PacifiCorp’s total rate base was $9.7 billion in 2008 and $10.6 billion in 2009 (beginning/ending average basis).
Some Regulatory Policy Issues

- Test period policy,
- Use of adjustment mechanisms,
- Prudence review and establishment of ratemaking principles in advance of investments (sometimes referred to as pre-approval),
- Ownership versus market purchase,
- Market pricing versus marginal cost rates versus embedded cost rates,
Some More Regulatory Policy Issues

- End use rates,
- Mandatory versus voluntary customer participation in demand response/energy efficiency programs,
- Formula rates,
- Formula ROE,
- Alternative ratemaking,
Still More Regulatory Policy Issues

» CWIP (particularly for nukes),

» Environment control investments,

» Accelerated depreciation (particularly for coal generation retired to satisfy changing environmental regulations),

» Appropriate depreciation lives for new investment (particularly natural gas fired generation since it emits CO2),
There Are More But You Get the Idea Regulatory Policy Issues

» Used & useful determinations,

» Lumpiness of rates,

» Meaningful integrated resource planning,

» Public involvement in and acceptance of resource decisions.