

Transmission Formula Rate 2016 Annual Update

June 23, 2016



Agenda

- Annual Update Overview
- 2016 Projection and 2015 True-Up
- Schedule 1
- Additional Information
- Questions and Discussion

OASIS Postings

PacifiCorp has posted the following materials to OASIS

www.oasis.oati.com/ppw/

[Documents > PacifiCorp OASIS Tariff/Company Information > OATT Pricing > 2016 Transmission Formula Annual Update]

- FERC informational filing
- Formula Rate 2016 Projection and variance analysis
- Formula Rate 2015 True-Up and variance analysis
- Additional materials
 - Transmission Plant Additions Detail
 - Material Changes Summary
 - 2016 Actuarial Study Reports (PBOP details)
 - Information request process narrative (includes IntraLinks info)
 - Rate Table and FAQ

OASIS Postings: Currently Effective Rates

Rates as of June 1, 2016

Service Increment	Class	Period *	Unit	Schedule							
				1	2	3	3A	5	6	7	8
				Scheduling, System Control and Dispatch Service (SC)	Reactive Supply and Voltage Control from Generation or Other Sources Service (RV)	Regulation and Frequency Response Service (RF)	Generator Regulation and Frequency Response Service (GR)	Operating Reserve-Spinning Reserve Service (SP)	Operating Reserve-Supplemental Reserve Service (SU)	LTF and STF Point To Point Transmission Service (Firm)	Non-Firm Point To Point Transmission Service (NF)
Effective date				June 1, 2016	May 1, 2013	March 1, 2013	March 1, 2013	June 1, 2013	June 1, 2013	June 1, 2016	June 1, 2016
Hourly	Firm	On peak	\$/MWh	0.18	0.132	0.697	0.697	0.39	0.34	7.14	n/a
Hourly	Firm	Off peak	\$/MWh	0.09	0.063	0.332	0.332	‡	‡	3.40	n/a
Hourly	Non-firm	On peak	\$/MWh	0.18	0.132	0.697	0.697	‡	‡	n/a	7.14
Hourly	Non-firm	Off peak	\$/MWh	0.09	0.063	0.332	0.332	‡	‡	n/a	3.40
Daily	Firm	On peak	\$/MW-day	2.93	2.115	11.154	11.154	‡	‡	114.24	n/a
Daily	Firm	Off peak	\$/MW-day	2.10	1.511	7.967	7.967	‡	‡	81.60	n/a
Daily	Non-firm	On peak	\$/MW-day	2.93	2.115	11.154	11.154	‡	‡	n/a	114.24
Daily	Non-firm	Off peak	\$/MW-day	2.10	1.511	7.967	7.967	‡	‡	n/a	81.60
Weekly	Firm	On peak	\$/MW-week	14.67	10.577	55.769	55.769	‡	‡	571.21	n/a
Weekly	Non-firm	On peak	\$/MW-week	14.67	10.577	55.769	55.769	‡	‡	n/a	571.21
Monthly	Firm	On peak	\$/MW-month	63.56	45.833	241.667	241.667	‡	‡	2,475.26	n/a
Monthly	Non-firm	On peak	\$/MW-month	63.56	45.833	241.667	241.667	‡	‡	n/a	2,475.26
Yearly	Firm	On peak	\$/MW-year	762.76	550.000	2,900.000	2,900.000	‡	‡	29,703.11	n/a

‡ This is an energy-based charge billed in dollars per Megawatt-hour (\$/MWh)

Rates for Schedules 1, 7, and 8 have been rounded to the nearest cent.

2016 Projection: 29.70 \$/kW-year
 2015 True-Up: 28.44 \$/kW-year

2015 FERC Form No.1

The 2015 FERC Form No. 1 may be found by clicking on “Regulatory Filings” under “Financial Information” at the following link on PacifiCorp’s website:

