

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



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In the Matter of the Application of PACIFICORP
(U 901 E) for Authority to Recover Costs
Recorded in the Catastrophic Event Memorandum
Account.

A1503012

Application No. 15-03-____
(Filed March 27, 2015)

**APPLICATION OF PACIFICORP (U-901-E) TO RECOVER COSTS RECORDED IN
THE CATASTROPHIC EVENT MEMORANDUM ACCOUNT**

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Date: March 27, 2015

Attorney for PacifiCorp

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I. INTRODUCTION

In accordance with Rules 2.1 and 3.2 of the Commission's Rules of Practice and Procedure (Rules), Section 454.9(b) of the California Public Utilities Code and Resolution No. E-3238, PacifiCorp, d/b/a Pacific Power (PacifiCorp or Company), respectfully submits this Application to the California Public Utilities Commission (Commission) seeking to recover certain costs recorded in its Catastrophic Event Memorandum Account (CEMA). Such costs include incremental expenses and capital-related costs incurred for implementing drought-related fire hazard mitigation measures and responding to two fires that occurred in PacifiCorp's California service territory in 2014.

II. BACKGROUND

PacifiCorp is a multi-jurisdictional utility providing electric retail service to customers in California, Idaho, Oregon, Utah, Washington, and Wyoming. PacifiCorp serves approximately 45,000 customers in Del Norte, Modoc, Shasta, and Siskiyou counties in northern California. California Public Utility Code Section 454.9(b) allows for recovery in rates costs, including

capital costs, incurred in responding to a catastrophic event. Resolution E-3238 authorized utilities to establish catastrophic event memorandum accounts and to record in those accounts the costs of the following: (1) restoring utility service to customers; (2) repairing, replacing, or restoring damaged utility facilities; and (3) complying with governmental agency orders resulting from declared disasters.¹ Resolution E-3238 also authorized utilities to record capital-related costs such as depreciation and return on capitalized plant additions resulting from restoration activities.² Finally, Resolution E-3238 indicates “[r]ecovery may be limited by consideration of the extent to which losses are covered by insurance, the level of loss already built into existing rates, and possibly other factors relevant to the particular utility and event.”³

PacifiCorp filed Advice Letter No. 238-E in accordance with Resolution E-3238 to establish CEMA by adding Preliminary Statement Part C (Part C) to its approved California tariff book. A copy of PacifiCorp’s Part C, describing the procedures for recording and seeking recovery for CEMA costs, is provided with this Application as Appendix B. Consistent with California Public Utility Code Section 454.9 (1)(3), Part C defines a catastrophic event as an event declared a disaster by competent state or federal authorities.⁴ Part C, consistent with Resolution E-3238⁵, requires the Company, if possible, to notify the Commission’s Executive Director of a catastrophic event by letter within 30 days of the event if PacifiCorp records costs to CEMA.

¹ Public Utilities Commission of The State of California, Commission Advisory & Compliance Division, Resolution E-3238, *Order Authorizing All Utilities to Establish Catastrophic Event Memorandum Accounts, As Defined, To Record Cost Resulting From Declared Disasters*, Ordering Paragraph 1 (July 24, 1991).

² *Id.* at p. 2.

³ *Id.* at p. 2-3.

⁴ See Advice Letter No. 238-E 2d.

⁵ Resolution E-3238, Ordering Paragraph 2.

In 2014, PacifiCorp notified the Commission of its plan to record costs incurred associated with three separate catastrophic events. On March 18, 2014, PacifiCorp notified the Commission of the plan to record costs incurred in response to the February 28, 2014 letter from the Director of the Safety and Enforcement Division directing utilities to take all practicable measures to reduce the likelihood of fire from utility facilities that were expected from the state's extreme drought condition. On August 29, 2014, PacifiCorp notified the Commission of its plan to record costs incurred responding to fires in July 2014 caused by significant lightning activity during several summer storms. On October 8, 2014, PacifiCorp notified the Commission of its plan to record costs incurred responding to the Boles Fire near Weed, California. Copies of all three notices are included with this Application as Appendix C. Further details of the events are included below and in the supporting testimony of Ms. Heidemarie Caswell included with this Application as Exhibit PPL/100.

Consistent with Resolution E-3238,⁶ Part C also provides that costs recorded in CEMA may be recovered in rates “only after a request by the Company, showing of reasonableness, and approval by the Commission.” This Application constitutes PacifiCorp's formal request for inclusion in rates of the revenue requirement associated with the incremental costs incurred responding to the CEMA events noted above. As explained in the testimony of Mr. Steven R. McDougal, all costs recorded in the CEMA were reasonable and necessary to restore electric service to PacifiCorp's customers and to repair, replace and restore damaged electric facilities. Additionally, these costs would not have been incurred by the Company absent the events, and will not be recovered as a part of current base rates. PacifiCorp has met the criteria for recording costs in the CEMA as set forth in Resolution E-3238, California Public Utility Code Section 454.9(b) and PacifiCorp's CEMA Preliminary Statement.

⁶ Resolution E-3238, Ordering Paragraph 3.

PacifiCorp seeks to recover \$545,000 of CEMA-eligible costs incurred responding to catastrophic events in 2014. PacifiCorp is only seeking recovery of the costs that are properly allocated to PacifiCorp's California customers and that will not be recovered from insurance. PacifiCorp proposes to amortize the CEMA costs in rates for one year beginning January 1, 2016. The calculation of eligible costs and the revenue requirement are detailed in this Application and in supporting testimony and exhibits of Mr. McDougal, Exhibits PPL/200 through PPL/202.

III. DESCRIPTION OF CATASTROPHIC EVENTS

A. Fire Mitigation Measures

On January 17, 2014, Governor Brown declared a state of emergency due to the ongoing drought and directed state officials to take all necessary measures to prepare for drought conditions. PacifiCorp received a letter from the Commission's Acting Director of the Safety and Enforcement Division dated February 18, 2014, directing the Company to take all practicable measures necessary to reduce the likelihood of fires, including but not limited to, increased inspections in fire threat areas, re-prioritization of corrective action items and modification of protective schemes. In response to this directive, PacifiCorp increased patrolling and vegetation management for targeted facilities, re-inspected and accelerated corrections of certain conditions, installed fault distance-reporting relays on specific transmission lines, accelerated "No Test" policy implementation and increased supply of fire suppression resources available to field resources. Please refer to Ms. Caswell's testimony, Exhibit PPL/100, for additional information.

B. Summer 2014 Wildfires

In July and August of 2014, a series of thunderstorms with significant lightning activity struck northern California and southern Oregon, sparking wildfire activity, including the Beaver

Complex and Oregon Gulch fires. On August 2, 2014, Governor Brown declared a state of emergency due to the wildfires in certain areas, including Modoc, Shasta and Siskiyou counties. PacifiCorp implemented its emergency response plans to mitigate potential damage and rebuilt certain facilities affected by the fire. Please refer to Ms. Caswell's testimony for additional information.

C. Boles Fire

On September 15, 2014, the Boles Fire started near the town of Weed, California. PacifiCorp implemented emergency response plans, including placing personnel in California, Klamath Falls, Medford and Grants Pass on stand-by. PacifiCorp crews were able to access the area September 16, 2014 to assess damage and begin restoration activities. On September 17, 2014, Governor Brown declared a state of emergency due to the Boles fire. Please see Ms. Caswell's testimony for additional information.

IV. OVERVIEW OF COSTS AND PROPOSED RECOVERY

Through March 10, 2015, PacifiCorp recorded approximately \$1,011,615 to its CEMA account related to the cost to repair and replace facilities, restore service, and respond to customer inquiries for catastrophic events that took place in 2014. In determining the costs recorded in the CEMA, PacifiCorp ensured such costs were incremental and not duplicative of costs included in the Company's base rates.

PacifiCorp's transmission system is considered a system asset that serves customers throughout PacifiCorp's six-state service territory. Similarly, functions such as dispatch and customer service are centralized and serve customers throughout PacifiCorp's system. As a result, these costs are shared by all of PacifiCorp's customers and California is allocated only a small share of these costs. Additionally transmission assets that exist within Oregon, but are

critical for service into California were also impacted by lightning-sparked wildfire, however the costs to respond to and repair these facilities are not included in the submission. The testimony and exhibits of Company witness Mr. McDougal describes the allocation of costs and the calculation of the revenue requirement included for recovery through this Application.

The Company proposes a revenue requirement associated with the CEMA costs of approximately \$545,000. The vast majority of the costs were related to restoring service and repairing PacifiCorp's distribution system, costs that are assigned directly to California customers. The remaining costs reflect California's share of system expenses related to PacifiCorp's transmission system, dispatch, customer service and communications. PacifiCorp proposes to amortize this amount over a one-year period beginning January 1, 2016, resulting in an average net increase of approximately 0.4 percent.⁷ PacifiCorp will file an advice letter to discontinue the collection surcharge after the revenue requirement has been fully collected. Because the costs included for recovery are primarily distribution-related, the Company proposes to spread the costs to customer classes based on each class' share of distribution revenues. Recovery would occur through new tariff rider, Schedule S-96, provided in Appendix A to this Application. Also included in Appendix A is a statement of present and proposed rates and a table showing the impact of proposed Schedule S-96 on each customer rate schedule.

PacifiCorp's proposed increase from rates presently in effect would result in the following overall average increase by customer class:

⁷ Thereafter, recovery of capital related costs (e.g., return, taxes and depreciation) would be included in PacifiCorp's next general rate case.

Customer Class	Proposed Price Change	
	Dollars	Percent (%)
Residential ⁸	\$312,000	0.5%
Commercial/Industrial	\$166,000	0.3%
Irrigation	\$61,000	0.4%
Lighting	\$6,000	0.6%
Overall	\$545,000	0.4%

The rate impact of the Company's proposal is described in the direct testimony of Mr. McDougal (Exhibit PAC/200).

V. STATUTORY AND REGULATORY REQUIREMENTS

A. Applicant and Correspondence (Rules 2.1(a) and (b))

PacifiCorp is a public utility organized and existing under the laws of the state of Oregon. PacifiCorp engages in the business of generating, transmitting, and distributing electric energy in portions of northern California and in Idaho, Oregon, Utah, Washington, and Wyoming. PacifiCorp's principal place of business is 825 NE Multnomah Street, Suite 2000, Portland, Oregon 97232.

Communications regarding this application should be addressed to:

Cathie Allen
Regulatory Affairs Manager, PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, Oregon 97232
Telephone: (503) 813-5934
Facsimile: (503) 813-6060
Email: cathie.allen@pacificorp.com
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Email: michelle.mishoe@pacificorp.com

Additionally, PacifiCorp respectfully requests that all data requests in this case be addressed to:

By e-mail (preferred): datarequest@pacificorp.com

⁸ Includes employee discount.

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232

B. Statutory and Other Authority (Rule 2.1)

Rule 2.1 requires that all applications state clearly and concisely the authorization or relief sought, cite by appropriate reference the statutory provision or other authority under which Commission authorization or relief is sought, and be verified by the applicant. The relief being sought is summarized in Sections I and II above and is further described in the testimony, exhibits and appendices supporting this Application. The statutory and other authority under which this relief is being sought includes Rules 2.1 and 3.2, Sections 451, 454, 491, 701, and 728 of the California Public Utilities Code Resolution No. E-3238, and the Commission's prior decisions, orders and resolutions. An officer of PacifiCorp has verified this application as required by Rules 1.11 and 2.1.

C. Proposed Categorization, Need for Hearing, Issues to be Considered, and Proposed Schedule (Rule 2.1(c))

Rule 2.1(c) requires PacifiCorp to state "[t]he proposed category for the proceeding, the need for hearing, the issues to be considered, and a proposed schedule." PacifiCorp proposes that the Commission classify this proceeding as "ratesetting." In this Application, PacifiCorp seeks to recover incremental expenses and capital-related costs incurred in responding to the catastrophic events that occurred in PacifiCorp's northern California service territory in 2014. The issues to be considered include whether such costs were reasonable.

If no party objects, hearings may not be necessary. PacifiCorp's application and the supporting appendices, testimony, and exhibits constitute a sufficient record for the Commission

to rule on PacifiCorp's CEMA Application without the need for hearings. However, in the event hearings are requested, PacifiCorp has provided adequate time in the proposed schedule below:

Event	Estimated Timeline
Application Filed	March 27, 2015
Protests/Responses Due	Due 30 days after it appears on the Commission's daily calendar.
Response to Protests Due	Due within 10 days of the protest deadline.
Prehearing Conference	May 15, 2015
Scoping Memo	June 15, 2015
Proposed Decision	October 1, 2015
Final Commission Decision	November 9, 2015

D. Organization and Qualification to Transact Business – (Rule 2.2)

A certified copy of PacifiCorp's Articles of Incorporation, as amended and presently in effect, was filed with the Commission in A.97-05-011, which resulted in Commission issuance of D.97-12-093 and is incorporated by reference under Rule 2.2.

E. Balance Sheet and Income Statement – (Rule 3.2(a)(1))

A copy of PacifiCorp's recent financial statements, contained in the Annual Report on Form 10-K, filed with the Securities and Exchange Commission, for the period ending December 31, 2014, is available at the following link:

<http://www.sec.gov/Archives/edgar/data/75594/000007559415000003/pacificorp123114form10-k.htm>.

F. Present and Proposed Rates – (Rule 3.2(a)(2) and (3))

Present and proposed rates resulting from the recorded CEMA costs are shown in Appendix A.

G. Summary of Earnings – (Rule 3.2(a)(5))

The statement of earnings included in this Application as Appendix D is stated on both a total-Company basis, which includes all of PacifiCorp's utility operations, and on a California-specific basis. The statement of earnings provided with this Application is for the period ending

December 31, 2013. California-allocated earnings for the period ending December 31, 2014 will not be available until the Company files its annual General Order 104-A report with the Commission on May 29, 2015.

H. List of Exhibits

PacifiCorp's submissions to support this Application include the following:

Appendix A contains proposed Schedule S-96 to recover the CEMA costs, a statement of present and proposed rates, and a table showing the impact of the proposed rates to each customer class.

Appendix B is a copy of PacifiCorp's current Preliminary Statement Part C.

Appendix C contains copies of the letters from PacifiCorp dated March 18, 2014, August 29, 2014, and October 8, 2014, providing notice of the CEMA events to the Executive Director and copies of the letters providing quarterly updates to the Safety Enforcement Division on the drought-related fire hazard mitigation efforts.

Appendix D provides a summary of the Company's earnings.

Exhibits PPL/100 present the testimony and exhibit of Ms. Heidemarie C. Caswell, describing the drought-related fire hazard mitigation measures, damage caused by the fires and the Company's restoration efforts.

Exhibits PPL/200 through PPL/202 present the testimony and exhibits of Mr. Steven R. McDougal, describing the Company's accounting procedures that ensure only incremental catastrophic event-related costs were booked to the CEMA, the costs incurred related to the restoration efforts and presenting the calculation of the revenue requirement requested in this Application.

I. Statement of Basis for Requested Increase – (Rule 3.2 (a)(10))

Rule 3.2(a)(10) requires PacifiCorp to state whether its request is limited to passing through to customers "only increased costs to the corporation for the services or commodities furnished by it." PacifiCorp requests permission to pass through to customers increased costs to the corporation for the services or commodities furnished by it in serving its California retail customers.

J. Public Notice – (Rule 3.2(b), (c) and (d))

The cities and towns that would be affected by the rate changes resulting from this Application include Yreka, Crescent City, Alturas, Mount Shasta, Weed, Dunsmuir, Fort Jones, Dorris and Tulelake. The counties affected by this Application are Siskiyou, Del Norte, Modoc and Shasta. As required by Rule 3.2(b), (c) and (d), notice of filing of this Application will be: (1) served on the Attorney General and the Department of General Services when the state is a customer or subscriber whose rates would be affected by the proposed increase; (2) served on the County Counsel (or District Attorney if the county has no County Counsel) and County Clerk, and the City Attorney and City Clerk, listed in the current roster published by the Secretary of State in each county and city in which the proposed increase is to be made effective; (3) published in a newspaper of general circulation in each county in PacifiCorp's service territory within which the rate changes would be effective; (4) included with regular bills mailed to all customers affected by the proposed changes or by electronically linking to notice of this application for customers that receive their bills electronically; and (5) served on any other persons whom PacifiCorp deems appropriate or as required by the Commission.

VI. CONCLUSION

Based on the information provided in this Application, and the accompanying appendices, testimony, and exhibits, PacifiCorp respectfully requests that the Commission issue an order approving the proposed rate increase, effective January 1, 2016, to allow PacifiCorp timely recovery of its catastrophic event costs.

