan, PUCN Docket No. 18-06003.</u>	Smart Energy Alliance	Resource Planning
<u>In re Cascade Natural Gas Corporation Request for a General Rate Revision, Or.PUC, Docket No. UE 347.</u>	Alliance of Western Energy Consumers	Revenue Requirement, Rate Design
<u>In re Portland General Electric Company Request for a General Rate Revision, Or.PUC Docket No UE 335.</u>	Alliance of Western Energy Consumers	Revenue Requirement, Rate Design
<u>In re Northwest Natural Gas Company, dba NW Natural, Request for a General Rate Revision, Or.PUC Docket No. UG 344.</u>	Alliance of Western Energy Consumers	Revenue Requirement, Rate Design
<u>In re Cascade Natural Gas Corporation Request for a General Rate Revision, Wa.UTC, Docket No. UE-170929.</u>	Northwest Industrial Gas Users	Revenue Requirement, Rate Design
<u>In the Matter of Hydro One Limited, Application for Authorization to Exercise Substantial Influence over the Policies and Actions of Avista Corporation, Or.PUC, Docket No. UM 1897.</u>	Alliance of Western Energy Consumers	Merger
<u>Application of Rocky Mountain Power for Approval of a Significant Energy Resource Decision and Voluntary Request for Approval of Resource Decision, Ut.PSC Docket No. 17-035-40</u>	Utah Industrial Energy Consumers, & Utah Associated Energy Users	New Resource Addition
<u>In re PacifiCorp, dba Rocky Mountain Power, for a CPCN and Binding Ratemaking Treatment for New Wind and Transmission Facilities, Id.PUC Case No. PAC-E-17-07</u>	PacifiCorp Idaho Industrial Customers	New Resource Addition
<u>In re PacifiCorp, dba Pacific Power, 2016 Power Cost Adjustment Mechanism, Or.PUC, Docket No. UE 327.</u>	Alliance of Western Energy Consumers	Power Cost Deferral
<u>In re PacifiCorp 2016 Power Cost Adjustment Mechanism, Wa.UTC Docket No. UE-170717</u>	Boise Whitepaper, LLC	Power Cost Deferral
<u>In re Avista Corporation 2018 General Rate Case, Wa.UTC Dockets UE-170485 and UG-170486 (Consolidated).</u>	Industrial Customers of Northwest Utilities, & Northwest Industrial Gas Users	Revenue Requirement, Rate Design
<u>Application of Nevada Power Company d/b/a NV Energy for authority to adjust its annual revenue requirement for general rates charged to all classes of electric customers and for relief properly related thereto, PUCN. Docket No. 17-06003.</u>	Smart Energy Alliance	Revenue Requirement
<u>In re the Application of Rocky Mountain Power for Authority to Decrease Current Rates by \$15.7 Million to Refund Deferred Net Power Costs Under Tariff Schedule 95 Energy Cost Adjustment Mechanism and to Decrease Current Rates By \$528 Thousand Under Tariff Schedule 93, REC and SO2 Revenue Adjustment Mechanism, Wy. PSC, Docket No. 20000-514-EA-17 (Record No. 14696).</u>	Wyoming Industrial Energy Consumers	Power Cost Deferral
<u>In re the 2018 General Rate Case of Puget Sound Energy, Wa.UTC, Docket No. UE-170033 (Cons.).</u>	Industrial Customers of Northwest Utilities, & Northwest Industrial Gas Users	Revenue Requirement, Rate Design
<u>In re PacifiCorp, dba Pacific Power, 2018 Transition Adjustment Mechanism, Or.PUC, Docket No. UE 323.</u>	Industrial Customers of Northwest Utilities	Power Cost Modeling
<u>In re Portland General Electric Company, Request for a General Rate Revision, Or.PUC, Docket No. UE 319.</u>	Industrial Customers of Northwest Utilities	Revenue Requirement, Rate Design
<u>In re Portland General Electric Company, Application for Transportation Electrification Programs, Or.PUC, UM 1811.</u>	Industrial Customers of Northwest Utilities	Electric Vehicle Charging
<u>In re Pacific Power & Light Company, Application for Transportation Electrification Programs, Or.PUC, Docket No. UM 1810.</u>	Industrial Customers of Northwest Utilities	Single-issue Ratemaking

