

Application No. 24-09-____
Exhibit PAC/200
Witness: Sherona L. Cheung

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

PACIFICORP

Direct Testimony of Sherona L. Cheung

September 2024

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ATTACHED EXHIBITS

Exhibit PAC/201—Smith River and Happy Camp Complex Fires Revenue Requirement

Exhibit PAC/202—Smith River and Happy Camp Complex Fires Summary of O&M

Exhibit PAC/203—Smith River and Happy Camp Complex Fires Rate Spread and Rates

Exhibit PAC/204—Smith River and Happy Camp Complex Fires Affordability Ratios

1 **I. INTRODUCTION AND QUALIFICATIONS**

2 **Q. Please state your name, business address and present position with PacifiCorp,**
3 **d/b/a Pacific Power (PacifiCorp or the Company).**

4 A. My name is Sherona L. Cheung, and my business address is 825 NE Multnomah Street,
5 Suite 2000, Portland, OR 97232. I am currently employed as a Revenue Requirement
6 Manager for the Company.

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

8 A. I earned my Bachelor of Commerce with a major in Finance in 2008. In 2011, I
9 obtained my Certified Management Accounting designation in British Columbia,
10 Canada. In addition to my formal education, I have attended several utility
11 accounting, ratemaking, and leadership seminars and courses. I have been employed
12 by the Company since May 2013 in various positions within the regulation
13 organization. In April 2021, I was promoted to Revenue Requirement Manager.

14 **Q. What are your responsibilities as Manager of Revenue Requirement?**

15 A. My primary responsibilities include overseeing the calculation of the Company's
16 revenue requirement and the preparation of various regulatory filings in Washington,
17 Oregon, and California. I am also responsible for the calculation and reporting of the
18 Company's regulated earnings and the application of the inter-jurisdictional
19 allocation methodology.

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

21 A. Yes. I have previously provided testimony in California, Oregon, and Washington.

1 **II. PURPOSE OF TESTIMONY**

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

3 A. The purpose of my testimony is to describe the calculation of the Company's
4 California-allocated revenue requirement associated with damage to the Company's
5 utility facilities resulting from the Smith River Complex and Happy Camp Complex
6 Wildfires in August 2023. Specifically, I provide testimony on the following:

- 7 • The calculation of the \$14.8 million (California-allocated) annual revenue
8 increase over a two-year amortization period effective March 1, 2025, requested
9 in this application and required for the Company to recover the total California-
10 allocated revenue requirement of approximately \$25.9 million, before interest
11 accrual, associated with the event.
- 12 • A description of the accounting procedures and costs for these matters.
- 13 • A brief description of the allocation methodology from PacifiCorp's 2020 Inter-
14 Jurisdictional Allocation Methodology (the 2020 Protocol) applied in this
15 proceeding in determining the California-allocated revenue requirement.
- 16 • A description of the proposed rate spread and surcharge and a presentation of the
17 Affordability Metrics required by Decision (D.) 22-08-023.

18 **III. REVENUE REQUIREMENT**

19 **Q. Please describe how the Company developed the revenue requirement in this**
20 **application.**

21 A. The methodology and costs used to calculate the revenue requirement for this filing
22 are fundamentally consistent with the Company's prior Catastrophic Event
23 Memorandum Account (CEMA) applications that were audited and approved by the

1 California Public Utility Commission (Commission). The calculation was developed
2 beginning with actual cost data from the Company's accounting system associated
3 with the event. These cost components include distribution and transmission capital
4 investments and associated depreciation expense, and distribution and transmission
5 operation and maintenance (O&M) expenses.

6 From there, total-Company costs are then jurisdictionally allocated to the
7 Company's California jurisdiction using allocation factors with the percentages as
8 included in PacifiCorp's Test Year 2023 rate case, Application (A.) 22-05-006.¹
9 Exhibit PAC/201 presents the total revenue requirement impact of these costs on a
10 California-allocated basis, and the corresponding proposed amortization schedule for
11 these costs to be collected over a two-year period.²

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

14 A. The return on rate base is calculated using the Company's current authorized capital
15 structure and costs applied to the August 2024 incremental average net plant
16 associated with the fires. Depreciation expense has been calculated by applying the
17 Company's composite California depreciation rate to the plant balances.

