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**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

In the Matter of: )  
)  
The Application of PACIFICORP (U 901 E), ) Application No. 10-03-015  
an Oregon Company, for an Order Authorizing ) (Filed March 18, 2010)  
a Rate Increase Effective January 1, 2011, and )  
Granting Conditional Authorization to Transfer )  
Assets, Pursuant to the Klamath Hydroelectric )  
Settlement Agreement )  
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**PACIFIC COAST FEDERATION OF FISHERMEN’S ASSOCIATIONS  
(PCFFA), INSTITUTE FOR FISHERIES RESOURCES (IFR) and the  
KARUK TRIBE**

**REPLY BRIEF**

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## Introduction

This is the *Reply Brief* of the Karuk Tribe of California, Pacific Coast Federation of Fishermen’s Associations (PCFFA) and the Institute for Fisheries Resources (IFR) in this proceeding. All three organizations are Interveners in this proceeding, and all have many individual members who are PacifiCorp customer-ratepayers. All three organizations are also signatory-Parties to the KHSA and are directly involved with its ongoing implementation.

This *Reply Brief* is filed pursuant to Rule 13.11 and in accordance with the schedule set forth in the *Assigned Commissioner’s Scoping Memo and Ruling Regarding Petition to Modify Decision 11-05-002*, issued June 29, 2012.

### Limited Scope of this Proceeding

This case is not about whether dam removal, nor the Klamath Hydropower Settlement Agreement (KHSA) which could lead to dam removal, is a good deal for ratepayers. That issue has already been decided in the affirmative.<sup>1</sup>

In fact, all the controversial issues about whether the KHSA “Klamath Settlement” deal is in the best interests of ratepayers, and whether the Company should collect a Klamath surcharge from its California customers to total \$13.76 million by 2020, *have already long been decided*. Speculations about whether and when the KHSA will be fully implemented, including when pending Congressional authorizing legislation might pass, are just that – pointless speculations. Such rampant guesswork is not what this case is – or should be – about.

This case is merely a routine proceeding to review PacifiCorp’s request to make a minor arithmetic adjustment to its current surcharge collection schedule to make up for unfortunate Commission-caused delays of the first 8 months in the already approved 9-year recovery schedule (i.e., through December, 2019). PacifiCorp requests approval of a very minor (but nonetheless necessary) rate adjustment from the schedule approved in the previous Commission’s *Decision D.11-05-002* issued on May 6, 2011, more than a year ago.

Other issues, including KHSA implementation schedules in other areas, are wholly irrelevant to this proceeding. To emphasize that point, the *Assigned Commissioner’s Scoping Memo* filed June 29, 2012, specifically noted:

“This proceeding is limited to an examination of only the following:

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<sup>1</sup> The entire KHSA is available at: [www.klamathrestoration.gov](http://www.klamathrestoration.gov).

1. Whether the period over which the Klamath surcharge is amortized should be revised; and
2. As a result of that change, whether the amount of the Klamath surcharge should be revised.

As stated in the assigned ALJ's May 18, 2012, ruling, all other issues, including but not limited to any possible delay in achievement of project milestones, is not within the scope of the current proceedings. In their opening and reply briefs, parties should address only issues within the above-stated scope of this proceeding.”<sup>2</sup>

Siskiyou County,<sup>3</sup> the Siskiyou County Water Users Association (SCWUA)<sup>4</sup> and the Department of Ratepayer Advocates (DRA) have all included extraneous, often highly speculative, and frequently factually incorrect comments on KHSA future implementation in their Opening Briefs. To the degree that these extraneous issues and comments are not directly relevant to the very limited scope of this proceeding, they should be ignored.

## DISCUSSION

### 1. PacifiCorp Has Met Its Burden

PacifiCorp, in its original *Petition* (now being treated as an Application), and in its *Opening Brief*, has met its burden of showing the mathematical need for this minor rate adjustment, has shown that the nearly 8-month delay in implementing the surcharge from the original projected 9-month collection period was not of its own making, has shown its timely efforts made to correct this problem, and has shown that this very minor increase (estimated at about 21 cents/month per average residential ratepayer) is just and reasonable, including that it will still not cause the total rate to exceed the 2% limit previously approved.<sup>5</sup>

There are only a limited number of counter-arguments made in return by the DRA, Siskiyou County and SCWUA, which will be considered separately below.

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<sup>2</sup> See *Assigned Commissioner's Scoping Memo and Ruling Regarding Petition to Modify Decision 11-05-002*, pg. 3.

