

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: November 7, 2006**

REGULAR X CONSENT _____ EFFECTIVE DATE _____ N/A _____

DATE: October 30, 2006

TO: Public Utility Commission

FROM: Lisa Schwartz

THROUGH: Lee Sparling, Ed Busch and Bonnie Tatom

SUBJECT: PACIFIC POWER & LIGHT: (Docket No. UM 1129/Advice No. 06-019) Proposes revised tariff related to purchases from qualifying facilities and standard power purchase agreements, in compliance with Order No. 06-538.

PORTLAND GENERAL ELECTRIC: (Docket No. UM 1129/Advice No. 06-26) Proposes revised tariff related to purchases from qualifying facilities and standard power purchase agreements, in compliance with Order No. 06-538.

IDAHO POWER: (Docket No. UM 1129/Advice No. 06-10) Proposes revised tariff related to purchases from qualifying facilities and standard power purchase agreement, in compliance with Order No. 06-538.

STAFF RECOMMENDATION:

Staff recommends the Commission suspend Pacific Power & Light's Advice No. 06-019, Portland General Electric's Advice No. 06-26, and Idaho Power Company's Advice No. 06-10 to allow staff time to review whether the filings comply fully with Order No. 06-538.

DISCUSSION:

Pacific Power, Portland General Electric (PGE) and Idaho Power made filings on October 20, 2006, in compliance with Order No. 06-538 (Order), issued September 20, 2006. The Order required the utilities to file, within 30 days, one or more revised standard contract forms that set forth standard rates, terms and conditions for Qualifying Facilities (QFs) consistent with policy decisions made in the Order. The Order further

required each utility to file a revised tariff that implements the resolutions in the Order. The revised standard contract forms and tariffs were to become effective 30 days after the date of filing unless suspended by the Commission. See Order No. 06-538 at 67-68.

Pacific Power filed three standard contract forms for QFs up to 10 megawatts, one each for existing and new QFs in its service territory and one for QFs outside its service territory ("off-system" QFs). PGE filed two standard contract forms – one for QFs within its territory and one for off-system QFs.

Idaho Power filed one standard contract form, for QFs in its service territory. At staff's request, the company has agreed to file a standard contract form for off-system QFs that includes the off-system provisions approved at the public meeting on December 6, 2005, and also complies with provisions of Order No. 06-538.

Staff needs time to appropriately review the filings to ensure they comply fully with the Order. Staff intends to complete its review by the end of the year. Until that time, the filed standard contract forms are considered "initial offers." See Order No. 06-538 at 67. It is staff's understanding that until such time as the newly filed standard contract forms go into effect, the utility will offer them to QFs, and QFs can accept any filed contract as is, or negotiate different terms with the utility.

PROPOSED COMMISSION MOTION:

Pacific Power & Light's Advice No. 06-019, Portland General Electric's Advice No. 06-26, and Idaho Power Company's Advice No. 06-10, be suspended, to allow staff time to review whether the filings comply fully with Order No. 06-538.