Respectfully submitted this March 27, 2015, at San Francisco, California.

By Michelle R. Mishoe
Michelle R. Mishoe

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Attorney for PacifiCorp

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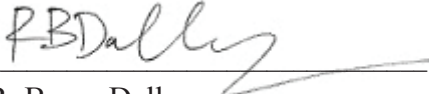
Application No. 15-03-____
(Filed March 27, 2015)

VERIFICATION

I am an officer of the applicant in the above-captioned proceeding and am authorized to make this verification on its behalf. The statements in the foregoing document are true on my own knowledge, except as to matters which are stated therein on information or belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on March 27, 2015, at Portland, Oregon.



R. Bryce Dalley
Vice President, Regulation

Appendix A

Proposed Schedule S-96, Statement of Present and Proposed Rates, and Impact of Proposed Rates

SCHEDULE S-96

Appendix A
Page 1 of 7

SURCHARGE TO RECOVER COSTS RECORDED IN
CATASTROPHIC EVENT MEMORANDUM ACCOUNT

PURPOSE:

The Catastrophic Event Memorandum Account Surcharge is designed to recover costs incurred by the Utility associated with restoring utility service to customers; repairing, replacing, or restoring damaged utility facilities; and complying with governmental agency orders resulting from declared disasters.

APPLICABILITY:

This surcharge applies to all electric sales rendered under all tariff schedules authorized by the Commission, with the exception of interdepartmental sales or transfers and sales to electric public utilities.

TERRITORY:

Within the entire territory served in California by the Utility.

MONTHLY BILLING:

The monthly billing shall be an amount equal to the product of all kilowatt-hours of use multiplied by the applicable following cents per kilowatt-hour.

Schedule D	0.079 cents
Schedule DL-6	0.079 cents
Schedule DS-8	0.079 cents
Schedule DM-9	0.079 cents
Schedule A-25	0.093 cents
Schedule A-32	0.067 cents
Schedule A-36	0.050 cents
Schedule AT-48	0.019 cents
Schedule LS-51	0.229 cents
Schedule LS-52	0.906 cents
Schedule LS-53	0.085 cents
Schedule LS-58	0.106 cents
Schedule OL-15	0.192 cents
Schedule OL-42	0.131 cents
Schedule PA-20	0.064 cents

(Continued)

Issued by

Advice Letter No. _____ R. Bryce Dalley Date Filed March 27, 2015

Name

Decision No. _____ VP, Regulation Effective _____

Title

TF6 S-96-1.NEW

Resolution No. _____ (N)

SCHEDULE S-96

Appendix A
Page 2 of 7

SURCHARGE TO RECOVER COSTS RECORDED IN
CATASTROPHIC EVENT MEMORANDUM ACCOUNT
(Continued)

TERM:

This schedule will terminate at such time as the Catastrophic Event Memorandum Account has been fully collected from customers. The estimated date of full collection is one year from the effective date of this schedule.

RULES AND REGULATIONS:

Service under this schedule is subject to the General Rules and Regulations contained in the tariff of which this schedule is a part and to those prescribed by regulatory authorities.

Issued by

Advice Letter No. _____ R. Bryce Dalley Date Filed March 27, 2015

Decision No. _____ VP, Regulation Effective _____

Title

TF6 S-96-2.NEW Resolution No. _____ (N)

APPENDIX A
PacifiCorp
State of California
Statement of Present and Proposed Rates

Tariff Schedules	Present Rates	Proposed Rates
Schedule D (Standard Residential)		
Basic Charge	\$6.92	\$6.92 /month
Energy Charge		
Baseline kWh	15.663	15.742 ¢/kWh
Non-Baseline kWh	17.522	17.601 ¢/kWh
Schedule DL-6 (Residential CARE)		
Basic Charge	\$5.54	\$5.54 /month
Energy Charge		
Baseline kWh	11.998	12.077 ¢/kWh
Non-Baseline kWh	13.486	13.565 ¢/kWh
Schedule A-25 Secondary		
Basic Charge		
1 Phase	\$12.76	\$12.76 /month
3 Phase	\$17.51	\$17.51 /month
Energy Charge	18.102	18.195 ¢/kWh
Schedule A-25 Primary		
Basic Charge		
1 Phase	\$12.76	\$12.76 /month
3 Phase	\$17.51	\$17.51 /month
Energy Charge	17.921	18.013 ¢/kWh
High Voltage Charge	\$60.00	\$60.00 /month
Schedule A-32 Secondary		
Basic Charge		
1 Phase	\$12.65	\$12.65 /month
3 Phase	\$17.37	\$17.37 /month
Distribution Demand Charge	\$1.58	\$1.58 /kW
Generation & Transmission Demand Charge	\$2.20	\$2.20 /kW
Energy Charge	14.549	14.616 ¢/kWh
Reactive Power	60.00	60.00 ¢/kVar
Schedule A-32 Primary		
Basic Charge		
1 Phase	\$12.65	\$12.65 /month
3 Phase	\$17.37	\$17.37 /month
Distribution Demand Charge	\$1.11	\$1.11 /kW
Generation & Transmission Demand Charge	\$2.20	\$2.20 /kW
Energy Charge	14.404	14.470 ¢/kWh
Reactive Power	60.00	60.00 ¢/kVar
High Voltage Charge	\$60.00	\$60.00 /month

APPENDIX A
PacifiCorp
State of California
Statement of Present and Proposed Rates

Tariff Schedules	Present Rates	Proposed Rates
Schedule A-36 Secondary		
Basic Charge	\$227.45	\$227.45 /month
Distribution Demand Charge	\$2.90	\$2.90 /kW
Generation & Transmission Demand Charge	\$5.55	\$5.55 /kW
Energy Charge	11.356	11.406 ¢/kWh
Reactive Power	60.00	60.00 ¢/kVar
Schedule A-36 Primary		
Basic Charge	\$227.45	\$227.45 /month
Distribution Demand Charge	\$2.03	\$2.03 /kW
Generation & Transmission Demand Charge	\$5.55	\$5.55 /kW
Energy Charge	11.243	11.292 ¢/kWh
Reactive Power	60.00	60.00 ¢/kVar
High Voltage Charge	\$60.00	\$60.00 /month
Schedule AT-48 Secondary		
Basic Charge	\$455.84	\$455.84 /month
Distribution Demand Charge	\$1.95	\$1.95 /kW
Generation & Transmission Demand Charge (Summer)	\$4.58	\$4.58 /kW
Generation & Transmission Demand Charge (Winter)	\$5.73	\$5.73 /kW
Energy Charge	9.713	9.732 ¢/kWh
Reactive Power	60.00	60.00 ¢/kVar
Schedule AT-48 Primary/Transmission		
Basic Charge	\$455.84	\$455.84 /month
Distribution Demand Charge	\$1.37	\$1.37 /kW
Generation & Transmission Demand Charge (Summer)	\$4.58	\$4.58 /kW
Generation & Transmission Demand Charge (Winter)	\$5.73	\$5.73 /kW
Energy Charge	9.616	9.635 ¢/kWh
Reactive Power	60.00	60.00 ¢/kVar
High Voltage Charge	\$60.00	\$60.00 /month
Schedule PA-20		
Basic Charge - Annually (billed in November)		
1 Phase Any Size, 3 Phase <= 50kW	\$72.28	\$72.28
3 Phase Load Size > 50 kW	\$149.31	\$149.31
Distribution Demand Charge - Annually (billed in November)	\$15.63	\$15.63 /kW
Generation & Transmission Demand Charge	\$2.63	\$2.63 /kW
Energy Charge	13.348	13.412 ¢/kWh
Reactive Power	60.00	60.00 ¢/kVar

APPENDIX A
PacifiCorp
State of California
Statement of Present and Proposed Rates

Tariff Schedules			Present Rates	Proposed Rates
Schedule OL-15				
	<i>lumen</i>	<i>kWh</i>		<i>¢/kWh</i>
Mercury Vapor	7,000	76	\$21.04	\$21.19 /Lamp
Mercury Vapor	21,000	172	\$44.43	\$44.76 /Lamp
Mercury Vapor	55,000	412	\$101.15	\$101.94 /Lamp
High Pressure Sodium	5,800	31	\$20.02	\$20.08 /Lamp
High Pressure Sodium	22,000	85	\$32.71	\$32.87 /Lamp
High Pressure Sodium	50,000	176	\$56.07	\$56.41 /Lamp
Schedule OL-42				
Basic Charge				
Single Phase			\$10.28	\$10.28 /month
Three Phase			\$14.08	\$14.08 /month
All kWh			20.824	20.955 ¢/kWh
Schedule LS-51				
	<i>lumen</i>	<i>Watts</i>	<i>kWh</i>	
High Pressure Sodium	5,800	70	31	\$12.47
High Pressure Sodium	9,500	100	44	\$14.23
High Pressure Sodium	16,000	150	64	\$19.92
High Pressure Sodium	22,000	200	85	\$25.15
High Pressure Sodium	27,500	250	115	\$33.89
High Pressure Sodium	50,000	400	176	\$49.62
Decorative Series 1				
High Pressure Sodium	9,500	100	44	\$35.70
High Pressure Sodium	16,000	150	64	\$38.75
Decorative Series 2				
High Pressure Sodium	9,500	100	44	\$29.68
High Pressure Sodium	16,000	150	64	\$32.93
Schedule LS-52				
	<i>lumen</i>	<i>Watts</i>	<i>kWh</i>	
High Pressure Sodium	5,800	70	31	\$52.02
High Pressure Sodium	9,500	100	44	\$55.87
High Pressure Sodium	22,000	200	85	\$74.67
High Pressure Sodium	50,000	400	176	\$113.31

APPENDIX A
PacifiCorp
State of California
Statement of Present and Proposed Rates

Tariff Schedules				Present Rates	Proposed Rates
Schedule LS-53					
	<i>lumen</i>	<i>Watts</i>	<i>kWh</i>		
High Pressure Sodium	5,800	70	31	\$5.71	\$5.74 /Lamp
High Pressure Sodium	9,500	100	44	\$8.09	\$8.13 /Lamp
High Pressure Sodium	16,000	150	64	\$11.79	\$11.84 /Lamp
High Pressure Sodium	22,000	200	85	\$15.65	\$15.72 /Lamp
High Pressure Sodium	27,500	250	115	\$21.17	\$21.27 /Lamp
High Pressure Sodium	50,000	400	176	\$32.39	\$32.54 /Lamp
Non-Listed Luminaire				18.413	18.498 ¢/kWh
Schedule LS-58					
Class A		<i>lumen</i>	<i>kWh</i>		
Incandescent	1,000		37	\$7.58	\$7.62 /Lamp
Incandescent	2,500		73	\$14.94	\$15.02 /Lamp
Incandescent	4,000		119	\$24.35	\$24.48 /Lamp
Incandescent	6,000		163	\$33.37	\$33.54 /Lamp
Mercury Vapor	7,000		76	\$15.56	\$15.64 /Lamp
Mercury Vapor	21,000		172	\$35.21	\$35.39 /Lamp
Mercury Vapor	55,000		412	\$84.31	\$84.75 /Lamp
Fluorescent	21,400		162	\$33.17	\$33.34 /Lamp
Class B					
Incandescent	1,000		37	\$9.17	\$9.21 /Lamp
Incandescent	2,500		73	\$16.62	\$16.70 /Lamp
Incandescent	4,000		119	\$26.07	\$26.20 /Lamp
Incandescent	6,000		163	\$35.19	\$35.36 /Lamp
Mercury Vapor	7,000		76	\$16.54	\$16.62 /Lamp
Mercury Vapor	21,000		172	\$36.29	\$36.47 /Lamp
Mercury Vapor	55,000		412	\$85.77	\$86.21 /Lamp
Fluorescent	21,400		162	\$35.87	\$36.04 /Lamp

PACIFICORP
STATE OF CALIFORNIA
EFFECTS OF PROPOSED RATE CHANGE
DISTRIBUTED BY RATE SCHEDULE
Forecast 12 Months Ending December 2011

Line No.	Description (1)	Sch. (2)	No. of Customers (3)	KWH (4)	Present Revenues			Proposed Revenues			Net Proposed Change			Line No.			
					Base Revenue (5)	ECAC (6)	Adm's ¹ (8)	Base Revenue (10)	ECAC (11)	Adm's ¹ (13)	Revenue (12) (14)	Revenue (15) (16)	Percent (17) (18)		Percent (19)		
Residential																	
1	Residential Service	D	27,591	294,743,543	\$31,413,020	\$9,337,290	\$8,129,801	\$48,880,111	\$40,750,310	\$8,363,460	\$49,113,770	\$0	0.0%	\$233,659	0.5%	1	
2	Residential Service - CARE	DL-6	8,941	100,067,340	\$10,570,016	\$3,170,134	\$2,603,070	\$16,343,220	\$13,740,150	\$2,361,367	\$16,421,517	\$0	0.0%	\$78,297	0.5%	2	
3	Multi-Family - Master Metered	DM-9	8	255,208	\$25,872	\$8,085	\$7,040	\$40,997	\$33,957	\$7,226	\$41,183	\$0	0.0%	\$186	0.5%	3	
4	Multi-Family - Submetered	DS-8	14	1,338,216	\$108,883	\$42,332	\$36,019	\$187,234	\$151,215	\$36,681	\$187,896	\$0	0.0%	\$662	0.4%	4	
5	Total Residential		36,554	396,402,307	\$42,117,791	\$12,557,841	\$10,775,930	\$65,451,562	\$54,675,932	\$11,088,735	\$65,764,366	\$0	0.0%	\$312,805	0.5%		
Commercial & Industrial																	
6	General Service - < 20 KW	A-25	7,208	61,935,978	\$8,147,100	\$1,960,186	\$1,946,902	\$12,054,188	\$10,107,286	\$2,004,363	\$12,111,649	\$0	0.0%	\$57,461	0.5%	6	
7	General Service - 20 KW & Over	A-32	683	52,716,752	\$5,766,163	\$1,669,802	\$1,478,845	\$8,914,831	\$7,435,986	\$1,515,931	\$8,949,917	\$0	0.0%	\$35,066	0.4%	7	
8	General Service - 100 KW & Over	A-36	290	104,688,175	\$8,718,534	\$3,311,864	\$2,517,308	\$14,547,707	\$12,030,988	\$2,569,282	\$14,596,681	\$0	0.0%	\$51,974	0.4%	8	
9	Large General Service - 500 KW & Over	AT-48	17	113,573,565	\$6,992,925	\$3,594,810	\$2,287,971	\$12,473,706	\$9,982,925	\$2,369,445	\$12,497,180	\$0	0.0%	\$21,474	0.2%	9	
10	Agricultural Pumping Service	PA-20	2,027	95,196,288	\$9,250,660	\$3,011,088	\$2,484,688	\$14,759,436	\$12,261,748	\$2,556,318	\$14,817,066	\$0	0.0%	\$60,630	0.4%	10	
11	Total Commercial & Industrial		10,435	428,107,728	\$38,475,402	\$13,547,751	\$10,725,715	\$62,748,668	\$52,023,153	\$10,952,339	\$62,975,492	\$0	0.0%	\$226,624	0.4%	11	
Lighting																	
12	Outdoor Area Lighting Service	OL-15	926	1,077,000	\$235,058	\$34,129	\$268,187	\$317,451	\$289,187	\$50,337	\$319,524	\$0	0.0%	\$2,063	0.6%	12	
13	Alway & Athletic Lighting	OL-42	40	202,965	\$32,966	\$6,424	\$7,343	\$46,733	\$39,390	\$7,609	\$46,999	\$0	0.0%	\$266	0.6%	13	
14	Street Lighting Service	LS-51	74	694,980	\$174,255	\$21,972	\$34,577	\$222,397	\$212,972	\$36,170	\$249,167	\$0	0.0%	\$1,593	0.7%	14	
15	Street Lighting Service	LS-52	5	7,772	\$8,395	\$246	\$8,641	\$10,011	\$8,641	\$1,440	\$10,081	\$0	0.0%	\$70	0.7%	15	
16	Street Lighting Service	LS-63	118	1,531,797	\$187,121	\$48,450	\$46,937	\$281,508	\$235,571	\$47,233	\$292,804	\$0	0.0%	\$1,296	0.5%	16	
17	Street Lighting Service	LS-66	23	245,451	\$34,367	\$7,773	\$8,039	\$50,179	\$42,140	\$8,268	\$50,438	\$0	0.0%	\$259	0.5%	17	
18	Total Lighting		1,186	3,759,965	\$672,162	\$116,964	\$145,540	\$306,686	\$271,156	\$151,068	\$302,244	\$0	0.0%	\$5,548	0.6%	18	
19	Total Sales to Ultimate Consumers		48,174	\$28,270,000	\$81,265,555	\$26,224,586	\$21,647,185	\$129,137,125	\$107,489,941	\$22,192,162	\$129,682,103	\$0	0.0%	\$544,977	0.4%	19	
20	Total AGA				\$156,069			\$156,069		\$156,069		\$156,069	\$0	0.0%	\$0	0.0%	20
21	Total Employee Discount				(\$40,476)	(\$12,143)	(\$10,572)	(\$52,619)		(\$10,870)		(\$63,489)	\$0	0.0%	(\$298)	0.5%	21
22	Total Sales Inc. AGA and Employee Discount		48,174	\$28,270,000	\$81,380,947	\$26,212,443	\$21,636,613	\$129,230,003	\$107,593,390	\$22,181,292	\$129,774,682	\$0	0.0%	\$544,679	0.4%	22	

Notes: 1 Total effects of Schedule S-190 Surcharge to Fund Solar Incentive Program, Schedule S-191 Surcharge to Fund Public Purpose Programs, Schedule S-192 Surcharge to Fund Energy Savings Assistance Program, Schedule ECAC-94 Deferred ECAC and GHG-92 Carbon Pollution Permit Cost Surcharge, Excludes the effect of Schedules S-99 CPUC Surcharge, S-100 CARE Discount, CARE Discounts, S-199 Klamath Dam Removal Surcharge, and GHG-93 California Climate Credit.