Docket	Party	Topics
<u>In re the Public Utility Commission of Oregon, Investigation to Examine PacifiCorp, dba Pacific Power's Non-Standard Avoided Cost Pricing, Or.PUC, Docket No. UM 1802.</u>	Industrial Customers of Northwest Utilities	Qualifying Facilities
<u>In re Pacific Power & Light Co., Revisions to Tariff WN U-75, Advice No. 16-05, to modify the Company's existing tariffs governing permanent disconnection and removal procedures, Wa.UTC, Docket No. UE-161204.</u>	Boise Whitepaper, LLC	Customer Direct Access
<u>In re Puget Sound Energy's Revisions to Tariff WN U-60, Adding Schedule 451, Implementing a New Retail Wheeling Service, Wa.UTC, Docket No. UE-161123.</u>	Industrial Customers of Northwest Utilities	Customer Direct Access
<u>2018 Joint Power and Transmission Rate Proceeding, Bonneville Power Administration, Case No. BP-18.</u>	Industrial Customers of Northwest Utilities	Revenue Requirement, Policy
<u>In re Portland General Electric Company Application for Approval of Sale of Harborton Restoration Project Property, Or.PUC, Docket No. UP 334 (Cons.).</u>	Industrial Customers of Northwest Utilities	Environmental Deferral
<u>In re An Investigation of Policies Related to Renewable Distributed Electric Generation, Ar.PSC, Matter No. 16-028-U.</u>	Arkansas Electric Energy Consumers	Net Metering
<u>In re Net Metering and the Implementation of Act 827 of 2015, Ar.PSC, Matter No. 16-027-R.</u>	Arkansas Electric Energy Consumers	Net Metering
<u>In re the Application of Rocky Mountain Power for Approval of the 2016 Energy Balancing Account, Ut.PSC, Docket No. 16-035-01</u>	Utah Associated Energy Users	Power Cost Deferral
<u>In re Avista Corporation Request for a General Rate Revision, Wa.UTC, Docket No. UE-160228 (Cons.).</u>	Industrial Customers of Northwest Utilities, & Northwest Industrial Gas Users	Revenue Requirement, Rate Design
<u>In re the Application of Rocky Mountain Power to Decrease Current Rates by \$2.7 Million to Recover Deferred Net Power Costs Pursuant to Tariff Schedule 95 and to Increase Rates by \$50 Thousand Pursuant to Tariff Schedule 93, Wy.PSC, Docket No. 20000-292-EA-16.</u>	Wyoming Industrial Energy Consumers	Power Cost Deferral
<u>In re PacifiCorp, dba Pacific Power, 2017 Transition Adjustment Mechanism, Or.PUC, Docket No. UE 307.</u>	Industrial Customers of Northwest Utilities	Power Cost Modeling
<u>In re Portland General Electric Company, 2017 Annual Power Cost Update Tariff (Schedule 125), Or.PUC, Docket No. UE 308.</u>	Industrial Customers of Northwest Utilities	Power Cost Modeling
<u>In re Pacific Power & Light Company, General rate increase for electric services, Wa.UTC, Docket No. UE-152253.</u>	Boise Whitepaper, LLC	Revenue Requirement, Rate Design
<u>In The Matter of the Application of Rocky Mountain Power for Authority of a General Rate Increase in Its Retail Electric Utility Service Rates in Wyoming of \$32.4 Million Per Year or 4.5 Percent, Wy.PSC, Docket No. 20000-469-ER-15.</u>	Wyoming Industrial Energy Consumers	Power Cost Modeling
<u>In re Avista Corporation, General Rate Increase for Electric Services, Wa.UTC, Docket No. UE-150204.</u>	Industrial Customers of Northwest Utilities	Revenue Requirement, Rate Design
<u>In re the Application of Rocky Mountain Power to Decrease Rates by \$17.6 Million to Recover Deferred Net Power Costs Pursuant to Tariff Schedule 95 to Decrease Rates by \$4.7 Million Pursuant to Tariff Schedule 93, Wy.PSC, Docket No. 20000-472-EA-15.</u>	Wyoming Industrial Energy Consumers	Power Cost Deferral
<u>Formal complaint of The Walla Walla Country Club against Pacific Power & Light Company for refusal to provide disconnection under Commission-approved terms and fees, as mandated under Company tariff rules, Wa.UTC, Docket No. UE-143932.</u>	Columbia Rural Electric Association	Customer Direct Access / Customer Choice
<u>In re PacifiCorp, dba Pacific Power, 2016 Transition Adjustment Mechanism, Or.PUC, Docket No. UE 296.</u>	Industrial Customers of Northwest Utilities	Power Cost Modeling

