

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF ROCKY</b>	)	
<b>MOUNTAIN POWER'S</b>	)	<b>CASE NO. PAC-E-13-02</b>
<b>APPLICATION FOR AN ORDER</b>	)	
<b>AUTHORIZING CHANGES IN</b>	)	<b>Direct Testimony of Henry E. Lay</b>
<b>DEPRECIATION RATES</b>	)	
<b>APPLICABLE TO ELECTRIC</b>	)	
<b>PROPERTY</b>	)	

**ROCKY MOUNTAIN POWER**

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**CASE NO. PAC-E-13-02**

**January 2013**

1 **Q. Please state your name, business address and position with PacifiCorp d/b/a**  
2 **Rocky Mountain Power (the "Company").**

3 A. My name is Henry E. Lay. My business address is 825 NE Multnomah Street,  
4 Suite 1900, Portland, Oregon, 97232. I am employed by the Company as  
5 corporate controller.

6 **Qualifications**

7 **Q. Please briefly describe your education and professional experience.**

8 A. I have a Bachelor of Science degree in Accounting from the University of Utah. I  
9 have worked for the Company for over 37 years, primarily in corporate  
10 accounting management roles. The areas for which I have been responsible  
11 include asset\plant accounting, corporate\general accounting, regulatory  
12 accounting, and customer accounting. In the past, I have personally prepared  
13 depreciation studies for the Company. I have also supervised the independent  
14 experts the Company has retained to conduct the current and past depreciation  
15 studies.

16 **Purpose of Testimony**

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

18 A. The purpose of my testimony is as follows:  
19 • I summarize the Company's proposal for new depreciation rates and the effect  
20 on annual depreciation expense from applying the proposed depreciation rates  
21 to depreciable plant balances. The proposed rates are contained in the  
22 depreciation study based on projected December 31, 2013 balances performed  
23 on behalf of the Company by Mr. John J. Spanos of Gannett Fleming, Inc.

1 (“Depreciation Study”). The Depreciation Study is provided as Exhibit No. 3.

- 2 • I provide background information describing the development of the
- 3 Depreciation Study and explain why I believe the depreciation rates resulting
- 4 from the Depreciation Study are accurate and reasonable.
- 5 • I explain the impact of the Depreciation Study on Idaho as a result of previous
- 6 regulatory actions.
- 7 • I identify and discuss the significant issues considered during the preparation
- 8 of the Depreciation Study. The disposition of these issues was reflected in the
- 9 data provided to Mr. Spanos and, in turn, this data formed the basis for the
- 10 Depreciation Study and the recommended changes in depreciation rates.
- 11 • I introduce the other Company witnesses who will testify in this proceeding
- 12 and provide a brief description of the subject matter on which they are
- 13 testifying.
- 14 • I briefly summarize the Company’s recommendations to the Idaho Public
- 15 Utilities Commission (“Commission”).

16 **Results of the Depreciation Study**

17 **Q. Please explain the depreciation rates for which the Company is seeking**  
18 **Commission approval in this proceeding.**

19 A. With this Application the Company seeks Commission approval of the  
20 depreciation rates contained in the Depreciation Study based on December 31,  
21 2013 projected plant balances. Based on the Depreciation Study prepared by Mr.  
22 Spanos the Company proposes a system-wide increase of 0.37 percent (or 0.70  
23 percent including the accelerated depreciation associated with early retirement of

1 the Carbon plant) to the current composite depreciation rate of 2.54 percent for  
2 the Company's electric utility plant, resulting in a new composite depreciation  
3 rate of 2.91 percent (or 3.24 percent including the Carbon plant). The specific  
4 depreciation rate changes recommended for the components of the composite  
5 depreciation rate are summarized in Mr. Spanos' testimony and set forth in  
6 account detail in the Appendix to the Depreciation Study.

7 **Q. Please explain how the depreciation rates were developed.**

8 A. The Company instructed Mr. Spanos to use December 31, 2011, historical data as  
9 the basis for his depreciation life study analysis, which was then used to develop  
10 depreciation rates based on projected December 31, 2013 plant balances. This  
11 process is further described in Mr. Spanos' testimony.

