

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: April 8, 2008

REGULAR CONSENT EFFECTIVE DATE April 17, 2008

DATE: March 24, 2008

TO: Public Utility Commission

FROM: Deborah Garcia

THROUGH: Lee Sparling, Ed Busch, and Judy Johnson

SUBJECT: PACIFIC POWER & LIGHT: (Advice No. 08-005) Cancels Schedule 293, Large Nonresidential Consumer SB 1149 Adjustment.

STAFF RECOMMENDATION:

I recommend that Pacific Power & Light (PPL) Advice No. 08-005 be approved to cancel Schedule 293, effective April 17, 2008.

DISCUSSION:

Schedule 293 went into effect in September 2001 and was designed to collect the implementation costs for large nonresidential consumers of Senate Bill 1149, which were deferred each year as authorized by the Commission in Order No. 00-039. The current Schedule 293 rate is designed for the amortization of Phases I through VII of the SB 1149 deferrals. Recovery of each year's deferral was designed with a 5-year amortization schedule. However, once Phases I and II were fully amortized in 2007, the smaller balances of the remaining phases were quickly amortized at the current rate and PPL estimates that the deferral balance will be fully collected by mid-April. PPL does not propose to defer implementation costs beyond Phase VII and has incorporated the ongoing costs into rates in its last general rate case, UE 179.

As cancellation of Schedule 293 will decrease revenues by approximately \$7 million, PPL is requesting an effective date of April 17, 2008, to coincide with the effective date requested in Advice No. 08-004 for Schedule 92, Klamath Rate Reconciliation Adjustment. Any under or over collection of the large nonresidential consumer deferral will be transferred to the Miscellaneous Deferred accounts balancing account.

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PROPOSED COMMISSION MOTION:

PPL's request in Advice No. 08-005 to cancel Schedule 293, effective April 17, 2008, be approved.