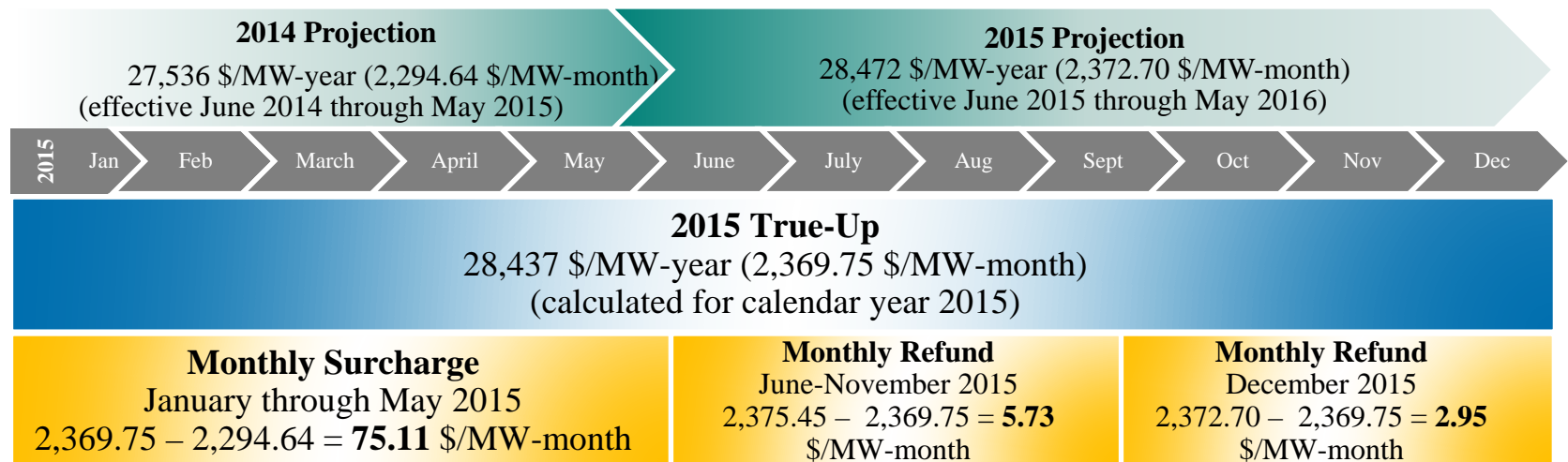
www.pacifiCorp.com/about/fi.html

The above navigation redirects to the Berkshire Hathaway Energy Company website accessible directly at:

www.berkshirehathawayenergyco.com/investors/regulatory-filings

2015 True-Up Surcharge/Refund

- True-Up covers calendar year during which two projected rates were in effect



- Surcharge/refunds to long-term firm point-to-point and network transmission service customers have been calculated and will be included in invoices distributed in June 2016

Overview of Rates, ATRR and Loads

True-Up (refund rate)	2014 True-Up	2015 True-Up	Change	Change (%)	
ATRR	\$343,780,266	\$382,215,467	\$ 38,435,201	11.2%	
Loads (MW)	13,469	13,441	(28)	-0.2%	
True-Up rate \$/kW-year	25,524.06	28,437.00	2,912.94	11.4%	
Projected (billing rate)	2014 Projection	2015 Projection	2016 Projection	2016/2015 Projection	Change (%)
ATRR	\$370,263,566	\$380,925,013	\$408,071,508	\$ 27,146,494	+7.1%
Loads (MW)	13,447	13,379	13,738	360	+2.7%
Projected rate \$/kW-year	27,535.66	28,472.34	29,703.11	1,231	+4.3%

- A new 2014 True-Up rate has been calculated that reflects a) an amendment filed to the 2014 FERC Form No.1 resubmitted on December 1, 2015, and b) 2015 Annual Update Preliminary Challenge items. Refunds reflecting this rate will be included in August 2016 invoices.
- The 2015 Projection rate shown here reflects the Form No. 1 changes and was billed beginning December 1, 2015.