12 **Q. What is the effect on annual depreciation expense if the depreciation rates  
13 recommended by Mr. Spanos are adopted?**

14 A. The effect of applying the recommended depreciation rates to the projected  
15 December 31, 2013 depreciable plant balances is an increase in total Company  
16 annual depreciation expense of approximately \$83.9 million (or \$160.8 million  
17 including Carbon plant), compared with the level of annual depreciation expense  
18 developed by application of the currently authorized depreciation rates to the  
19 same plant balances. Annual depreciation expense by functional plant  
20 classification is summarized in the Appendix to the Depreciation Study.

21 Adoption of the depreciation rates proposed in the Depreciation Study  
22 results in an increase of approximately \$4.5 million (or \$8.9 million including the  
23 Carbon Plant) in annual Idaho jurisdiction depreciation expense, based on

1 projected December 31, 2013 depreciable plant balances. The calculation of the  
2 Idaho jurisdictional amount under the 2010 Protocol methodology is described in  
3 Exhibit No. 1.

4 **Q. What does the Company propose as the effective date for implementing the**  
5 **new depreciation rates?**

6 A. The Company's accounting system maintains depreciation rates on a calendar  
7 year basis. Therefore, the Company proposes that the new depreciation rates be  
8 made effective January 1, 2014, which is the beginning of the next calendar year  
9 following the anticipated approval of the study.

10 **Q. Please describe the treatment of the Carbon Plant related depreciation**  
11 **expense in the depreciation study and how the changes will be treated for**  
12 **ratemaking.**

13 A. In the Depreciation Study, the Carbon Plant depreciation rate is increased to 67  
14 percent to recover the entire remaining plant balance and estimated removal costs  
15 prior to the projected plant closure in 2015. To eliminate the rate shock associated  
16 with the decommissioning of the Carbon plant the Company filed for a deferred  
17 accounting order authorizing creation of a regulatory asset associated with the  
18 plant closure, (Case No. PAC-E-12-08). The Commission's final Order 32701  
19 approved the Company's request to create a regulatory asset for these costs.

20 For Carbon the regulatory asset will consist of the difference between the  
21 new depreciation rate effective in 2014 from the Depreciation Study and the  
22 depreciation rate based on the prior decommissioning date of 2020. The Company  
23 will continue to include depreciation expense in rates at the currently approved

1 | depreciation rate of ~~4.183.05~~ percent as set in the 2007 depreciation study and  
2 | used for setting rates in the last general rate case. Any difference between the  
3 | current rate of ~~4.183.05~~ percent and the new rate used by the Company for  
4 | depreciation expense (currently estimated at 67 percent) will be recorded as a  
5 | regulatory asset with recovery through 2020.

6 |         The Carbon removal costs will also be excluded from the depreciation rate  
7 | and recorded as part of the regulatory asset. The removal costs will be included in  
8 | the next general rate case and the estimate will be updated based on the best  
9 | available removal cost projections at that time. The Company will request  
10 | recovery of the removal costs through 2020 in the next general rate case  
11 | consistent with the depreciation.

## 12 | **Depreciation Study Background**

13 | **Q. Please explain the concept of depreciation.**

14 | A. There are many definitions of depreciation. The following definition was put  
15 | forth by the American Institute of Certified Public Accountants in its Accounting  
16 | Research Bulletin #43:

17 |         Depreciation accounting is a system of accounting which aims to  
18 | distribute the cost or other basic value of tangible capital assets,  
19 | less salvage (if any), over the estimated useful life of the unit  
20 | (which may be a group of assets) in a systematic and rational  
21 | manner. It is a process of allocation, not of valuation.

22 |         The actual payment for an electric utility plant asset occurs in the period in  
23 | which it is acquired through purchase or construction. Depreciation accounting  
24 | spreads this cost over the useful life of the property. The fundamental reason for  
25 | recording depreciation is to provide for accurate measurement of a utility's results

1 of operations. Capital investments in the buildings, plant, and equipment  
2 necessary to provide electric service are essentially a prepaid expense, and annual  
3 depreciation is the part of that expense applicable to each successive accounting  
4 period over the service life of the property. Annual depreciation is an important  
5 and essential factor in informing investors and others of a company's periodic  
6 income. If it is omitted or distorted, a company's periodic income statement is  
7 distorted and would not meet required accounting and reporting standards.