<sup>3</sup> For brevity, Siskiyou County, the Siskiyou County Flood Control and Water Conservation District and the Siskiyou County Power Authority, all filing their *Opening Brief* jointly, are simply referred to hereinafter by the term “Siskiyou County.”

<sup>4</sup> Likewise for brevity, Siskiyou County Water Users Association will be referred to hereinafter as “SCWUA.”

<sup>5</sup> See *Petition of PacifiCorp (U901E) for Modification of Decision 11-05-002 and Expedited Request for Consideration*, filed January 13, 2012, and also *Opening Brief of PacifiCorp (U901E)*, filed July 10, 2012.

## **2. Opposition of the Department of Ratepayer Advocates (DRA)**

The DRA's objections are entirely based on its unsubstantiated and highly problematical predictions that KHSA implementation will simply never take place – i.e., on nothing more than mere speculations about what Congress may or may not do at some time in the future, when it might or might not do it, and how and whether the California portions of dam removal funding will ultimately be achieved between now and 2020. An example of the core of DRA's conclusory assertions and objections are these sentences:

“The dams are no closer to removal than they ever were, and with every passing day, it is more and more unlikely that the Klamath Hydroelectric Settlement Agreement is going to be implemented in time for removal of all four dams to start by January 1, 2020..... At this point, there is no evidence that removal of the four Klamath dams is likely to begin by January 1, 2020. In absence of any such evidence, revising the surcharge period or the surcharge amount is premature.”<sup>6</sup>

The DRA falsely implies that since the signing of the KHSA on February 18, 2010, the Parties to that Agreement have essentially been sitting on their hands in idleness. This is far from true. Quite a number of key “milestones” toward KHSA implementation have already been met, including introducing federal implementing legislation now pending in both chambers of Congress (S. 1851 and H.R. 3398) that could potentially move forward at any time, and which will be introduced in future Congresses as well. Many other steps have also been taken in direct preparation for a Secretarial Determination, including extensive NEPA and CEQA dam removal impacts analysis subjected to three different levels of independent scientific peer review.<sup>7</sup> More than \$18 million has been spent so far on this extensive NEPA and CEQA analysis and on parallel technical, engineering and scientific studies of both the feasibility and likely environmental and economic impacts of dam removal.

A Detailed Plan for Dam Removal was also published on September 15, 2011, as part of this NEPA/CEQA analysis – meeting another important KHSA landmark.<sup>8</sup> Dam removal is now provably feasible, and additionally is now estimated by new and far more detailed engineering

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<sup>6</sup> DRA Opening Brief June 10, 2012, quoting selections from pgs. 6, 7 & 8.

<sup>7</sup> For the entire and extensive NEPA/CEQA documents, totally more than 3,500 pages of technical analysis, and for the many additional parallel technical studies that have gone into investigating the feasibility of, and the impacts likely from, four dam removal on the Klamath, see: [www.klamathrestoration.gov](http://www.klamathrestoration.gov).

<sup>8</sup> See *Detailed Plan for Dam Removal – Klamath River Dams* (September 15, 2011), available at: [http://klamathrestoration.gov/sites/klamathrestoration.gov/files/Klamath\\_DetailedPlan2011.pdf](http://klamathrestoration.gov/sites/klamathrestoration.gov/files/Klamath_DetailedPlan2011.pdf).

and cost studies to be likely to cost far less than the originally budgeted KHSA amount of \$450 million – and in fact could be achieved for as little as \$247 million (in 2020 dollars).<sup>9</sup>

PacifiCorp is also spending 2 to 3 million dollars each year in funding 20 separate “interim conservation measures” required under the KHSA for the protection of fish and wildlife within the Klamath Project, and for improvements in water quality as we work toward 2020 dam removal targets.<sup>10</sup> A copy of a June, 2012 update on the implementation and progress being made on these “interim conservation measures” and on KHSA implementation generally is also readily available on the PacifiCorp Internet web site.<sup>11</sup>

In other words, the Parties to the KHSA have been far from idle in preparing for potential dam removal by 2020, making that goal far more likely to be achieved on time and under budget than even just one year ago.

