



825 NE Multnomah, Suite 2000  
Portland, Oregon 97232

May 19, 2016

***VIA ELECTRONIC FILING***

Public Utility Commission of Oregon  
201 High Street SE, Suite 100  
Salem, OR 97301-1166

Attn: Filing Center

**Re: Docket UM 1050—Errata Page**

PacifiCorp, d/b/a Pacific Power (PacifiCorp or the Company) submits for filing an errata page to the Rebuttal Testimony of Steven R. McDougal in the above-referenced docket. The Company has provided a clean and redline version of the errata. This filing is made in accordance with Administrative Law Judge Rowe's request at the May 17, 2016 hearing in this proceeding to address the correction to Mr. McDougal's testimony discussed during the hearing.

If you have questions about this filing, please contact Erin Apperson, Manager of Regulatory Affairs, at (503) 813-6642.

Sincerely,

R. Bryce Dalley  
Vice President, Regulation

Enclosure

**ERRATA PAGE – REDLINE VERSION**

DOCKET NO. UM 1050  
PAGE 6 OF REBUTTAL TESTIMONY OF  
STEVEN R. MCDOUGAL

1 ER-15) on March 3, 2015.<sup>9</sup> The current forecasts for 2017 through 2019 are  
2 based on the Company's 2015 projections, which is the Company's more recent  
3 forecast of cost conditions for that time period. At the time the foundational  
4 studies were prepared, the Company utilized the most current data available at  
5 that time; however, over the course of the BRWG discussions and negotiations,  
6 the data and assumptions became outdated. Accordingly, the parties to the  
7 negotiations did not rely on the outdated data on which ICNU basis its argument.

8 **Q. Can you provide specific examples of how using the outdated data and**  
9 **assumptions from the foundational studies artificially inflate Oregon's**  
10 **dynamic ECD projections?**

11 A. Yes. A side-by-side comparison of Oregon's dynamic ECD in the foundational  
12 studies and the Company's fall 2015 projections highlights differences that are  
13 not reflective of today's environment. The following includes a list of examples:

- 14 • Natural Gas Prices: The MSP foundational studies used the March  
15 2014 official forward price curve, which does not reflect the decrease  
16 in natural gas prices that has occurred in recent years. This accounts  
17 for approximately \$2 million of the difference.
- 18 • West Hydro Capital Additions: Due to the timing of the MSP  
19 foundational studies, approximately \$88 million of west hydro capital  
20 addition projects was not included in dated MSP foundational studies  
21 used by ICNU. This accounts for approximately \$2 million of the  
22 difference.

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<sup>9</sup> PAC/101, Dailey/4. *Re the Application of Rocky Mountain Power for Auth. to Increase its Retail Elec. Util. Serv. Rates in Wyo. Approx. \$32.4 Million Per Year or 4.5 Percent and to Reauth. and Implement a Modified Energy Cost Adj. Mech., Wyo. Pub. Serv. Comm'n, Ex. RMP (SRM-2) at p. 2.9.*

**ERRATA PAGE – CLEAN VERSION**

DOCKET NO. UM 1050  
PAGE 6 OF REBUTTAL TESTIMONY OF  
STEVEN R. MCDOUGAL

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