8 **Q. Why is depreciation important to an electric utility?**

9 A. An electric utility is very capital intensive; that is, it requires a tremendous  
10 investment in generation, transmission, and distribution equipment with long lives  
11 in order to provide electric service to customers. Thus, the annual depreciation of  
12 this equipment is a major item of expense to the utility. Regulated electric prices  
13 are expected to allow the utility to fully recover its operating costs, earn a fair  
14 return on its investment and equitably distribute the cost of the assets to the  
15 customers using these facilities. If depreciation rates are established at an  
16 unreasonably low or high level for ratemaking purposes, the utility will not  
17 recover its operating costs in the appropriate period, which will shift either costs  
18 or benefits from current customers to future customers.

19 **Q. Why was it necessary for the Company to conduct the Depreciation Study?**

20 A. It is sound accounting practice to periodically update depreciation rates to  
21 recognize additions to investment in plant assets and to reflect changes in asset  
22 characteristics, technology, salvage, removal costs, life span estimates, and other  
23 factors that impact depreciation rate calculations. The Company conducts

1 depreciation studies as it deems appropriate or as mandated by the Commission.  
2 The Company's last Depreciation Study was conducted approximately five years  
3 ago. The Company's current depreciation rates in Idaho were effective on January  
4 1, 2008, based on a 2007 Depreciation Study.

5 **Q. Was the Depreciation Study prepared under your direction?**

6 A. Yes. As corporate controller, I have responsibility for the Company's corporate  
7 accounting departments and for ensuring compliance with Company accounting  
8 policies and procedures. This includes periodic review and study of depreciation  
9 rates.

10 **Q. Do you believe that the estimated plant depreciable lives and depreciation**  
11 **rates developed in the Depreciation Study result in a fair level of depreciation**  
12 **expense for customers to reimburse the Company for its investment in**  
13 **electric utility plant and equipment?**

14 A. Yes, I believe that the Depreciation Study is well supported by the underlying  
15 engineering and accounting data and that the resulting depreciation rates produce  
16 an annual depreciation expense that is fair and reasonable for both financial  
17 reporting and ratemaking purposes.

18 **Q. What is the basis for your conclusions about the Depreciation Study?**

19 A. I believe that a good depreciation study is the product of sound analytical  
20 procedures applied to accurate, reliable accounting and engineering data. I have  
21 reviewed Mr. Spanos' work in preparing the Depreciation Study and I concur  
22 with his choice and application of analytical procedures as described in his  
23 testimony. With respect to data inputs, the estimated generation plant economic

1 lives used in the study are those provided by the Company as explained in  
2 Company Witness Mr. K. Ian Andrews' testimony. Depreciable life estimates for  
3 other types of plant and equipment are based on Mr. Spanos' actuarial analysis of  
4 the data and reviewed for reasonableness by the Company. The accounting data  
5 has also been carefully and consistently prepared. I recommend approval of the  
6 rates contained in the Depreciation Study.

7 **Significant Issues**

8 **Q. Please summarize the significant issues you considered in your supervision of**  
9 **the Depreciation Study.**

10 A. The most significant issue considered in the current study relates to the impact of  
11 incremental capital additions on the Company's steam generation facilities. These  
12 capital additions are the most significant factor creating the increase in  
13 depreciation expense. Further explanation of this issue is included in Company  
14 Witness Mr. Andrews' testimony.

15 **Q. Is this a new issue in relationship to the steam generation facilities?**

16 A. No, this issue was identified in the last depreciation study where the Company  
17 proposed to include projected capital additions into depreciation rates to help  
18 mitigate potential future depreciation step increases. The depreciation rates arising  
19 out of that study did not allow any recognition of additions occurring after the  
20 implementation of those rates.

21 **Q. Did the Company consider extending the depreciation lives of the steam**  
22 **generation facilities to mitigate the increase in depreciation expense?**

23 A. Yes, but recognizing the uncertainty regarding the period in which steam

1 generation facilities will be allowed to continue to operate, the Company is  
2 continuing to recommend retaining 61 years, as previously approved by the  
3 Commission, as the depreciable terminal life of steam generating facilities where  
4 the Company is not a minority owner.

5 **Q. What is the significant issue related to hydroelectric facilities you considered**  
6 **in the Depreciation Study?**

7 A. The 2007 Depreciation Study based hydroelectric plant terminal lives primarily  
8 on Federal Energy Regulatory Commission ("FERC") hydroelectric plant license  
9 termination dates. For this study, the Company has continued to use the FERC  
10 hydroelectric plant license termination dates and have updated those lives where  
11 new licenses have been issued.