18 **Q. Are there any considerations to possible Insurance Recovery offsets to the**
19 **amounts requested in this application?**

20 A. No. Property insurance for transmission and distribution lines is not commercially
21 available. Therefore, the Company is self-insured for these assets. Additionally, a

¹ *In the Matter of the Application of PACIFICORP (U 901 E), an Oregon Company, for an Order Authorizing a General Rate Increase Effective January 1, 2023*, Decision (D.) 23-12-016 (December 14, 2023).

² Exhibit PAC/201 at 1.

1 large portion of the costs recorded in the CEMA are related to mobile generators
2 deployed to ensure continuity of service in the Del Norte area, which is also a cost not
3 covered by insurance. In 2011, the Company's captive insurance policy expired. The
4 Company's insurance policy had a \$10 million deductible. Accordingly, the Company
5 does not anticipate any insurance recovery for the expenses incurred as the result of
6 the events discussed in this application because they are below the Company's
7 deductible.

8 **Q. Has the Company included associated carrying charges in this application?**

9 A. Yes. The Company has included a calculation of carrying charges in this application,
10 as detailed in Exhibit PAC/201.

11 **IV. ACCOUNTING PROCEDURES**

12 **Q. How did PacifiCorp account for costs related to these events?**

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

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

3 A. The Company's operating budgets are developed based on project work to be
4 completed related to normal business operations. Recovery from these and other
5 extraordinary events are not included in these budgets, therefore most costs related to
6 these events are considered incremental and are tracked through separate work orders
7 as described above. Managers at the district office are responsible for reviewing and
8 approving the charges and purchases to the work orders to ensure accuracy.

9 **V. SMITH RIVER AND HAPPY CAMP COMPLEX FIRES**

10 **Q. What costs were incurred by the Company related to the Smith River and**
11 **Happy Camp Complex Fires?**

12 A. Through July 2024, total incremental fire-related costs for the Smith River Complex
13 Fire were \$32,040,265, on a total-company basis. This total is comprised of
14 \$27,493,706 of expense and \$4,546,559 of capital. Total incremental fire-related
15 costs for the Happy Camp Complex fire were \$9,989,033, on a total-Company basis.
16 This is comprised of \$3,263,181 of expense and \$6,725,852 of capital. These amounts
17 are in line with the estimates for fire-related efforts identified in PacifiCorp's letter to
18 the Commission's Executive Director, dated September 15, 2023, informing the
19 Commission that PacifiCorp had begun booking costs related to the Smith River
20 Complex and Happy Camp Complex Fires in Northern California to its CEMA.³

21 **Q. Please provide more detail related to the Smith River Complex Fire.**

22 A. Exhibit PAC/202 provides a detailed breakdown of the O&M associated with the

³ A copy of this letter is provided as Appendix C to the Application.

1 Smith River and Happy Camp Complex Fires, on a total-Company basis. The costs
2 are shown by major cost category. The labor category includes straight-time and
3 overtime pay for craft workers, estimators, general foremen, mechanics, and
4 administration and warehouse personnel. The employee expenses category includes
5 lodging, meals, and travel costs. The materials category includes all line materials,
6 transformers, vehicle costs, and wood products used in recovery efforts. The
7 contractor category includes all external contract labor, helicopter charters, tree
8 trimmers, and flaggers. The other category includes fuel and equipment rental costs
9 related to mobile generators.

10 VI. 2020 PROTOCOL

11 **Q. What allocation methodology has been applied in the calculation of the**
12 **California revenue requirement request in this application?**

13 A. The Company applied the 2020 Protocol allocation methodology to calculate
14 California's revenue requirement in this application. This allocation methodology was
15 approved by the Commission in the Company's Test Year 2023 rate case,⁴ and has
16 been used by the Company in its Energy Cost Adjustment Clause filing and Post Test
17 Year Adjustment Mechanism filing made after the Test Year 2023 rate case. The
18 California allocation percentages used in this filing are the same as the percentages
19 included in A.22-05-006.