Additionally, while it is true that the initial target date originally in the KHSA for making the Secretarial Determination of March 20, 2012, has now been missed, that deadline was neither statutory nor compulsory – it was entirely a creation of the Parties to the KHSA which, as it turned out, was simply overly optimistic.<sup>12</sup> The KHSA, furthermore, required only “best efforts” on the part of the Secretary of Interior to make his Determination on that timeline<sup>13</sup> -- best efforts which he made and is continuing to make. It was always acknowledged by the Parties to the KHSA that much can happen between now and the 2020 dam removal target date, including likely delays, and such potential delays as these were in fact provided for in the original KHSA projected implementation schedules. A later than originally anticipated Secretarial Determination that nevertheless occurs *at any time within the next several years* will not likely result in any significant delays of that 2020 removal date.

But ultimately, all of the DRA’s prognostications about the future of the KHSA are nothing but baseless speculations, well outside the very limited scope of this proceeding. Tellingly, the

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<sup>9</sup> From *Summary of Key Conclusions – Draft EIS/EIR and Related Scientific/Technical Reports (September 21, 2011)*, pg. 2: “If some structures are left in place, but still allow a free-flowing river at all four dams, the most probable estimate for dam removal and associated mitigations is \$247 million (in 2020 dollars). Examples of structures that could be left in place include powerhouses and selected abutment structures.” Available at: <http://klamathrestoration.gov/sites/klamathrestoration.gov/files/Final.Summary.Sept.21.pdf>.

<sup>10</sup> See KHSA, Appendices C & D.

<sup>11</sup> The PacifiCorp KHSA Implementation Report (June 2012) is at: [http://www.pacificcorp.com/content/dam/pacificcorp/doc/Energy\\_Sources/Hydro/Hydro\\_Licensing/Klamath\\_River/KHSA\\_ImpReport\\_06292012\\_%20Final.pdf](http://www.pacificcorp.com/content/dam/pacificcorp/doc/Energy_Sources/Hydro/Hydro_Licensing/Klamath_River/KHSA_ImpReport_06292012_%20Final.pdf)

<sup>12</sup> The Parties to the KHSA are also able to and prepared to amend the KHSA if necessary in light of changed deadlines such as this one, to extend those deadlines as necessary. See KHSA §8.4.

<sup>13</sup> See KHSA §3.3.4, p. 20.

DRA otherwise raises no actual mathematical or accounting objections to PacifiCorp's numbers and projections. Nor does the DRA rebut PacifiCorp's evidence that the unfortunate 8-month initial delay was caused by internal delays by the Commission staff in establishing the Trust Accounts, added to unexpected decisional delays in the prior proceedings themselves, that were not caused by PacifiCorp and were well outside its control. Those facts remain undisputed by the DRA.

### **3. Opposition of Siskiyou County**

Siskiyou County's objections throughout its *Opening Brief* are almost entirely irrelevant as well as nearly all well outside the limited scope of this proceeding. Siskiyou County has a standing policy of opposing Klamath Hydropower Project dam removal in any form, and in all available forums, and this is no exception. But the KHSA nevertheless exists and is being implemented, and the issues of whether the KHSA is in the best interests of PacifiCorp ratepayers have already been determined in *Decision D.11-05-002* more than a year ago. None of Siskiyou County's many "blasts" about the KHSA itself in its *Opening Brief* or anywhere else are of any relevance in this case.

Siskiyou County's only substantive objection within the scope of this proceeding is to claim that, since PacifiCorp asked originally for consent to an increase beginning April 1, 2012, and that date has now passed, that the Commission should in essence just throw up its hands in defeat and abandon or deny the entire request:

"It is now July 10, making it impossible for the Commission to revise the surcharge in the manner requested in PacifiCorp's current application. If the Commission does approve the increased surcharge for implementation at some date later than April 1, 2012, PacifiCorp will not be able to collect the full amount of funds specified in the KHSA. The Commission is faced with a situation in which there is no action that it can take that will be consistent with the requirements of the KHSA."<sup>14</sup>

Siskiyou County's assertions that the Commission has no other options but to deny the request entirely are, of course, not true. The Commission can craft any number of remedies. But then Siskiyou County then rather bizarrely urges the following "solution":

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<sup>14</sup> Siskiyou County *Opening Brief* (July 10, 2012), pg. 2-3.

“Rather than accede to PacifiCorp’s request in the pending application to approve an incomplete solution to one of the many KHSA problems, the Commission should insist that PacifiCorp continue the ongoing negotiations to revise the Klamath settlement and return to the Commission only when a clear and realistic path to implementing the KHSA has been reestablished.”

Then, pejoratively calling the KHSA “a crumbling pipe dream,” it is clear that Siskiyou County is in essence simply trying to covertly enlist the aid of the Commission – through the denial of PacifiCorp’s reasonable and routine adjustment request – to crash the entire KHSA process in the vain hope that somehow, some way, the Klamath dams will remain as they are today, in spite of the fact that their 50-year FERC licensing has now expired.