Rate Summary: 2015 True-Up

		2015 True-up	2015 Projection (Dec 1 update)		
		Projection	Projection	Difference	Difference %
Summary					
137	Net Property, Plant & Equipment	4,307,139,979	4,363,479,368	(56,339,389)	-1.29%
138	Total Adjustment to Rate Base	(1,030,746,483)	(991,848,168)	(38,898,315)	-3.92%
139	Rate Base	3,276,393,495	3,371,631,200	(95,237,705)	-2.82%
140	Total Transmission O&M	69,750,161	60,959,586	8,790,574	14.42%
141	Total Transmission Depreciation & Amortization	105,285,179	98,292,242	6,992,937	7.11%
142	Taxes Other than Income	34,427,840	31,806,190	2,621,650	8.24%
143	Investment Return	245,532,725	254,548,240	(9,015,515)	-3.54%
144	Income Taxes	97,703,350	101,707,715	(4,004,365)	-3.94%
145	Gross Revenue Requirement	552,699,256	547,313,974	5,385,281	0.98%
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities					
146	Transmission Plant In Service	5,682,605,094	5,387,870,877	294,734,217	5.47%
147	Excluded Transmission Facilities	242,640,976	239,989,391	2,651,585	1.10%
148	Included Transmission Facilities	5,439,964,118	5,147,881,486	292,082,632	5.67%
149	Inclusion Ratio	95.73%	95.55%		
150	Gross Revenue Requirement	552,699,256	547,313,974	5,385,281	0.98%
151	Adjusted Gross Revenue Requirement	529,099,606	522,935,226	6,164,380	1.18%
Revenue Credits					
152	Revenue Credits	152,695,083	148,180,554	4,514,529	3.05%
153	Net Revenue Requirement	376,404,523	374,754,672	1,649,851	0.44%
165	Net Revenue Requirement	376,404,523	374,754,672	1,649,851	0.44%
166	Facility Credits under Section 30.9 of the OATT	0	0	0	n/m
167	Transmission Incentive Credit	4,290,141	4,418,738	(128,596)	-2.91%
168	Interest on Network Upgrade Facilities	1,520,803	1,751,604	(230,801)	-13.18%
169	Net Zonal Revenue Requirement	382,215,467	380,925,013	1,290,454	0.34%
Network Service Rate					
170	12 CP Monthly Peak (MW)	13,441	13,379	62	0.46%
172	Network Service Rate (\$/MW-year)	28,437	28,472	(35)	-0.12%

Rate Summary: 2016 Projection

		2016 Projection	2015 Projection (Dec 1 update)		
		Projection	Projection	Difference	Difference %
Summary					
137	Net Property, Plant & Equipment	4,573,485,299	4,363,479,368	210,005,931	4.81%
138	Total Adjustment to Rate Base	(1,069,033,177)	(991,848,168)	(77,185,009)	-7.78%
139	Rate Base	3,504,452,121	3,371,631,200	132,820,921	3.94%
140	Total Transmission O&M	69,887,253	60,959,586	8,927,666	14.65%
141	Total Transmission Depreciation & Amortization	105,285,179	98,292,242	6,992,937	7.11%
142	Taxes Other than Income	35,960,264	31,806,190	4,154,074	13.06%
143	Investment Return	262,623,425	254,548,240	8,075,185	3.17%
144	Income Taxes	104,552,538	101,707,715	2,844,823	2.80%
145	Gross Revenue Requirement	578,308,659	547,313,974	30,994,685	5.66%
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities					
146	Transmission Plant In Service	5,910,756,444	5,387,870,877	522,885,568	9.70%
147	Excluded Transmission Facilities	242,640,976	239,989,391	2,651,585	1.10%
148	Included Transmission Facilities	5,668,115,468	5,147,881,486	520,233,982	10.11%
149	Inclusion Ratio	95.89%	95.55%		
150	Gross Revenue Requirement	578,308,659	547,313,974	30,994,685	5.66%
151	Adjusted Gross Revenue Requirement	554,568,656	522,935,226	31,633,430	6.05%
Revenue Credits					
152	Revenue Credits	152,695,083	148,180,554	4,514,529	3.05%
153	Net Revenue Requirement	401,873,572	374,754,672	27,118,900	7.24%
165	Net Revenue Requirement	401,873,572	374,754,672	27,118,900	7.24%
166	Facility Credits under Section 30.9 of the OATT	0	0	0	n/m
167	Transmission Incentive Credit	4,677,132	4,418,738	258,395	5.85%
168	Interest on Network Upgrade Facilities	1,520,803	1,751,604	(230,801)	-13.18%
169	Net Zonal Revenue Requirement	408,071,508	380,925,013	27,146,495	7.13%
Network Service Rate					
170	12 CP Monthly Peak (MW)	13,738	13,379	360	2.69%
172	Network Service Rate (\$/MW-year)	29,703	28,472	1,231	4.32%

ATRR: Transmission O&M (lines 53-75, 140)

(\$ millions)

Transmission O&M - 2015 Annual Update (2015 Projection)	\$ 61.0
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Cost Drivers in 2015:

Decrease in wheeling expenses (FERC 565) (lower reduction to Transmission O&M)	2.9
Increase in allocated A&G expenses	2.6
Increase in membership dues (PEAK and WECC) (FERC 561.8)	1.9
Increase in vegetation management program expenses (FERC 571)	0.9
Increased in Rights of Way expenses (FERC 567)	0.3
Increase in allocated Property Insurance expenses (FERC 924)	0.1
Net other increases *	1.9
Increase in FERC 561.0-561.5 (Sch. 1) accounts (higher reduction to Transmission O&M)	(0.8)
Increase in adjustments to Transmission O&M (higher reduction to Transmission O&M)**	(0.6)
Decrease in directly assigned Regulatory Commission expenses (FERC 928)	(0.3)
	\$ 8.9

Transmission O&M - 2016 Annual Update (2016 Projection)	\$ 69.9
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*Net other increases primarily includes changes due to lower net cross charges from transmission to other departments, offset by labor, wages and benefits savings.

**Includes adjustments to exclude write offs that were booked to FERC 573 and transmission imbalances penalty refunds in FERC 566.

ATRR: Depreciation and Amortization (lines 76-83, 141)

		2016 Projection	2015 Projection (Dec 1 update)		
		Projection	Projection	Difference	Difference %
141	Total Transmission Depreciation & Amortization	105,285,179	98,292,242	6,992,937	7.11%

*(same for 2015 True-Up and 2016 Projection)

(\$ millions)

Total Transmission Depreciation and Amortization - 2015 Annual Update (Dec 1, 2015) \$ 98.3

Cost Drivers in 2015:

Increase in Transmission Depreciation expense due to higher transmission plant in-service balances due to new plant additions in 2015 (line 76) 7.2

Decrease in General Depreciation and Intangible Amortization Functionalized to Transmission due to the extension of the SAP software life and major software coming to the end of their amortization life (line 81) (0.2)

\$ 7.0

Total Transmission Depreciation and Amortization - 2016 Annual Update \$ 105.3

ATRR: Taxes Other than Income (lines 84, 142)

		2015 True-up	2015 Projection (Dec 1 update)		
		Projection	Projection	Difference	Difference %
84	Taxes Other than Income Taxes	34,427,840	31,806,190	2,621,650	8.24%

		2016 Projection	2015 Projection (Dec 1 update)		
		Projection	Projection	Difference	Difference %
84	Taxes Other than Income Taxes	35,960,264	31,806,190	4,154,074	13.06%

- See Attachment 2 to the formula for details.
- Increase is primarily due to higher property tax assessments in Utah, Idaho and Washington.
- Taxes are \$1.5 million higher in the 2016 Projection than in the 2015 True-Up due to higher projected net plant allocator.

ATRR: Income Taxes (lines 136, 144)

		2015 True-up	2015 Projection (Dec 1 update)		
		Projection	Projection	Difference	Difference %
Summary					
137	Net Property, Plant & Equipment	4,307,139,979	4,363,479,368	(56,339,389)	-1.29%
138	Total Adjustment to Rate Base	(1,030,746,483)	(991,848,168)	(38,898,315)	-3.92%
139	Rate Base	3,276,393,495	3,371,631,200	(95,237,705)	-2.82%
144	Income Taxes	97,703,350	101,707,715	(4,004,365)	-3.94%

		2016 Projection	2015 Projection (Dec 1 update)		
		Projection	Projection	Difference	Difference %
Summary					
137	Net Property, Plant & Equipment	4,573,485,299	4,363,479,368	210,005,931	4.81%
138	Total Adjustment to Rate Base	(1,069,033,177)	(991,848,168)	(77,185,009)	-7.78%
139	Rate Base	3,504,452,121	3,371,631,200	132,820,921	3.94%
144	Income Taxes	104,552,538	101,707,715	2,844,823	2.80%

- Income taxes are driven by the rate base
- Income tax rates were flat in 2015

ATTR: Investment Return: Rate Base


Investment Return=Rate Base*Rate of Return


	2015 Annual Update	2016 Annual Update	% change
Rate of Return	7.55%	7.49%	-0.06%

Rate of Return decreased due to lower weighted cost of common stocks driven by lower retained earnings in 2015.