12 **Q. What are the other issues related to hydroelectric facilities you considered in**  
13 **this study?**

14 A. The 2007 Depreciation Study included removal cost for hydroelectric facilities  
15 where the Company has entered into negotiations or settlements to remove those  
16 facilities, as well as a decommissioning reserve for minor hydroelectric facilities  
17 that may be removed within the next 10 years. The Company has updated the  
18 Depreciation Study to reflect the current projection for small plants where the  
19 Company has estimated some probability of them being decommissioned in the  
20 next 10-year period. This reserve is not intended to cover the decommissioning or  
21 removal of any large facility.

1 **Q. What is the significant issue related to wind generation facilities in the**  
2 **Depreciation Study?**

3 A. Since preparation of the 2007 depreciation study the Company has added more  
4 renewable resources to its generation portfolio, with the expansion of the  
5 Company's wind generation fleet, the Company has gained more experience  
6 related to the operation and maintenance of wind generation facilities. As part of  
7 the Depreciation Study, the Company is recommending extending the terminal  
8 lives of wind generation facilities by five years. This issue is discussed further in  
9 Mr. Andrews' testimony.

10 **Q. What is the significant issue related to gas generation facilities in the**  
11 **Depreciation Study?**

12 A. Since the 2007 Depreciation Study, the Company has experienced a number of  
13 required overhauls on its gas generation facilities. This information has been  
14 provided to Mr. Spanos and has been included in the Depreciation Study. This  
15 experience has resulted in a significant increase in interim retirements, which  
16 produced an increase in depreciation rates.

17 **Q. Were there any significant changes in the Depreciation Study related to**  
18 **transmission and distribution plant assets?**

19 A. No. Mr. Spanos was provided the historical data for both transmission and  
20 distribution assets including removal costs, salvage, and third party  
21 accommodation payments related to removal cost to use in determining the  
22 proposed depreciation lives and rates. There were no significant changes outside  
23 of those which would normally result from updating the study.

1 **Q. What is the significant issue related to general plant facilities in this study?**

2 A. The Company has opted to apply FERC accounting release 15 to the remainder of  
3 communication equipment not previously included. In accordance with this  
4 accounting standard, the Company will apply a 24-year life, which is the  
5 composite of the lives approved in the last study.

6 **Q. What is the significant issue related to mining facilities in this study?**

7 A. Since the last study, significant changes in underground mining safety  
8 requirements coupled with additional geologic analysis have resulted in reduced  
9 levels of economically recoverable reserves at the Company's Deer Creek mine.  
10 The Company has updated the life of the mine based on its most current  
11 information.

12 **Introduction of Witnesses**

13 **Q. Who will be testifying on behalf of the Company in support of the**  
14 **Company's petition?**

15 A. Two other witnesses will testify on behalf of the Company: Mr. John J. Spanos,  
16 Senior Vice President of Gannett Fleming, Inc. and Mr. K. Ian Andrews, Manager  
17 of Resource Development for PacifiCorp.

18 Mr. Spanos presents the Depreciation Study and the depreciation rates for  
19 which the Company is seeking Commission approval. He describes how the  
20 Depreciation Study was prepared and discusses the basis for the recommended  
21 changes in depreciation rates.

22 Mr. Andrews describes the process used by Company engineers to  
23 evaluate the current approved plant depreciable lives for steam generation plants.

1 He describes the procedure used to estimate the retirement date for the  
2 Company's gas, wind and hydroelectric generation resources. He demonstrates  
3 that the estimated retirement dates proposed by the Company for generation  
4 plants are reasonable and prudent and are appropriate inputs for Mr. Spanos'  
5 depreciation analysis. Mr. Andrews also explains why the rates the Company  
6 proposes to include as terminal net salvage, or "decommissioning costs," in the  
7 calculation of depreciation rates for generation plants are reasonable and prudent.

### 8 **Summary of Recommendations**

9 **Q. Please summarize your recommendations to the Commission.**

10 A. I recommend that the Commission find that the depreciation rates sponsored by  
11 Mr. Spanos in the Depreciation Study based on projected December 31, 2013  
12 balances are proper and adequate depreciation rates for the Company and will  
13 result in fair and reasonable rates that accurately reflect costs on those customers  
14 for whom such costs are incurred. I further recommend that the Commission order  
15 the Company to implement these depreciation rates in its accounts and records  
16 effective January 1, 2014.