With an expired FERC license there are now only three legal options for these dams: (1) FERC relicensing, with all its huge costs and additional retrofitting requirements; (2) dam removal under the KHSA Settlement outside of the regular FERC process, which includes the \$200 million customer “cost cap” provisions of the KHSA to protect its customers; (3) dam removal under the regular FERC process, simply because the Project is no longer cost effective, but without the \$200 million customer “cost cap” to protect its customers from what will clearly be higher customer dam removal costs than under the KHSA.

The prior record in this proceeding is clear that costs to the ratepayers of FERC dam relicensing would *far exceed* the costs of their decommissioning and removal under the KHSA.<sup>15</sup> So, obviously, would dam removal under the FERC-only process without the KHSA, since there would be no comparable “cost cap” to protect ratepayers from dam removal charges above \$200 million, and total dam removal costs are estimated as highly likely to exceed \$200 million (in 2020 dollars). Thus, as the Commission found in *Decision 11-05-002*, the KHSA is still by far

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<sup>15</sup> The KHSA “caps” total ratepayer liability for decommissioning costs at a mere \$200 million, with \$13.76 million (8%) as the portion attributable *pro rata* to and collectable from PacifiCorp’s California customer base, currently through a surcharge of only about \$1.61/month per average residential customer. However, PacifiCorp testified that its total relicensing costs would be at least \$460 million, and potentially much greater, and with no customer “cost cap” for protection of its customers from unknown additional relicensing liabilities, including likely high costs of water quality standards compliance likely to push total costs to \$500 million or more (see PacifiCorp Ex. PPL/300, Scott/6-10). See also, *Opening Brief of PacifiCorp* (11/17/10), pg. 5. FERC itself concluded in its own independent analysis in 2007 that, after these high costs of relicensing, these four power dams would be reduced in power generation by more than 26% (from the current 82 MW down to 61 MW annual average), thus running thereafter *at about a \$20 million/year economic loss* (see *FERC Final Environmental Impact Statement* (Nov. 2007), Table 4-3 at pg. 4-2, quoted in Testimony of Steve Rothert (CG/1R), pg. 10). If FERC is correct in its analysis, this would make total costs to customers of a new 50-year FERC license about *7.5 times greater* than the costs of dam decommissioning and removal.

the least-cost option for ratepayers. Siskiyou County simply fails to acknowledge economic reality.

Even aside from its baseless anti-KHSA rhetoric, Siskiyou County also makes far too much of the fact that PacifiCorp, when it filed its original *Petition* in January, 2012, projected the impacts of the requested rate adjustment from a April 1, 2012, starting point – a date that at the time seemed quite reasonable for what PacifiCorp hoped was to be an informal and expedited amendment process. However, the company could just as easily have chosen another date in its place, with different assumptions. There is no particular significance to that original April 1, 2012, PacifiCorp initial date choice. It was chosen solely for illustrative purposes as a reasonable place to start its projection calculations.

Additionally, all the calculations of the amount that would be available in this Trust Account by December, 2019, are future projections, based on several variables and reasonable probabilities. Some of these variables which may change over time (either higher or lower) than projected are: (a) rate of interest earned; (b) cumulative amount earning interest, and; (b) total future load growth, i.e., an increase in the total number of ratepayers contributing. If PacifiCorp exceeds its \$13.76 million by the end of 2019 surcharge target, the excess would return back to its ratepayers in accordance with *Decision 11-05-002*, in a similar rate adjustment.

Actually, Siskiyou County's argument that it is getting harder and harder as time passes for PacifiCorp to meet its 2020 targets at the current collection rate simply works against Siskiyou County's objections. It is, instead, an argument for expediting this process to make this necessary adjustment *as soon as possible* so as to get collections back on track.