20 Under the 2020 Protocol, distribution operations and maintenance (O&M)
21 expense, distribution capital, and associated depreciation expenses are directly

⁴ D.23-12-016 at 49 ("The 2020 Interjurisdictional Cost Allocation Protocol (2020 Protocol) provides for just and reasonable rates for California ratepayers.") and at 55 ("We should approve use of the 2020 Protocol and the JAM proposed by PacifiCorp for this GRC period, as it was uncontested in this proceeding.")

1 assigned to California operations. Transmission capital and expenses are allocated
2 using the System Generation (SG) factor, which is a weighted average of California's
3 contribution to total system energy (25 percent) and total system peak (75 percent).
4 The amounts in Exhibit PAC/201 were calculated using the allocation factors from
5 the 2020 Protocol.

6 **VII. RATE SPREAD AND SURCHARGE AND AFFORDABILITY METRICS**

7 **Q. How does the Company propose to spread the revenue requirement among the**
8 **customer classes and collect the revenue requirement from customers?**

9 A. Because the costs included for recovery in this filing are transmission and
10 distribution-related, PacifiCorp proposes to spread the revenue requirement to
11 customer classes based on each class's share of state transmission and distribution
12 revenues. The Company proposes to collect revenues over two years through
13 kilowatt-hour based charges in Schedule S-96, Surcharge to Recover Costs Recorded
14 in Catastrophic Event Memorandum Account. The proposed rate spread and rates are
15 provided in Exhibit PAC/203. Appendix A to the application contains proposed
16 Schedule S-96, a statement of present and proposed rates, and a table showing the
17 impact of the proposed rates on each customer schedule. The overall impact of the
18 proposed rates is an increase of \$14.8 million or 10.2 percent.

19 **Q. How long will the proposed surcharge be in place?**

20 A. The surcharge will be effective until the full amount proposed in this filing is
21 collected from customers. This is expected to be approximately two years. This is not
22 a permanent change to base rates.

1 **Q. Please describe the Affordability Metrics.**

2 A. Pursuant to Ordering Paragraphs 5 and 6 of D.22-08-023, as of September 2022,
3 PacifiCorp is required to submit Affordability Metrics for present and proposed
4 revenues in any initial filing in any proceeding with a revenue increase estimated to
5 exceed one percent of present revenues.

6 **Q. Does this application meet the threshold requiring the filing of Affordability**
7 **Metrics?**

8 A. Yes. The expected rate increase from this filing exceeds the one percent threshold
9 thereby requiring the Company to present Affordability Metrics.

10 **Q. Do you present an exhibit which shows the required metrics?**

11 A. Yes. Exhibit PAC/204 shows the Affordability Metrics.

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

13 A. Yes.

Application No. 24-09-____
Exhibit PAC/201
Witness: Sherona L. Cheung

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

PACIFICORP

Exhibit Accompanying Direct Testimony of
Sherona L. Cheung
Smith River and Happy Camp Complex Fires Revenue Requirement

September 2024

PacifiCorp
California
Catastrophic Event Memorandum Account (CEMA) Application
Smith River and Happy Camp Complex Fires

	2024 CEMA	
	12 Months Ended Aug 2024	
	Total Company	California Allocated
Incremental Capital Costs	8,177,829	4,304,158
Incremental O&M Expense	30,756,888	25,339,591
Total Incremental Revenue Requirement		25,850,849
Estimated Interest Accrual		3,780,964
Proposed Amortization Period (Years)		2
Proposed Annual Amortization Amount		14,815,907

PacifiCorp
California
Catastrophic Event Memorandum Account (CEMA) Application
Smith River and Happy Camp Complex Fires
Memo Account Balance and Amortization Summary

