

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: June 15, 2001

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

DATE: June 6, 2001

TO: Phil Nyegaard through Lee Sparling

FROM: Ed Busch

SUBJECT: Petition of PacifiCorp to Amend Order No. 98-191 Regarding Annual System Benefit Charge Adjustment

SUMMARY RECOMMENDATION:

I recommend that the Commission approve PacifiCorp's Petition to Amend Order No. 98-191.

DISCUSSION:

By petition received April 13, 2001, PacifiCorp requested the Commission modify Order No. 98-191, to allow PacifiCorp to defer its annual System Benefit Charge (SBC) filing until after September 30, 2001. Order No. 98-191 (Docket UE 94) established an Alternative Form of Regulation for PacifiCorp's distribution operations. Page 7 of Appendix A requires PacifiCorp to make an annual filing that adjusts the SBC rate each July 1st to collect the cost of DSM activities in the prior calendar year and true-up for any differences between actual and expected collections.

After discussions with Staff in Docket UE 116, PacifiCorp filed this petition to modify its annual SBC filing requirement for 2001. Because its DSM activities are scheduled to end at September 30, 2001 (with the subsequent implementation of the three percent public purpose charge), PacifiCorp requests approval to delay its filing until after that date. The company will then make a filing to consolidate current Schedules 191 and 192 to begin recovering the final DSM balances. If the current October 1, 2001 implementation date for the public purpose charge is postponed, the company asks for a comparable delay in its SBC filing.

Staff supports the company's request. Modifying Order No. 98-191 to allow the delay in PacifiCorp's 2001 SBC filing will not disadvantage either customers or the company. The current rates in tariff schedules 191 and 192 will continue to remain in effect, and the

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amounts in the associated balancing accounts are subject to true up to ensure that there is no over- or under-recovery. Staff's review of these accounts indicates that continuation of the current rate levels is reasonable. Should implementation of the public purpose charge be delayed, Staff will work with PacifiCorp regarding appropriate timing for its SBC filing.

STAFF RECOMMENDATION:

I recommend that the Commission approve PacifiCorp's Petition to Amend Order No. 98-191 to allow PacifiCorp to defer its annual System Benefit Charge filing until after September 30, 2001.