



KATHERINE MCDOWELL
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September 16, 2020

VIA ELECTRONIC FILING

Attention: Filing Center
Public Utility Commission of Oregon
P.O. Box 1088
Salem, Oregon 97308-1088

Re: UE 374 – In the Matter of PACIFICORP d/b/a PACIFIC POWER’S Request for a General Rate Revision.

Attention Filing Center:

Attached for filing in the above-referenced docket is PacifiCorp d/b/a Pacific Power’s Errata to the Surrebuttal Testimony of Ms. Etta Lockey (PAC/3300, Lockey/1, 9 and 36), filed August 14, 2020. This errata corrects the following:

- Page 1: Corrects a reference to a page number.
- Page 9: Corrects numbers and a reference to testimony in Table 3.
- Page 36: Clarifies the error rate percentages.

For convenience, both a red-line and clean version of the corrected pages of the errata are enclosed.

Please contact this office with any questions.

Sincerely,

Katherine McDowell

Attachment

UE 374

CLEAN VERSION

ERRATA PAGE 1

**Surrebuttal Testimony of Etta Lockey
(PAC/3300)**

1 **Q. Are you the same Etta Lockey who previously submitted direct testimony in this**
2 **proceeding on behalf of PacifiCorp d/b/a Pacific Power (PacifiCorp or the**
3 **Company)?**

4 A. Yes.

5 **Q. Did you file reply testimony in this proceeding?**

6 A. No. However, I am adopting certain portions of the reply testimony of Mr. Michael
7 G. Wilding, PAC/2000, submitted on behalf of the Company, that are related to
8 general policy issues. Specifically, I am adopting the following from Exhibit
9 PAC/2000:

- 10 • Page 1, lines 7 through 12;
- 11 • Page 2, lines 17 through page 51, line 16.

12 **I.PURPOSE OF SURREBUTTAL TESTIMONY**

13 **Q. What is the purpose of your surrebuttal testimony?**

14 A. In my testimony, I summarize the Company's surrebuttal case reflecting certain
15 updates, respond to various Public Utility Commission of Oregon (Commission) Staff
16 and Intervenor (collectively, Filing Parties) positions in rebuttal testimony, provide
17 recommendations to the Commission for their decision in this proceeding, and
18 introduce Company witnesses submitting surrebuttal testimony. Specifically, I
19 respond to Filing Parties' rebuttal positions regarding:

- 20 • disallowances related to the Company's investments in transmission and
21 selective catalytic reduction (SCR) systems;
- 22 • attestations requested for certain capital investments;
- 23 • cost recovery recommendations for Energy Vision 2020 new wind projects,
24 repowering the Foote Creek I wind facility, and Pryor Mountain Wind Project;
- 25 • decommissioning costs;

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REDLINED VERSION

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ERRATA PAGE 9

**Surrebuttal Testimony of Etta Lockey
(PAC/3300)**

1

Table 3: Filing Parties' Positions Regarding Capital Structure

Filing Party	Company's Capital Structure	Filing Parties Opening Capital Structure	Filing Parties Rebuttal Capital Structure
Company – <i>as filed and</i>	53.52%		
Company - <i>Surrebuttal</i>	53.52%		
Staff		52.0%	50.64%
AWEC		50.64%	51.86%
Sierra Club ¹¹		52.1%	

2

Q. Please summarize generally PacifiCorp's positions on surrebuttal.

3

A. The Company is proposing certain adjustments in surrebuttal testimony. These adjustments have been incorporated in the updated revenue requirement sponsored by Ms. Shelley E. McCoy. Table 4 provides a list of all the adjustments that I will describe below.

4

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Table 4: Adjustment to the Company's Revenue Requirement in Reply Testimony

Line Identifier	Description	Amount (in millions)
	Company Revenue Requirement – <i>reply position</i>	\$71.8
A	Update ROE to 9.8%	(12.3)
B	Depreciation Study Settlement in Principle	(10.7)
C	Depreciation Rate Update – Other Adj.	(0.3)
D	Depreciation Rate Update – Protected EDIT	0.4
E	Cholla Unit 4 Decommissioning Reg. Liability	(0.7)
F	Removal of 2021 Wildfire Projects	(0.7)
G	Other Updates	(0.1)
	Total Adjustments	(24.4)
	Company Revenue Requirement – <i>Surrebuttal</i>	\$47.5

8

Adjustments in lines A through G reflect adjustments attributable to updates due to more recent information and changes in position and are supported by various

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¹¹ Sierra Club did not address capital structure issues in rebuttal testimony.

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ERRATA PAGE 36

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1 These timing changes are necessary to incorporate the earnings test as outlined by
2 Staff, but still allow the same amount of time for review as proposed in rebuttal
3 testimony and agreed to by Staff.⁵⁵

4 The Company proposes the entire amount of wildfire mitigation and
5 vegetation management costs requested in this case, \$33.225 million, be allowed in
6 rates. It is inappropriate to disallow prudent costs in a rate case and make those costs
7 subject to an earnings collar. However, PacifiCorp proposes that the first
8 \$6.645 million (the same dollar amount as Staff's proposal) of wildfire mitigation and
9 vegetation management costs incremental to what is included in rates be subject to
10 the performance metrics as outlined by Staff.

11 The Company proposes that the violation levels as outlined by Staff be
12 normalized on a per audit miles basis. The normalized audit miles used would be equal
13 to one-third of the overhead mileage within Oregon, with an error rate of 0.3 percent for
14 Level 3, 0.24 percent for Level 2, and 0.15 percent for Level 1, calculated as vegetation
15 management violations per 14,359 overhead miles (PacifiCorp's Oregon 2019 tax
16 report miles) with an average span length of approximately 300 feet, equating to
17 approximately 84,239 spans available to be sampled.

18 Lastly, PacifiCorp agrees to the use of an independent expert to review the
19 Company's wildfire mitigation plan and performance against the plan. However, the
20 Commission should set the criteria, scope, budget, and selection of an independent
21 expert through the Commission's wildfire rulemaking that I understand will be
22 opened later this month.

⁵⁵ Staff/2700, Moore/7:12-13.

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