

McDowell & Rackner PC



KATHERINE A. MCDOWELL
Direct (503) 595-3924
katherine@mcd-law.com

January 8, 2010

VIA EMAIL AND REGULAR MAIL

ALJ Allan Arlow
PUC Filing Center
Public Utility Commission of Oregon
550 Capitol Street NE
Salem, OR 97308

Re: UM 1355

Dear Judge Arlow:

On January 7, 2010, the Commission convened a scheduling conference in this case, pursuant to Order No. 09-479. The conference was adjourned pending Commission clarification of Order No. 09-479 and the Notice of Intent to Modify Stipulations and Establish Rate Calculation, issued on October 7, 2009.

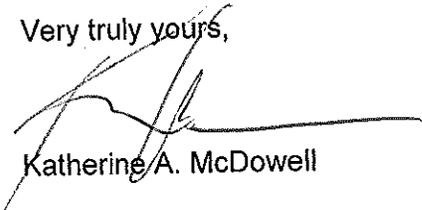
To assist the Commission in resolving the procedural issues raised at the scheduling conference, PacifiCorp respectfully submits its clarifying questions on Order No. 09-479 and the October 7, 2009 Notice.

- How does the Commission view the status of PacifiCorp's Partial Stipulation now that PacifiCorp has objected to the addition of the Commission's proposed collar mechanism, pursuant to the Notice of Intent to Modify Stipulations and Establish Rate Calculation, issued on October 7, 2009?
- In footnote 2, Order No. 09-479 indicates that pre-filed direct testimony of the parties has been admitted into the record. Should this footnote reference the pre-filed reply testimony of all parties that has been admitted, as well as PacifiCorp's supplemental testimony and reply testimony thereto?
- When does the Commission intend to rule on contested issues unrelated to the forced outage rate and treatment of imprudent outages, such as ICNU's heat rate curve and minimum de-rate issues in PacifiCorp's case and other previously stipulated issues that may become contested?

- Order No. 09-479 indicates that parties may file testimony and cross-examine witnesses only if they can establish that there are new issues of fact that their witnesses have not previously been able to address. As long as additional testimony and cross-examination is limited to the Commission's proposed collar mechanism and its proposed treatment of imprudent outages, is this standard satisfied? If not, how would the Commission determine that witnesses have previously been able to address these proposals, since they were not previously in the record in this case?
- Should the fact that PacifiCorp previously submitted supplemental testimony on Staff's collar mechanism now diminish its right to address the Commission's proposed collar mechanism and the Commission's proposed treatment of imprudent outages? If so, how would the Commission make this determination, given that Staff's collar is different in design than the Commission's proposed mechanism and ICNU's proposal to use historical averages for replacement outage rates (a variation of which is a component of the Commission's proposed collar) was made for the first time in reply testimony, to which PacifiCorp had no opportunity to respond?
- If the Commission decides to limit testimony and cross-examination relevant to the Commission's proposed collar mechanism and proposed treatment of imprudent outages, how will it provide specific direction to the parties on this limitation? How can the utilities preserve their record as to the specific testimony they believe should be on the record to respond to these new proposals?
- Is Commission willing to entertain a stipulated alternative to its proposed collar mechanism and proposed treatment of imprudent outages?

PacifiCorp respectfully requests guidance from the Commission on these issues before the next phase of this docket. Please contact me with any questions.

Very truly yours,



Katherine A. McDowell

cc: UM 1355 Service List

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that I served a true and correct copy of the foregoing document in
3 Docket UM 1355 on the following named person(s) on the date indicated below by email
4 and first-class mail addressed to said person(s) at his or her last-known address(es)
5 indicated below.

6 Michael Weirich
7 Department Of Justice
8 1162 Court St NE
9 Salem, OR 97301-4096
10 michael.weirich@state.or.us

Kelcey Brown
Public Utility Commission of Oregon
PO Box 2148
Salem, OR 97301
Kelcey.brown@state.or.us

9 Melinda J. Davison
10 Davison Van Cleve P C
11 333 SW Taylor- Ste 400
12 Portland, OR 97204
13 mail@dvclaw.com

Randall J. Falkenberg
RFI Consulting, Inc
PMB 362
8343 Roswell Rd
Sandy Springs, GA 30350
consultrfi@aol.com

13 Patrick Hager
14 Rates and Regulatory Affairs
15 Portland General Electric
16 121 SW Salmon St 1WTC0702
17 Portland, OR 97204
18 pge.opuc.filings@pgn.com

Douglas Tingey
Portland General Electric
121 SW Salmon 1WTC1301
Portland, OR 97204
doug.tingey@pgn.com

17 Catriona McCracken
18 Citizens' Utility Board of Oregon
19 catriona@oregoncub.org

OPUC Dockets
Citizens Utility Board Of Oregon
dockets@oregoncub.org

19 Robert Jenks
20 Citizens' Utility Board Of Oregon
21 bob@oregoncub.org

Gordon Feighner
Citizens' Utility Board of Oregon
Gordon@oregoncub.org

21 Lisa Nordstrom
22 Idaho Power Company
23 lnordstrom@idahopower.com

Barton Kline
Idaho Power Company
bkline@idahopower.com

23 Gregory Said
24 Idaho Power Company
25 gsaid@idahopower.com

Christa Beary
Idaho Power Company
cbeary@idahopower.com

25

26

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Scott Wright
Idaho Power Company
swright@idahopower.com

Tim Tatum
Idaho Power Company
ttatum@idahopower.com

Wendy McIndoo
McDowell & Rackner
wendy@mcd-law.com

Lisa Rackner
McDowell & Rackner
lisa@mcd-law.com

DATED: January 8, 2010



Katherine McDowell