	Opening Bal.	Accrual			Interest		
		Capital ¹	O&M ²	Amortization	Rate ³	Amount	Ending Bal.
2023 August	-	42,605	20,102,136	-	5.63%	47,256	20,191,997
September	20,191,997	42,605	3,676,671	-	5.66%	104,010	24,015,283
October	24,015,283	42,605	(934,286)	-	5.68%	111,562	23,235,164
November	23,235,164	42,605	512,540	-	5.66%	110,902	23,901,211
December	23,901,211	42,605	901,602	-	5.62%	114,148	24,959,566
2024 January	24,959,566	42,605	955,835	-	5.54%	117,535	26,075,540
February	26,075,540	42,605	(31,532)	-	5.53%	120,190	26,206,803
March	26,206,803	42,605	80,011	-	5.50%	120,396	26,449,814
April	26,449,814	42,605	27,006	-	5.50%	121,388	26,640,813
May	26,640,813	42,605	43,308	-	5.53%	122,968	26,849,693
June	26,849,693	42,605	6,301	-	5.51%	123,397	27,021,996
July	27,021,996	42,605	-	-	5.48%	123,498	27,188,098
August	27,188,098	-	-	-	5.48%	124,159	27,312,257
September	27,312,257	-	-	-	5.48%	124,726	27,436,983
October	27,436,983	-	-	-	5.48%	125,296	27,562,279
November	27,562,279	-	-	-	5.48%	125,868	27,688,147
December	27,688,147	-	-	-	5.48%	126,443	27,814,589
2025 January	27,814,589	-	-	-	5.48%	127,020	27,941,609
February	27,941,609	-	-	-	5.48%	127,600	28,069,209
March	28,069,209	-	-	(1,234,659)	5.48%	125,364	26,959,914
April	26,959,914	-	-	(1,234,659)	5.48%	120,298	25,845,553
May	25,845,553	-	-	(1,234,659)	5.48%	115,209	24,726,103
June	24,726,103	-	-	(1,234,659)	5.48%	110,097	23,601,541
July	23,601,541	-	-	(1,234,659)	5.48%	104,961	22,471,843
August	22,471,843	-	-	(1,234,659)	5.48%	99,802	21,336,986
September	21,336,986	-	-	(1,234,659)	5.48%	94,620	20,196,947
October	20,196,947	-	-	(1,234,659)	5.48%	89,414	19,051,702
November	19,051,702	-	-	(1,234,659)	5.48%	84,184	17,901,227
December	17,901,227	-	-	(1,234,659)	5.48%	78,930	16,745,498
2026 January	16,745,498	-	-	(1,234,659)	5.48%	73,652	15,584,491
February	15,584,491	-	-	(1,234,659)	5.48%	68,350	14,418,182
March	14,418,182	-	-	(1,234,659)	5.48%	63,024	13,246,547
April	13,246,547	-	-	(1,234,659)	5.48%	57,673	12,069,561
May	12,069,561	-	-	(1,234,659)	5.48%	52,299	10,887,201
June	10,887,201	-	-	(1,234,659)	5.48%	46,899	9,699,441
July	9,699,441	-	-	(1,234,659)	5.48%	41,475	8,506,257
August	8,506,257	-	-	(1,234,659)	5.48%	36,026	7,307,624
September	7,307,624	-	-	(1,234,659)	5.48%	30,552	6,103,518
October	6,103,518	-	-	(1,234,659)	5.48%	25,054	4,893,913
November	4,893,913	-	-	(1,234,659)	5.48%	19,530	3,678,783
December	3,678,783	-	-	(1,234,659)	5.48%	13,981	2,458,105
2027 January	2,458,105	-	-	(1,234,659)	5.48%	8,406	1,231,853
February	1,231,853	-	-	(1,234,659)	5.48%	2,806	(0)
Annual Amortization (Two-Years)				(14,815,907)			

Notes:

- 1) See "Capital Revenue Requirement" tab for details.
- 2) See "Summary of Expense" tab for details.
- 3) Monthly A2/P2 non-financial rates, 90 days commercial paper published by federal reserves through June 2024. July 2024 rate reflects estimated A2/P2 non-financial rate reported on federal reserve website as of 7/29/2024. All months after assumes July 2024 monthly rate as placeholder.