PacifiCorp is well aware of the tentative nature of all its projections into the future as well as the need for speedy resolution of this issue and approval of the rate adjustment requested. If made soon, this correction still puts PacifiCorp much closer to being "on track" for January 1, 2020, and also brings any potential deviations well within what could well be made up by slightly higher than assumed load growth or slightly greater interest collections. Thus PacifiCorp states in its *Opening Brief* that:

“As a simple matter of mathematics, the surcharge rate should be increased slightly to comply with the Commission Decision that authorized the collection of the \$13.76

million by the end of 2019. PacifiCorp's Application requests an adjustment to the surcharge rate to be applied to all rate schedules with the effective date of April 1, 2012. *Because April 1, 2012, has already passed, Commission approval of the change in the surcharge rate is needed as soon as possible to ensure sufficient funds are collected, particularly because the actual amount collected will depend on load growth over the next eight years.*"<sup>16</sup> (emphasis added)

Siskiyou County itself even seems to acknowledge this need for speedy approval of the rate adjustment when it notes:

"The amount of the surcharge was also calculated based on the assumption that it would be effective January 1, 2011, and be collected for a full nine years. However, PacifiCorp's collection of the surcharge has been behind schedule from the day the Commission rendered its initial approval, and various delays have only created a deeper and deeper hole."<sup>17</sup>

The solution for the Commission to rectify this small (but growing) deficit is obviously not, as Siskiyou County urges, simply to deny the adjustment entirely, toss out the KHSA as a whole and tell the Parties to the KHSA to start all over again! *The solution is to expeditiously approve the adjustment requested.*

#### **4. Opposition of SCWUA**

SCWUA's main reason for existence appears to be to fight Klamath Basin dam removals, judging from their Internet home page.<sup>18</sup> SCWUA, like Siskiyou County, had little to contribute in its *Opening Brief* that is in any way relevant to the issues in this limited proceeding.

SCWUA, its *Opening Brief*, like Siskiyou County – and even the DRA -- mistakes the significance of the recent postponement of the "California Bond Act"<sup>19</sup> containing legal authority to raise *up to* \$250 million through California bond sales to help fund dam removal costs under the KHSA required above and beyond the initial \$200 million coming from ratepayers.<sup>20</sup> The recent Bond Act vote postponement to 2014 is a minor setback at most, and certainly not a deal killer.

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<sup>16</sup> PacifiCorp *Opening Brief* (July 10, 2012), pg. 5.

<sup>17</sup> Siskiyou County *Opening Brief* (July 10, 2012), pg. 3.

<sup>18</sup> See: <http://www.siskiyoucountywaterusers.com>.

<sup>19</sup> The "California Bond Act" is more correctly called the *Safe, Clean, and Reliable Drinking Water Supply Act*, now postponed to the November, 2014, election by AB 1422 signed July 9, 2012.

<sup>20</sup> SCWUA *Opening Brief*, pg. 3; see also Siskiyou County *Opening Brief*, pg. 7; DRA *Opening Brief*, pg. 5-6.

First, the only hard and fast “requirement” for the California funding component of the KHSA is that those additional funds necessary, i.e., those above and beyond the \$200 million “Customer Contribution” required for dam removal, be ultimately made available for that purpose *by the dam removal target date of 2020*. Any particular Bond Act is only one of many potential pathways to provide the California component of KHSA funding between now and 2020 when dam removal actually is to begin.<sup>21</sup> Additionally, the “California Contribution” required may ultimately be as little as an additional \$47 million.<sup>22</sup> This reduced need (from \$250 million to \$47 million) actually makes it *much more likely* that these funds will be timely provided between now and 2020, not less so – and by any of a number of financial mechanisms. But ultimately, this whole funding debate is well outside the limited scope of this proceeding, and SCWUA’s assertions on this issue should be ignored.

SCWUA’s only other point in its *Opening Brief* has to do only with its complaint about the Trust Fund transfer of funds schedule established by *Decision 11-05-002*, i.e., monthly transfer by the 15<sup>th</sup> of each month. But this issue was decided more than a year ago when that *Decision* was adopted on May 6, 2011.<sup>23</sup> SCWUA’s urging to change that already well-established and previously decided collections transfer requirement is simply irrelevant to, and outside the scope of, this limited proceeding.<sup>24</sup>

It should be noted that SCWUA’s July 20, 2012, *Reply Brief* contains as an attachment a July 17, 2012, letter from Congressman Tom McClintock, who also makes his own problematical guesses about what Congress may or may not do about passing KHSA implementing legislation (H.R. 3398 in the House) between now and 2020. With all due respect to Congressman McClintock, who is an ardent opponent of Klamath dam removal in any form, his politically-

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<sup>21</sup> KHSA §3.3.4, second section states: “However, if the ... California Bond Funding required ... has not been approved, in whole or in part, the Secretary may still make an Affirmative Determination so long as one of the following additional conditions is met: ... (2) If the Secretary finds that the Customer Contribution and any approved California Bond Funding may not be sufficient to accomplish Facilities Removal, *the Secretary has received satisfactory assurances from the State of California that the California Bond Funding ... necessary to effect Facilities Removal will be Timely available.*” (emphasis added)

<sup>22</sup> That is, the difference between the most probable \$247 million cost of dam removal under one likely scenario (see above) and the \$200 “Customer Contribution” from the PUC’s Klamath Surcharge Trust Fund which provides the first money.

