

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 3, 2001**

REGULAR _____ CONSENT X EFFECTIVE DATE _____ NA _____

DATE: November 23, 2001

TO: Phil Nyegaard

FROM: Terry Lambeth through Cynthia Van Landuyt, Ed Busch,
Rebecca Hathhorn, and Bonnie Tatom

SUBJECT: AR 435: Initiate a rulemaking to revise the deadlines for public utilities and large telecommunications utilities to file annual construction budgets

STAFF RECOMMENDATION:

The Commission should revise Oregon Administrative Rules (OARs) 860-027-0015, 860-036-0810, and 860-037-0620 to extend the deadlines for utilities to file their annual construction budgets from December 1 to December 31.

Staff's proposal would affect gas utilities, electric utilities, large telecommunications utilities, water utilities with \$50,000 or more operating revenues, and wastewater utilities with \$50,000 or more operating revenues. The changes would become effective for the 2003 construction budgets.

DISCUSSION:

Every year, several utilities request extensions for filing their annual construction budgets from December 1 to sometime later in December. There is no statute that establishes the filing date, and staff believes that December 31 would be a reasonable deadline. With this extra time, utilities' budgets should be more accurate, and the utilities will be more likely to make their filings on a timely basis. The changes would become effective in time for the 2003 construction budgets.

An additional change should be made to OAR 860-027-0015. The water rules were moved to Division 036, so only energy and large telecommunications utilities are now subject to OAR 860-027-0015. Therefore, staff proposes to remove the phrase "having gross operating revenues of \$50,000 or more per annum" from the rule. This is reasonable for two reasons. First, the phrase appears to make small telecommunications utilities subject to OAR 860-027-0015, which is not the case; see OAR 860-027-0001.

Second, the subject utilities have substantially more revenues than \$50,000 (Avista Utilities, Cascade Natural Gas, Century Telecommunications, Inc., Idaho Power Company, Northwest Natural, Portland General Electric, Pacific Power & Light, Qwest Corporation, Sprint/United Telephone Company of the Northwest, Inc., and Verizon Northwest, Inc.).

OAR 860-037-0620 is currently under review in docket AR 405, where staff's proposal would change "water/wastewater" to "wastewater." Ordinarily, I recommend that a rule should not be included in more than one docket at a time. However, docket AR 405 has been postponed indefinitely. Staff believes it is unreasonable to have different filing dates for different utilities, and there is no reason to delay the change in filing dates for the non-wastewater utilities. I believe this situation is unusual, and OAR 860-037-0620 should be included in docket AR 435. If staff's recommended change to OAR 860-037-0620 is adopted, docket AR 405 should be updated.

PROPOSED COMMISSION MOTION:

Docket AR 435 is opened to consider staff's proposed revisions to (1) OARs 860-027-0015, 860-036-0810, and 860-037-0620 to extend the deadline to December 31 for utilities to file their annual construction budgets; and (2) OAR 860-027-0015 to remove the reference to "gross operating revenues of \$50,000 or more per annum" for the large energy and telecommunications utilities.

Attachment

Docket AR 435
Staff's Proposed Revisions
November 23, 2001

860-027-0015

New Construction Budget

Each energy and large telecommunications utility operating within Oregon ~~and having gross operating revenues of \$50,000 or more per annum~~ is required to file annually on or before December 31 on forms approved by the Commission information on new construction, extensions, and additions to the utility's property.

Stat. Auth.: ORS Ch. 183, 756, 757 & 759

Stats. Implemented: ORS 756.105, 757.105 & 759.100

Hist.: PUC 164, f. 4-18-74, ef. 5-11-74 (Order No. 74-307); PUC 9-1998, f. & ef. 4-28-98 (Order No. 98-169); PUC 16-2001, f. & cert. ef. 6-21-01 (Order No. 01-488)

860-036-0810

New Construction Budget

Each fully regulated water utility operating within Oregon and having gross operating revenues of \$50,000 or more per annum is required to file annually on or before December 31, on forms approved by the Commission, information on new construction, extensions, and additions to the property of the water utility.

Stat. Auth.: ORS Ch. 183, 756 & 757

Stats. Implemented: ORS 756.040, 756.105 & 757.105

Hist.: PUC 13-1997, f. & ef. 11-12-97 (Order No. 97-434); PUC 15-1998, f. & ef. 8-27-98 (Order No. 98-359)

860-037-0620

New Construction Budget

Each water/wastewater utility operating wastewater service within Oregon and having gross operating revenues of \$50,000 or more per annum is required to file annually on or before December 31, on forms approved by the Commission, information on new construction, extensions, and additions to the property of the water/wastewater utility.

Stat. Auth.: ORS Ch. 183, 756 & 757

Stats. Implemented: ORS 756.040, 756.105, 757.005, 757.061 & 757.105

Hist.: PUC 9-1999 (Temp), f. 10-22-99 & ef 10-23-99 (Order No. 99-650); PUC 6-2000, f. 4-18-00 & ef. 4-20-00 (Order No. 00-194)