PacifiCorp
California
Catastrophic Event Memorandum Account (CEMA) Application
Smith River and Happy Camp Complex Fires
Capital Revenue Requirement
Twelve Months Ending August 2024

	Total Company	Factor	Factor %	California Allocated
Capital Investment - Distribution	4,309,089	CA	100.0000%	4,309,089
Capital Investment - Transmission	4,030,121	SG	1.4673%	59,134
Depreciation Reserve - Distribution	(9,327)	CA	100.0000%	(9,327)
Depreciation Reserve - Transmission	(30,440)	SG	1.4673%	(447)
Accumulated DIT Balance - Distribution	(53,288)	CA	100.0000%	(53,288)
Accumulated DIT Balance -Transmission	(68,326)	SG	1.4673%	(1,003)
Net Rate Base	<u>8,177,829</u>			<u>4,304,158</u>
	9.04%			9.04%
Pre-Tax Return on Rate Base	<u>738,999</u>			<u>388,950</u>
Depreciation Expense - Distribution	121,254	CA	100.0000%	121,254
Depreciation Expense - Transmission	71,817	SG	1.4673%	1,054
Capital Revenue Requirement - Annual	<u>932,070</u>			<u>511,258</u>
Capital Revenue Requirement - Monthly	<u>77,672</u>			<u>42,605</u>

PacifiCorp

California

Catastrophic Event Memorandum Account (CEMA) Application

Smith River and Happy Camp Complex Fires

Capital Additions

Distribution**Total Capital Expense** 6,483,981**Composite Depreciation Rate** 2.757%

	Beginning Balance	Additions	Ending Balance	Accumulated Depreciation	Depreciation Expense
Aug-23	-	-	-	-	-
Sep-23	-	-	-	-	-
Oct-23	-	-	-	-	-
Nov-23	-	-	-	-	-
Dec-23	-	5,548,732	5,548,732	(6,374)	6,374
Jan-24	5,548,732	355,471	5,904,203	(13,157)	13,157
Feb-24	5,904,203	43	5,904,246	(13,565)	13,565
Mar-24	5,904,246	336,823	6,241,069	(13,952)	13,952
Apr-24	6,241,069	242,913	6,483,981	(14,618)	14,618
May-24	6,483,981	-	6,483,981	(14,897)	14,897
Jun-24	6,483,981	-	6,483,981	(14,897)	14,897
Jul-24	6,483,981	-	6,483,981	(14,897)	14,897
Aug-24	6,483,981	-	6,483,981	(14,897)	14,897
13 Month Average			4,309,089	(9,327)	
12 Months Ending					121,254

Transmission**Total Capital Expense** 4,788,430**Composite Depreciation Rate** 1.724%

	Beginning Balance	Additions	Ending Balance	Accumulated Depreciation	Depreciation Expense
Aug-23	-	-	-	-	-
Sep-23	-	2,878,200	2,878,200	(2,067)	2,067
Oct-23	2,878,200	356,839	3,235,039	(4,391)	4,391
Nov-23	3,235,039	837	3,235,877	(9,038)	4,647
Dec-23	3,235,877	1,528,453	4,764,330	(14,784)	5,746
Jan-24	4,764,330	85	4,764,415	(21,627)	6,844
Feb-24	4,764,415	18,725	4,783,140	(28,485)	6,857
Mar-24	4,783,140	5,290	4,788,430	(35,359)	6,874
Apr-24	4,788,430	-	4,788,430	(42,237)	6,878
May-24	4,788,430	-	4,788,430	(49,115)	6,878
Jun-24	4,788,430	-	4,788,430	(55,994)	6,878
Jul-24	4,788,430	-	4,788,430	(62,872)	6,878
Aug-24	4,788,430	-	4,788,430	(69,750)	6,878
13 Month Average			4,030,121	(30,440)	
12 Months Ending					71,817

**PacifiCorp
California
Catastrophic Event Memorandum Account (CEMA) Application
Smith River and Happy Camp Complex Fires
Capital Additions - by Project**

Wildfire	Project Description	Function	2023				2024				Totals
			Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	
Smith River Complex	Calif.-Replace-Storm and Casualty	Distribution				\$ 2,322,322	\$ 355,471	\$ -	\$ 318,429		\$ 2,996,222
Smith River Complex	Smith River Fire Restoration	Transmission				\$ 470,367	\$ 42		\$ 6,460		\$ 476,869
Smith River Complex	Smith River Fire Restoration	Transmission				\$ 1,055,870	\$ 42	\$ 18,725	\$ (1,170)		\$ 1,073,468
Head	Calif.-Replace-Storm and Casualty	Distribution				\$ 3,192,996		\$ 43	\$ 18,394	\$ 242,913	\$ 3,454,345
Head	Calif.-Replace-Storm and Casualty	Distribution				\$ 33,414					\$ 33,414
Head	Calif - Rplc-Trans Strm&Cas	Transmission	\$ 2,878,200	\$ 356,839	\$ 837	\$ 2,216					\$ 3,238,093
	Totals		\$ 2,878,200	\$ 356,839	\$ 837	\$ 7,077,185	\$ 355,556	\$ 18,768	\$ 342,113	\$ 242,913	\$ 11,272,411