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

18 A. Yes.

Case No. PAC-E-13-02  
Exhibit No. 1  
Witness: Henry E. Lay

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

ROCKY MOUNTAIN POWER

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Exhibit Accompanying Direct Testimony of Henry E. Lay

Calculation of the Idaho Jurisdictional  
Amount Under the 2010 Protocol Methodology

January 2013

**PACIFICORP**

Depreciation Rate Comparison - Plant Balances as of **December, 2013**

Description	AF	Plant-in-Service	Depreciation Rate		Total Company Depreciation			ALLOCATED	
			EXISTING	PROPOSED	EXISTING	PROPOSED	DIFFERENCE	ID	
<b>Production Plant</b>									
Steam Production	SG	6,108,552,080	2.26%	3.58%	137,945,075	218,930,804	80,985,729	4,571,547	
Steam Production - Cholla	SSGCH	536,902,995	1.51%	2.88%	8,121,741	15,449,657	7,327,916	413,652	
Steam Production - Carbon	SG	120,084,309	3.05%	67.13%	3,662,198	80,614,396	76,952,198	4,343,859	
Steam Production - Water Rights		36,503,523							
Hydro Production	SG	938,122,143	2.91%	3.62%	27,268,605	33,948,744	6,680,139	377,086	
Other Production	SG	3,230,056,230	3.50%	3.27%	113,080,152	105,596,499	(7,483,653)	(422,443)	
Other Production - Gadsby Peakers	SSGCT	83,587,219	3.32%	3.99%	2,774,825	3,332,766	557,941	33,100	
Other Production - Water Rights		17,420,186							
Total Production Plant		11,071,228,687							
Total Production Plant - Depreciable		11,017,304,977	2.66%	4.07%	292,852,596	457,872,866	165,020,270	9,316,801	
<b>Transmission Plant</b>									
	SG	5,260,444,224	1.91%	1.82%	100,500,315	95,705,376	(4,794,939)	(270,669)	
<b>Distribution Plant</b>									
Distribution	CA	231,412,734	2.91%	2.67%	6,724,725	6,171,346	(553,379)	-	
Distribution	OR	1,800,233,098	2.86%	2.54%	51,408,119	45,706,796	(5,701,323)	-	
Distribution	WA	414,312,516	3.13%	2.81%	12,981,304	11,646,261	(1,335,043)	-	
Distribution	WY	635,669,345	2.87%	2.84%	18,246,611	18,062,124	(184,487)	-	
Distribution	UT	2,524,656,040	2.52%	2.46%	63,524,102	62,029,227	(1,494,875)	-	
Distribution	ID	297,471,473	2.59%	2.27%	7,694,643	6,759,630	(935,013)	(935,013)	
Total Distribution		5,903,755,206	2.72%	2.54%	160,578,504	150,375,384	(10,204,120)	(935,013)	
<b>General Plant - Vehicles *</b>									
General Plant - Vehicles	392.1 CA	CA	668,807	7.89%	3.48%	52,773	23,274	(29,499)	-
General Plant - Vehicles	392.1 CA	SG	159,467	7.89%	3.48%	12,583	5,549	(7,034)	(397)
General Plant - Vehicles	392.1 ID	ID	1,685,882	6.66%	7.11%	112,265	119,866	7,601	7,601
General Plant - Vehicles	392.1 ID	SG	552,076	6.66%	7.11%	36,764	39,253	2,489	141
General Plant - Vehicles	392.1 OR	OR	9,772,343	7.63%	7.27%	745,154	710,449	(34,704)	-
General Plant - Vehicles	392.1 OR	SG	682,209	7.63%	7.27%	52,019	49,597	(2,423)	(137)
General Plant - Vehicles	392.1 OR	SO	470,991	7.63%	7.27%	35,914	34,241	(1,673)	(92)
General Plant - Vehicles	392.1 OT	SG	459,186	6.42%	2.53%	29,462	11,598	(17,864)	(1,008)
General Plant - Vehicles	392.1 UT	SE	128,866	7.07%	6.93%	9,111	8,930	(181)	(11)
General Plant - Vehicles	392.1 UT	SG	2,446,693	7.07%	6.93%	172,985	169,556	(3,429)	(194)
General Plant - Vehicles	392.1 UT	SO	1,613,206	7.07%	6.93%	114,056	111,795	(2,261)	(125)
General Plant - Vehicles	392.1 UT	UT	9,673,376	7.07%	6.93%	683,922	670,365	(13,557)	-
General Plant - Vehicles	392.1 WA	SG	713,985	7.91%	5.60%	56,451	39,983	(16,468)	(930)
General Plant - Vehicles	392.1 WA	WA	1,683,994	7.91%	5.60%	133,145	94,304	(38,841)	-
General Plant - Vehicles	392.1 WY	SG	1,853,905	7.34%	7.01%	136,112	129,959	(6,154)	(347)
General Plant - Vehicles	392.1 WY	WY	2,834,019	7.34%	7.01%	208,072	198,665	(9,407)	-
General Plant - Vehicles	392.3 UT	SO	3,076,269	3.59%	3.42%	110,313	105,208	(5,105)	(282)
General Plant - Vehicles	392.5 CA	CA	797,625	5.63%	4.49%	44,885	35,813	(9,072)	-
General Plant - Vehicles	392.5 CA	SG	164,303	5.63%	4.49%	9,246	7,377	(1,869)	(105)
General Plant - Vehicles	392.5 ID	ID	2,443,129	5.22%	5.73%	127,632	139,991	12,360	12,360
General Plant - Vehicles	392.5 ID	SG	382,200	5.22%	5.73%	19,967	21,900	1,934	109
General Plant - Vehicles	392.5 OR	OR	9,616,255	5.05%	5.67%	485,727	545,242	59,515	-
General Plant - Vehicles	392.5 OR	SG	992,358	5.05%	5.67%	50,125	56,267	6,142	347
General Plant - Vehicles	392.5 OT	SG	255,349	2.96%	2.10%	7,567	5,368	(2,199)	(124)
General Plant - Vehicles	392.5 UT	SE	199,475	5.41%	5.59%	10,797	11,151	353	22

