



BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**FILED**

06-11-10

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In the Matter of the Application of  
PACIFICORP (U 901 E), an Oregon  
Company, to Recover Costs  
Recorded in the Catastrophic Event  
Memorandum Account.

A.10-05-009  
(Filed May 7, 2010)

### **PROTEST OF THE DIVISION OF RATEPAYER ADVOCATES**

Pursuant to Rule 2.6 of the Commission's Rules of Practice and Procedure, the Division of Ratepayer Advocates ("DRA") submits its Protest to the Application of PacifiCorp, an Oregon Company, to Recover Costs Recorded in the Catastrophic Event Memorandum Account ("CEMA") ("Application").<sup>1</sup>

In the Application, PacifiCorp states that:

PacifiCorp seeks to recover \$1.36 million in revenue requirement associated with \$3.63 million of CEMA-eligible costs incurred in responding to the severe winter storms that occurred in Siskiyou County in PacifiCorp's service territory during January 2010. PacifiCorp seeks recovery of approximately \$1.66 million, or 46 percent, of the total storm costs incurred by the Company. PacifiCorp is only seeking recovery of the costs that will not be recovered from insurance and that are properly allocated to PacifiCorp's California customers. PacifiCorp proposes to amortize the CEMA costs in rates for one year beginning January 1, 2011.<sup>2</sup>

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<sup>1</sup> PacifiCorp filed this Application on May 7, 2010.

<sup>2</sup> Application at 2.

## **I. IDENTIFIED ISSUES**

DRA intends to audit this Application by:

- Reviewing the sufficiency of the disaster declarations to ensure that they comply with Commission precedent;
- Reviewing the recorded and/or requested costs to determine whether they were related to CEMA-eligible events;
- Reviewing the recorded and/or requested costs to determine whether they were incurred in territories with competent disaster declarations, in a manner consistent with Commission precedent;
- Reviewing the allocation of costs to California ratepayers;
- Examining the appropriateness of including certain categories of costs in the CEMA;
- Reviewing the accounting to determine whether the recorded and/or requested costs were to restore utility services to customers; to repair, replace, or restore damaged utility facilities; and/or were in compliance with governmental agency orders in connection with events declared disasters by competent state or federal authorities;
- Reviewing PacifiCorp's decision-making regarding the storms, including decisions regarding insurance;
- Reviewing the accounting (for both capital and expenses) in order to determine the reasonableness of the recorded costs;
- Investigating any other issues that may arise in connection with this matter.

## **II. PROCEDURAL MATTERS**

DRA agrees with PacifiCorp that this proceeding is appropriately classified as rate-setting. At this time, DRA expects that evidentiary hearings will be necessary. The primary issues to be considered are those discussed in Section I, including any additional issues that may arise during discovery.

### III. PROPOSED SCHEDULE

DRA has reviewed PacifiCorp's proposed schedule and reserves its right propose amendments at the upcoming PHC.

Respectfully submitted,

/s/ EDWARD MOLDAVSKY

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CLEVELAND LEE  
EDWARD MOLDAVSKY

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June 11, 2010

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a copy of **PROTEST OF THE DIVISION OF RATEPAYER ADVOCATES** to the official service list in **A.10-05-009** by using the following service:

**E-Mail Service:** sending the entire document as an attachment to all known parties of record who provided electronic mail addresses.

**U.S. Mail Service:** mailing by first-class mail with postage prepaid to all known parties of record who did not provide electronic mail addresses.

Executed on **June 17, 2010** at San Francisco, California.

/s/ ALBERT HILL

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Albert Hill

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