Appendix B

Current Preliminary Statement Part C

PRELIMINARY STATEMENT (Continued)
PART C

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Page 1 of 5

Memorandum Accounts

1. PURPOSE

The purpose of a Memorandum Account is to record all costs incurred by the Company for Specified Projects authorized by the Commission. Currently authorized Specified Projects are set forth in Section 2.C.

2. DEFINITIONS

a. Authorization Date:

The Authorization Date shall be the date on which the Commission authorizes the Company to begin recording costs for a Specified Project in a memorandum account.

b. Interest Rate:

The Interest Rate shall be 1/12 of the most recent month's interest rate on Commercial Paper (prime, 3 months), published in the Federal Reserve Statistical Release, G.13. Should publication of the interest rate on Commercial Paper (prime, 3 months) be discontinued, interest shall so accrue at the rate of 1/12 of the most recent month's interest rate on Commercial Paper which is published in the Federal Reserve Statistical Release, G.13, or its successor publication.

c. Specified Project:

A Specified Project is a project authorized by the Commission for inclusion in a memorandum account. Specified Projects authorized by the Commission are listed below:

<u>Interest Bearing Specified Project</u>	<u>Memorandum Account*</u>
(1) Catastrophic Event	Yes
(2) Powerdale Decommissioning Cost Memorandum Account	Yes
(3) Fire Hazard Prevention Memorandum Account	Yes
(4) Repairs Deduction Memorandum Account	Yes
(5) Tax Relief, Unemployment Insurance Authorization, and Job Creation Act of 2010 (New Tax Law) Memorandum Account	Yes
(6) Assembly Bill (AB) 32 Implementation Costs Memorandum Account	Yes
(7) Bridge Funding Memorandum Account	Yes
(8) Greenhouse Gas Allowance Revenue Administrative Cost Memorandum Account	Yes
(9) Greenhouse Gas Allowances Customer Outreach Costs Memorandum Account	Yes
(10) Carbon Decommissioning Cost Memorandum Account	Yes

* Interest shall accrue monthly to interest-bearing Memorandum Accounts by applying the Interest Rate to the average of the beginning and ending balance.

d. Catastrophic Event:

A Catastrophic Event is an event which is declared a disaster by competent state or federal authorities.

(Continued)

Issued by

Advice Letter No.	<u>496-E</u>	<u>William R. Griffith</u>	Date Filed	<u>December 4, 2013</u>
Decision No.	<u></u>	Name <u>VP, Regulation</u>	Effective	<u>January 3, 2014</u>
TF6 STMT-5.E		Title <u></u>	Resolution No.	<u>E-4687</u>

PRELIMINARY STATEMENT (Continued)
PART C

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3. CATASTROPHIC EVENT MEMORANDUM ACCOUNT (CEMA)

The purpose of the CEMA is to record all costs incurred by the Company associated with a Catastrophic Event for:

- (1) restoring utility service to the Company's Customers;
- (2) repairing, replacing, or restoring damaged utility facilities; and
- (3) complying with governmental agency orders.

Entries to the CEMA shall be made at the end of each month commencing with the month in which the Catastrophic Event occurs.

If a Catastrophic Event occurs, the Company shall, if possible, inform the Executive Director by letter within 30 days after the Catastrophic Event, if the Company has started booking costs into CEMA. Copies of the letter shall be mailed to the Director of the Commission Advisory & Compliance Division (CACD), and the Branch Chief of the CACD. The letter shall specify the Catastrophic Event, date, time, location, service areas affected, impact on the Company's facilities, and an estimate of the extraordinary costs expected to be incurred. Costs due to expense and capital items shall be shown separately.

Costs recorded in the CEMA may be recovered in rates only after a request by the Company, showing of reasonableness, and approval by the Commission. Such a request may be made by a formal application specifically for that purpose, by inclusion in a subsequent general rate case or other rate setting request.

4. POWERDALE DECOMMISSIONING COST MEMORANDUM ACCOUNT (PDCMA)

The purpose of this memorandum account is to record decommissioning costs associated with the 6-MW Powerdale generation facility, located in Hood River County, Oregon. Recovery in rates and allocation of recorded costs recorded in the PDCMA may occur only after PacifiCorp has made a formal request and showing of reasonableness, and approval by the Commission. PacifiCorp's request shall be made by formal application, specifically by the inclusion in a future general rate case or other rate setting application.

Entries made to the PDCMA at the end of the month shall be the total costs of the decommissioning project as allocated to the California jurisdiction.

Interest will accrue monthly to the PDCMA by applying one-twelfth of the interest rate to the average of the beginning and ending balance in the PDCMA. The Interest Rate shall be the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release.

(Continued)

Issued by

Advice Letter No.	<u>475-E</u>	<u>William R. Griffith</u>	Date Filed	<u>July 2, 2012</u>
Decision No.	<u></u>	<u>VP, Regulation</u>	Effective	<u>July 2, 2012</u>
TF6 STMT-6.E		<u>Title</u>	Resolution No.	<u></u>

PRELIMINARY STATEMENT (Continued)
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5. FIRE HAZARD PREVENTION MEMORANDUM ACCOUNT (FHPMA)

In compliance with Commission Decision 09-08-029, the purpose of this account is to record costs associated with fire hazard prevention measures adopted in Rulemaking 08-11-005 that have not been previously authorized for recovery in a general rate case or other regulatory proceeding. These costs may include expenses related to the implementation of fire hazard prevention measures governed by General Order (GO) 95, GO 165, and any other expenses incurred in implementing fire hazard prevention measures adopted in Rulemaking 08-11-005.

Entries made to the FHPMA at the end of the month shall be the total costs associated with complying with the measures described above. Interest will accrue monthly to the FHPMA by applying one-twelfth of the interest rate to the average of the beginning and ending balance in the FHPMA. The interest rate shall be the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release.

6. REPAIRS DEDUCTION MEMORANDUM ACCOUNT (RDMA)

In compliance with Commission Decision 10-09-010, the purpose of this account is to record the difference in revenue requirement calculated using the estimates of the repairs deductions reflected in Application 09-11-015 and the repairs deductions actually taken in the Company's federal income tax returns for the period 2008-2011. Interest paid to the Internal Revenue Service based on adjustments to the repairs deductions taken in the Company's federal income tax returns for the period 2008-2011 will also be reflected in this memorandum account.

Entries made to RDMA will only be authorized for recovery in the Company's next general rate case once such entries have been reviewed and approved by the Commission.

Interest will accrue monthly to the RDMA by applying one-twelfth of the interest rate to the average of the beginning and ending balance in the RDMA. The interest rate shall be the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release.

7. TAX RELIEF, UNEMPLOYMENT INSURANCE REAUTHORIZATION, AND JOB CREATION ACT OF 2010 (NEW TAX LAW) MEMORANDUM ACCOUNT

In compliance with Commission Resolution L-411A (Resolution), the purpose of this account is to record: (a) the decrease in revenue requirement resulting from increases in deferred tax reserves; (b) offsets to reflect additional costs or expenses, not otherwise recovered in rates, incurred as a result of the additional utility infrastructure investment enabled by the bonus depreciation provisions of the new tax law; and, (c) amounts to reflect the impacts of any decrease in Section 199 deductions resulting from bonus depreciation taken, changes in working cash resulting from the new tax law, any decrease in the tax component of contributions-in-aid-of-construction (CIAC) received due to changes in the tariffed tax component of CIAC to reflect the new tax law, and any other direct changes in revenue requirement resulting from the Company taking advantage of the new tax law during the Memo Account Period. The Memo Account Period is defined as the effective date of the Resolution, April 14, 2011, until the effective date of the revenue requirement changes in the Company's next general rate case.

(Continued)

Issued by

Advice Letter No. <u>447-E</u>	<u>Andrea L. Kelly</u>	Date Filed	<u>July 29, 2011</u>
	Name		
Decision No. _____	<u>VP, Regulation</u>	Effective	<u>April 14, 2011</u>
	Title		
TF6 STMT-7.E		Resolution No.	_____

PRELIMINARY STATEMENT (Continued)
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7. TAX RELIEF, UNEMPLOYMENT INSURANCE REAUTHORIZATION, AND JOB CREATION ACT OF 2010 (NEW TAX LAW) MEMORANDUM ACCOUNT (Continued)

Offsets shall include eligible capital additions, as outlined in the Resolution, in 2011, 2012, and 2013 that are not otherwise reflected in rates either through the Company's last general rate case, or the Company's post test year adjustment mechanism for major capital additions.

The initial credit booked to the memorandum account shall be the revenue requirement impact for updating the accumulated deferred income tax balance from the Company's last general rate case to reflect the impact of the new tax laws as outlined in the Resolution. Debits in the memorandum account shall include the revenue requirement impact for new capital.

8. ASSEMBLY BILL (AB) 32 IMPLEMENTATION COSTS MEMORANDUM ACCOUNT

In compliance with Commission Decision 12-03-022, the purpose of this account is to record the California Air Resources Board (CARB) implementation fees and AB 32 mandatory reporting and verification costs required to implement AB 32 that are included in PacifiCorp's 2012 Energy Cost Adjustment Clause Application 11-08-001 and costs that have been or will be incurred in calendar year 2011 and beyond.

The Company may seek to recover costs recorded in this memorandum account once the Commission makes its ultimate disposition of the appropriate mechanisms for the allocation and recovery of the AB 32 costs and revenues. Costs may be included in rates only after a request by the Company establishing that: the costs recorded in the memorandum account have not been recovered through otherwise authorized rates; recovery of the types of costs recorded in the account is reasonable; the utility acted prudently when it incurred these costs; and the level of costs is reasonable.

In addition, the Company shall show whether recovery of costs incurred before the creation of this account is consistent with the precedent stated in the Southern California Water Co. Headquarters case, D.92-03-094 (March 31, 1992) 43 Cal. PUC 2d 596, 600.

9. BRIDGE FUNDING MEMORANDUM ACCOUNT (BFMA)

The purpose of the BFMA is to record the difference between the adopted bridge funding revenue requirements for the California Alternate Rates for Energy Program and the Energy Savings Assistance (ESA) Program in Commission Decision No. D.12-06-023 and D.12-09-026 and the proposed revenue requirements request in Application No. 11-06-016 (consolidated) beginning January 1, 2012 until a final decision is issued in this consolidated proceeding.

Costs will be recovered from customers in the same manner as the Company's authorized CARE/ESA program revenue requirement. Costs recorded in the BFMA will be reconciled with the Company's expenses and revenues recorded in the Company's CARE and Low Income Energy Efficiency (LIEE) Program (now referred to as ESA) balancing accounts and will accrue interest as set forth in the Preliminary Statement Section D LIEE Balancing Account 3 (b). Once all authorized budget cycle program costs have been recorded, the balance in this account will be reported in a supplemental filing to A.11-06-016 for final disposition or as otherwise authorized by the Commission.

(Continued)

Issued by

Advice Letter No. <u>485-E</u>	<u>William R. Griffith</u>	Date Filed	<u>January 22, 2013</u>
	Name		
Decision No. _____	<u>VP, Regulation</u>	Effective	<u>January 22, 2013</u>
	Title		
TF6 STMT-8.E		Resolution No. _____	

PRELIMINARY STATEMENT (Continued)
PART C

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10. GREENHOUSE GAS ALLOWANCE REVENUE ADMINISTRATIVE COSTS MEMORANDUM ACCOUNT

The purpose of this memorandum account is to track initial and ongoing administrative costs necessary to implement the greenhouse gas revenue (GHG) allocation methodology adopted in Decision 12-12-033. These costs may include, but are not limited to, system and billing upgrades in order to track GHG costs and revenues as well as ongoing administrative costs to distribute revenues to the appropriate customer groups. As all necessary administrative costs will be recovered from GHG revenues, in order to ensure that adequate funding is available, the Company must set aside GHG allowance revenues to cover administrative costs before distributing remaining GHG revenues to eligible customers. Any unused administrative funds at the end of a calendar year shall be rolled over for use in subsequent years.

11. GREENHOUSE GAS ALLOWANCES CUSTOMER OUTREACH COSTS MEMORANDUM ACCOUNT

The purpose of this memorandum account is to track costs for customer outreach and education efforts associated with the distribution of GHG allowance revenue adopted in Decision 12-12-033. All Customer outreach and education efforts deployed pursuant to PUC Section 748.5(b) will be paid for out of GHG allowance revenues. In order to ensure that adequate funding is available, the Company must set aside GHG allowance revenues to cover customer outreach costs before distributing remaining GHG revenues to eligible customers. Any unused customer outreach and education funds at the end of a calendar year shall be rolled over for use in subsequent years.

12. CARBON DECOMMISSIONING COST MEMORANDUM ACCOUNT (CDCMA)

The purpose of this memorandum account is to record decommissioning costs along with the difference in depreciation expense from the amount currently included in rates and the accelerated depreciation rate, associated with the 172 MW Carbon generation facility located near Price, Utah. Recovery in rates and allocation of costs recorded in the CDCMA may occur only after PacifiCorp has made a formal request and showing of reasonableness, and approval by the Commission. PacifiCorp's request shall be made by formal application, specifically by the inclusion in a future general rate case or other rate setting application.

Entries made to the CDCMA at the end of the month shall be the difference in depreciation expense from the amount currently included in rates and the costs of the decommissioning project as allocated to the California jurisdiction.

Interest will accrue monthly to the CDCMA by applying one-twelfth of the interest rate to the average of the beginning and ending balance in the CDCMA. The interest rate shall be the interest rate on the three-month commercial paper for the previous month, as reported in the Federal Reserve statistical release.

(Issued by

Advice Letter No.	<u>496-E</u>	<u>William R. Griffith</u>	Date Filed	<u>December 4, 2013</u>
		Name		
Decision No.	<u></u>	<u>VP, Regulation</u>	Effective	<u>January 3, 2014</u>
		Title		
TF6 STMT-9.E			Resolution No.	<u>E-4687</u>

Appendix C

PacifiCorp CEMA Notifications and Updates

March 18, 2014

VIA ELECTRONIC MAIL

Mr. Paul Clanon
Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298
pac@cpuc.ca.gov

**RE: PacifiCorp (U 901 E) Notification of Activation of Catastrophic Event
Memorandum Account (CEMA)**

Dear Mr. Clanon:

Pursuant to Ordering Paragraph 2 of California Public Utilities Commission (Commission) Resolution No. E-3238 and Part C.3 of the Preliminary Statement of PacifiCorp's tariff book, PacifiCorp, d/b/a Pacific Power (PacifiCorp or Company) provides this letter to inform you that it will start recording costs to its Catastrophic Event Memorandum Account (CEMA).

