

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: February 21, 2006**

REGULAR _____ **CONSENT** X **EFFECTIVE DATE** March 1, 2006

DATE: February 8, 2006

TO: Public Utility Commission

FROM: Lisa Schwartz

THROUGH: Lee Sparling, Ed Busch and Bonnie Tatom

SUBJECT: PACIFIC POWER & LIGHT: (Advice No. 06-003) Adds eligible biomass resources to Schedule 135, net metering, in compliance with ORS 757.300(1)(d)(A).

PORTLAND GENERAL ELECTRIC: (Advice No. 06-3) Adds eligible biomass resources to Schedule 203, net metering, in compliance with ORS 757.300(1)(d)(A).

STAFF RECOMMENDATION:

Staff recommends that the Commission allow Pacific Power & Light's (PacifiCorp) Advice No. 06-003, as filed on January 30, 2006, to go into effect March 1, 2006. Staff also recommends that the Commission allow Portland General Electric's (PGE) Advice No. 06-3, as filed on February 1, and amended on February 6, 2006, to go into effect March 1, 2006, with less than statutory notice.

DISCUSSION:

The 2005 Legislature made changes to ORS 757.300(1)(d)(A) to make biomass an eligible resource for net metering effective January 1, 2006. Under ORS 757.205, PacifiCorp filed Advice No. 06-003 on January 30, 2006, to modify the applicability clause in Schedule 135 to comply with these changes. PGE filed Advice No. 06-3 on February 1, 2006, to modify the applicability clause in Schedule 203. PGE amended its filing on February 6, 2006, to make typographical corrections at staff's request. The amended filing included a change in the proposed effective date to March 1, 2006, accompanied by a request for less than statutory notice.

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The law requires utilities to offer net metering to eligible facilities up to 25 kilowatts. However, the 2005 Legislature changed ORS 757.300(8) to allow the Commission to increase the eligible facility size for customers of PacifiCorp and PGE. Staff plans to hold workshops soon with interested persons on this issue and then propose rules for the Commission's consideration.

PROPOSED COMMISSION MOTION:

PacifiCorp's Advice No. 06-003, as filed on January 30, 2006, be allowed to go into effect March 1, 2006. PGE's request for less than statutory notice be approved and Advice No. 06-3, as filed on February 1, and amended on February 6, 2006, be allowed to go into effect March 1, 2006.