Rate base (\$)

2015 Projection 3,371,631,200

2015 True-Up 3,276,393,495  - 95,237,705

2016 Projection 3,504,452,121  +132,820,921

Rate Base: 2015 True-Up to 2015 Projection

Rate Base Components:

		2015 True-up	2015 Projection (Dec 1 update)		
			Projection	Difference	Difference %
	Summary				
137	Net Property, Plant & Equipment	4,307,139,979	4,363,479,368	(56,339,389)	-1.29%
138	Total Adjustment to Rate Base	(1,030,746,483)	(991,848,168)	(38,898,315)	-3.92%
139	Rate Base	3,276,393,495	3,371,631,200	(95,237,705)	-2.82%

Net PP&E:

	Plant In Service				
15	Transmission Plant In Service	5,682,605,094	5,387,870,877	294,734,217	5.47%
16	New Transmission Plant Additions for Current Calendar Year (weighted	0	311,624,183	(311,624,183)	-100.00%
17	Total Transmission Plant	5,682,605,094	5,699,495,060	(16,889,966)	-0.30%
18	General Plant	1,309,186,712	1,445,031,807	(135,845,095)	-9.40%
19	Intangible Plant	878,463,799	880,195,124	(1,731,325)	-0.20%
20	Total General and Intangible Plant	2,187,650,511	2,325,226,931	(137,576,420)	-5.92%
21	Wage & Salary Allocator	7.8816%	7.7637%		
22	General and Intangible Allocated to Transmission	172,420,861	180,524,052	(8,103,191)	-4.49%
24	Total Plant In Rate Base	5,858,683,489	5,883,676,647	(24,993,157)	-0.42%
	Accumulated Depreciation and Amortization				
25	Transmission Accumulated Depreciation	1,468,207,066	1,432,003,537	36,203,529	2.53%
26	Accumulated General Depreciation	499,668,028	580,388,319	(80,720,291)	-13.91%
27	Accumulated Amortization	557,692,519	555,584,758	2,107,761	0.38%
28	Accumulated General and Intangible Depreciation	1,057,360,547	1,135,973,077	(78,612,530)	-6.92%
29	Wage & Salary Allocator	7.8816%	7.7637%		
30	Subtotal General and Intangible Accum. Depreciation Allocated to Trans	83,336,445	88,193,742	(4,857,297)	-5.51%
31	Total Accumulated Depreciation and Amortization	1,551,543,511	1,520,197,279	31,346,232	2.06%
32	Total Net Property, Plant & Equipment	4,307,139,979	4,363,479,368	(56,339,389)	-1.29%

Rate Base: 2015 True-Up to 2015 Projection (cont'd)*

- Decrease in Net PP&E of \$(56.4)m in the 2015 True-Up primarily due to lower Total Plant in Rate Base (\$(25.0)m) and higher actual 2015 Accumulated Depreciation and Amortization balances (\$31.4m).
- Transmission PIS decreased by \$(16.9)m due to lower 13-month average PIS due to cost savings and timing of the projects:

(unweighted)	
2015 Forecast Transmission Plant Additions (Enclosure 6)	\$ 557,697,114
2015 Actual Transmission Plant additions	\$ 537,305,881
Difference (actual vs forecast)	\$ (20,391,233)

- Transmission Accumulated Depreciation increased by \$36.2m due to higher transmission plant in-service balances due to new plant additions in 2015.
- Net General and Intangible Plant Allocated to Transmission decreased by \$3.2m primarily due to the disposition of the Deer Creek Mine assets.

*Plant in-service (PIS) in true-up use 13-month averages for transmission PIS while in projection we use prior year December balances adjusted for new PIS additions for current year weighted by month in service.

Rate Base: 2016 projection to 2015 Projection

Rate Base Components:

		2016 Projection	2015 Projection (Dec 1 update)		
		Projection	Projection	Difference	Difference %
Summary					
137	Net Property, Plant & Equipment	4,573,485,299	4,363,479,368	210,005,931	4.81%
138	Total Adjustment to Rate Base	(1,069,033,177)	(991,848,168)	(77,185,009)	-7.78%
139	Rate Base	3,504,452,121	3,371,631,200	132,820,921	3.94%

Net PP&E:

Plant In Service					
15	Transmission Plant In Service	5,910,756,444	5,387,870,877	522,885,568	9.70%
16	New Transmission Plant Additions for Current Calendar Year	78,371,399	311,624,183	(233,252,784)	-74.85%
17	Total Transmission Plant	5,989,127,844	5,699,495,060	289,632,784	5.08%
18	General Plant	1,173,341,617	1,445,031,807	(271,690,190)	-18.80%
19	Intangible Plant	876,732,474	880,195,124	(3,462,650)	-0.39%
20	Total General and Intangible Plant	2,050,074,092	2,325,226,931	(275,152,839)	-11.83%
21	Wage & Salary Allocator	7.8816%	7.7637%		
22	General and Intangible Allocated to Transmission	161,577,701	180,524,052	(18,946,351)	-10.50%
23	Land Held for Future Use	3,657,534	3,657,534	0	0.00%
24	Total Plant In Rate Base	6,154,363,079	5,883,676,647	270,686,432	4.60%
Accumulated Depreciation and Amortization					
25	Transmission Accumulated Depreciation	1,503,737,225	1,432,003,537	71,733,688	5.01%
26	Accumulated General Depreciation	418,947,737	580,388,319	(161,440,582)	-27.82%
27	Accumulated Amortization	559,800,280	555,584,758	4,215,522	0.76%
28	Accumulated General and Intangible Depreciation	978,748,017	1,135,973,077	(157,225,061)	-13.84%
29	Wage & Salary Allocator	7.8816%	7.7637%		
30	Subtotal General and Intangible Accum. Depreciation and Amortization	77,140,556	88,193,742	(11,053,186)	-12.53%
31	Total Accumulated Depreciation and Amortization	1,580,877,780	1,520,197,279	60,680,502	3.99%
32	Total Net Property, Plant & Equipment	4,573,485,299	4,363,479,368	210,005,931	4.81%

Rate Base: 2016 projection to 2015 Projection (cont'd)

2016 Projected Net PP&E increased \$210.0m primarily due to higher December 2015 Transmission PIS balances when compared to December 2014 balances and lower 2016 forecast of transmission plant additions.

2016 Projected Additions: \$136.4 million (unweighted):

- 24.3 million: 230 kV Standpipe Substation Construct to support load growth in south/central WY and conform to NERC and WECC standards
- 20.5 million: Union Gap - 230 - 115kV Capacity increase to mitigate the system deficiencies associated with existed contingencies and to comply with NERC planning criteria
- 15.7 million: Pinto Add 3rd Phase Shifting Transformer to increase transfer capability to meet network transmission service obligations
- 11.4 million: Sigurd - Red Butte 345 kV line – new line to serve new customers, increase capacity and reliability, and access low- cost resources from Southwest
- 64.5 million: Other projects (refer to Enclosure 6, Transmission Plant Additions Detail for the Rate Year, to the 2016 Annual Update for more details).

Investment Return: Rate Base Adjustments

(\$, millions)	2015 Projection	2015 True- Up	<i>2015 True- Up/ 2015 Projection</i>	2016 Projection	<i>2016 Projection/ 2015 Projection</i>
ADIT (ln 33)	(942.0)	(990.9)	(48.9)	(1,040.0)	(98.0)
Network Upgrade (ln 50)	(52.3)	(43.9)	8.4	(35.6)	16.7
Materials & Supplies (ln 46)	9.1	10.3	1.2	11.3	2.2
Other	(6.6)	(6.2)	0.4	(4.7)	1.9
Total	(991.8)	(1,030.7)	(38.9)	(1,069.0)	(77.2)

*Included in Other are adjustments for income tax credit, unfunded reserves and prepayments.

- ADIT increased due to 2015 plant additions and tax bonus depreciation
- Network Upgrade balances decreased due to refunds to customers and adjustments to network upgrade balances.

Revenue Credits (Line 152)

3.05% increase from 2015 Projection to 2016 projection

- Increase in various rents on transmission facilities
- Increase in ESM short-term revenues
- Other Service contract revenue credits flat

(\$)	2015 Projection	2015 True-Up/ 2016 projection	Difference
+ Rents (FERC 454)	5,382,461	5,589,191	+3.84%
+ Other Rev. (FERC 456)	142,798,094	147,105,893	+3.02%
= Total Revenue Credits	148,180,554	152,695,083	+3.05%