Docket	Party	Topics
<u>In re Portland General Electric Company, Request for a General Rate Revision, Or.PUC, Docket No. UE 294.</u>	Industrial Customers of Northwest Utilities	Revenue Requirement, Rate Design
<u>In re Portland General Electric Company and PacifiCorp dba Pacific Power, Request for Generic Power Cost Adjustment Mechanism Investigation, Or.PUC, Docket No. UM 1662.</u>	Industrial Customers of Northwest Utilities	Power Cost Deferral
<u>In re PacifiCorp, dba Pacific Power, Application for Approval of Deer Creek Mine Transaction, Or.PUC, Docket No. UM 1712.</u>	Industrial Customers of Northwest Utilities	Single-issue Ratemaking
<u>In re Public Utility Commission of Oregon, Investigation to Explore Issues Related to a Renewable Generator's Contribution to Capacity, Or.PUC, Docket No. UM 1719.</u>	Industrial Customers of Northwest Utilities	Resource Planning
<u>In re Portland General Electric Company, Application for Deferral Accounting of Excess Pension Costs and Carrying Costs on Cash Contributions, Or.PUC, Docket No. UM 1623.</u>	Industrial Customers of Northwest Utilities	Single-issue Ratemaking
<u>2016 Joint Power and Transmission Rate Proceeding, Bonneville Power Administration, Case No. BP-16.</u>	Industrial Customers of Northwest Utilities	Revenue Requirement, Policy
<u>In re Puget Sound Energy, Petition to Update Methodologies Used to Allocate Electric Cost of Service and for Electric Rate Design Purposes, Wa.UTC, Docket No. UE-141368.</u>	Industrial Customers of Northwest Utilities	Cost of Service
<u>In re Pacific Power & Light Company, Request for a General Rate Revision Resulting in an Overall Price Change of 8.5 Percent, or \$27.2 Million, Wa.UTC, Docket No. UE-140762.</u>	Boise Whitepaper, LLC	Revenue Requirement, Rate Design
<u>In re Puget Sound Energy, Revises the Power Cost Rate in WN U-60, Tariff G, Schedule 95, to reflect a decrease of \$9,554,847 in the Company's overall normalized power supply costs, Wa.UTC, Docket No. UE-141141.</u>	Industrial Customers of Northwest Utilities	Power Cost Modeling
<u>In re the Application of Rocky Mountain Power for Authority to Increase Its Retail Electric Utility Service Rates in Wyoming Approximately \$36.1 Million Per Year or 5.3 Percent, Wy.PSC, Docket No. 20000-446-ER-14.</u>	Wyoming Industrial Energy Consumers	Power Cost Modeling
<u>In re Avista Corporation, General Rate Increase for Electric Services, RE, Tariff WN U-28, Which Proposes an Overall Net Electric Billed Increase of 5.5 Percent Effective January 1, 2015, Wa.UTC, Docket No. UE-140188.</u>	Industrial Customers of Northwest Utilities	Revenue Requirement, Rate Design, Power Costs
<u>In re PacifiCorp, dba Pacific Power, Application for Deferred Accounting and Prudence Determination Associated with the Energy Imbalance Market, Or.PUC, Docket No. UM 1689.</u>	Industrial Customers of Northwest Utilities	Single-issue Ratemaking
<u>In re PacifiCorp, dba Pacific Power, 2015 Transition Adjustment Mechanism, Or.PUC, Docket No. UE 287.</u>	Industrial Customers of Northwest Utilities	Power Cost Modeling
<u>In re Portland General Electric Company, Request for a General Rate Revision, Or.PUC, Docket No. UE 283.</u>	Industrial Customers of Northwest Utilities	Revenue Requirement, Rate Design
<u>In re Portland General Electric Company's Net Variable Power Costs (NVPC) and Annual Power Cost Update (APCU), Or.PUC, Docket No. UE 286.</u>	Industrial Customers of Northwest Utilities	Power Cost Modeling
<u>In re Portland General Electric Company 2014 Schedule 145 Boardman Power Plant Operating Adjustment, Or.PUC, Docket No. UE 281.</u>	Industrial Customers of Northwest Utilities	Coal Retirement
<u>In re PacifiCorp, dba Pacific Power, Transition Adjustment, Five-Year Cost of Service Opt-Out (adopting testimony of Donald W. Schoenbeck), Or.PUC, Docket No. UE 267.</u>	Industrial Customers of Northwest Utilities	Customer Direct Access

**BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON**

UE 390

In the Matter of)
)
PacifiCorp, dba Pacific Power,)
)
2022 Transition Adjustment Mechanism.)
_____)

**EXHIBIT AWEC/102
PACIFICORP RESPONSES TO DISCOVERY REQUESTS**

UE 390 / PacifiCorp
May 10, 2021
AWEC Data Request 004

AWEC Data Request 004

Please provide the actual operating results of Bridger Coal Company for calendar years 2018, 2019, and 2020 in a format substantially similar to the work papers of PacifiCorp Witness Ralston provided in the folder “Opt 5 3.20 Plan - Jul Fcst/OPEX-CAPEX/”

Response to AWEC Data Request 004

Please refer to Confidential Attachment AWEC 004.

Confidential information is designated as Protected Information under the protective order in this proceeding and may only be disclosed to qualified persons as defined in that order.

Despite PacifiCorp's diligent efforts, certain information protected from disclosure by the attorney-client privilege or other applicable privileges or law may have been included in its responses to these data requests. PacifiCorp did not intend to waive any applicable privileges or rights by the inadvertent disclosure of protected information, and PacifiCorp reserves its right to request the return or destruction of any privileged or protected materials that may have been inadvertently disclosed. Please inform PacifiCorp immediately if you become aware of any inadvertently disclosed information.

UE 390 / PacifiCorp
May 26, 2021
AWEC Data Request 016

AWEC Data Request 016

Reference Docket UE 339, Exhibit PAC/103:

- (a) Did PacifiCorp perform the analysis identified in the referenced exhibit in this docket? If no, please explain why not.
- (b) Please provide an updated version of the referenced work paper based on the other revenues included in Docket UE 374 revenue requirement, including forecasted revenues for 2022.
- (c) Does PacifiCorp agree that base rates include \$11,351,003 of wind-based ancillary service revenues on a total company basis, with \$2,938,069 allocated to Oregon? If no, please provide the corrected amount of wind-based ancillary service revenues included in base rates.
- (d) Does PacifiCorp agree that, in 2020, it recognized \$12,605,274 of wind-based ancillary service revenues, with approximately \$3,338,075 allocated to Oregon? If no, please provide the corrected amount of wind based ancillary service revenues recognized in 2020.
- (e) Please provide a copy of the ancillary services contract with Seattle City Light - Stateline Wind Farm.

Response to AWEC Data Request 016

- (a) No, the Company is not requesting any adjustment related to other revenues in the 2022 transition adjustment mechanism (TAM), so this analysis was not performed.
- (b) Because the forecasted revenues for 2022 are not expected to change from other revenues included in the Company's general rate case (GRC), Docket UE 374, the Company has not requested any adjustment related to other revenues in the 2022 TAM.
- (c) The Company disagrees that base rates effective January 1, 2021, included \$11,351,003 of wind-based ancillary service revenues on a Total Company basis. The wind-based ancillary service revenues on a Total Company basis included in base rates is \$10,024,343. Allocated on the approved system generation (SG) allocation factor at 26.023 percent, Oregon's share of this amount is \$2,608,598.

