

Capt Robert C. Cottrell, Jr.
AFLSA/ULT
Utility Litigation Team
139 Barnes Drive, Suite 1
Tyndall AFB, FL 32403-5319
(850) 283-6350
Date Submitted: 1 October 2001

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of PACIFICORP for)	RESPONSE TO PACIFICORP'S
Approval of it Proposed Electric Rate)	MOTION TO REVISE
Schedules and Electric Service Regulations)	SCHEDULE 95 COLLECTIONS
)	Docket No. 01-035-01

The United States Executive Agencies (USEA) submits the following Opposition Response to Pacificorp's Motion to Revise Schedule 95 Collections in the above captioned case.

1. On 10 September 2001, the Commission issued its Final Report and Order in the Revenue Requirement Phase of this case that granted an increase of approximately \$40.6 million.

Previously on 02 February 2001, the Commission issued an Order granting a \$70 million interim rate increase that has been collected as a surcharge under Electric Service Schedule 95.

2. Pursuant to the Commission's 10 Sep 01 Order, base rates should be upwardly adjusted to incorporate the \$40.6 million increase. The parties to this Docket have agreed to a stipulation recommending an allocation method for applying the increase to the customer classes.

3. Once the increase is incorporated into base rates, the Schedule 95 surcharge must be terminated. Yet, Pacificorp has moved to leave the Schedule 95 surcharge in place to offset any Hunter I replacement costs that are pending resolution in Docket No. 01-035-23. In addition, the Company has requested that the refund also be carried over and applied against any approved

Hunter I costs.

4. USEA objects to the continuation of the Schedule 95 surcharge and any attempt to delay the refund of overcollected rates (as a result of the \$70 million interim increase). The Utah Administrative Code is clear on this issue:

“If the commission in the commission’s final order on a utility’s revenue requirement finds that the interim increase order under Subsection (3)(a) exceeds the increase finally ordered, the commission *shall* order the utility to refund the excess to customers.” Utah Code Ann. § 54-7-12 (3)(b)(ii). (emphasis added).

No discretion is granted to carryover such a refund to another docket. In addition, no authority is given to continue collecting an interim increase surcharge in an attempt to offset costs related to a, yet unresolved, docket. This requirement is clear – the Commission must deny Pacificorp’s motion and order the refund as well as the termination of the surcharge.

5. USEA further adopts the filing by UIEC regarding this motion. USEA agrees with and supports all of the arguments raised in the UIEC’s response to this motion. USEA, likewise, finds great concern in the de facto granting of an interim increase in another docket without the Commission’s review of any evidence establishing that such an increase is warranted.

6. Given the current state of affairs for the USEA – particularly Hill AFB, not only would the Company’s motion be contrary to law but also it would adversely affect Hill AFB as a customer. Hill AFB (particularly the Air Logistics Center) is the primary repair facility for maintenance of United States Air Force’s F-16 and A-10 engines. Having consulted with the commander of the installation, Major General Scott Bergren, Hill AFB Command and Civil Engineering staff have concluded that a refund and rate decrease (as a result of the termination of the surcharge) would free up additional disposable income to be utilized in support of its

potential increased taskings due to the potential involvement of these aircraft in any potential response to the horrific events of 11 September 2001.

7. Regardless of the amount or any refund or rate decrease, USEA would prefer to have an increased cash flow immediately to support current military needs as opposed to having the money carried over and applied to another docket (or even to be refunded at a later date). Given the uncertainty of any costs being approved in the Hunter I Docket as well as the uncertainty of when those costs, if approved, would be passed on to ratepayers, the USEA would prefer, for the aforementioned reasons, to have the refund and rate decrease implemented as soon as possible. Not only does the USEA feel that denying Pacificorp's motion is the preferred outcome for USEA needs, but also is mandated by the law.

Respectfully submitted this 1st day of October 2001.