<u>Summary by Function</u>	<u>Sep-23</u>	<u>Oct-23</u>	<u>Nov-23</u>	<u>Dec-23</u>	<u>Jan-24</u>	<u>Feb-24</u>	<u>Mar-24</u>	<u>Apr-24</u>	<u>Total</u>
Distribution \$	-	\$ -	\$ -	\$ 5,548,732	\$ 355,471	\$ 43	\$ 336,823	\$ 242,913	\$ 6,483,981
Transmission \$	2,878,200	\$ 356,839	\$ 837	\$ 1,528,453	\$ 85	\$ 18,725	\$ 5,290	\$ -	\$ 4,788,430
									\$ 11,272,411

PacifiCorp
 California
 Catastrophic Event Memorandum Account (CEMA) Application
 Smith River and Happy Camp Complex Fires
 Summary of Expenditures

		Monthly Expenditures - System											
Order Text	CE GROUP 2	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24
Distribution Expense	Labor	1,974,184	1,386,851	(104,105)	816	529	0	0	0	0	0	0	0
	Empl Expenses	22,371	124,829	(48,705)	3,487	1,460	0	0	0	0	0	6,301	0
	Materials	719,636	80,651	9,476	(14,500)	106,604	6,368	(31,532)	33,421	0	43,308	0	0
	Contractors	1,158,326	1,788,707	(2,089,827)	474,682	788,771	953,483	0	46,346	12,052	0	0	0
	Other	16,221,335	295,267	1,241,883	32,953	4,016	(4,016)	0	0	13,494	0	0	0
Distribution Expense Total		20,095,851	3,676,306	(991,278)	497,438	901,380	955,835	(31,532)	79,767	25,546	43,308	6,301	0
Transmission Expense	Labor	0	24,873	0	(411)	0	0	0	0	0	0	0	0
	Empl Expenses	0	0	41,119	0	0	0	0	0	0	0	0	0
	Materials	0	0	0	0	0	0	0	0	0	0	0	0
	Contractors	103,700	0	2,396,305	1,029,692	15,138	0	0	16,657	99,522	0	0	0
	Other	324,648	0	1,446,725	0	0	0	0	0	0	0	0	0
Transmission Expense Total		428,348	24,873	3,884,149	1,029,281	15,138	0	0	16,657	99,522	0	0	0
Grand Total		20,524,199	3,701,179	2,892,871	1,526,718	916,518	955,835	(31,532)	96,423	125,068	43,308	6,301	-
													30,756,888

		Monthly Expenditures - California Allocated											
Order Text	CE GROUP 2	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24
Distribution Expense	Labor	1,974,184	1,386,851	(104,105)	816	529	0	0	0	0	0	0	0
	Empl Expenses	22,371	124,829	(48,705)	3,487	1,460	0	0	0	0	0	6,301	0
	Materials	719,636	80,651	9,476	(14,500)	106,604	6,368	(31,532)	33,421	0	43,308	0	0
	Contractors	1,158,326	1,788,707	(2,089,827)	474,682	788,771	953,483	0	46,346	12,052	0	0	0
	Other	16,221,335	295,267	1,241,883	32,953	4,016	(4,016)	0	0	13,494	0	0	0
Distribution Expense Total		20,095,851	3,676,306	(991,278)	497,438	901,380	955,835	(31,532)	79,767	25,546	43,308	6,301	0
Transmission Expense	Labor	0	365	0	(6)	0	0	0	0	0	0	0	0
	Empl Expenses	0	0	603	0	0	0	0	0	0	0	0	0
	Materials	0	0	0	0	0	0	0	0	0	0	0	0
	Contractors	1,522	0	35,161	15,109	222	0	0	244	1,460	0	0	0
	Other	4,764	0	21,228	0	0	0	0	0	0	0	0	0
Transmission Expense Total		6,285	365	56,992	15,103	222	0	0	244	1,460	0	0	0
Grand Total		20,102,136	3,676,671	(934,286)	512,540	901,602	955,835	(31,532)	80,011	27,006	43,308	6,301	0
													25,339,591