Allocation Factor Table	
ID	ID
CA	0.0000%
CN	3.8582%
ID	100.0000%
OR	0.0000%
SE	6.2744%
SG	5.6449%
SO	5.5148%
SSGCH	5.6449%
SSGCT	5.9326%
UT	0.0000%
WA	0.0000%
WY	0.0000%

Source: Factors from  
December 2011 Semi-Annual  
Report -2010 Protocol and 13  
Month Average

Description	AF	Plant-in-Service	Depreciation Rate		Total Company Depreciation			ALLOCATED	
			EXISTING	PROPOSED	EXISTING	PROPOSED	DIFFERENCE	ID	
General Plant - Vehides	392.5 UT	SG	4,143,374	5.41%	5.59%	224,276	231,615	7,338	414
General Plant - Vehides	392.5 UT	SO	776,182	5.41%	5.59%	42,014	43,389	1,375	76
General Plant - Vehides	392.5 UT	UT	15,396,189	5.41%	5.59%	833,379	860,647	27,268	-
General Plant - Vehides	392.5 WA	SG	1,424,088	6.66%	5.07%	94,781	72,201	(22,580)	(1,275)
General Plant - Vehides	392.5 WA	WA	2,643,534	6.66%	5.07%	175,942	134,027	(41,915)	-
General Plant - Vehides	392.5 WY	SG	1,873,720	6.80%	6.38%	127,386	119,543	(7,843)	(443)
General Plant - Vehides	392.5 WY	WY	4,305,701	6.80%	6.38%	292,726	274,704	(18,022)	-
General Plant - Vehides	392.9 CA	CA	437,317	2.69%	2.32%	11,752	10,146	(1,606)	-
General Plant - Vehides	392.9 CA	SG	13,876	2.69%	2.32%	373	322	(51)	(3)
General Plant - Vehides	392.9 ID	SG	893,408	2.50%	2.73%	22,369	24,390	2,021	114
General Plant - Vehides	392.9 ID	ID	49,887	2.50%	2.73%	1,249	1,362	113	113
General Plant - Vehides	392.9 OR	OR	3,191,788	2.45%	2.56%	78,277	81,710	3,433	-
General Plant - Vehides	392.9 OR	SG	132,522	2.45%	2.56%	3,250	3,393	143	8
General Plant - Vehides	392.9 OR	SO	3,421	2.45%	2.56%	84	88	4	0
General Plant - Vehides	392.9 UT	SE	45,180	2.57%	2.60%	1,159	1,175	15	1
General Plant - Vehides	392.9 UT	SG	1,198,511	2.57%	2.60%	30,754	31,161	407	23
General Plant - Vehides	392.9 UT	SO	474,168	2.57%	2.60%	12,167	12,328	161	9
General Plant - Vehides	392.9 UT	UT	4,880,292	2.57%	2.60%	125,229	126,888	1,658	-
General Plant - Vehides	392.9 WA	SG	83,653	2.65%	2.38%	2,214	1,991	(223)	(13)
General Plant - Vehides	392.9 WA	WA	685,566	2.65%	2.38%	18,143	16,316	(1,826)	-
General Plant - Vehides	392.9 WY	SG	569,316	3.37%	3.40%	19,177	19,357	180	10
General Plant - Vehides	392.9 WY	WY	2,303,712	3.37%	3.40%	77,597	78,326	729	-
General Plant - Vehides	392.9 OT	SG	7,844	2.18%	2.18%	171	171	(0)	(0)