Despite PacifiCorp's diligent efforts, certain information protected from disclosure by the attorney-client privilege or other applicable privileges or law may have been included in its responses to these data requests. PacifiCorp did not intend to waive any applicable privileges or rights by the inadvertent disclosure of protected information, and PacifiCorp reserves its right to request the return or destruction of any privileged or protected materials that may have been inadvertently disclosed. Please inform PacifiCorp immediately if you become aware of any inadvertently disclosed information.

UE 390 / PacifiCorp
May 26, 2021
AWEC Data Request 016

- (d) The Company agrees that wind-based ancillary revenues recognized in 2020 was \$12,605,274. Oregon's share, based on December 2020 SG allocation is approximately \$3,420,840.
- (e) No such ancillary services agreement exists with Seattle City Light (SCL) – Stateline Wind Farm.

OR UE 390
AWEC 016
PacifiCorp
Other Revenues

<u>Line no</u>		Total Company		Factor	Factors UE- Factors CY		Oregon Allocated	
		UE-374	CY 2022		374	2022	UE-374	CY 2022
1	Seattle City Light - Stateline Wind Farm	(11,351,003)	(11,351,003)	SG	26.023%	26.482%	(2,953,830)	(3,005,925)
2	Non-company owned Foote Creek	-	-	SG	26.023%	26.482%	-	-
3	BPA South Idaho Exchange	-	-	SG	26.023%	26.482%	-	-
4	Little Mountain Steam Revenues	-	-	SG	26.023%	26.482%	-	-
5	James River Royalty Offset	-	-	SG	26.023%	26.482%	-	-
6							-	
7	Total Other Revenue	(11,351,003)	(11,351,003)				(2,953,830)	(3,005,925)
8								
9							Decrease (Increase) in Other Revenues Absent Load Change	(52,095)
10								
11							Baseline Other Revenues in Rates	(2,953,830)
12							\$ Change due to load variance from UE 374 CY 2022 forecast	(32,452)
13							Other Revenues in Rates using 2022 load forecast	(2,986,282)
14								
15							Decrease (Increase) in Other Revenues Including Load Change	(19,643)

UE 390 / PacifiCorp
May 26, 2021
AWEC Data Request 017

AWEC Data Request 017

Reference PacifiCorp's FERC Form 1, Page 450.1:

- (a) Does PacifiCorp agree that base rates include \$4,256,000 of fly ash sales on a total company basis, with \$1,108,000 allocated to Oregon? If no, please provide the corrected amount of fly ash sales included in base rates.
- (b) Does PacifiCorp agree that, in 2020, it recognized \$6,851,586 of fly ash sales, with approximately \$1,814,408 allocated to Oregon? If no, please provide the corrected amount of fly ash sales revenues recognized in 2020.
- (c) Please detail the volumes and prices of fly ash sales recognized in 2020 by coal plant in 2020.
- (d) Please provide any reports or analyses in PacifiCorp's possession considering or evaluating market conditions for fly ash sales in 2022.

Response to AWEC Data Request 017

PacifiCorp objects to this request as overly broad, duplicative, outside the scope of this proceeding and not reasonably calculated to lead to admissible information. Fly ash sales are not included in the rates determined by this proceeding. Without waiving the foregoing objection, PacifiCorp responds as follows:

- (a) Yes, PacifiCorp included approximately \$4,256,000 of fly ash sales revenue in base rates with approximately \$1,107,539 allocated to Oregon.
- (b) Yes, PacifiCorp recognized \$6,851,586 of fly ash sales revenue in calendar year 2020 with \$1,859,383 allocated to Oregon.
- (c) Jim Bridger: fly ash revenue \$6,308,954; fly ash volume 522,629 tons; average price \$12.07 per ton (\$/ton).

Naughton: fly ash revenue \$78,148; fly ash volume 78,148 tons; average price \$2.38/ton.

Craig (joint-owned, partner-operated plant): fly ash revenues \$117,174 (PacifiCorp's share).

Cholla (partner-operated plant): fly ash revenues \$347,310 (PacifiCorp's share).

