

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: May 22, 2001**

REGULAR AGENDA X **CONSENT AGENDA** **EFFECTIVE DATE**

DATE: May 15, 2001

TO: Phil Nyegaard through Lee Sparling and Jack Breen III

FROM: Rebecca Hathhorn

SUBJECT: UE 124 – PacifiCorp Advice Filing 01-010, Schedule 2020 – 20/20 Customer Challenge Program

SUMMARY RECOMMENDATION:

Staff recommends that PacifiCorp's Advice Filing 01-010 be suspended. Staff may modify its recommendation if the Company can address the issues discussed in this memo.

DISCUSSION:

On April 17, 2001, PacifiCorp filed Advice 01-010 requesting approval of Schedule 2020 by May 2, 2001 to be effective with bills issued beginning June 1, 2001. Staff submitted a public meeting memo, dated April 24, 2001, which summarizes the program and was considered at the May 1, 2001 public meeting. On May 1, 2001, a final decision was postponed on this matter until the Company could address issues raised by the Commission and other interested parties.

The major issue raised at the May 1, 2001 public meeting was that the 20 percent threshold was too high and realistically unattainable. The Company was aware prior to the May 1 public meeting of opposition by the Citizens' Utility Board to the 20/20 proposal and of the alternative suggested, which was a 10/10 program (i.e., reduce usage 10 percent from the same month a year ago and receive a 10 percent discount). The Company was directed to report back to the Commission by May 22, 2001 about implementing a tiered program. That is, the Commission requested the Company to provide both a 20/20 program as well as a 10/10 program. The Company expressed some uncertainty as to the programming technicalities of offering a tiered program, but agreed to research the matter and get back to the Commission with the results of its findings.

On May 15, 2001, PacifiCorp telephoned me and indicated that the Company intended to offer the 20/20 program effective for bills rendered after June 1, 2001. In addition, PacifiCorp intends to add a 10/10 program option for bills rendered after July 1, 2001. Staff has received no written documentation regarding this amended proposal as of the date of this memo.

Staff will be reviewing any revised tariff and documentation provided by the Company over the next several days. After reviewing the amended tariff and having an opportunity to discuss it

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with PacifiCorp and interested parties, we may be willing to amend the recommendation for suspension at the May 22, 2001 public meeting.

STAFF RECOMMENDATIONS:

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