2015 True-Up: Load (Attachment 9b)

	2015 Projection	2015 True- Up	Difference
Average 12 CP (MW)			
Part III – NITS (ESM) ^{3YrAvg}	8,537	8,597	+0.7%
Part III – NITS (Third-party) ^{3YrAvg}	134	135	+0.7%
Other Service (OS) ^{3 Yr Avg}	920	1,011	+9.9%
Part II – LT PTP (ESM)	2,474	2,474	0%
Part II – LT PTP (Third-party)	953	951	-0.2%
Behind-the-Meter	263	273	+3.8%
1% growth (Projection only)	98	n/a	n/a
Divisor (MW)	13,379	13,441	+0.46%

- Other Service increase 9.9%:

- UAMPS OS increase 101MW due to St. George area volumes
- Deseret OS increase 17 MW
- Offset by lower UMPA OS (8MW) and WAPA OS (19MW) volumes

- Behind-the-Meter volumes increase 3.8%

2016 Projection: Load (Attachment 9a)

Average 12 CP (MW)	2015 Projection	2016 Projection	Difference
Part III – NITS (ESM) ^{3YrAvg}	8,537	8,598	+0.7%
Part III – NITS (Third-party) ^{3YrAvg}	134	185	+38.0%
Other Service (OS) ^{3 Yr Avg}	920	962	+4.5%
Part II – LT PTP (ESM)	2,474	2,574	+4.0%
Part II – LT PTP (Third-party)	953	1052	+10.4%
Behind-the-Meter	263	267	+1.5%
1% growth	98	100	n/a
Divisor (MW)	13,379	13,738	+2.69%

- NITS and Other Services: applied 1% growth rate to the 3-year average of loads.
- Behind-the-meter: 3-year average only (no 1% growth).
- LTPTP use 2015 actual loads adjusted for known and measurable changes.
- Projected NITS (Third-party) increase 38% due to new BPA contracts which replaced legacy contracts to preference customers in SE Idaho, total 65 MW.

Schedule 1

(Appendix B to the 2016 Annual Update)

Schedule 1: Overview

(\$)	2015 Update	2016 Update	Difference
(561.2) Load Dispatch – Monitor and Operate Transmission System	7,564,076	6,818,716	-9.9%
(561.4) Scheduling, System Control and Dispatch Services	824,276	2,106,756	+ 17.0%
(561.5) Reliability, Planning and Standards Development	1,111,085	1,326,587	+2.8%
Annual Revenue Requirement	9,499,437	10,252,059	+ 9.9%
12 CP Demand (MW)	13,469*	13,441	-0.4%
Schedule 1 rate (\$/MW-year)	705.29	762.76	+8.15%

*2014 actual loads

- Revenue requirement increased and load decreased (each of which alone drives rate higher).
- FERC 561.4 increased due to EIM grid management charges.
- FERC 561.2 decreased due to labor, wages and benefits savings in transmission grid operations and lower cross charges to transmission for IT support services.

Additional Information

Annual Review Procedures

- General

- ▶ Interested parties have 180 days after the Publication Date (May 15) to serve reasonable information requests to the Transmission Provider for information and work papers supporting the Annual Update
- ▶ An Interested Party shall have the right to make Preliminary and/or Formal Challenges pursuant to the Protocols

- Information requests

- ▶ Please submit information requests to the following email address:
datarequest@pacificorp.com
- ▶ IntraLinks is the online workroom for information request and response postings
- ▶ PacifiCorp will post on IntraLinks information requests within one business day of receipt
- ▶ PacifiCorp will make a good faith effort to respond within 10 business days of receipt of such requests
- ▶ PacifiCorp will post responses to information requests on IntraLinks

2016 Annual Update Timeline

April 7, 2016	The 2015 FERC Form No.1 filed
May 16, 2016	The 2016 Annual Update filed with FERC and published in OASIS.
May 17, 2016	The 2016 Annual Update Informational request period begins.
May 26, 2016	The 2016 Rate Table and FAQ document is published in OASIS
June 1, 2016	Rate Year begins. The 2016 Projected new rates go into effect.
June 23, 2016	2016 Annual Customer meeting and presentation of the new rates
June 2016	Issue refunds/surcharge for the 2015 True-Up rate
July 10, 2016	End of the preliminary challenge period for the 2015 Annual Update.
August/September 2016	Issue refunds/surcharge for the 2014 True-Up rate (final)
August/September 2016	Publish historical rates in OASIS
November 12, 2016	The 2016 Annual Update Informational request period ends.
December 12, 2016	The 2016 Annual Update Preliminary challenge period ends (later of request period end or last Company response, plus 30 days)