

November 3, 2005

**MESSENGER**

Commission Filing Center  
Administrator  
Oregon Public Utility Commission  
550 Capitol Street, N.E., Ste 215  
Salem, OR 97301-2551

**RE: November 3, 2005, Draft MONET Runs for PGE's 2006 RVM (Docket UE-172)**

Enclosed are PGE's November 3rd Draft MONET runs in UE-172. Attachment 1 provides a hard copy of the Assumptions Summary, the MONET output, and the Step Log Summary. Attachment 2 is a CD with several electronic files, including the MONET runs. The electronic files are password protected using the same password as that used for other protected files in this docket. Attachments 1 and 2 are confidential and subject to the Protective Order issued in UE-172 (Order No. 05-156).

In addition to the material typically provided in an update, I have included the following additional material:

- An electronic file with four days' of prior forward curves (Included on CD).
- A hard copy of the work papers for a new load forecast. (Attachment 3).

PGE recently received notice that a large customer currently on PGE's Partial Requirements Tariff (Schedule 75) requests to reset its baseline load from 2 MW to 20 MW. PGE does not believe the customer is eligible to reset its baseline load under Schedule 75, which would include updating the customer's eligibility for Schedule 125, Part A. Further, the customer may maintain that its revised baseline load is eligible for Schedule 125, Part B. If the customer is eligible to revise its baseline load, PGE does not believe that the customer is eligible for Schedule 125, Part B during 2006 since it has previously chosen to opt out of Schedule 125, Part B.

PGE has filed (Advice No. 05-17) revised tariff language that clarifies how, and under what conditions, a partial requirements customer can seek an increase in its baseline load. To provide a full range of possible outcomes, we have analyzed the impact of the three possible outcomes:

- No increase in baseline load.
- Increase in baseline load but only eligible for Schedule 125, Part A.
- Increase in baseline load and eligible for Schedule 125, Parts A and B.

Table 1 below provides the estimated rate changes for 2006 based on the possible resolutions of these issues. If the customer is eligible to revise its baseline, but is only eligible for Schedule 125, Part A, the impact is limited to other large non-residential customers, increasing their rates by an additional 0.8% (from a 6.0% increase to a 6.8% increase). However, if the customer is able to deem its revised baseline load as eligible for Schedule 125, Part B as well, the impact cuts across all customer classes, as shown in the table:

**Table 1**

Customer Class	Per April 1* **	Per Nov 3, Customer not eligible to revise baseline**	Per Nov 3, revised baseline eligible for Schedule 125, Part A only**	Per Nov 3, revised baseline eligible for Schedule 125, Parts A and B**
Residential	2.5%	2.4%	2.4%	2.7%
Small Non-Residential	3.9%	5.9%	5.9%	6.3%
Large Non-Residential	4.3%	6.0%	6.8%	6.9%
Overall	3.4%	4.2%	4.5%	4.8%
COS NVPC (\$ millions)	\$646.8	\$640.7	\$640.7	\$655.0
COS Load (MWa)	2,275	2,232	2,232	2,253

\*See PGE Exhibit 200, Cody/7

\*\* Includes all supplemental tariffs except PPC and LIA

PGE's April 1 filing forecasted 2006 RVM power costs at \$646.8 million. The November 3 filing forecasts 2006 RVM power costs at \$640.7 million or \$655.0, depending on whether the customer is eligible to revise its baseline load and is eligible for Schedule 125, Parts A and B.

This filing reflects the terms of the stipulation approved by the Commission in Order No. 05-1140. This filing is the last update for most elements of the 2006 RVM. On November 10, 2005, PGE will file the next power cost forecast for the 2006 RVM, updating only forward curves.

PGE's 2006 RVM Draft Monet Run  
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If you have any questions, please contact me at (503) 464-7580 or Jay Tinker at (503) 464-7002.

Sincerely,

Patrick G. Hager  
Manager, Regulatory Affairs

encls.

CC: Maury Galbraith, OPUC Staff  
Melinda Davison, ICNU  
Randy Falkenberg, RFI Consulting  
Bob Jenks, CUB

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**2006 RVM  
Attachment 1**

**Assumptions Summary  
MONET Output  
Step Log**

**CONFIDENTIAL Subject to Protective Order No. 05-156**

**2006 RVM  
Attachment 2**

**Electronic files on CD**

**CONFIDENTIAL Subject to Protective Order No. 05-156**

**2006 RVM  
Attachment 3**

**Load Forecast Work Papers**