PacifiCorp
California
Catastrophic Event Memorandum Account (CEMA) Application
Variables

Capital Cost and Structure Ordered from Docket No. A-22-05-006 (Final Decision JAM)

Decision 23-12-016 December 14, 2023

	Capital Structure	Embedded Cost	Weighted Cost	Pre-Tax Bump-up	Pre-Tax Revenue Requirement
Debt	47.74%	4.41%	2.11%		2.11%
Preferred	0.01%	6.75%	0.00%	132.60%	0.00%
Common	52.25%	10.00%	5.23%	132.60%	6.93%
Total	100.00%		7.333%		9.04%

Merged Effective Tax Rate	24.587%
Pre-Tax Bump-up Factor	132.60%

2020 Protocol Allocation Factors from Docket A-22-05-006

California SG Factor	1.4673%
California CA Factor	100.0000%
California SNPD Factor	3.812%
California CN Factor	2.344%

Application No. 24-09-____
Exhibit PAC/202
Witness: Sherona L. Cheung

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

PACIFICORP

Exhibit Accompanying Direct Testimony of
Sherona L. Cheung
Smith River and Happy Camp Complex Fires Summary of O&M

September 2024

Application No. 24-09-____
Exhibit PAC/203
Witness: Sherona L. Cheung

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

PACIFICORP

Exhibit Accompanying Direct Testimony of
Sherona L. Cheung
Smith River and Happy Camp Complex Fires Rate Spread and Rates

September 2024

**PACIFICORP
STATE OF CALIFORNIA
Calculation of Proposed Surcharge to Recover Costs Recorded in CEMA, Schedule S-96**

Forecast 12 Months Ending December 2023

Line No.	Target Annual Collection Amount				\$ 14,815,907		
	Description (1)	Sch. (2)	KWH ¹ (3)	Dist. + State Trans. Revenues (4)	Rate Spread (5)	Proposed S-96 Rates ¢ per kwh (6)	Revenue \$ (7)
Residential							
2	Residential Service	D	255,351,777	\$24,877,218		2.150	\$5,489,964
3	Residential Service - CARE	DL-6	123,043,490	\$11,831,069		2.150	\$2,645,436
4	Multi-Family - Master Metered	DM-9	194,676	\$17,799		2.150	\$4,186
5	Multi-Family - Submetered	DS-8	1,707,721	\$118,917		2.150	\$36,716
6	Total Residential		380,297,664	\$36,845,003	55.17%	2.150	\$8,176,302
Commercial & Industrial							
7	General Service - < 20 kW	A-25	56,165,080	\$7,114,550	10.65%	2.811	\$1,578,799
8	General Service - 20 kW & Over	A-32	95,469,986	\$8,239,622	12.34%	1.915	\$1,828,204
9	General Service - 100 kW & Over	A-36	63,993,857	\$3,794,746	5.68%	1.316	\$842,061
10	Large General Service - 500 kW & Over	AT-48	74,174,940	\$2,431,022	3.64%	0.727	\$537,706
11	Agricultural Pumping Service	PA-20	91,000,720	\$7,917,048	11.85%	1.931	\$1,757,224
12	Total Commercial & Industrial		380,804,583	\$29,496,988			\$6,543,994
Lighting							
13	Outdoor Area Lighting Service	OL-15	221,964	\$197,557	0.30%	19.752	\$43,821
14	Airway & Athletic Lighting	OL-42	116,468	\$21,170	0.03%	4.034	\$4,698
15	Street Lighting, Utility Owned	LS-51	172,306	\$151,596	0.23%	19.525	\$33,646
16	Street Lighting, Cust. Owned Energy Only	LS-53	818,579	\$71,795	0.11%	1.946	\$15,898
17	Total Lighting		1,329,317	\$442,118			\$98,063
18	Total Sales to Ultimate Consumers		<u>762,431,564</u>	<u>\$66,784,109</u>			<u>\$14,818,359</u>
19	Total Employee Discount		992,733	(\$23,723)			(\$5,336)
20	Total Sales (incl. Employee Discount)		<u>762,431,564</u>	<u>\$66,760,386</u>			<u>\$14,813,023</u>