PacifiCorp serves approximately 45,000 customers in Del Norte, Modoc, Shasta, and Siskiyou counties in northern California. On January 17, 2014, Governor Edmund G. Brown Jr. proclaimed a State of Emergency and directed state officials to take all necessary actions to prepare for conditions that could result from the drought. On February 18, 2014, PacifiCorp received a letter from the Commission's Acting Director of the Safety Enforcement Division (SED) stating the following:

"Due to the increased change of large and devastating fires in California, I hereby direct you and your company to take all practicable measures necessary to reduce the likelihood of fires started by your facilities. This may include, but is not limited to the following actions:

- Increased inspections in fire threat areas
- Re-prioritization of corrective action items
- Modification to protective schemes"

The letter further stated that during the State of Emergency, the Commission finds it is imperative that corrective action associated with the Federal Energy Regulatory

Commission and CalFire vegetation requirements not be deferred. A copy of the letter is provided as Attachment A.

As a result, PacifiCorp has begun implementing a number of drought-related fire hazard mitigation measures. These measures include:

- 1) Increased patrolling of transmission lines. Incremental safety patrol of half of line inventory not already scheduled for 2014.
- 2) Re-inspecting existing targeted conditions based upon geographic information system (GIS) overlay of fire threat, drought and existing facility point inspection (FPI) conditions (FPI is the system in which the Company's line inspection results are stored). Accelerating repairs if determined necessary.
- 3) Performing additional (off cycle) inspections of distribution facilities in high threat areas. Performing repairs of targeted conditions found.
- 4) Accelerating vegetation management for distribution or transmission circuits in potentially elevated concern areas.
- 5) Evaluating the possibility of temporary or permanent relay upgrades for fault detection purposes on certain transmission lines.
- 6) Determining whether "No Test" policy should be accelerated; set modified criteria for invocation of the "No Test" policy. The Company's "No Test" policy alters protective reclosing settings such that automatically re-energizing equipment is not performed, rather local resources are involved to ensure that manually re-energizing equipment can be safely completed.
- 7) Outfitting field resources in areas of elevated fire threat with additional means for fire suppression.
- 8) Developing roster for gathering monthly recloser fault data and analyze within a certain timeframe after data is provided to field engineers.

Additional measures may be implemented as they are identified. Costs for implementation of these drought-related fire hazard mitigation measures are currently estimated to be approximately \$1,000,000.

The purpose of the CEMA is to record all costs incurred by the Company associated with a catastrophic event for a number of different events including complying with governmental agency orders.¹ PacifiCorp is notifying the Commission that it plans to record these costs in its CEMA. PacifiCorp anticipates filing an application for recovery of costs recorded in the CEMA account after final cost totals are available.

¹ See Preliminary Statement Part C.3.

PacifiCorp (U 901 E) Notification of Catastrophic Event

March 18, 2014

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If you have any questions, please contact Heide Caswell, Director Transmission and Distribution Asset Performance, at (503) 813-6216 or Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Bryce Dalley", with a long horizontal flourish extending to the right.

R. Bryce Dalley
Vice President, Regulation

Enclosures

Cc: Joe Como, Acting Director, Office of Ratepayer Advocates
Mark Pocta, Office of Ratepayer Advocates
Don Lafrenz, Energy Division
Denise Tyrrell, Acting Director, Safety Enforcement Division
Ray Fugere, Safety Enforcement Division

Attachment A
Notification Letter Received From the CPUC Safety Enforcement Division

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



February 18, 2014

Heide Caswell
Director – Transmission and Distribution Asset Performance
825 NE Multnomah Street
Suite 1500
Portland, OR 97232

Re: Increased Fire Hazards Due to Drought

Ms. Caswell:

On January 17, 2014, Governor Edmund G. Brown Jr. proclaimed a State of Emergency and directed state officials to take all necessary actions to prepare for conditions that could result from the drought. Specifically, the Governor stated:

We can't make it rain, but we can be much better prepared for the terrible consequences that California's drought now threatens, including dramatically less water for our farms and communities **and increased fires in both urban and rural areas** [Emphasis added]

Due to the increased chance of large and devastating fires in California, I hereby direct you and your company to take all practicable measures necessary to reduce the likelihood of fires started by your facilities. This may include, but is not limited to the following actions:

- Increased inspections in fire threat areas
- Re-prioritization of corrective action items
- Modification to protective schemes

Furthermore, if your company discovers a Safety Hazard, as defined by General Order 95, Rule 18-B and a third party is restricting your company's access to remedy the situation, notify Raymond Fugere of my office immediately, in order that we can work with your company to help resolve the Safety Hazard.

Lastly, the Commission, FERC and CalFire all have established various vegetation requirements and these requirements must be followed at all times. During the State of Emergency the Commission finds it imperative that corrective actions associated with these requirements not be deferred. Notify Mr. Fugere quarterly, of any and all violations of Commission, FERC and/or CalFire vegetation requirements, all notifications must including at least the following:

- Location
- Applicable rule
- Brief description of issue
- Date discovered
- Date corrected
- Actions taken

The above reporting requirements shall stay in effect until the State of Emergency is revoked by the Governor.

It is imperative that your company be aggressive to help reduce the risk of fires during drought conditions. Should you have any questions, please feel free to contact Raymond Fugere at (213) 576-7015, or raymond.fugere@cpuc.ca.gov

Sincerely,



Denise Tyrrell
Acting Director
Safety and Enforcement Division
California Public Utilities Commission

Cc: Edward Randolph, CPUC, Director Energy Division
Elizaveta Malashenko, CPUC, Deputy Director Safety and Enforcement Division
Raymond Fugere, CPUC, Safety and Enforcement Division



August 15, 2014

VIA ELECTRONIC MAIL

Mr. Fadi Daye
Safety and Enforcement Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298
fadi.daye@cpuc.ca.gov

RE: Increased Fire Hazards Due to Drought: Second Quarter 2014 Update

Dear Mr. Daye:

On January 17, 2014, Governor Edmund G. Brown Jr. proclaimed a State of Emergency and directed state officials to take all necessary actions to prepare for conditions that could result from the drought. On February 18, 2014, PacifiCorp received a letter from the Commission's Acting Director of the Safety Enforcement Division (SED) stating the following:

“Due to the increased change of large and devastating fires in California, I hereby direct you and your company to take all practicable measures necessary to reduce the likelihood of fires started by your facilities. This may include, but is not limited to the following actions:

- Increased inspections in fire threat areas
- Re-prioritization of corrective action items
- Modification to protective schemes”

Further, this letter requested quarterly updates. Subsequently, in a letter dated July 18, 2014, Acting Director Tyrrell revised the request to ensure sufficient detail of summary work is provided within these quarterly updates and to provide deadlines for submitting quarterly reports. This letter is intended to provide the quarterly report due August 15, 2014.

PacifiCorp has continued to work concurrently both its regular inspection/correction and vegetation management programs to be in compliance with Public Resource Codes, General Orders and other regulatory rules, in addition to incorporating the items below as separate and incremental measures to further mitigate against fire hazards. Part of PacifiCorp's normal inspection process identifies priority and responds accordingly; this approach was extended to encompass conditions found during any additional detail or patrol inspections, therefore remedial action plans have been developed based upon the discovery of these priorities.

Previously PacifiCorp evaluated measures that were appropriate for its service territory, which it communicated to SED and others in its March 18, 2014, letter of notification of activation of its Catastrophic Event Memorandum Account. PacifiCorp is implementing a number of drought-related fire hazard mitigation measures. These measures and their current status include:

- 1) Increased patrolling of transmission lines. Incremental safety patrol of half of line inventory not already scheduled for 2014. ***Completed May 2014***
- 2) Re-inspecting existing targeted conditions based upon geographic information system (GIS) overlay of fire threat, drought and existing facility point inspection (FPI) conditions (FPI is the system in which the Company's line inspection results are stored). Accelerating repairs if determined necessary. ***Progress as shown on chart below.***
- 3) Performing additional (off cycle) inspections of distribution facilities in high threat areas. Performing repairs of targeted conditions found. ***Completed as of June 30, 2014, as shown on chart below.***
- 4) Accelerating vegetation management for distribution or transmission circuits in potentially elevated concern areas. ***Completed as shown on chart below.***
- 5) Evaluating the possibility of temporary or permanent relay upgrades for fault detection purposes on certain transmission lines. ***Four installations were completed as of June 30 with three additional locations underway.***
- 6) Determining whether "No Test" policy should be accelerated; set modified criteria for invocation of the "No Test" policy. The Company's "No Test" policy alters protective reclosing settings such that automatically re-energizing equipment is not performed, rather local resources are involved to ensure that manually re-energizing equipment can be safely completed. ***The Company invoked its "No Test" policy on June 4, 2014, which is still in force.***
- 7) Outfitting field resources in areas of elevated fire threat with additional means for fire suppression. ***Fire trailers are required for any maintenance or construction work in areas where significant fuel sources exist; all contractors were advised to take additional fire safety precautions. Upon reduction in fire threat (as directed by CalFire) PacifiCorp will reduce this requirement as appropriate.***
- 8) Developing roster for gathering monthly recloser fault data and analyze within a certain timeframe after data is provided to field engineers. ***Recloser readings have been gathered on a monthly basis to determine any fault prone areas.***

PacifiCorp Fire Hazards Due to Drought 2nd Quarter 2014 Update

August 15, 2014

Page 3

Appendix C
Page 9 of 27

Fire Mitigation Actions:					
	Second Quarter			Total	Planned
Activity	April	May	June		
Inspection					
Inspection Distribution-Patrol in excess of GO165				255	
Inspection-Detail per GO165	1,377	1,981	366	3,724	
Inspection-Quality Control on GO165	70	116	35	221	
Inspection-Quality Assurance	0	57	0	57	
Inspection-Transmission				745	
Corrections Performed					
Corrections Performed-Distribution				547	19
Corrections Performed-Transmission				42	13
Vegetation					
Vegetation-Transmission Trees Managed	0	897	224	1,121	

comments

estimated based on circuit miles

100% inspected rather than scheduled 50%

not segregated by month

not segregated by month

incremental work identified only; encroaching trees & hazard trees

If you have any questions, please contact Heide Caswell, Director Transmission and Distribution Asset Performance, at (503) 813-6216 or Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

Sincerely,

R. Bryce Dalley /As

R. Bryce Dalley
Vice President, Regulation

Enclosures

Cc: Joe Como, Office of Ratepayer Advocates
Mark Pocta, Office of Ratepayer Advocates
Denise Tyrrell, Safety Enforcement Division
Paul Clanon, Executive Director CPUC
Ray Fugere, Safety Enforcement Division

October 30, 2014

VIA ELECTRONIC MAIL

Mr. Fadi Daye
Safety and Enforcement Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298
fadi.daye@cpuc.ca.gov

RE: Increased Fire Hazards Due to Drought: Third Quarter 2014 Update

Dear Mr. Daye:

On January 17, 2014, Governor Edmund G. Brown Jr. proclaimed a State of Emergency due to severe drought and directed state officials to take all necessary actions to prepare for conditions that could result from the drought. On February 18, 2014, PacifiCorp received a letter from the Commission's Acting Director of the Safety Enforcement Division (SED) stating the following:

"Due to the increased chance of large and devastating fires in California, I hereby direct you and your company to take all practicable measures necessary to reduce the likelihood of fires started by your facilities. This may include, but is not limited to the following actions:

- Increased inspections in fire threat areas
- Re-prioritization of corrective action items
- Modification to protective schemes"

Further, this letter requested quarterly updates. Subsequently, in a letter dated July 18, 2014, Acting Director Tyrrell revised the request to ensure sufficient detail of summary work is provided within these quarterly updates and to provide deadlines for submitting quarterly reports. On August 15, 2014, PacifiCorp updated its progress through second quarter. This letter provides the third quarter report due October 30, 2014. PacifiCorp also provided information related to implemented mitigation measures in a notice of recording costs in PacifiCorp's Catastrophic Event Memorandum Account, dated March 18, 2014.

PacifiCorp has continued to work concurrently on its regular inspection/correction and vegetation management programs to be in compliance with Public Resource Codes, General Orders and other regulatory rules. PacifiCorp has also incorporated the items below as separate and incremental measures to further mitigate against fire hazards. Part of PacifiCorp's normal inspection process identifies priorities and responds accordingly;

this approach was extended to encompass conditions found during any additional detail or patrol inspections. Remedial action plans have been developed based upon the discovery of these priorities.

PacifiCorp is implementing a number of drought-related fire hazard mitigation measures. These measures, with current status shown in bold text, include:

- 1) Increased patrolling of transmission lines. Incremental safety patrol of half of line inventory not already scheduled for 2014. **Completed May 2014**
- 2) Re-inspecting existing targeted conditions based upon geographic information system (GIS) overlay of fire threat, drought and existing facility point inspection (FPI) conditions (FPI is the system in which the Company's line inspection results are stored). Accelerating repairs if determined necessary. **Progress as shown on chart below.**
- 3) Performing additional (off cycle) inspections of distribution facilities in high threat areas. Performing repairs of targeted conditions found. **Completed as of September 30, 2014, as shown on chart below.**
- 4) Accelerating vegetation management for distribution or transmission circuits in potentially elevated concern areas. **Completed as shown on chart below.**
- 5) Evaluating the possibility of temporary or permanent relay upgrades for fault detection purposes on certain transmission lines. **All installations have been completed; the company installed nine distance-detecting fault locating relays on transmission lines serving California customers that traverse drought-affected areas.**
- 6) Determining whether "No Test" policy should be accelerated; set modified criteria for invocation of the "No Test" policy. The Company's "No Test" policy alters protective reclosing settings such that automatically re-energizing equipment is not performed, rather local resources are involved to ensure that manually re-energizing equipment can be safely completed. **The Company revoked its "No Test" policy effective October 23, 2014; at end of third quarter the policy was however in effect.**
- 7) Outfitting field resources in areas of elevated fire threat with additional means for fire suppression. **As of late September, as fire warning levels reduced, this requirement was reduced to standard vehicle equipment, notably fire extinguishers.**
- 8) Developing roster for gathering monthly recloser fault data and analyze within a certain timeframe after data is provided to field engineers. **Recloser readings have been gathered on a monthly basis to determine any fault prone areas.**

October 30, 2014

Page 3

Fire Mitigation Actions:								
Activity	Unit of Measure	Third Quarter			Completed	Planned	Total	comments
		July	August	September				
Inspection								
Inspection-Detail per GO165	Facility points, i.e. poles	1,003	631	323	1,957			
Inspection-Quality Control on GO165	Facility points, i.e. poles	78	49	29	156			
Inspection-Quality Assurance	Facility points, i.e. poles	263	57	0	320			
Inspection-Transmission	Facility points, i.e. poles	0	1	0	1			
Corrections Performed								
Corrections Performed-Distribution	Condition (GO infraction)				11	8	19	not segregated by month
Corrections Performed-Transmission	Condition (GO infraction)				2	11	13	not segregated by month

If you have any questions, please contact Heide Caswell, Director Transmission and Distribution Asset Performance, at (503) 813-6216 or Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

Sincerely,

R. Bryce Salley / ca

R. Bryce Dalley
Vice President, Regulation

Enclosures

Cc: Paul Clanon, Executive Director CPUC
Denise Tyrrell, Safety Enforcement Division
Joe Como, Office of Ratepayer Advocates
Mark Pocta, Office of Ratepayer Advocates

January 30, 2015

VIA ELECTRONIC MAIL

Mr. Fadi Daye
Safety and Enforcement Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298
fadi.daye@cpuc.ca.gov

RE: Increased Fire Hazards Due to Drought: Fourth Quarter 2014 Update

Dear Mr. Daye:

On January 17, 2014, Governor Edmund G. Brown Jr. proclaimed a State of Emergency due to severe drought and directed state officials to take all necessary actions to prepare for conditions that could result from the drought. On February 18, 2014, PacifiCorp received a letter from the Commission's Acting Director of the Safety Enforcement Division (SED) stating the following:

“Due to the increased chance of large and devastating fires in California, I hereby direct you and your company to take all practicable measures necessary to reduce the likelihood of fires started by your facilities. This may include, but is not limited to the following actions:

- Increased inspections in fire threat areas
- Re-prioritization of corrective action items
- Modification to protective schemes”

Further, this letter requested quarterly updates. Subsequently, in a letter dated July 18, 2014, Acting Director Tyrrell revised the request to ensure sufficient detail of summary work is provided within these quarterly updates and to provide deadlines for submitting quarterly reports. On October 30, 2014, PacifiCorp updated its progress through third quarter. This letter provides the fourth quarter report due January 30, 2015. PacifiCorp also provided information related to implemented mitigation measures in a notice of recording costs in PacifiCorp's Catastrophic Event Memorandum Account, dated March 18, 2014.

