

DPU Data Request 2.4

The Division compared adjustments in the 2017 ROO with adjustments in the 2016 ROO, please explain the significant differences for the following adjustments from year to year:

- (1) Adjustment 3.2 – Revenue Normalizing is \$21.8 million less than in 2016.
- (2) Adjustment 5.1 – Net Power Costs is \$10.8 million more than in 2016.

Response to DPU Data Request 2.4

- (1) Please refer to Attachment DPU 2.4, which provides the detail of the differences between calendar years 2016 and 2017.
- (2) The increase in net power costs (NPC) from Adjustment 5.1 in PacifiCorp's 2017 Results of Operations (ROO) is driven by higher hydro generation in actual 2017, higher direct access customers load volume and higher market prices. On a total company basis, the hydro generation adjustment increased by \$22.7 million compared to the 2016 ROO. The direct access customer usage increased about 22 percent compared to the 2016 ROO direct access customer usage, which account for about \$1.5 million increase to the 2017 ROO adjustment on a total company basis. The average market prices increased by about 26 percent from the 2016 ROO to the 2017 ROO, which results in approximately \$2.9 million increase in the 2017 ROO total company NPC.