

FILED FOR RECORD
SKAMANIA CO. WASH
BY *Skamania Co.*

MAY 17 12 53 PM '95

P. Laury
AUDITOR

GARY M. OLSON
122338

SUPERIOR COURT OF WASHINGTON
FOR CLARK COUNTY

FILED

MAY 04 1995

CLARK COUNTY CLERK, CLARK CO.

PacifiCorp,

Plaintiff,

v.

Department of Revenue of the State of Washington;
Asotin County; Benton County; Clark County;
Columbia County; Cowlitz County; Franklin
County; Garfield County; Grant County; Grays
Harbor County; Kittitas County; Klickitat County;
Lewis County; Skamania County; Thurston County;
Walla Walla County; Yakima County,

Defendants.

95 2 01911 4

No. _____

SUMMONS (20 DAY)

TO THE DEFENDANTS: A lawsuit has been started against you in the above-entitled court by plaintiff PacifiCorp, an Oregon corporation. Plaintiff's claims are stated in the written complaint, a copy of which is served upon you with this summons.

In order to defend against this lawsuit, you must respond to the complaint by stating your defense in writing, and by serving a copy upon the person signing this summons within 10 days after the service of this summons, excluding the day of service, or a default judgment may be entered against you without notice. A default judgment is one where plaintiff is entitled to what it asks for because you have not responded. If you serve a notice of appearance on the undersigned person, you are entitled to notice before a default judgment may be entered.

You may demand that the plaintiff file this lawsuit with the court. If you do so, the demand must be in writing and must be served upon the person signing this summons. Within 14 days after you serve the demand, the plaintiff must file this lawsuit with the court, or the service on you of this summons and complaint will be void.

If you wish to seek the advice of an attorney in this matter, you should do so promptly so that your written response, if any, may be served on time. This summons is issued pursuant to Rule 4 of the Superior Court Civil Rules of the State of Oregon.

DATED this 3 day of May, 1995.

Thomas H. Nelson
Thomas H. Nelson, OSB No. 78315
D. Jeffrey Courser, WSB No. 15466
Of Attorneys for Plaintiff

STOEL RIVES BOLEY JONES & GREY
805 Broadway, Suite 725
Vancouver, WA 98660
Telephone: (360) 599-5900

SUMMONS (20 DAY) - PAGE 1

PD-30-10250-1 5/8/95 0000

75-0000000400

Signature _____
Indexed, Dir _____
Indirect _____
Filed _____
Mailed _____

COPY
ORIGINAL FILED

MAY 04 1995

JoAnne McBride, Clerk, Clark Co.

SUPERIOR COURT OF WASHINGTON
FOR CLARK COUNTY

PacifiCorp,

Plaintiff,

v.

Department of Revenue of the State of
Washington; Asotin County; Benton
County; Clark County; Columbia
County; Cowlitz County; Franklin
County; Garfield County; Grant
County; Grays Harbor County; Kittitas
County; Klickitat County; Lewis
County; Skamania County; Thurston
County; Walla Walla County; Yakima
County,

Defendants.

No. 95 2 01911 4

COMPLAINT FOR RECOVERY OF
TAXES

1.

Plaintiff PacifiCorp is an Oregon corporation operating in
Washington as an electric utility company under the assumed business name of
Pacific Power & Light Company. PacifiCorp is qualified to do business in the
State of Washington and has paid all fees due the State. During the 1994
assessment year, Plaintiff owned intercounty property in the State of Washington

COMPLAINT FOR RECOVERY OF TAXES - PAGE 1

PD103-101927.1 00020 0000

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803 BROADWAY VANCOUVER, WASHINGTON 98660-3213
(206) 499-3900

1 which was used to provide electric utility service. That property is located in
2 Asotin County, Benton County, Clark County, Columbia County, Cowlitz County,
3 Franklin County, Garfield County, Grant County, Grays Harbor County, Kittitas
4 County, Klickitat County, Lewis County, Skamania County, Thurston County,
5 Walla Walla County, and Yakima County, Washington ("Defendant Counties").
6

7 2.

8 Defendant Department of Revenue of the State of Washington
9 ("Department of Revenue") is a department of the government of the State of
10 Washington which is required as of January 1 annually to determine the true cash
11 value of Plaintiff's Washington utility property. The Defendant Counties are
12 counties in the State of Washington in which Plaintiff owns real and personal
13 property used in utility activities, and to which Plaintiff has paid property taxes on
14 such property.
15

16 3.

17 This is an action for refund of taxes brought pursuant to the
18 provisions of 84.68.020, RCW. Venue for this action is established pursuant to
19 84.68.050, RCW. The taxes at issue in this action for refund were paid under
20 protest to the Defendant Counties in 1995 for the 1994 assessment year.
21

22 4.