<sup>23</sup> See *Decision 11-05-002*, Ordering §10, pg. 39.

<sup>24</sup> More frequent or daily transfers would also simply incur higher PacifiCorp management costs, which would have to be offset from somewhere else, potentially raising rates an equivalent amount. There seemed no point in such micro-management when the Commission considered this in its earlier proceeding.

motivated as well as highly speculative guesses on future voting outcomes in Congress are not determinative – and the roll of Members of Congress who have been dead wrong in their predictions about future voting actions in Congress is legion. There will also be *four* Congressional elections (2012, 2014, 2016 and 2018) between now and the 2020 target date for dam removal under the KHSA, any of which could radically change the current balance of power in the U.S. House of Representative, including the leadership of Mr. McClintock’s own Subcommittee. Rep. McClintock is also ultimately only one of 435 voting Members of the U.S. House of Representatives. There are 17 other Members of Congress who have sponsored and fully support H.R. 3398 in the U.S. House of Representatives, and will strongly support similar legislation in the next Congresses.<sup>25</sup> And finally, neither Mr. McClintock’s nor SCWUA’s speculative opinions about what Congress may or may not do in the future are ultimately relevant to the purely mathematical issues of this case.

## CONCLUSION

The KHSA Parties have just completed “Year 2” of a 10-year dam removal program. It should hardly come as a surprise to anyone that the process is not yet done. Nor should it come as a surprise that, as a result of an initial 8-month delay entirely outside of PacifiCorp’s control, the collections schedule needs this requested minor mathematical adjustment. Indeed, since it was the PUC’s prior proceedings and their unexpected delays, and later the unexpected Trust Agreement drafting delays of Commission staff, that when combined actually caused this shortfall, albeit inadvertently, there is every good reason for the Commission to help expeditiously correct the problem. Tellingly, none of the testimony of the DRA, Siskiyou County or SCWUA rebuts the fact that these delays were well outside of PacifiCorp’s control, nor that PacifiCorp’s numbers are accurate.

And finally, given the inherent uncertainties in any future projections, the original *Decision* authorizing the surcharge made provisions for just such potential adjustments, specifically providing that “[t]he amount of the Klamath surcharge may be revised, subject to the annual

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<sup>25</sup> Co-sponsors of H.R. 3398 currently include Representatives Blumenauer, DeFazio, Dicks, Eshoo, Garamendi, Honda, Lee, Matsui, McNerney, Miller, Moran, Napolitano, Schrader, Speier, Stark, Thompson and Woolsey. Rep. Napolitano is also the Ranking Member of Mr. McClintock’s Subcommittee, which means she would replace him as Chair of that Subcommittee if and when power shifts to Democratic majority control of the House of Representatives. See the Library of Congress’s THOMAS Congressional bill search service under bill number for current status of all Congressional legislation.

limit on surcharge revenue of 2% of the authorized annual revenue requirement as of January 1, 2010.”<sup>26</sup> And in fact, on January 13, 2012, as provided under that *Decision*, PacifiCorp made this timely adjustment request through its Petition-Application, with notice to all parties, and also showed that even the *increased* rate will still not exceed the 2% limit.<sup>27</sup>

This minor correction should by all means be implemented sooner rather than later. Doing so later would only cost ratepayers more money in the end by either: (a) requiring a steeper collection schedule, or (b) costing them more because of reduced accrued interest to offset total ratepayer costs, or (c) require extensions of the collections period – or some combination of all three methods. None of these options are as cheap and simple as simply granting the relatively minor requested surcharge increase now so as to prevent much worse shortfalls, and more dramatic resultant corrective actions, in the future.

Respectfully submitted,

July 20, 2012

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For the Pacific Coast Federation of  
Fishermen’s Associations and  
Institute for Fisheries Resources

/s/ Craig Tucker  
For the Karuk Tribe

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<sup>26</sup> See *Decision D.11-05-002*, Ordering §6, pg. 38.

<sup>27</sup> See *Petition of PacifiCorp (U901E) for Modification of Decision 11-05-002 and Expedited Request for Consideration*, Attachment C to the Griffith Declaration (January 13, 2012).