PacifiCorp has continued to work concurrently on its regular inspection/correction and vegetation management programs to be in compliance with Public Resource Codes, General Orders and other regulatory rules. PacifiCorp has also incorporated the items below as separate and incremental measures to further mitigate against fire hazards. Part of PacifiCorp's normal inspection process identifies priorities and responds accordingly;

this approach was extended to encompass conditions found during any additional detail or patrol inspections. Remedial action plans have been developed based upon the discovery of these priorities. Since the initiation of the State of Emergency declaration due to severe drought, the area of Northern California served by PacifiCorp has experienced substantial fall and winter weather, which has served to lower the risk as well as hamper the ability to safely and cost-effectively correct certain remaining conditions.

PacifiCorp is implementing a number of drought-related fire hazard mitigation measures. These measures, with current status shown in bold text, include:

- 1) Increased patrolling of transmission lines. Incremental safety patrol of half of line inventory not already scheduled for 2014. **Complete**
- 2) Re-inspecting existing targeted conditions based upon geographic information system (GIS) overlay of fire threat, drought and existing facility point inspection (FPI) conditions (FPI is the system in which the Company's line inspection results are stored). Accelerating repairs if determined necessary. **Complete**
- 3) Performing additional (off cycle) inspections of distribution facilities in high threat areas. Performing repairs of targeted conditions found. ***During fourth quarter the area of Northern California served by PacifiCorp has experienced substantial fall and winter weather, which has served to lower the risk as well as hamper the ability to safely and cost-effectively correct certain remaining conditions. As a result 19 outstanding corrections (8 distribution and 11 transmission) are intended as soon as winter weather moderates (expected to be in March or April, 2015).***
- 4) Accelerating vegetation management for distribution or transmission circuits in potentially elevated concern areas. **Complete**
- 5) Evaluating the possibility of temporary or permanent relay upgrades for fault detection purposes on certain transmission lines. **Complete**
- 6) Determining whether "No Test" policy should be accelerated; set modified criteria for invocation of the "No Test" policy. The Company's "No Test" policy alters protective reclosing settings such that automatically re-energizing equipment is not performed, rather local resources are involved to ensure that manually re-energizing equipment can be safely completed. ***The Company is no longer operating in a "No Test" state; generally this policy would be modified toward Memorial day, as fire hazards elevate.***
- 7) Outfitting field resources in areas of elevated fire threat with additional means for fire suppression. ***Complete, with standard vehicle fire extinguishers in place.***

- 8) Developing roster for gathering monthly recloser fault data and analyze within a certain timeframe after data is provided to field engineers. ***Complete***

If you have any questions, please contact Heide Caswell, Director Transmission and Distribution Asset Performance, at (503) 813-6216 or Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

Sincerely,

A handwritten signature in cursive script that reads "R. Bryce Dalley/cu".

R. Bryce Dalley
Vice President, Regulation

Enclosures

Cc: Timothy Sullivan, Interim Executive Director CPUC
Denise Tyrrell, Safety Enforcement Division
Joe Como, Office of Ratepayer Advocates
Mark Pocta, Office of Ratepayer Advocates

August 29, 2014

VIA ELECTRONIC MAIL

Mr. Paul Clanon
Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298
pac@cpuc.ca.gov

**RE: PacifiCorp (U 901 E) Notification of Second Activation of Catastrophic Event
Memorandum Account (CEMA)**

Dear Mr. Clanon:

Pursuant to Ordering Paragraph 2 of California Public Utilities Commission (CPUC or Commission) Resolution No. E-3238 and Part C.3 of the Preliminary Statement of PacifiCorp's tariff book, PacifiCorp, d/b/a Pacific Power (PacifiCorp or Company) provides notice that it will start recording additional costs to its Catastrophic Event Memorandum Account (CEMA). Note, as described in more detail below, this second notice of activation of CEMA is for events unrelated to the Company's March 2014 notice of activation of CEMA¹ for the drought-related fire hazard mitigation measures.

PacifiCorp serves approximately 45,000 customers in Del Norte, Modoc, Shasta, and Siskiyou counties in northern California. At the end of July 2014, thunderstorms having significant lightning activity started fires in northern California and southern Oregon. Additional summer storms brought more lightning sporadically throughout the month, leading to further spread of fires. During this time, local fire-fighting resources were outstripped of their capacity. The Company enacted aspects of its emergency response plans targeted toward facilities impacted or at risk by fires. This plan includes:

- Frequent interaction between PacifiCorp's local operations management and CalFire and the Oregon Department of Forestry.
- De-energizing sections of the electric network, which could facilitate fire-fighting activities or limit additional sources of ignition in fire prone areas.
- Employee stand-by in areas where facilities were believed to be at risk.
- Reconstruction of facilities that were damaged by fire and brushing out powerline corridors in areas where vegetation was affected by fire or fire-fighting efforts.

¹ The Notice of Activation of CEMA for the drought-related fire hazard mitigation measures was submitted to the CPUC on March 18, 2014. A quarterly update report on these measures was provided to the CPUC Safety Enforcement Division on August 15, 2014.

PacifiCorp (U 901 E) Notification of Catastrophic Event

August 29, 2014

Page 2

Efforts have been underway to rebuild facilities as necessary, including clearing powerline corridors where they have been compromised by the fires and the fire-fighting. Costs are currently estimated to be in the range of \$750,000 to \$1,000,000.

On August 2, 2014, Governor Edmund G. Brown Jr. proclaimed a State of Emergency due to the effects of the wildfires in Amador, Butte, El Dorado, Humboldt, Madera, Mariposa, Mendocino, Modoc, Shasta, and Siskiyou counties. As previously mentioned, PacifiCorp serves customers and has facilities located in three of the affected counties including, Modoc, Shasta, and Siskiyou county.

The purpose of the CEMA is to record all costs incurred by the Company associated with a catastrophic event for a number of different events including complying with governmental agency orders.² PacifiCorp is notifying the Commission that it plans to record these costs in its CEMA. PacifiCorp anticipates filing for recovery of costs recorded in the CEMA account after final cost totals are available.

If you have any questions, please contact Heide Caswell, Director Transmission and Distribution Asset Performance, at (503) 813-6216 or Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

Sincerely,

A handwritten signature in dark ink, reading "R Bryce Dalley / ncs". The signature is written in a cursive, flowing style.

R. Bryce Dalley
Vice President, Regulation

Enclosures

Cc: Joe Como, Acting Director, Office of Ratepayer Advocates
Mark Pocta, Office of Ratepayer Advocates
Don Lafrenz, Energy Division
Denise Tyrrell, Acting Director, Safety Enforcement Division

² See Preliminary Statement Part C.3.

October 8, 2014

***VIA ELECTRONIC MAIL
AND OVERNIGHT DELIVERY***

Mr. Paul Clanon
Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298
pac@cpuc.ca.gov

RE: PacifiCorp (U 901 E) Notification of Catastrophic Event

Dear Mr. Clanon:

Pursuant to Ordering Paragraph 2 of California Public Utilities Commission (CPUC or Commission) Resolution No. E-3238 and Part C.3 of the Preliminary Statement of PacifiCorp's tariff book, PacifiCorp, d/b/a Pacific Power (PacifiCorp or Company) provides notice that it will start recording additional costs to its Catastrophic Event Memorandum Account (CEMA). Note, as described in more detail below, this notice is for events unrelated to the Company's March 2014 and August 2014 notices of activation of CEMA¹.

PacifiCorp serves approximately 45,000 customers in Del Norte, Modoc, Shasta, and Siskiyou counties in northern California. On September 15, 2014, the Boles Fire started near the town of Weed, California. Fanned by winds in the area, the fire quickly spread and evacuation efforts began for the areas of Weed, Shastina, and Carrick. Local fire resources were augmented by regional resources in order to contain the fire as rapidly as possible. Emergency response was supported by regional first response personnel, such as PacifiCorp employees, who interacted to ensure timely support actions were taken.

Region dispatch and field personnel began their response activity just shortly after noon on September 15, 2014, and their efforts continued unabated over the next several days.

¹ The Notice of Activation of CEMA for the drought-related fire hazard mitigation measures was submitted to the CPUC on March 18, 2014. A quarterly update report on these measures was provided to the CPUC Safety Enforcement Division on August 15, 2014. A Notice of Activation of CEMA for the fires started in northern California and southern Oregon was submitted on August 29, 2014.

They were augmented by additional PacifiCorp response personnel from districts in other states served by PacifiCorp. Further support was provided by the company's Pacific Power Emergency Action Center (PPEAC), which serves to coordinate logistics, communication and other support functions such that local response personnel can be focused on operational responsibilities. Initially transmission facilities within the Weed area were affected, however an alternate feed from the south was energized and the majority of customers had power restored by September 16, 2014. The final customers who could be restored were restored on September 17, 2014. Restoration to about a hundred customers could not be completed since they are unable to receive service due to the safety of the structures. Subsequently, distribution facilities that were in the area of substantial fire damage were reenergized as fire and local response personnel determined that safe power restoration could occur.

Additional reconstruction efforts continued after the fire had been extinguished and are still underway. Over the course of the event, over 150 buildings were impacted. The extent of structural damage limited the immediate viability of serving certain structures, however, as those buildings are rebuilt, the Company will work with customers to reestablish service. During the event, 3 transmission circuits, 9 substations and 12 distribution circuits were affected for a total of 8,421 customer interruptions, resulting in 3,073,561 customer minutes lost. The single longest customer interruption during the event was the second stage of a step-restoration on circuit 5G83, which affected 41 customers for 71.89 hours (just under 3 days).

Efforts have been underway to continue to rebuild facilities in the heavily damaged areas. Costs are currently estimated to be in the range of \$1 million in capital costs, with minimal costs to operations and maintenance accounts. This cost estimate excludes service replacements to fire-damaged buildings, since the specifics of reconstructing the electrical services to these customers is provisional pending their structures being rebuilt.

On September 17, 2014, Governor Edmund G. Brown Jr. proclaimed a State of Emergency due to the effects of the wildfires that started in El Dorado and Siskiyou counties. The purpose of the CEMA is to record all costs incurred by the Company associated with a catastrophic event for a number of different events including complying with governmental agency orders.² PacifiCorp is notifying the Commission that it plans to record these costs in its CEMA. PacifiCorp anticipates filing for recovery of costs recorded in the CEMA account after final cost totals are available.

If you have any questions, please contact Heide Caswell, Director, Transmission and Distribution Asset Performance, at (503) 813-6216 or Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934.

² See Preliminary Statement Part C.3.

Sincerely,

A handwritten signature in cursive script that reads "R. Bryce Dalley /ca".

R. Bryce Dalley
Vice President, Regulation

Enclosures

Cc: Joe Como, Acting Director, Office of Ratepayer Advocates
Mark Pocta, Office of Ratepayer Advocates
Don Lafrenz, Energy Division
Denise Tyrrell, Acting Director, Safety Enforcement Division



825 NE Multnomah
Portland, Oregon 97232

October 8, 2014

***VIA ELECTRONIC MAIL
AND OVERNIGHT DELIVERY***

Mr. Paul Clanon
Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298
pac@cpuc.ca.gov

**RE: PacifiCorp's (U 901-E) Major Event Starting September 15, 2014
Primarily Weed Operating Area**

Dear Mr. Clanon:

Pursuant to D. 98-07-097 Appendix B Section 2 Accident Reporting Requirements, PacifiCorp (d/b/a Pacific Power) submits this report on a major event. Provided as Attachment A is the Company's Major Event Report stemming from the Boles fire which started on September 15, 2014, near the town of Weed, California.

Description of Incident, Cause and Primary Damage

Fire activity resulted in loss of service around and in the town of Weed, California. Please refer to Attachment A for a detailed description of the event, cause and damage. This event resulted in outages that affected 18% of the company's total customers served in California (71% of its Mt Shasta customers and 4% of its Yreka customers)

The event qualifies for a major event because it exceeded the Company's California threshold of 1,431,624 customer minutes lost within a 24-hour period, which is derived in accordance with its 2004 filed tariff wherein the Company's definition of a major event was aligned with IEEE 1366 criteria, known as the 2.5 beta methodology. The Company experienced total customer interruptions of 8,421 and total customer minutes lost of 3,073,561.

Time and Date of Incident

The first sustained customer interruption on September 15 began at 3:03 p.m.

Time and Date of Initial Notification to Commission

While the percent of served customers off supply did not meet the notification threshold of 50%, as the fire continued to rage, the event became newsworthy and reports identified that customers were without power from fire-ravaged facilities, therefore the company made telephonic notification on September 16, 2014 shortly after 10:30 AM.

California Public Utilities Commission
October 8, 2014
Page 2

Location of Incident

The major event criterion applies to the statewide service territory; however, the company's Mt Shasta/Yreka operating area was the primary location of outages during this event.

Identification of Casualties, Damage and Cost

This event is estimated to cost \$1 million in capital costs, with minimal impact to operations and maintenance costs. This cost excludes service replacements to the fire-damaged buildings, since the specifics of reconstructing the electrical services to customers is provisional pending their structures being rebuilt.

Description of Response, Measures to Repair or Remedy

Please refer to Attachment A for a description of the Company's response and measures to repair or remedy.

Should you have any questions regarding this report, please contact Cathie Allen, Regulatory Affairs Manager, at (503) 813-5934 or Heide Caswell, Director, Transmission and Distribution Asset Performance at (503) 813-6216.

Sincerely,

A handwritten signature in cursive script that reads "R. Bryce Dalley /ca".

R. Bryce Dalley
Vice President, Regulation

cc: Elizaveta Malashanko, Safety Enforcement Division
Fadi Daye, Safety Enforcement Division
Alok Kumar, Safety Enforcement Division

Enclosures

Report to the California Public Utilities Commission Electric Service Reliability - Major Event Report

Date of Major Event:	September 15, 2014
Date Submitted:	October 8, 2014
Primary Location(s) Affected:	Yreka, Mount Shasta
Exclude from Reporting Status:	Yes
Report Prepared by:	Heide Caswell
Report Approved by:	Larry Young/Doug Butler/Cathie Allen

Event Description:

On September 15, 2014, the Boles Fire started near the town of Weed, California. Fanned by winds in the area, the fire quickly spread and evacuation efforts began for the areas of Weed, Shastina and Carrick. Over the course of the next couple of days, over 150 buildings were impacted by the event. Local fire resources were augmented by regional resources in order to contain the fire as rapidly as possible. Emergency response was supported by regional first response personnel, such as PacifiCorp employees, who interacted to ensure timely support actions were taken. As fire officials allowed access to company facilities to restore power, these activities were completed, generally completed late on September 16, 2014. The extent of structural damage limited the viability of serving certain structures, however as those buildings are rebuilt the company will work the customers to reestablish service.

During the event, 3 transmission circuits, 9 substations and 12 distribution circuits were affected for a total of 8,421 customer interruptions, resulting in 3,073,561 customer minutes lost. The single longest customer interruption during the event was the second stage of a step-restoration on circuit 5G83, which affected 41 customers for 71.89 hours (just under 3 days).

PacifiCorp is requesting this event be designated a major event in accordance with its 2004 filed tariff wherein the Company's definition of a major event was aligned with IEEE 1366 criteria, known as the 2.5 beta methodology. The outage is a major event because it exceeded the Company's California threshold of 1,431,624 customer minutes lost within a 24-hour period.

