ITEM NO. 2

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: April 8, 2004

REGULAR X CONSENT ____ EFFECTIVE DATE N/A

DATE: March 22, 2004

TO: Lee Sparling through Ed Busch and Vicki McLean

FROM: Jerry Murray and Clark Jackson

SUBJECT: PACIFICORP and PORTLAND GENERAL ELECTRIC: December 2003 & January 2004 Ice and Snow Storm. Informational only.

DISCUSSION:

A severe winter storm impacted Oregon beginning December 26, 2003, that continued intermittently through January 12, 2004. The damage was so severe that 28 counties received Major Disaster Declarations from President Bush and the Federal Emergency Management Agency (FEMA).

This storm involved several days of snow, followed by three days of freezing rain that severely impacted the state. Portland International Airport was closed for a two-day period due to ice on the runways. Both Interstate Highways I-5 and I-84 were closed at times. For the first time in many years, state and local governments closed offices due to the extreme weather and unsafe road conditions. Heavy snowfall, followed by the freezing rain brought down trees, power lines, and rooftops throughout the Willamette Valley. Electric utility crews worked considerable overtime over an extended period of days in an effort to restore electrical power to customers.

PUC Staff believes that both PacifiCorp's and Portland General Electric's systems and employees performed very well during this major storm event. Less than 10 percent of their customers were impacted by the storm at any time. The electric transmission grid was never seriously threatened with line outages. For those customers that were interrupted, these companies and their dedicated employees responded in a very commendable manner in restoring power as soon as possible.

We have asked both companies to give a short presentation to the Commission at the April 8, 2004, public meeting. Both PacifiCorp and Portland General Electric representatives have been asked to briefly address storm impact to their company and its customers, recovery operations, and action items that will be implemented in anticipation of the next winter storm season.