

RMP 2014 GRC Filing Requirements

R746-700-22.D.36

For insurance coverage for which the utility is self-insured, a description of that self insurance, a description of how it is accounted for in the utility's books and records and a description of activity for the Base Year, the Historical Year and the Test Period.

Response to R746-700-22.D.36

The Company maintains large self-insured retentions (SIR) on its property insurance coverage. There is no commercial insurance coverage for transmission and distribution lines (T&D) insurance.

A summary of SIR's is as follows:

	Period	Property (Non T&D)	Property (T&D)
Historical	Jul. 2011 – Jun. 2012	7,500,000	n/a
Base	Jul. 2012 – Jun. 2013	7,500,000	n/a
Test (1)	Jul. 2014 – Jun. 2015	10,000,000	n/a

(1) Deductible will increase from \$7.5 million to \$10 million in October 2014.

To cover the property self-insurance claims, the Company has established the following uninsured loss reserves.

For property self-insurance claims prior to March 20, 2011, the accounts are: 280301 (Thermal), 280307 (T&D Lines - Pacific Power), and 208308 (T&D Lines – Rocky Mountain Power).

For property self-insurance claims after March 20, 2011, the accounts are: 288712 (Oregon), 288714 (Idaho), 288715 (Utah), and 288716 (Wyoming).

Please refer to Attachment R746-700-22.D.36 for property insurance reserve activity for the requested periods. There is no data for claims paid for the test year in attachments as no claims have been paid

The account used for liability is 280311 (injuries and damages). Please refer to Attachment R746-700-22-D.44 for liability insurance activity for the requested periods.