Resources Utilized:

Troubleman/Assessors/Crewmembers	35
District Support Staff	13

Restoration:

Region dispatch and field personnel began their response activity just shortly after noon on September 15, 2014, and their efforts continued unabated over the next several days. They were augmented by additional response personnel from other districts that PacifiCorp serves. Further support was provided by the company's Pacific Power Emergency Action Center (PPEAC), which serves to coordinate logistics, communication and other support functions such that local response personnel

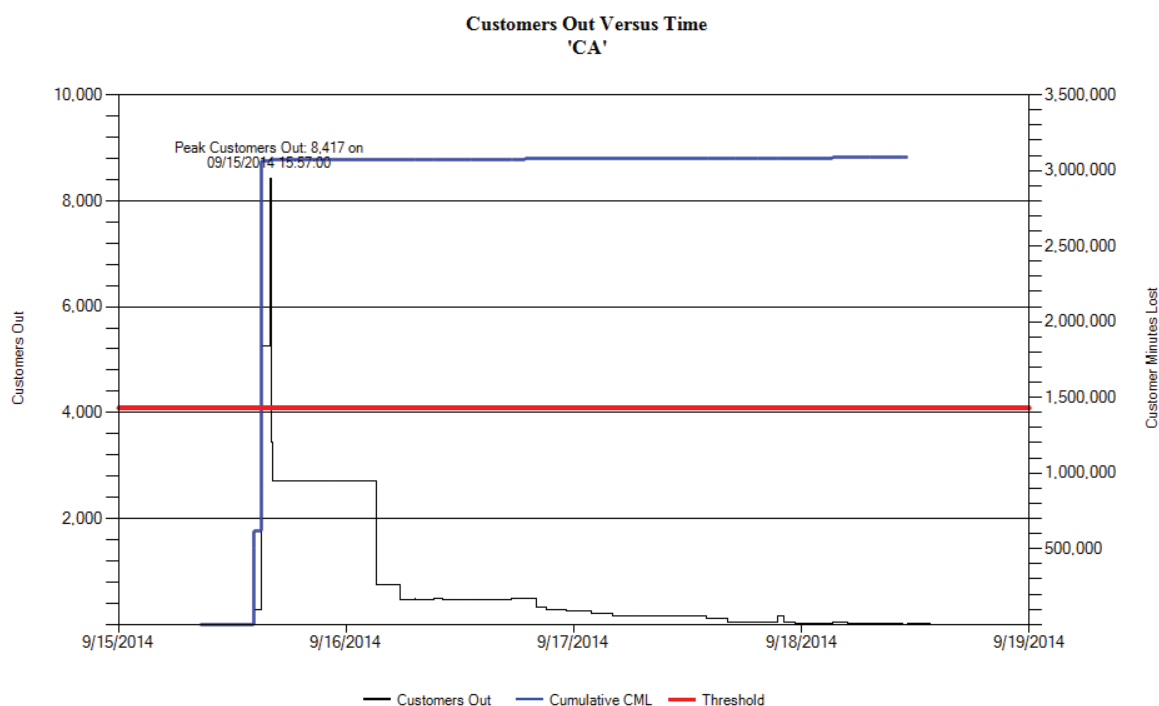
can be focused on operational responsibilities. Initially transmission facilities within the Weed area were affected, however an alternate feed from the south was energized and the majority of customers had power restored. Subsequently, distribution facilities that were in the area of substantial fire damage were reenergized as fire and local response personnel determined that safe power restoration could occur. Additional reconstruction continued after the fire had been extinguished and is still underway.

Estimated Major Event Cost:

This event is estimated to cost \$1 million in capital costs, with minimal costs to operations and maintenance costs. This cost excludes service replacements to the fire-damaged buildings, since the specifics of reconstructing the electrical services to customers is provisional pending their structures being rebuilt. Concurrent with the submission of this major event report, the Company is also filing notice that it has begun recording costs associated with this event to its Catastrophic Event Memorandum Account.

SAIDI, SAIFI, CAIDI Report: Enclosed

Event Chart:



PacifiCorp Major Event Report

Customer Analysis

California 09/15/2014 to 09/15/2014	09/15/2014 through 09/15/2014										Major Event Only					
	Customer Analysis				Customers Restored by Intervals											
	Sustained Customers Off	% Sustained Customers Off	CML	Number of Sustained Interruptions	Average Customer Count	<= 5 min	> 5 min < 3 hrs	>= 3 hrs <= 24 hrs	> 24 hrs < 48 hrs	>= 48 hrs < 72 hrs	>= 72 hrs < 96 hrs	>= 96 hrs	Sustained Customers Restored in 3 Hours PS4	SAIDI	SAIFI	CAIDI
PacifiCorp Major Events Report Customer Analysis																
PacifiCorp	8,421	0%	3,073,561	14	1,877,572	2	5,720	2,224	363	112	0	0	68%	1.64	0.00	365
Pacific Power	8,421	1%	3,073,561	14	789,126	2	5,720	2,224	363	112	0	0	68%	3.89	0.01	365
California	8,421	18%	3,073,561	14	48,001	2	5,720	2,224	363	112	0	0	68%	64.03	0.18	365
MT SHASTA	7,682	71%	3,059,503	10	10,845	0	4,985	2,222	363	112	0	0	65%	282.11	0.71	398
YREKA	739	4%	14,059	4	17,110	2	735	2	0	0	0	0	99%	0.82	0.04	19

PacifiCorp Major Event Report

SSC Analysis

	California 09/15/2014 to 09/15/2014 <i>PacifiCorp Major Events Report</i> SSC by Op Area	Event		09/15/14 through 09/15/14		Month		09/01/14 through 09/30/14		YTD		FY2014		01/01/14 through 09/30/14					
		Major Events Included		Major Events Excluded		Major Events Included		Major Events Excluded		Major Events Included		Major Events Excluded		Major Events Excluded					
		SAIFI	SAIDI	SAIFI	SAIDI	SAIFI	SAIDI	SAIFI	SAIDI	SAIFI	SAIDI	SAIFI	SAIDI	SAIFI	SAIDI				
PC	PacifiCorp	1.35	0.01	240	0.16	0.00	136	16.75	0.13	132	15.56	0.12	127	169.52	1.15	147	125.30	1.01	124
PP	Pacific Power	2.95	0.01	262	0.12	0.00	171	16.81	0.14	124	13.98	0.12	112	165.34	1.06	156	98.99	0.87	114
CA	California	46.62	0.17	268				77.71	0.27	283	31.09	0.10	308	217.51	1.18	184	170.89	1.01	170
CA	ALTURAS							0.32	0.00	180	0.32	0.00	180	62.52	0.40	156	62.52	0.40	156
CA	CRESCENT CITY							20.96	0.09	232	20.96	0.09	232	192.64	1.18	163	192.64	1.18	163
CA	MT SHASTA	205.04	0.70	292				213.73	0.74	290	8.69	0.04	246	331.78	1.36	244	126.74	0.66	192
CA	TULELAKE							2.09	0.01	192	2.09	0.01	192	147.44	1.61	92	147.44	1.61	92
CA	YREKA	0.82	0.04	19				66.12	0.23	285	65.29	0.19	345	206.86	1.09	190	206.04	1.05	197

PacifiCorp Major Event Report

SSC Analysis

	California 09/15/2014 to 09/15/2014 <i>PacifiCorp Major Events Report</i> by State	Event		09/15/14		through 09/15/14		Month		9/1/2014		through 09/30/14		YTD		FY2014		1/1/2014		through 09/30/14		
		Major Events Included		Major Events Excluded		Major Events Included		Major Events Excluded		Major Events Included		Major Events Excluded		Major Events Included		Major Events Excluded		Major Events Included		Major Events Excluded		
		SAIDI	SAIFI	CAIDI	SAIDI	SAIFI	CAIDI	SAIDI	SAIFI	CAIDI	SAIDI	SAIFI	CAIDI	SAIDI	SAIFI	CAIDI	SAIDI	SAIFI	CAIDI	SAIDI	SAIFI	CAIDI
PC	PacifiCorp	1.35	0.01	240	0.16	0.00	135.91	16.75	0.13	131.66	15.56	0.12	126.72	169.52	1.15	146.96	125.30	1.01	123.99			
PP	Pacific Power	2.95	0.01	262	0.12	0.00	171.13	16.81	0.14	124.04	13.98	0.12	111.84	165.34	1.06	156.28	98.99	0.87	114.36			
CA	California	46.62	0.17	268				77.71	0.27	282.97	31.09	0.10	308.41	217.51	1.18	184.08	170.89	1.01	169.57			
CA	ALTURAS							0.02	0.00	180.08	0.02	0.00	180.08	3.64	0.02	155.64	3.64	0.02	155.64			
CA	CRESCENT CITY							5.65	0.02	232.09	5.65	0.02	232.09	51.90	0.32	163.14	51.90	0.32	163.14			
CA	MT SHASTA	46.33	0.16	292				48.29	0.17	290.21	1.96	0.01	245.98	74.96	0.31	243.84	28.63	0.15	192.18			
CA	TULELAKE							0.19	0.00	191.75	0.19	0.00	191.75	13.27	0.14	91.85	13.27	0.14	91.85			
CA	YREKA	0.29	0.02	19				23.57	0.08	284.59	23.27	0.07	345.23	73.74	0.39	189.96	73.44	0.37	197.02			

Appendix D

PacifiCorp Summary of Earnings

Appendix D
PacifiCorp
Summary of Earnings
Twelve Months Ended December 31, 2013

Line	Item	California
1	Operating Revenue	\$105,586,773
2	Operating Expenses	<u>\$82,857,040</u>
3	Operating Revenue for Return	<u><u>\$22,729,733</u></u>
4	Total Rate Base	\$255,525,801
5	Return on Rate Base	8.90%

Application No. 15-03-____
Exhibit No. PPL/100
Witness: Heidemarie C. Caswell

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

PACIFICORP

Direct Testimony of Heidemarie C. Caswell

March 2015

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

3 A. My name is Heidemarie (Heide) C. Caswell. My business address is 825 N.E.
4 Multnomah, Suite 1500, Portland, Oregon 97232. My present position is
5 Director-Transmission and Distribution Asset Performance, a department within
6 the Engineering Services and Asset Management business unit.

7 **Qualifications**

8 **Q. Please briefly describe your education and business experience.**

9 A. I am a professional engineer, licensed in the State of Washington. I received a
10 Bachelor of Science in Civil Engineering in 1987 from the University of
11 Washington, in Seattle, Washington. I have been employed with PacifiCorp since
12 2002, during which time I have been responsible for reliability engineering,
13 reliability reporting and reliability tool and project development. Prior to that I
14 held positions in Planning and Engineering at Puget Sound Energy and its
15 predecessor company, Washington Natural Gas Company.

16 **Q. Please describe your present duties.**

17 A. My primary responsibilities include evaluating, investigating, reporting on and
18 developing tools for both the transmission and distribution networks that
19 PacifiCorp owns and operates. I am also responsible for technical support during
20 rulemaking activities within the states the Company serves, which includes
21 California, Idaho, Oregon, Utah, Washington, and Wyoming that impact the
22 transmission and distribution organizations. I hold leadership positions within the
23 Institute of Electrical and Electronic Engineers (IEEE) Distribution Reliability

1 Working Group, the North American Transmission Owner's Forum and the North
2 American Electric Reliability Corporation's (NERC) Performance Analysis
3 Subcommittee.

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

5 A. The purpose of my testimony is to describe the effects of the 2014 fire season in
6 California, including drought-related fire hazard mitigation efforts, and the
7 damage to the Company's utility facilities caused by wildfires in August and
8 September of 2014.

9 **Catastrophic Events in 2014**

10 **Q. What catastrophic events occurred in 2014 that resulted in costs being**
11 **recorded in the Company's CEMA?**

12 A. There were three catastrophic events that occurred in 2014 where the Company
13 notified the Commission that it would begin recording costs in CEMA.

- 14 1. On March 18, 2014, the Company notified the Commission that it had
15 started recording costs in CEMA for implementation of drought-related
16 fire hazard mitigation efforts in response to a Commission directive.
- 17 2. On August 29, 2014, the Company notified the Commission that it had
18 started recording costs in CEMA for restoring service to customers and
19 repairing damage caused by widespread wildfires that started in northern
20 California and southern Oregon in late July and early August.
- 21 3. On October 8, 2014, the Company provided a third notice to the
22 Commission that it had started recording costs in CEMA for restoring
23 service to customers and repairing damage caused by the Boles Fire that

1 started in September 2014.

2 Copies of these notices are provided in Appendix C to the Application.

3 **Q. Did these events meet the requirements for activating CEMA?**

4 A. Yes. The purpose of the CEMA is to record all costs incurred by the Company
5 associated with catastrophic events. Under Resolution E-3238, CEMA may be
6 used to record costs of: (a) restoring utility service to its customers; (b) repairing,
7 replacing or restoring damaged utility facilities; and (c) complying with
8 governmental agency orders in connection with events declared disasters by
9 competent state or federal authority. As discussed in more detail below, the
10 Governor of the State of California declared a state of emergency for each of the
11 three events for which the Company notified the Commission that it would begin
12 recording costs in the CEMA.

13 **Description of the drought-related fire hazard mitigation efforts and effects of the**
14 **wildfires in August and September of 2015.**

15 **Q. Please describe the drought-related fire hazard mitigation efforts required**
16 **by the CPUC.**

17 A. On January 17, 2014, Governor Edmund G. Brown Jr. proclaimed a State of
18 Emergency and directed state officials to take all necessary actions to prepare for
19 conditions that could result from the drought. On February 18, 2014, PacifiCorp
20 received a letter from the Commission's Acting Director of the Safety
21 Enforcement Division (SED) stating the following:

22 "Due to the increased [chance] of large and devastating fires in
23 California, I hereby direct you and your company to take all
24 practicable measures necessary to reduce the likelihood of fires

1 started by your facilities. This may include, but is not limited to the
2 following actions:

- 3 • Increased inspections in fire threat areas
- 4 • Re-prioritization of corrective action items
- 5 • Modification to protective schemes"

6 The letter further stated that during the State of Emergency, it is imperative that
7 corrective action associated with the Federal Energy Regulatory Commission and
8 CalFire vegetation requirements not be deferred.

9 **Q. What measures did the Company implement in response to the Commission**
10 **directive?**

11 A. On March 18, 2014, PacifiCorp submitted a letter to the Commission identifying
12 the mitigation measures appropriate to the direction by the Commission. These
13 measures included:

- 14 1) increased patrolling and vegetation management for targeted facilities;
- 15 2) re-inspection of high risk drought areas and accelerated corrections of
16 targeted condition types within drought-impacted areas;
- 17 3) installation of distance-reporting relays on specific transmission lines;
- 18 4) accelerated "No Test" policy implementation, where prior to re-energizing
19 faulted lines, a physical patrol is conducted to ensure no physical damage
20 has occurred to facilities; and
- 21 5) outfitting field resources with additional fire suppression equipment.

22 **Q. Was the work performed on the Company's electric facilities extensive?**

23 A. Yes, as the Company reported in the quarterly status reports submitted to the
24 Commission's Safety Enforcement Division, it patrolled an extra 255 overhead
25 structures, inspected 6,427 structures (as required by General Order 165),
26 corrected 602 outstanding conditions that were identified as possible fire risks,

1 addressed an additional 1,121 vegetation fire risks, installed ten fault-distance
2 locating relays and operated under a no-test policy for almost five months of the
3 year (from June 4, 2014 through October 23, 2014).

4 Copies of the quarterly status reports are provided in Appendix C to the
5 Application.

6 **Q. Did the correction work performed by the Company also involve substantial**
7 **efforts?**

8 A. Yes, as a result of the 2014 drought-related fire hazard mitigation efforts, the
9 Company replaced 14 cutouts, 12 knife switches, 65 insulators, 14 lightning
10 arrestors, and 50 cross-arms.

11 **Q. Please describe the wildfires in August of 2014.**

12 A. At the end of July 2014, thunderstorms with large lightning activity started fires in
13 northern California and southern Oregon. Additional summer storms brought
14 more lightning sporadically throughout the month, leading to further spread of
15 fires. Two of the fires were named the Beaver Complex and Oregon Gulch Fires.
16 Throughout this time, extreme measures were required of response organizations.
17 Local fire-fighting resources were outstripped of their capacity and augmented by
18 regional resources. In parallel, the Company enacted aspects of its emergency
19 response plans targeted toward facilities impacted by or at risk from fires. As a
20 result of these two fires, the Company expended substantial man hours in
21 mitigation efforts, during which many Company facilities were replaced. The
22 Company monitored its facilities and as access to affected areas became possible,
23 facilities were rebuilt to re-establish the integrity of the Company's network. The

1 Company also re-established corridors by clearing vegetation and debris resulting
2 from the fires. On August 2, 2014, Governor Edmund G. Brown Jr. proclaimed a
3 State of Emergency due to the effects of the wildfires in Amador, Butte, El
4 Dorado, Humboldt, Madera, Mariposa, Mendocino, Modoc, Shasta, and Siskiyou
5 counties.