Despite PacifiCorp's diligent efforts, certain information protected from disclosure by the attorney-client privilege or other applicable privileges or law may have been included in its responses to these data requests. PacifiCorp did not intend to waive any applicable privileges or rights by the inadvertent disclosure of protected information, and PacifiCorp reserves its right to request the return or destruction of any privileged or protected materials that may have been inadvertently disclosed. Please inform PacifiCorp immediately if you become aware of any inadvertently disclosed information.

UE 390 / PacifiCorp
May 26, 2021
AWEC Data Request 017

Fly ash volumes sold are not available for the joint-owned / partner-operated plants.

- (d) PacifiCorp does not possess any reports, nor has it conducted any analyses evaluating market conditions for fly ash sales in 2022.

UE 390 / PacifiCorp
May 26, 2021
AWEC Data Request 020

AWEC Data Request 020

For each of the final indicative TAM update filings in UE 375, UE 356, UE 339 and UE 323, please provide the final Bridger Coal Company operating cost work papers, including all of the supporting files as provided in Mr. Ralston's work paper folder "Opt 5 3.20 Plan - Jul Fcst\OPEX-CAPEX" in this proceeding.

Response to AWEC Data Request 020

The Company assumes that the reference to "final indicative TAM update filings" is intended to reference the Company's final transition adjustment mechanism (TAM) filings in each of the below listed TAM proceedings.

Docket UE 375 – 2021 TAM for forecast year 2021
Docket UE 356 – 2020 TAM for forecast year 2020
Docket UE 339 – 2019 TAM for forecast year 2019
Docket UE 323 – 2018 TAM for forecast year 2018

Based on the foregoing assumption, the Company responds as follows:

Please refer to Confidential Attachment AWEC 020. These files were provided with the Company's initial TAM filings in each of the proceedings stated above. This is the same information that would be relevant to the Company's final TAM filings in each of the proceedings stated above.

Confidential information is designated as Protected Information under the protective order in this proceeding and may only be disclosed to qualified persons as defined in that order.

**BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON**

UE 390

In the Matter of)
)
PacifiCorp, dba Pacific Power,)
)
2022 Transition Adjustment Mechanism.)
_____)

**EXHIBIT AWEC/103
2022 PRODUCTION TAX CREDIT RATE ANALYSIS**

PTC Inflation Adjustment Factor Calculations

Year	GDP Implicit Price Deflator					1992	Inflation Adjustment Factor			PTC Rate
	Q1	Q2	Q3	Q4	AVG.		Recalc'd	Actual	Delta	
1992	119.80	120.60	121.20	121.80	120.90	120.90	1.0000	1.0000	-	1.5
1993	123.30	124.00	124.50	124.90	124.20	120.90	1.0273	1.0273	-	1.5
1994	125.00	125.90	126.50	126.90	126.10	120.90	1.0430	1.0430	-	1.6
1995	106.70	107.30	107.80	108.30	107.50	100.00	1.0750	1.0750	-	1.6
1996	109.00	109.50	109.90	110.30	109.70	100.00	1.0970	1.0970	-	1.6
1997	111.71	112.22	112.62	113.05	112.40	100.00	1.1240	1.1240	-	1.7
1998	112.32	112.56	112.84	113.04	112.69	100.00	1.1269	1.1269	-	1.7
1999	103.83	104.19	104.46	104.98	104.37	91.70	1.1382	1.1382	-	1.7
2000	106.10	106.73	107.15	107.65	106.91	91.84	1.1641	1.1641	-	1.7
2001	108.65	109.21	109.82	109.75	109.36	91.84	1.1908	1.1908	-	1.8
2002	110.14	110.48	110.76	111.21	110.65	91.84	1.2048	1.2048	-	1.8
2003	105.15	105.43	105.85	106.16	105.65	86.39	1.2230	1.2230	-	1.8
2004	107.25	108.09	108.48	109.06	108.22	86.39	1.2528	1.2528	-	1.9
2005	110.91	111.62	112.53	113.49	112.14	86.39	1.2981	1.2981	-	1.9
2006	114.95	115.89	116.42	116.89	116.04	86.39	1.3433	1.3433	-	2
2007	118.75	119.52	119.83	120.61	119.68	86.39	1.3854	1.3854	-	2.1
2008	121.51	121.89	123.06	123.21	122.42	86.39	1.4171	1.4171	-	2.1
2009	109.69	109.69	109.78	109.88	109.76	76.53	1.4342	1.4342	-	2.2
2010	109.95	110.49	111.05	111.15	110.66	76.53	1.4459	1.4459	-	2.2
2011	112.40	113.12	113.84	114.08	113.36	76.60	1.4799	1.4799	-	2.2
2012	114.60	115.04	115.81	116.07	115.38	76.60	1.5063	1.5063	-	2.3
2013	106.11	106.26	106.78	107.20	106.59	70.64	1.5088	1.5088	-	2.3
2014	107.66	108.23	108.60	108.64	108.28	70.57	1.5344	1.5336	0.00	2.3
2015	109.10	109.67	110.03	110.29	109.77	70.57	1.5555	1.5556	(0.00)	2.3
2016	110.63	111.26	111.65	112.21	111.44	70.57	1.5791	1.5792	(0.00)	2.4
2017	112.75	113.03	113.61	114.27	113.42	70.57	1.6072	1.6072	-	2.4
2018	109.37	110.27	110.68	111.22	110.38	67.33	1.6396	1.6396	-	2.5
2019	111.47	112.19	112.66	113.04	112.34	67.33	1.6686	1.6687	(0.00)	2.5
2020	113.42	112.82	113.84	114.37	113.63	67.33	1.6877	1.6878	(0.00)	2.5

