

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 180/UE181/UE 184

In the Matters of)	
)	
PORTLAND GENERAL ELECTRIC COMPANY)	
)	
Request for a General Rate Revision (UE 180))	RULING
)	
Annual Adjustments to Schedule 125 (2007 RVM Filing) (UE 181))	
)	
Request for a General Rate Revision relating to the Port Westward Plant. (UE 184))	

DISPOSITION: EVIDENTIARY ISSUES RESOLVED; ORDER SET FOR ORAL ARGUMENT

Evidentiary Issues

ICNU moved to remove the confidential designation from exhibit ICNU/412, stating that it and PGE could not come to an agreement on the matter. A week later, PGE submitted a filing saying it did not oppose removal of the confidential designation, but wanted to replace ICNU/412 with a supplemented exhibit. Specifically, PGE requests that the Commission replace ICNU/412 with PGE’s proposed ICNU/412. *See* PGE Motion, 2 (“PGE proposes that the Exhibit be replaced with a new ICNU Exhibit 412 that contains the complete series of e-mails so that the record in this docket is a true and accurate reflection of the communications at issue.”).

There are two problems with PGE’s request. First, PGE did not indicate whether it had discussed the proposal with other parties. To resolve the motion in time for oral arguments, the time for objection to PGE’s motion is shortened to Monday, December 11, 2006. If no objections are received by that date, the exhibits will be deemed admitted into the record. Because PGE has removed the S&P correspondence from the protective order, related exhibits are no longer confidential.

Second, the attachments to PGE’s motion should be marked as PGE’s exhibits to be admitted into the record. The first exhibit, an affidavit signed by

Kristin Stathis, is designated as PGE/3200; the second exhibit, the 09/21/06 cover letter e-mail from Mr. Carrillo to Ms. Stathis and attached S&P report is designated as PGE/3201; the 09/25/06 cover letter e-mail from Mr. Carrillo to Ms. Stathis and the attached S&P report is designated as PGE/3202; the S&P Rating Services Code of Conduct is designated as PGE/3203; and the 09/21/06 cover letter e-mail from Mr. Carrillo to Ms. Stathis, attached S&P report, and PGE's redline, is designated as PGE/3204. PGE should submit corrected exhibits with the proper designation, by the close of business on December 12, 2006. In the motion, PGE also made arguments as to the probative weight that should be given to the report and e-mail exchange. Those arguments should not be made here and are better suited for briefing and oral arguments.

Staff also includes two attachments to its opening brief, but filed no formal motion to admit them as evidence. Staff describes Attachment A as "a spreadsheet updating staff's analysis for the additional facts PGE provided in its surrebuttal testimony." Staff brief, 26 n 40 (Nov 17, 2006). Staff asked the Commission to take judicial notice of Attachment B, which was purportedly the updated Treasury rate as of November 14, 2006. However, Attachment B is not the Treasury rate; it is an updated version of Staff exhibit 1201, Conway/1, with revised rates and accounting for PGE's additional debt issuances. Staff addresses the two attachments in its reply brief, which states, "[r]ather than asking for the opportunity to submit additional testimony to address how PGE's issuance of additional debt in 2007 impacts staff's cost of debt estimate, staff simply provided an updated cost of debt estimate in its opening brief." Staff brief, 19 (Dec 1, 2006). Staff then requests that the additional evidence be admitted into the record. PGE did not formally object, but in its reply brief asked the Commission to reject "Staff's attachment of unlabeled sheets of paper with a multitude of unexplained numbers [as] unfounded and inadequate." PGE brief, 6 (Dec 1, 2006).

The attachments to Staff's opening brief are not admitted to the record. The Commission will take judicial notice of the Treasury rates on November 14, 2006, as reported in the Wall Street Journal. Further, the Commission will carefully examine Staff's approach to cost of debt issues, and, if it agrees with Staff, the Commission may direct PGE to modify its cost of debt in its compliance filing so that debt issuances reflect any adjustments adopted by the Commission in its final order.

Oral Argument

Oral arguments should last no more than two hours, and are set as follows:

- PGE opening – 20 minutes
- ICNU arguments – 20 minutes
- CUB arguments – 20 minutes
- City of Portland – 20 minutes
- EWEB – 5 minutes
- Staff – 20 minutes
- PGE rebuttal – 10 minutes

If parties have any proposed changes, they should raise those prior to the beginning of oral arguments.

Dated at Salem, Oregon, this 8th day of December, 2006.

Christina M. Hayes
Administrative Law Judge