6 **Q. Please describe the wildfire in September of 2014.**

7 On September 15, 2014, the Boles Fire started near the town of Weed, California.
8 Fanned by winds in the area, the fire quickly spread and evacuation efforts began
9 for the areas of Weed, Shastina, and Carrick. Local fire resources were
10 augmented by regional resources to contain the fire as rapidly as possible.
11 Emergency response was supported by regional first response personnel, such as
12 PacifiCorp employees, who interacted with each other to ensure timely support
13 actions were taken. PacifiCorp's local field personnel and management and
14 region dispatch responded to the event at approximately 1:38 p.m. PacifiCorp
15 field personnel were put on stand-by and local management coordinated with
16 local fire officials to determine when assessments of damage could commence.
17 At 6:30 p.m. the Pacific Power Emergency Action Center (PPEAC) convened and
18 immediately put all PacifiCorp line personnel, foresters, mechanics and logistics
19 staff on stand-by in Klamath Falls, Medford and Grants Pass, Oregon, ready to be
20 dispatched to the affected area upon determination of safe access to the area to
21 assess the damage and restore service. Crews, equipment and support personnel
22 were dispatched to the area on September 16 and restoration activities
23 commenced in areas that could be accessed.

1 **Q. Was the damage to the Company’s electric facilities as a result of the fires in**
2 **August and September 2014 extensive?**

3 A. Yes. As a result of the 2014 fires, the Company replaced 48 cutouts, 7,073 feet of
4 conductor, 200 insulators, 103 poles, 93 cross-arms, and 12 transformers.

5 **Responding to Emergencies**

6 **Q. What procedures does the Company follow when responding to emergencies,**
7 **including storms, wildfires and outage events?**

8 A. The Company has its Emergency Operations Plan on file with the Safety
9 Enforcement Division, as proscribed by General Order 166. It uses that plan as a
10 foundation when emergencies arise. On a day to day basis, each district (or
11 operating area) performs operational responses in a manner consistent with the
12 elements of that plan and assesses damage, details necessary repairs and evaluates
13 the extent of customer outages, while prioritizing work to restore service to
14 customers in the most efficient manner possible, which meets commitments to
15 PacifiCorp’s customers. The Company uses an escalation process to respond to
16 emergencies. The degree of escalation and the departments that are incorporated
17 into the event are a direct result of the extent of damage and support needed by
18 local operational staff. PacifiCorp manages emergency situations by activating
19 any or all of a series of internal organizations staffed with personnel trained to
20 respond to emergencies. These organizations include the Local Operations Center
21 (LOC), the Regional Emergency Action Center (REAC), the PPEAC, the
22 Information Technology Emergency Action Center (ITEAC) and the Customer
23 Service Emergency Action Center (CSEAC). PacifiCorp maintains LOCs

1 throughout its service territory, where most events are managed locally utilizing
2 normal dispatch and field response processes. However, for complex, long-
3 duration and/or geographically large incidents, the PPEAC and REAC can be
4 activated to provide centralized command and control functions, implementing
5 the principles of the Incident Command System (ICS) and emergency
6 management at a strategic level. In general, the REAC is activated to help
7 coordinate operational aspects of an emergency, and is comprised of
8 operationally-proficient individuals that have been trained to manage
9 emergencies. REAC also acts as a bridge between LOC and the PPEAC to
10 manage the ebb and flow of communications and resources. The PPEAC gathers
11 and analyzes data; makes decisions that protect life, property and the
12 environment; manages emergencies regardless of size, complexity or scope; and
13 disseminates restoration related decisions to affected external agencies,
14 customers, and community and Company resources. The PPEAC may also help
15 facilitate resource deployment decisions, typically through the use of internal
16 personnel, or when needed, through contractor procurement and mutual assistance
17 processes.

18 When necessary, additional emergency functions can be activated to
19 supplement incident management processes related to customer service and
20 technology.

21 The ITEAC supports PacifiCorp's systems, applications and network
22 infrastructure. When needed, IT can mobilize its team to monitor key outage
23 system performance and respond to issues that can impact incident management

1 and restoration activities. Finally, the CSEAC can mobilize in response to a
2 power emergency to monitor customer call volume, ensuring that customer calls
3 are being answered as effectively as possible. The CSEAC also coordinates with
4 other EACs to enable current information to be quickly and accurately passed on
5 to customers.

6 **Q. How did the Company assess and respond to the wildfires in August and**
7 **September of 2014?**

8 A. The Company implemented the key components of its Emergency Response Plan,
9 namely it activated the LOC, REAC and PPEAC to ensure that local, regional and
10 inter-agency communication was ongoing. PacifiCorp further activated aspects of
11 its CSEAC to ensure that customers and communities were apprised of the steps
12 being taken to ensure service reliability in the context of the significant fire
13 events. During the 2014 fires, over 100 Company personnel worked to restore
14 power, 90 of which were field personnel. Additionally, dispatch and customer
15 service personnel provided ongoing support to crews and customers. After power
16 was fully restored, work continued to replace damaged facilities and make
17 permanent repairs. While much of this work is now largely complete, some
18 facility reinstallation is still pending due to dependence on the timing of customer
19 rebuilds.

20 **Q. Was PacifiCorp's response to the drought conditions and the 2014 fires**
21 **necessary and reasonable?**

22 A. Yes. The Company's response was necessary and reasonable to mitigate drought-
23 related risks, eliminate potentially hazardous conditions, and respond to

- 1 emergency conditions created by wildfires by restoring service to customers,
- 2 repairing or replacing damaged facilities, and communicating with customers.

3 **Q. Does this conclude your direct testimony?**

4 A. Yes.

Application No. 15-03-____
Exhibit No. PPL/200
Witness: Steven R. McDougal

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

PACIFICORP

Direct Testimony of Steven R. McDougal

March 2015

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

3 A. My name is Steven R. McDougal, and my business address is 201 South Main,
4 Suite 2300, Salt Lake City, Utah 84111. I am currently employed as the director
5 of revenue requirement for the Company.

6 **Qualifications**

7 **Q. Please describe your education background and business experience.**

8 A. I received a Master of Accountancy from Brigham Young University with an
9 emphasis in Management Advisory Services in 1983 and a Bachelor of Science
10 degree in Accounting from Brigham Young University in 1982. In addition to my
11 formal education, I have also attended various educational, professional, and
12 electric industry-related seminars.

13 I have been employed by the Company or its predecessor companies since
14 1983. My experience at the Company includes various positions within
15 regulation, finance, resource planning, and internal audit.

16 **Q. What are your responsibilities as director of revenue requirement?**

17 A. My primary responsibilities include overseeing the calculation and reporting of
18 the Company's regulated earnings or revenue requirement, assuring that the inter-
19 jurisdictional cost allocation methodology is correctly applied, and explaining
20 those calculations to regulators in the jurisdictions in which the Company
21 operates.

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

23 A. Yes. I have provided testimony before the California Public Utilities

1 Commission, the Washington Utilities and Transportation Commission, the Idaho
2 Public Utilities Commission, the Oregon Public Utility Commission, the
3 Wyoming Public Service Commission, the Public Service Commission of Utah,
4 and the Utah State Tax Commission.

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

6 A. The purpose of my testimony is to describe the calculation of the Company's
7 California-allocated revenue requirement associated with damage to the
8 Company's utility facilities resulting from the 2014 fires and drought-related fire
9 hazard mitigation measures (2014 Matters) described in the direct testimony of
10 company witness Ms. Heidemarie C. Caswell. Specifically, I provide testimony
11 on the following:

- 12 • The calculation of the \$545,000 revenue increase requested in this application
13 required for the Company to recover its California-allocated revenue
14 requirement associated with the 2014 Matters.
- 15 • A description of the accounting procedures and costs for the 2014 Matters.
- 16 • A brief description of the Revised Protocol allocation methodology applied in
17 this proceeding in determining the California-allocated revenue requirement.
- 18 • A description of the proposed rate spread.

19 **Revenue Requirement**

20 **Q. Please describe how the Company developed the revenue requirement in this**
21 **Application.**

22 A. The revenue requirement calculation was developed beginning with actual cost
23 data associated with the 2014 Matters from the Company's accounting system.

1 These cost components include distribution and transmission capital investments
2 and associated depreciation expense, distribution and transmission operation and
3 maintenance (O&M) expenses.

4 In addition, franchise taxes and bad debt expense associated with the
5 revenue increase were included based on the percentages included in PacifiCorp's
6 2009 rate case, Application (A.) 09-11-015, Decision (D.) 10-09-010. Page 1 of
7 Exhibit PPL/201 reflects the total revenue requirement impact of these costs on a
8 total-Company basis and as allocated to the Company's California jurisdiction.

9 **Q. How has the Company calculated the return on rate base and depreciation**
10 **expense included in the revenue requirement calculation?**

11 A. The return on rate base is calculated using the Company's current authorized
12 capital structure and costs applied to the calendar year 2015 average net plant.
13 Page 3 of Exhibit PPL/201 reflects the monthly plant balances. Depreciation
14 expense has been calculated by applying the Company's composite California
15 depreciation rate to the plant balances.

16 **Q. Are there any considerations of possible Insurance Recovery offsets to the**
17 **amounts requested in this application?**

18 A. No. In 2011, the Company's captive insurance policy expired. Currently, the
19 Company's insurance policy has deductibles set at \$10 million. The Company
20 does not anticipate any insurance recovery for the expenses incurred as the result
21 of the events discussed in this application because they are below the Company's
22 deductible.

1 **Q. Has the Company included associated carrying charges in this Application?**

2 A. No. However, as shown in the Company's tariffs, Preliminary Statement Part C
3 section 2c, costs recorded in the Catastrophic Event Memorandum Account
4 (CEMA) may accrue interest. The Company has chosen not to include carrying
5 charges in this Application.

6 **Accounting Procedures**

7 **Q. How did PacifiCorp account for costs related to the 2014 Matters?**

8 A. When Company crews are dispatched to respond to a new extraordinary matter,
9 clerks at the district office set up new work orders to record both capital and
10 expense costs related to distribution and transmission repairs. As work progresses
11 and additional resources are needed, additional work orders are created to cover
12 resources such as dispatchers and call center personnel. These orders are
13 centrally combined into an order group so that related costs can be gathered and
14 monitored on a total level and on each of the category levels. All work performed
15 by Company crews is charged to the appropriate work orders by the personnel
16 involved, as are materials, contractors, and other costs. Only those costs
17 associated with the event are charged to the work orders.

18 **Q. How does the Company ensure that all costs booked to these work orders are**
19 **incremental and accurate?**

20 A. The Company's operating budgets are developed based on project work to be
21 completed related to normal business operations. Recovery from these and other
22 extraordinary events are not included in the operating budgets. Therefore most
23 costs related to extraordinary events are considered incremental and are tracked

1 through separate work orders as described above. Managers at the district office
2 are responsible for reviewing and approving the charges and purchases to the
3 work orders to ensure accuracy. To further isolate incremental costs, the
4 Company excluded all regular time hours charged to the 2014 Matters by
5 California-based employees and all material handling charges from the
6 Company's logistics department.

7 **2014 Fire Costs**

8 **Q. What costs were incurred by the Company related to the 2014 fires?**

9 A. Through March 10, 2015, total incremental fire-related costs were \$1,011,615.
10 This total is comprised of \$146,276 of expense and \$865,339 of capital. These
11 amounts are in line with the estimates provided when PacifiCorp informed the
12 California Public Utilities Commission (Commission) it had begun booking costs
13 related to the July and August fires and the Boles Fire to its CEMA account on
14 August 29, 2014, and October 8, 2014, respectively. Copies of these letters are
15 provided in Appendix C to the Application.

16 **Q. Please provide more detail related to the 2014 fire costs.**

17 A. Exhibit PPL/202 provides a detailed breakdown of the costs associated with the
18 2014 fires. The costs are divided between capital and expense and are shown by
19 major cost category. The labor category includes straight-time and overtime pay
20 for non-California based employees and only overtime pay for California based
21 line craft workers, estimators, general foremen, mechanics, and administration
22 and warehouse personnel. The employee expenses category includes lodging,
23 meals, and travel costs. The materials category includes all line materials,

1 transformers, vehicle costs, and wood products used in recovery efforts. The
2 contractor category includes all external contract labor, helicopter charters, tree
3 trimmers, and flaggers.

4 **Drought-related Fire Hazard Mitigation Efforts**

5 **Q. What costs were incurred by the Company for the drought-related fire**
6 **hazard mitigation efforts?**

7 A. Through March 10, 2015, total incremental fire hazard mitigation efforts costs
8 were \$590,459. This total is comprised of \$427,351 of expense and \$163,108 of
9 capital. These amounts are in line with the estimates provided when PacifiCorp
10 informed the Commission on March 18, 2014, it had begun booking costs related
11 to the fire hazard mitigation efforts to its CEMA account. A copy of this letter is
12 provided in Appendix C to the Application.

13 **Q. Please provide more detail related to the 2014 drought-related fire hazard**
14 **mitigation efforts.**

15 A. Exhibit PPL/202 provides a detailed breakdown of the costs associated with the
16 fire hazard mitigation efforts. The costs are divided between capital and expense
17 and are shown by major cost category. The labor category includes straight-time
18 and overtime pay for non-California based employees and only overtime pay for
19 California based line craft workers, estimators, general foremen, mechanics, and
20 administration and warehouse personnel. The employee expenses category
21 includes lodging, meals, and travel costs. The materials category includes all line
22 materials, transformers, vehicle costs, and wood products used in recovery efforts.

1 The contractor category includes all external contract labor, helicopter charters,
2 tree trimmers, and flaggers.

3 **Revised Protocol**

4 **Q. What allocation methodology has been applied in the calculation of the**
5 **California revenue requirement request in this Application?**

6 A. The Company applied the Revised Protocol allocation methodology to calculate
7 California's revenue requirement in this Application. This allocation
8 methodology is consistent with the methodology applied in the Company's 2005
9 and 2009 rate case filings and in the Company's Energy Cost Adjustment Clause
10 (ECAC) and Post Test Year Adjustment Mechanism (PTAM) filings. The
11 California percentages used in this Application are the same as the percentages
12 included in the Company's 2009 general rate case, A.09-11-015, D.10-09-010.

13 Using the Revised Protocol allocation methodology, distribution O&M
14 expense, distribution capital, transmission capital and associated depreciation
15 expenses are directly assigned to California operations. Transmission expenses
16 are allocated using the System Generation (SG) factor, which is a weighted
17 average of California's contribution to total system energy (25 percent) and total
18 system peak (75 percent). As shown on page 1 of Exhibit PPL/201, using the
19 allocation factors described above, the total company revenue requirement
20 associated with the 2014 Matters has been allocated to the Company's California
21 jurisdiction.

1 **Rate Spread**

2 **Q. How does the Company propose to spread the revenue requirement among**
3 **the customer classes?**

4 A. Because the costs included for recovery in this filing are primarily distribution-
5 related, PacifiCorp proposes to spread the revenue requirement to customer
6 classes based on each class' share of distribution revenues.

7 **Q. How does the Company propose to collect the revenue requirement from**
8 **customers?**

9 A. The Company proposes to collect the revenue requirement over the period of
10 approximately one year through proposed Schedule S-96, Surcharge to Recover
11 Costs Recorded in Catastrophic Event Memorandum Account. The Company
12 will file to turn off the collection surcharge at such time as the revenue
13 requirement has been fully collected from customers.

14 **Q. What is the impact to customers of the proposed surcharge?**

15 The overall rate impact to customers is an increase of 0.4 percent. Appendix A to
16 the application contains proposed Schedule S-96, a statement of present and
17 proposed rates, and a table showing the impact of the proposed rates on each
18 customer schedule.