General Plant - Vehides	396.3 CA	CA	918,154	10.34%	7.20%	94,923	66,107	(28,816)	-
General Plant - Vehides	396.3 ID	SG	1,567,172	9.15%	12.04%	143,461	188,688	45,226	2,553
General Plant - Vehides	396.3 ID	ID	66,834	9.15%	12.04%	6,118	8,047	1,929	1,929
General Plant - Vehides	396.3 OR	OR	6,104,847	9.71%	8.84%	592,583	539,668	(52,915)	-
General Plant - Vehides	396.3 OR	SG	60,453	9.71%	8.84%	5,868	5,344	(524)	(30)
General Plant - Vehides	396.3 UT	SG	51,662	10.07%	9.86%	5,201	5,094	(107)	(6)
General Plant - Vehides	396.3 UT	UT	5,429,736	10.07%	9.86%	546,602	535,372	(11,230)	-
General Plant - Vehides	396.3 WA	SG	58,134	9.69%	5.66%	5,634	3,290	(2,344)	(132)
General Plant - Vehides	396.3 WA	WA	1,370,946	9.69%	5.66%	132,871	77,596	(55,276)	-
General Plant - Vehides	396.3 WY	SG	61,879	10.37%	9.64%	6,419	5,965	(454)	(26)
General Plant - Vehides	396.3 WY	WY	2,569,556	10.37%	9.64%	266,551	247,705	(18,846)	-
General Plant - Vehides	396.7 CA	CA	3,051,020	5.60%	4.98%	170,993	151,941	(19,052)	-
General Plant - Vehides	396.7 ID	ID	6,468,406	3.87%	3.90%	250,428	252,268	1,839	1,839
General Plant - Vehides	396.7 ID	SG	879,645	3.87%	3.90%	34,056	34,306	250	14
General Plant - Vehides	396.7 OR	OR	24,441,728	5.39%	5.24%	1,317,716	1,280,747	(36,970)	-
General Plant - Vehides	396.7 OR	SG	1,513,765	5.39%	5.24%	81,611	79,321	(2,290)	(129)
General Plant - Vehides	396.7 OT	SG	2,250,062	2.71%	1.86%	60,947	41,933	(19,014)	(1,073)
General Plant - Vehides	396.7 UT	SE	45,854	6.84%	6.10%	3,135	2,797	(338)	(21)
General Plant - Vehides	396.7 UT	SG	13,051,444	6.84%	6.10%	892,419	796,138	(96,281)	(5,435)
General Plant - Vehides	396.7 UT	SO	1,046,883	6.84%	6.10%	71,583	63,860	(7,723)	(426)
General Plant - Vehides	396.7 UT	UT	37,298,792	6.84%	6.10%	2,550,381	2,275,226	(275,155)	-
General Plant - Vehides	396.7 WA	SG	415,484	6.81%	6.03%	28,282	25,054	(3,228)	(182)
General Plant - Vehides	396.7 WA	WA	5,630,534	6.81%	6.03%	383,268	339,521	(43,747)	-
General Plant - Vehides	396.7 WY	SG	19,993,847	5.19%	4.94%	1,038,116	987,696	(50,420)	(2,846)
General Plant - Vehides	396.7 WY	WY	12,635,403	5.19%	4.94%	656,053	624,189	(31,864)	-
Total General Plant - Vehides*			245,841,456	6.10%	5.75%	14,996,739	14,128,823	(867,916)	11,891