23 Pursuant to Chapter 84.12, RCW, the Department of Revenue
24 determined that the true cash value of Plaintiff's utility system used to provide
25 utility services for assessment year 1994—its "reconciled unit value"—was
26 \$7,500,000,000. The system values were then allocated to the State of Washington

COMPLAINT FOR RECOVERY OF TAXES - PAGE 2

FD-303-101927 1 5/8/20 9009

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(206) 499-5900

1 such that the Washington State taxable value for the 1994 assessment year was
2 \$557,866,900. The Department then further allocated these Washington State values
3 to the Defendant Counties. Copies of the assessment notices are attached hereto
4 and incorporated herein as Exhibit 1.

5.

6
7 Plaintiff paid the challenged taxes to the Defendant Counties based
8 upon the values as established by the Department of Revenue as they became due
9 and under protest.

10 6.

11 The Department overvalued Plaintiff's assessments by overstating the
12 true and correct actual cash value of Plaintiff's operating property and failing to
13 properly apportion and equalize said amount to the assessment level of the general
14 property in each county as required by RCW 84.12.350. This overvaluation of
15 Plaintiff's equalized assessed value is grossly inequitable and palpably excessive,
16 arbitrary and capricious, illegal, and determined on a fundamentally wrong basis.
17 As a result of this overvaluation, Plaintiff's property taxes are illegal and excessive.
18

19 7.

20 The Department's overvaluation of Plaintiff's assessments violates the
21 equal protection clause of the fourteenth amendment to the United State
22 Constitution and the Uniformity Clause of the Washington State Constitution,
23 art. 7, § 1.

24 WHEREFORE, Plaintiff prays that the Court enter a judgment in
25 favor of Plaintiff against the Department of Revenue and the Defendant Counties
26

COMPLAINT FOR RECOVERY OF TAXES - PAGE 3

PLD-3-101927-1 30025 0001

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(206) 699-5900

1 in the amount of the difference between the taxes paid in 1994 to such counties
2 and the proper amount of tax payable, as determined in this action, together with
3 lawful interest thereon from the dates of payment, costs of suit, and such other
4 relief as the Court deems appropriate.

5 DATED this 3rd day of May, 1995.

6
7 STOEL RIVES BOLEY JONES & GREY

8
9 By Thomas H. Nelson
10 Thomas H. Nelson, # 13711
11 D. Jeffrey Courser, # 15466
12 Of Attorneys for PacifiCorp
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STATE OF WASHINGTON
DEPARTMENT OF REVENUE

P.O. Box 47450 • Olympia, Washington 98504-7450 • (206) 753-5540 • ~~1-800-368-6868~~

August 22, 1994

Property Tax • FAX (206) 586-7602

Pacificorp
Attn: Robt. Strong, Prop. Tax Mgr.
700 NE Multnomah Suite 700
Portland, OR 97232-4116

RE: Determination of Final 1994 Value

Under the Authority of the Revised Code of Washington 84.12.330 and 84.16.090, you are hereby notified of the true and correct actual cash value of the operating property of your company in the state of Washington. The Department of Revenue has determined that value to be:

\$557,866,900

The Department will now apportion this value to the affected counties and determine an equalized assessed valuation. You will be notified in writing when the equalized assessed value is completed and informed of any further appeal rights.

If you have any questions, please call (206) 753-1382 and ask for your Company's appraiser.

Sincerely,

Michael Grundhoffer
Utilities Program Manager
Property Tax Division

MG:mlh

COMPANY: PACIFICORP.
1994 Assessment Year
REVISED -- JULY 21, 1994

SUMMARY OF VALUE INDICATORS

COST INDICATOR	7,388,719,258	(page 6)
INCOME INDICATOR:		
BASED ON CASH FLOW MODEL	7,529,355,678	(page 7)
BASED ON EARNINGS MODEL	7,692,915,439	(page 7)
STOCK AND DEBT (MARKET) INDICATOR	7,638,540,648	(page 19)

RECONCILED UNIT VALUE	7,500,000,000
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ALLOCATION FACTOR	x	7.9668%	(page 3)
VALUE ALLOCATED TO WASHINGTON		597,510,000	
PERCENT TAXABLE	x	94.19%	(page 4)
TAXABLE WASHINGTON VALUE		562,794,669	
OTHER TAXABLE PROPERTY	+	149,099	(page 5)

MARKET VALUE OF WASHINGTON TAXABLE PROPERTY	562,943,768
LEASEHOLD IMPROVEMENT ADJUSTMENT	- 5,076,852
ADJUSTED MARKET VALUE OF WASHINGTON TAXABLE PROPERTY	557,866,916
MARKET VALUE OF WASHINGTON TAXABLE PROPERTY	557,866,900

APPRAISER


ROBERT BARNES

Date:

7-21-94

MATH REVIEWER

Date:

EXHIBIT

1

PAGE

2 OF 2