19 **Q. Does this conclude your direct testimony?**

20 A. Yes.

Application No. 15-03-____
Exhibit No. PPL/201
Witness: Steven R. McDougal

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

PACIFICORP

Exhibit Accompanying Direct Testimony of
Steven R. McDougal
CEMA Application Total Revenue Requirement

March 2015

PacifiCorp
California
Catastrophic Event Memorandum Account (CEMA) Application
Total Revenue Requirement

	Total Company	Factor	Factor %	California Allocated
Capital Investment - Distribution	554,323	CA	100.0000%	554,323
Capital Investment - Transmission	473,547	SG	1.7558%	8,315
Depreciation Reserve - Distribution	(16,146)	CA	100.0000%	(16,146)
Accumulated DIT Balance - Distribution	(105,548)	CA	100.0000%	(105,548)
Accumulated DIT Balance - Transmission	(95,580)	SG	1.7558%	(1,678)
Depreciation Reserve - Transmission	(7,893)	SG	1.7558%	(139)
Net Rate Base	<u>802,704</u>			<u>439,127</u>
	11.77%			11.77%
Pre-Tax Return on Rate Base	<u>94,439</u>			<u>51,664</u>
Distribution Expense	460,185	CA	100.0000%	460,185
Transmission Expense	113,441	SG	1.7558%	1,992
Subtotal of Operating Expenses	<u>573,626</u>			<u>462,177</u>
Depreciation Expense - Distribution	20,796	CA	100.0000%	20,796
Depreciation Expense - Transmission	9,435	SG	1.7558%	166
Rev. Reqt. Before Franchise Tax & Bad Debt	<u>698,296</u>			<u>534,803</u>
Franchise Taxes (1.3%)	9,245			7,081
Bad Debt Expense (0.513%)	3,650			2,796
Total Revenue Requirement	<u>711,192</u>			<u>544,679</u>

California
Catastrophic Event Memorandum Account (CEMA) Application
Total Revenue Requirement
Results of Operations Format

	CY 2015			CY 2015		
	Total Company	Price Change	Results with Price Change	California Allocated	Price Change	Results with Price Change
Operating Revenues:						
General Business Revenues	-	711,192	711,192	-	544,679	544,679
Total Operating Revenues	-	711,192	711,192	-		544,679
Operating Expenses:						
Steam Production	-			-		
Nuclear Production	-			-		
Hydro Production	-			-		
Other Power Supply	-			-		
Transmission	113,441			1,992		
Distribution	460,185			460,185		
Customer Accounting	-	3,650	3,650	-	2,796	2,796
Customer Service & Info	-			-		
Sales	-			-		
Administrative & General	-			-		
Total O&M Expenses	573,626	3,650	577,276	462,177	2,796	464,973
Depreciation	30,231			20,962		
Amortization	-			-		
Taxes Other Than Income	-	9,245	9,245	-	7,081	7,081
Income Taxes - Federal	(213,431)	233,308	19,877	(165,384)	178,683	13,299
Income Taxes - State	(29,002)	31,703	2,701	(22,473)	24,280	1,807
Income Taxes - Def Net - Distrib	(288)		(288)	(288)		(288)
Income Taxes - Def Net - Transm	4,955		4,955	87		87
Investment Tax Credit Adj.	-			-		
Misc Revenue & Expense	-			-		
Total Operating Expenses:	366,092	277,906	643,998	295,081	212,839	507,920
Operating Rev For Return	(366,092)	433,286	67,194	(295,081)	331,840	36,759
Rate Base:						
Electric Plant In Service	1,027,870			562,638		
Plant Held for Future Use	-			-		
Misc Deferred Debits	-			-		
Elec Plant Acq Adj	-			-		
Nuclear Fuel	-			-		
Prepayments	-			-		
Fuel Stock	-			-		
Material & Supplies	-			-		
Working Capital	-			-		
Weatherization Loans	-			-		
Misc Rate Base	-			-		
Total Electric Plant:	1,027,870		1,027,870	562,638		562,638
Rate Base Deductions:						
Accum Prov For Deprec	(24,039)		(24,039)	(16,285)		(16,285)
Accum Prov For Amort	-			-		
Accum Def Income Tax - Distrib	(105,548)		(105,548)	(105,548)		(105,548)
Accum Def Income Tax - Transm	(95,580)		(95,580)	(1,678)		(1,678)
Unamortized ITC	-			-		
Customer Adv For Const	-			-		
Customer Service Deposits	-			-		
Misc Rate Base Deductions	-			-		
Total Rate Base Deductions	(225,166)		(225,166)	(123,511)		(123,511)
Total Rate Base:	802,704		577,537	439,127		315,616
Return on Rate Base			11.63%			11.65%
Return on Equity			16.85%			16.88%
TAX CALCULATION:						
Operating Revenue	(603,857)	698,296	94,439	(483,139)	534,803	51,664
Other Deductions	-		-	-		-
Interest (AFUDC)	-		-	-		-
Interest	22,648		22,648	12,390		12,390
Schedule "M" Additions - Distribution	20,796		20,796	20,796		20,796
Schedule "M" Additions - Transmission	9,435		9,435	166		166
Schedule "M" Deductions - Distribution	20,038		20,038	20,038		20,038
Schedule "M" Deductions - Transmission	22,492		22,492	395		395
Income Before Tax	(638,804)	698,296	59,492	(495,000)	534,803	39,803
State Income Taxes	(29,002)	31,703	2,701	(22,473)	24,280	1,807
Oregon/Utah State Tax Credits	-	-	-	-	-	-
Total State Income Taxes	(29,002)	31,703	2,701	(22,473)	24,280	1,807
Taxable Income	(609,803)	666,594	56,791	(472,527)	510,523	37,996
Federal Taxes Before Credits	(213,431)	233,308	19,877	(165,384)	178,683	13,299
Renewable Energy Tax Credit	-	-	-	-	-	-
Federal Income Taxes	(213,431)	233,308	19,877	(165,384)	178,683	13,299

Operating Revenue	100%
Operating Deductions	
Uncollectable Accounts	0.51%
Taxes Other - Franchise Tax	1.30%
Taxes Other - Revenue Tax	0.00%
Taxes Other - Resource Supplier	0.00%
Taxes Other - Gross Receipts	0.00%
Sub-Total	98.187%
State Income Tax @ 4.54%	4.458%
Sub-Total	93.729%
Federal Income Tax @ 35.00%	32.805%
Net Operating Income	60.924%

PacifiCorp
California
Catastrophic Event Memorandum Account (CEMA) Application
Capital Additions

Distribution

Total Capital Expense 554,901
Composite Depreciation Rate 3.750%

	Beginning Balance	Additions	Ending Balance	Accumulated Depreciation	Depreciation Expense
Aug-14	-	45,772	45,772	(72)	72
Sep-14	45,772	405,487	451,259	(848)	777
Oct-14	451,259	73,414	524,674	(2,373)	1,525
Nov-14	524,674	20,787	545,461	(4,045)	1,672
Dec-14	545,461	2,469	547,930	(5,754)	1,708
Jan-15	547,930	6,650	554,579	(7,476)	1,723
Feb-15	554,579	106	554,685	(9,209)	1,733
Mar-15	554,685	216	554,901	(10,943)	1,734
Apr-15	554,901		554,901	(12,677)	1,734
May-15	554,901		554,901	(14,411)	1,734
Jun-15	554,901		554,901	(16,145)	1,734
Jul-15	554,901		554,901	(17,879)	1,734
Aug-15	554,901		554,901	(19,613)	1,734
Sep-15	554,901		554,901	(21,348)	1,734
Oct-15	554,901		554,901	(23,082)	1,734
Nov-15	554,901		554,901	(24,816)	1,734
Dec-15	554,901		554,901	(26,550)	1,734
2015 Ending Bal.	554,901	554,901	554,901	(26,550)	20,796
13 Month Average Balance	554,323			(16,146)	

Transmission

Total Capital Expense 473,547
Composite Depreciation Rate 1.992%

	Beginning Balance	Additions	Ending Balance	Accumulated Depreciation	Depreciation Expense
May-14	-	4,956	4,956	(4)	4
Jun-14	4,956	19,792	24,748	(29)	25
Jul-14	24,748	64,201	88,949	(123)	94
Aug-14	88,949	177,419	266,368	(418)	295
Sep-14	266,368	76,451	342,818	(924)	506
Oct-14	342,818	131,157	473,976	(1,602)	678
Nov-14	473,976	(249)	473,727	(2,389)	787
Dec-14	473,727	(180)	473,547	(3,175)	786
Jan-15	473,547	-	473,547	(3,961)	786
Feb-15	473,547	-	473,547	(4,748)	786
Mar-15	473,547	-	473,547	(5,534)	786
Apr-15	473,547		473,547	(6,320)	786
May-15	473,547		473,547	(7,106)	786
Jun-15	473,547		473,547	(7,893)	786
Jul-15	473,547		473,547	(8,679)	786
Aug-15	473,547		473,547	(9,465)	786
Sep-15	473,547		473,547	(10,251)	786
Oct-15	473,547		473,547	(11,038)	786
Nov-15	473,547		473,547	(11,824)	786
Dec-15	473,547		473,547	(12,610)	786
2015 Ending Bal.	473,547	473,547	473,547	(12,610)	9,435
13 Month Average Balance	473,547			(7,893)	

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PacifiCorp
California
Catastrophic Event Memorandum Account (CEMA) Application
Variables

Capital Cost and Structure Ordered from application 09-11-015
Decision 10-09-010 September 2, 2010

	Capital Structure	Embedded Cost	Weighted Cost	Pre-Tax Bump-up	Pre-Tax Revenue Requirement
Debt	47.50%	5.94%	2.822%		2.82%
Preferred	0.30%	5.41%	0.016%	161.16%	0.03%
Common	52.20%	10.60%	5.533%	161.16%	8.92%
Total	100.00%		8.371%		11.77%
Merged Effective Tax Rate					37.951%
Pre-Tax Bump-up Factor					161.16%

		Bumped Up for PreTax Summary
Franchise Tax and Bad Debt Percentage from application 09-11-015		
Franchise Tax (Page 1.3 of Exhibit No. PPL/502)	1.300%	1.324%
Bad Debt Percentage (Page 1.3 of Exhibit No. PPL/502)	0.513%	0.523%

Revised Protocol Allocation Factors from application 09-11-015	
California SG Factor	1.7558%
California CA Factor	100.0000%
California SNPD Factor	3.554%
California CN Factor	2.540%

PacifiCorp
California
Catastrophic Event Memorandum Account (CEMA) Application
Tax Summary

			Plant In-Service	SCHMAT Book Depreciation	SCMDT Tax Depreciation	41010 Def Income Tax Expense	282 ADIT 13 Month Average
Distribution							
	Aug-14	CA	45,772	1,716	(1,652)	(24)	(8,755)
	Sep-14	CA	405,487	15,206	(14,636)	(216)	(78,037)
	Oct-14	CA	73,414	2,753	(2,650)	(39)	(14,218)
	Nov-14	CA	20,787	780	(750)	(11)	(4,049)
	Dec-14	CA	2,469	93	(89)	(1)	(485)
	Jan-15	CA	6,650	239	(249)	4	(4)
	Feb-15	CA	106	3	(4)	0	(0)
	Mar-15	CA	216	6	(8)	1	-
	Total	CA	554,901	20,796	(20,038)	(288)	(105,548)
Transmission							
	May-14	SG	4,956	99	(235)	52	(981)
	Jun-14	SG	19,792	394	(940)	207	(3,933)
	Jul-14	SG	64,201	1,279	(3,050)	672	(12,905)
	Aug-14	SG	177,419	3,535	(8,427)	1,857	(35,776)
	Sep-14	SG	76,451	1,523	(3,631)	800	(15,463)
	Oct-14	SG	131,157	2,613	(6,230)	1,373	(26,609)
	Nov-14	SG	(249)	(5)	12	(3)	50
	Dec-14	SG	(180)	(4)	9	(2)	37
	Total	SG	473,547	9,435	(22,492)	4,955	(95,580)
Grand Total			1,028,448	30,231	(42,530)	4,668	(201,127)

Application No. 15-03-____
Exhibit No. PPL/202
Witness: Steven R. McDougal

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

PACIFICORP

Exhibit Accompanying Direct Testimony of
Steven R. McDougal
CEMA Application Summary of Expenditures

March 2015

PacificCorp
California
Catastrophic Event Memorandum Account (CEMA) Application
Summary of Expenditures
Other Fines

Description	Expenditures											
	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB
Distribution Capital						31,710	64,407	(1,360)				
Labor												
Employer Expenses												
Materials							765	503				
Contractors							32,682					
CHC/Capital Fees						7,533	(3,167)	11,188	5,729			
Distribution Capital Total	0	0	0	0	0	45,772	84,290	10,400	5,729	0	0	0
Distribution Expense						1,360	(10)					
Labor												
Employer Expenses												
Materials												
Contractors												
Distribution Expense Total	0	0	0	0	0	6,401	20,134	80,222	(15,793)			
Transmission Capital						4,884	18,900	9,288	4,740			
Labor												
Employer Expenses												
Materials							33,916	9,288				
Contractors						16,068	20,816	12,292	(510)			
CHC/Capital Fees						2,150	9,636	4,449	12,185	(66)		
Transmission Capital Total	0	0	0	0	0	23,112	128,620	42,235	117,337	(566)		
Transmission Expense						4,015						
Labor												
Employer Expenses												
Materials							135					
Contractors							2,240					
Transmission Expense Total	0	0	0	0	0	5,431	2,375	0	0	0	0	0
Grand Total	0	0	0	0	0	23,112	191,823	179,951	207,959	(10,050)	(299)	0

Balance/Totals											
Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15
0	0	0	0	0	31,710	96,117	94,808	94,808	94,808	94,808	94,808
0	0	0	0	0	0	124	1,382	1,382	1,382	1,382	1,382
0	0	0	0	0	0	3,202	35,884	35,884	35,884	35,884	35,884
0	0	0	0	0	0	7,533	4,366	21,283	21,283	21,283	21,283
0	0	0	0	0	0	3,202	2,815	2,834	2,834	2,834	2,834
0	0	0	0	0	45,772	140,282	950,402	156,191	156,191	156,191	156,191
0	0	0	0	0	0	1,360	1,360	1,360	1,360	1,360	1,360
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	6,401	26,535	106,757	90,964	90,964	90,964	90,964
0	0	0	0	0	7,985	28,110	108,332	92,539	92,539	92,539	92,539
0	0	0	0	0	0	4,884	36,422	36,123	36,123	36,123	36,123
0	0	0	0	0	0	16,068	103,658	103,658	103,658	103,658	103,658
0	0	0	0	0	0	2,150	132,620	142,520	142,520	142,520	142,520
0	0	0	0	0	0	2,150	28,410	28,354	28,354	28,354	28,354
0	0	0	0	0	157,732	193,967	311,304	310,439	310,439	310,439	310,439
0	0	0	0	0	4,015	4,015	4,015	4,015	4,015	4,015	4,015
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	135	135	135	135	135	135
0	0	0	0	0	5,431	28,547	32,547	32,547	32,547	32,547	32,547
0	0	0	0	0	9,446	32,547	32,547	32,547	32,547	32,547	32,547
0	0	0	0	0	23,112	214,935	602,644	560,015	560,716	560,716	560,716
Subtotal Distribution Capital	-	-	-	-	45,772	140,062	150,462	156,191	156,191	156,191	156,191
Subtotal Distribution Expense	-	-	-	-	7,985	28,110	108,332	92,539	92,539	92,539	92,539
Subtotal Transmission Capital	-	-	-	-	151,732	193,967	311,304	310,738	310,439	310,439	310,439
Subtotal Transmission Expense	-	-	-	-	9,446	32,547	32,547	32,547	32,547	32,547	32,547
Total Capital	-	-	-	-	197,504	334,029	461,766	466,630	466,630	466,630	466,630
Total Expense	-	-	-	-	17,431	60,656	140,879	125,086	125,086	125,086	125,086
	-	-	-	-	21,493	394,685	602,644	592,015	591,716	591,716	591,716

Order text		Drought-related fire hazard mitigation measures													
		CE GROUP 2													
Distribution Capital		MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	Grand Total
Labor															
Emp't Expenses															
Materials															
Contractors															
CIC/Capital Fees															
Distribution Capital Total		1,850	10,916	24,591	16,569	5,390	1,050	919						61,287	
Distribution Expense															
Emp't Expenses															
Materials			2,003	5,773	2,095	604								10,479	
Contractors			134,662	138,739	715	2,907								276,023	
Distribution Expense Total		1,850	0	147,581	167,395	8,901	1,050	919	0	0	0	0	0	347,067	
Transmission Capital															
Materials															
Labor			4,513	17,695	6,752	41,832	28,814	10,617	390					110,562	
Emp't Expenses															
Materials															
Contractors															
CIC/Capital Fees			443	1,791	4,407	8,827	3,689	1,551	37	15				18,799	
Transmission Expense Total		0	4,956	19,752	41,081	48,759	34,215	13,821	318	119	0	0	0	163,108	
Transmission Capital Total			2,541											2,541	
Labor															
Emp't Expenses															
Materials			27,705	48,845	(39)		(62)		790					250	
Contractors			30,735	48,845	386	(62)		780						71,764	
Transmission Expense Total		1,850	18,678	238,022	60,854	57,658	35,266	15,520	318	119	0	0	0	590,459	
Grand Total															

	Balanced Totals												Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	

Subtotal Distribution Capital
Subtotal Distribution Expense
Subtotal Transmission Capital
Subtotal Transmission Expense
Total Capital
Total Expense

Subtotal Distribution Capital	1,850	1,850	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal Distribution Expense	1,850	1,850	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal Transmission Capital	1,850	1,850	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal Transmission Expense	1,850	1,850	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Capital	1,850	1,850	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expense	1,850	1,850	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0