



Pacific Power |  
Rocky Mountain Power  
825 NE Multnomah, Suite 1600  
Portland, Oregon 97232

July 23, 2014

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426

RE: *PacifiCorp*  
Supplement to Informational Filing of 2014 Transmission Formula Rate Annual  
Update for EIM Charges  
Docket No. ER11-3643-\_\_\_

Dear Secretary Bose:

PacifiCorp hereby supplements its 2014 Transmission Formula Rate Annual Update (“Annual Update”), which was filed on May 15, 2014 in the above-captioned proceeding as an informational filing to the Federal Energy Regulatory Commission (“FERC” or the “Commission”).

On June 19, 2014, the Commission issued an Order Conditionally Accepting in Part and Rejecting in Part Proposed Tariff Revisions to Implement Energy Imbalance Market (“EIM”) (the “June 19 Order”).<sup>1</sup> In that order, the Commission required PacifiCorp to “identify and document each EIM-related charge in its annual transmission formula rate filing in which it proposes to collect EIM start-up charges, to ensure that PacifiCorp is properly classifying start-up and capital costs to generation, transmission, common plant, etc. as appropriate.”<sup>2</sup>

Accordingly, PacifiCorp submits herewith a supplement to its May 15, 2014 Annual Update filing to identify and document those EIM-related charges included in PacifiCorp’s formula rate for the 2014 Rate Year. As with the Annual Update itself, this supplement is intended to be submitted on an informational basis for the Commission and Interested Parties. In addition, for subsequent Annual Updates, PacifiCorp shall include in its informational filing a separate attachment detailing the information regarding EIM costs as directed in the June 19 Order.

Pursuant to Section I.3(d) of PacifiCorp’s Formula Rate Implementation Protocols (“Protocols”), PacifiCorp shall post this supplement to its Annual Update on its Open

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<sup>1</sup> *PacifiCorp*, 147 FERC ¶ 61,227 (2014).

<sup>2</sup> *Id.* at P 173.

Access Same-Time Information System (“OASIS”) website: <http://www.oatioasis.com/ppw/>. The Annual Update information is centralized in the following folder on the OASIS website: “2014 Transmission Formula Annual Update.”<sup>3</sup>

Also consistent with the Protocols, PacifiCorp serves this Annual Update supplement on all transmission customers under PacifiCorp’s OATT as well as all intervening parties to the above-referenced proceeding. PacifiCorp is also serving this filing on FERC Staff and each of the following state public utility commissions regulating PacifiCorp’s retail service operations: California Public Utilities Commission; Idaho Public Utilities Commission; Oregon Public Utility Commission; Public Service Commission of Utah; Washington Utilities and Transportation Commission; and Wyoming Public Service Commission.

If you have any questions, or if I can be of further assistance, please do not hesitate to contact me.

Respectfully Submitted,

/s/ Mark M. Rabuano

Mark M. Rabuano

*Attorney for PacifiCorp*

Enclosure: Supplement to Annual Update

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<sup>3</sup> See following folder location: PacifiCorp OASIS Tariff/Company Information/OATT Pricing/2014 Transmission Formula Annual Update.

## CERTIFICATE OF SERVICE

I hereby certify that I have on this day caused a copy of the foregoing document to be served via e-mail or first-class mail upon each of the parties listed in this filing.

Dated at Portland, Oregon this 23<sup>rd</sup> day of July, 2014.

/s/ Mark M. Rabuano

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**PacifiCorp**

**Supplement to 2014 Annual Update**

**Identification and description of Energy Imbalance Market ("EIM")-related charges in Transmission Formula**

**Included in Transmission O&M**

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**FERC 560 - Operation Supervision and Engineering**

Structure - Systems, process, and organizational readiness consulting services <sup>[1]</sup>	\$ 351,469
MCG - Information technology consulting services (preliminary design) <sup>[2]</sup>	10,415
MCG - Information technology consulting services (CAS & IAM) <sup>[2]</sup>	103,125
MCG - Adjustment to remove PacifiCorp Energy-only costs (IAM) <sup>[3]</sup>	(34,169)
<b>FERC 560 subtotal</b>	<b>\$ 430,841</b>

**FERC 569 - Maintenance of Structures**

EnDimensions - evaluation of CAISO uplift and neutrality charge code allocations to PacifiCorp's BAAs <sup>[4]</sup>	\$ 60,780
Ventyx - nMarket software license, maintenance, and implementation costs <sup>[5]</sup>	119,722
PacifiCorp internal labor	728
<b>FERC 569 subtotal</b>	<b>\$ 181,230</b>

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**Total Included in Transmission O&M** Component of Appendix A, Line 57 **\$ 612,071**

**Included in Directly Assigned A&G**

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**FERC 928 - Regulatory Commission Expenses**

FERC legal fees	\$ 340,206
<b>FERC 928 subtotal</b>	<b>\$ 340,206</b>

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**Total Included in Directly Assigned A&G** Component of Appendix A, Line 67 **\$ 340,206**

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**Total EIM costs included in 2014 Annual Update** **\$ 952,276**

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**Notes**

- [1] Structure Consulting Group, LLC ("Structure")  
Systems, process, and organizational readiness consulting includes, but is not limited to: determining high level business requirements; workstream impact analysis; development of functional requirements; completing a business process inventory; support for evaluating and reviewing systems.
- [2] MCG Energy Solutions, LLC ("MCG")  
Information technology ("IT") consulting services includes technical assistance developing the IT model for integration of the EIM. PacifiCorp licenses software from MCG including Control Area Scheduler ("CAS"), Energy Accounting System ("EAS"), and Integrated Asset Manager ("IAM").
- [3] In the course of preparing the 2014 Annual Update, PacifiCorp determined that this amount (for consulting services related to IAM) was solely for the participation of PacifiCorp Energy in the EIM and should not be included in the transmission formula's calculation of the annual transmission revenue requirement ("ATRR")
- [4] EnDimensions, LLC ("EnDimensions")  
Evaluation of California Independent System Operator ("CAISO") uplift and neutrality charge code allocations to PacifiCorp's Balancing Authority Areas ("BAAs")
- [5] Ventyx is the developer of the nMarket software platform that will be used for settling EIM charges with the CAISO and allocating the charges to transmission customers.