Allocation Factor Table
ID

Description	AF	Plant-in-Service	Depreciation Rate		Total Company Depreciation			ALLOCATED	
			EXISTING	PROPOSED	EXISTING	PROPOSED	DIFFERENCE	ID	
<b>General Plant - All Other</b>									
General Plant - All Other	389.2 ID	ID	4,733	2.01%	1.71%	95	81	(14)	(14)
General Plant - All Other	389.2 UT	SG	1,171	2.32%	2.15%	27	25	(2)	(0)
General Plant - All Other	389.2 UT	UT	32,503	2.32%	2.15%	754	699	(55)	-
General Plant - All Other	389.2 WY	WY	74,342	2.01%	2.01%	1,491	1,494	3	-
General Plant - All Other	390 CA	CA	2,936,056	2.38%	1.71%	69,829	50,083	(19,746)	-
General Plant - All Other	390 ID	ID	10,530,869	2.12%	1.86%	222,839	195,936	(26,903)	(26,903)
General Plant - All Other	390 ID	SG	1,326,754	2.12%	1.86%	28,075	24,678	(3,397)	(192)
General Plant - All Other	390 ID	SO	712,206	2.12%	1.86%	15,071	13,247	(1,824)	(101)
General Plant - All Other	390 OR	OR	32,159,408	2.21%	1.98%	711,644	634,943	(76,700)	-
General Plant - All Other	390 OR	SG	2,897,547	2.21%	1.98%	64,119	57,371	(6,747)	(381)
General Plant - All Other	390 OR	SO	39,342,704	2.21%	1.98%	870,601	778,986	(91,615)	(5,052)
General Plant - All Other	390 OT	SG	374,091	2.06%	1.51%	7,721	5,647	(2,074)	(117)
General Plant - All Other	390 UT	CN	7,839,508	2.18%	2.06%	171,280	161,494	(9,786)	(378)
General Plant - All Other	390 UT	SG	2,093,476	2.18%	2.06%	45,739	43,126	(2,613)	(148)
General Plant - All Other	390 UT	SO	39,519,198	2.18%	2.06%	863,426	814,095	(49,331)	(2,720)
General Plant - All Other	390 UT	UT	38,830,771	2.18%	2.06%	848,385	802,717	(45,668)	-
General Plant - All Other	390 WA	SG	75,535	3.80%	2.52%	2,869	1,903	(965)	(54)
General Plant - All Other	390 WA	WA	10,894,083	3.80%	2.52%	413,748	274,627	(139,121)	-
General Plant - All Other	390 WY	SG	914,264	3.03%	2.61%	27,694	23,862	(3,831)	(216)
General Plant - All Other	390 WY	WY	13,172,144	3.03%	2.61%	398,991	345,013	(53,978)	-
Total General Plant - All Other			203,731,364	2.34%	2.08%	4,764,396	4,230,028	(534,368)	(36,276)
<b>Total General Plant</b>			<b>449,572,820</b>	<b>4.40%</b>	<b>4.08%</b>	<b>19,761,135</b>	<b>18,358,851</b>	<b>(1,402,284)</b>	<b>(24,385)</b>
<b>Mining Plant</b>	SE		<b>238,286,179</b>	<b>3.67%</b>	<b>8.79%</b>	<b>8,750,045</b>	<b>20,944,312</b>	<b>12,194,267</b>	<b>765,114</b>
<b>Total Company - Depreciable Plant</b>			<b>22,869,363,406</b>	<b>2.54%</b>	<b>3.24%</b>	<b>582,443,595</b>	<b>743,256,789</b>	<b>160,813,194</b>	<b>8,851,849</b>
<b>Steam Production - Carbon</b>	SG		<b>120,084,309</b>	<b>3.05%</b>	<b>67.13%</b>	<b>3,662,198</b>	<b>80,614,396</b>	<b>76,952,198</b>	<b>4,343,859</b>
<b>Total Company - Less Carbon</b>			<b>22,749,279,097</b>	<b>2.54%</b>	<b>2.91%</b>	<b>578,781,397</b>	<b>662,642,393</b>	<b>83,860,996</b>	<b>4,507,989</b>

Allocation Factor Table ID
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\* For regulatory purposes, vehicle depreciation is re-classified as O&M.