ROBERT C. COTTRELL, JR., Capt, USAF
U.S. Air Force Utility Litigation Team
Attorney for USEA

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of PACIFICORP for Approval of it Proposed Electric Rate Schedules and Electric Service Regulations))))	RESPONSE TO PACIFICORP'S MOTION TO REVISE SCHEDULE 95 COLLECTIONS Docket No. 01-035-01
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I HEREBY CERTIFY that true and correct copies of the U.S. Executive Agencies' Response to Pacificorp's Motion to Revise Schedule 95 Collections were mailed to each of the following this 20th day of August 2001:

Edward A. Hunter
John M. Eriksson
STOEL RIVES LLP
Attorneys for Pacificorp
One Utah Center
201 South Main Street, Suite #1100
Salt Lake City, UT 84111-4904

Matthew Wright
Vice President, Regulation
Pacificorp
825 N.E. Multnomah, Suite #800
Portland, OR 97232

Douglas Larson
Pacificorp
Director, Regulatory Policy
201 South Main Street, Suite #2300
Salt Lake City, UT 84140

Andrea Kelly – Director of Regulation
Pacificorp
825 North East Multnomah, Suite 800
Portland, OR 97232

Michael Ginsberg
Kent Walgren
Attorneys for the Division of Public Utilities
500 Heber M. Wells Building
160 East 300 South
Salt Lake City, UT 84114

Bruce Plenk
Attorney at Law
16 East 13th Street
Lawrence, KS 66044

Reed Warnick
Attorney for the Committee of Consumer
Services
500 Heber M. Wells Building
160 East 300 South
Salt Lake City, UT 84114

Gary A. Dodge
Brent O. Hatch
Attorneys for the Utah Association of
Energy Users
Hatch, James, & Dodge
10 West Broadway, Suite #400
Salt Lake City, UT 84101

Scott Gutting
Rick Anderson
Energy Strategies
39 Market Street, Suite #200
Salt Lake City, UT 84101

Dr. Charles E. Johnson
Attorney for the Utah Ratepayers Alliance
1338 Foothill Blvd., PMB 134
Salt Lake City, UT 84108

Peter J. Mattheis
Attorney at Law
Brickfield, Burchette, Ritts & Stone, P.C.
Eighth Floor, West Tower
1025 Thomas Jefferson Street NW
Washington, D.C. 20007-5201

Stephen Randle
Attorney at Law
Suite 330
139 East South Temple
Salt Lake City, UT 84111

Steve F. Alder
Assitant Attorney General
500 Heber Wells Building
160 East 300 South
Salt Lake City, UT 84114

Eric C. Guidry
Attorney at Law
Suite 200
2260 Baseline
Boulder, CO 80302

F. Robert Reeder
William J. Evans
Parsons Behle, & Latimer
Attorneys for the Utah Industrial Energy
Consumers
201 South Main Street, Suite #1800
Salt Lake City, UT 84111

Glen E. Davies
Bill Thomas Peters
Parsons Davies Kinghorn & Peters
185 South State Street, Suite 700
Salt Lake City, UT 84111

E. A. Prawitt
Utah Association of Counties
5397 South Vine Street
Salt Lake City, UT 84107

Tony J. Rudman
MagCorp
238 North 2200 West
Salt Lake City, UT 84116

Jeff Burks
Office of Energy & Resource Planning
Utah Department of Natural Resources
1594 West North Temple, Suite 3610
Salt Lake City, UT 84114-6480

Joro Walker
Land and Water Fund of the Rockies
2056 East 3300 South, Suite 1
Salt Lake City, UT 84109

Curtis Boradbent
Nucor Steel
Box 100
Plymouth, UT 84330

Betsy Wolf
SLCAP/CUC
746 South 200 West
Salt Lake City, UT 84101

David Crabtree
Deseret Generation & Transmission
10704 South Jordan Gateway
South Jordan, UT 84095

Brenda Fonteyn
6530 west 3270 South
West Valley City, UT 84111

Jeff Fox
Crossroads Urban Center
149 South Windsor Street
Salt Lake City, UT 84102

Claire Geddes
Utah Legislative Watch
3542 Honeycomb
Salt Lake City, UT 84121

Julius M. Hoggard
2550 Elizabeth Street #4
Salt Lake City, UT 84106

Michael R. Lund
OO-ALC/JAN
6026 Cedar Lane – Building 1278
Hill AFB, UT 84056

Susan Trammell
811 Country Road
Fruit Heights, UT 84037

Thomas M. Zarr
1134 South 1700 South
P.O. Box 17635
Salt Lake City, UT 84111

Joseph Herz
Sawvel & Associates
100 E Main Cross St
Suite 300
Findlay, OH 45840

Captain Robert C. Cottrell, Jr.
Utility Litigation Team
General Litigation Division
139 Barnes Drive, Suite 1
Tyndall AFB, FL 32403-5319
(850) 283-6350

Dated: _____