Zero Inflation	2021	115.514	<i>115.514</i>	<i>115.514</i>	<i>115.514</i>	115.514	67.325	1.7158		2.6
			<i>0%</i>	<i>0%</i>	<i>0%</i>					

3 Qtr. Deflation Needed for 2.5¢	2021	115.514	<i>114.8006</i>	<i>114.0917</i>	<i>113.3871</i>	114.4484	67.325	1.6999		2.5
			<i>-0.62%</i>	<i>-0.62%</i>	<i>-0.62%</i>					

2 Qtr. Deflation Needed for 2.5¢	2021	115.514	<i>115.514</i>	<i>114.0874</i>	<i>112.6784</i>	114.4485	67.325	1.6999		2.5
			<i>0%</i>	<i>-1.24%</i>	<i>-1.24%</i>					

**BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON**

UE 390

In the Matter of)
)
PacifiCorp, dba Pacific Power,)
)
2022 Transition Adjustment Mechanism.)
_____)

**EXHIBIT AWEC/104
OTHER REVENUE ANALYSIS**

Other Revenues - Stand Alone TAM Adjustment

Line no		<u>Total Company</u>		Factor	Factors UE- Factors CY		<u>Oregon Allocated</u>	
		UE-374 Final	CY 2022 Initial		374	2022	UE-307 Final	CY 2022 Initial
1	OTHER REVENUES	(10,024,343)	(11,351,003)	SG	26.023%	26.482%	(2,608,598)	(3,005,925)
2	FLY ASH SALES	(4,256,000)	(6,504,276)	SG	26.023%	26.482%	(1,127,056)	(1,722,435)
3							-	
4	Total Other Revenue	<u>(14,280,343)</u>	<u>(17,855,279)</u>				<u>(3,735,654)</u>	<u>(4,728,360)</u>
5								
6								Decrease (Increase) in Other Revenues Absent Load Change (992,706)
7								
8								Baseline Other Revenues in Rates (3,735,654)
9								\$ Change due to load variance from UE 374 forecast (43,090)
10								Other Revenues in Rates using updated load forecast (3,778,744)
11								
12								Decrease (Increase) in Other Revenues Including Load Change <u>(949,615)</u>

**BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON**

UE 390

In the Matter of)
)
PacifiCorp, dba Pacific Power,)
)
2022 Transition Adjustment Mechanism.)
_____)

EXHIBIT AWEC/105

**BRIDGER COAL COMPANY MATERIALS AND SUPPLIES FORECAST
ERROR 2018-2022**

(REDACTED VERSION)

Exhibit AWEC/105 contains Protected Information Subject to the General Protective Order in this proceeding and has been redacted in its entirety.