1 Includes lighting tariff kWh.

Application No. 24-09-____
Exhibit PAC/204
Witness: Sherona L. Cheung

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

PACIFICORP

Exhibit Accompanying Direct Testimony of
Sherona L. Cheung
Smith River and Happy Camp Complex Fires Affordability Ratios

September 2024

PacifiCorp
Present and Proposed
Essential Usage and Average Usage Monthly Bills, Affordability Ratios and Hours at Minimum Wage by Climate Zone
Schedule D and DL-6
Standard Residential Service and CARE Residential Service

Climate Zone	Usage Type	kWh	Monthly Bill				Affordability Ratio 20				Affordability Ratio 50				Hours at Minimum Wage			
			Present Total \$	Proposed Total \$	Change Total \$	Change %	Present AR 20	Proposed AR 20	Change AR 20	Change % AR 20	Present AR 50	Proposed AR 50	Change AR 50	Change % AR 50	Present HM	Proposed HM	Change HM	Change % HM
Schedule D Standard Residential Essential Monthly Usage Bills by Climate Zone																		
															California Hourly Minimum Wage:		\$16.00	
Del Norte	Basic Use	659	\$133.05	\$147.22	\$14.17	10.7%												
	All Electric	838	\$166.43	\$184.45	\$18.02	10.8%												
	Weighted Average		\$159.32	\$176.52	\$17.20	10.8%	12.15	13.20	1.05	8.6%	3.78	4.10	0.32	8.5%	9.96	11.03	1.08	10.8%
All Other Territory	Basic Use	588	\$119.81	\$132.45	\$12.64	10.6%												
	All Electric	786	\$156.73	\$173.63	\$16.90	10.8%												
	Weighted Average		\$140.72	\$155.77	\$15.05	10.7%	11.15	12.11	0.96	8.6%	3.36	3.64	0.28	8.3%	8.80	9.74	0.94	10.7%
Schedule DL-6 CARE Residential Essential Monthly Usage Bills by Climate Zone																		
Del Norte	Basic Use	659	\$96.97	\$107.59	\$10.62	11.0%												
	All Electric	838	\$121.24	\$134.74	\$13.50	11.1%												
	Weighted Average		\$116.07	\$128.96	\$12.89	11.1%	8.85	9.65	0.80	9.0%	2.76	3.00	0.24	8.7%	7.25	8.06	0.81	11.1%
All Other Territory	Basic Use	588	\$87.34	\$96.82	\$9.48	10.9%												
	All Electric	786	\$114.19	\$126.86	\$12.67	11.1%												
	Weighted Average		\$102.55	\$113.83	\$11.28	11.0%	8.13	8.85	0.72	8.9%	2.45	2.66	0.21	8.6%	6.41	7.11	0.71	11.0%
Schedule D Standard Residential Average Monthly Usage Bills by Climate Zone																		
Del Norte	Basic Use	849	\$173.38	\$191.64	\$18.26	10.5%												
	All Electric	938	\$187.66	\$207.83	\$20.17	10.7%												
All Other Territory	Basic Use	781	\$160.78	\$177.57	\$16.79	10.4%												
	All Electric	890	\$178.81	\$197.94	\$19.14	10.7%												
Schedule DL-6 CARE Residential Average Monthly Usage Bills by Climate Zone																		
Del Norte	Basic Use	849	\$126.40	\$140.09	\$13.68	10.8%												
	All Electric	938	\$136.73	\$151.84	\$15.11	11.1%												
All Other Territory	Basic Use	781	\$117.24	\$129.83	\$12.59	10.7%												
	All Electric	890	\$130.30	\$144.65	\$14.35	11.0%												

Note: Weighted Average Essential Bills and Affordability Ratio values based on results from the 2022 Affordability Calculator 10/1/23 version. Year assumptions: Present 2024; Proposed 2025
California Minimum Wage source: <https://www.dir.ca.gov/dlse/>