ISSUED: May 27, 2009

OF OREGON

UM 1355

In the Matter of the

PUBLIC UTILITY COMMISSION OF OREGON

RULING

Investigation into Forecasting Forced Outage Rates for Electric Generating Units.

DISPOSITION: MOTION DENIED

On May 13, 2009, PacifiCorp, dba Pacific Power (PacifiCorp), filed a Motion to Limit Scope of Docket to Generic Issues (Motion) and requested that the Motion be considered in an expedited manner. In essence, PacifiCorp asks that Commission consideration of the issues be limited to the generic, policy-directed investigation into forced outage forecasting rates and eschew company-specific issues of implementation.

PacifiCorp contends that company-specific issues more properly belong in contested case proceedings, and that investigative dockets are more akin to rulemaking than contested cases. PacifiCorp asserts that the Industrial Customers of Northwest Utilities (ICNU) is seeking to utilize this docket as a means to litigate PacifiCorp-specific net power cost issues, which are beyond the scope of this docket.

Pursuant to a ruling of the Administrative Law Judge at a prehearing conference held on May 18, 2009, ICNU and Portland General Electric Company (PGE) filed Responses to the Motion.

ICNU asserts that it repeatedly identified the issues it intended to raise and that PacifiCorp failed to object to their inclusion on the Issues List; a failure to address the issues would delay resolution of matters that should be decided in the instant docket. PacifiCorp is seeking an "eleventh hour attempt to significantly narrow the proceeding." ICNU contends that, having had no indication that PacifiCorp would seek to narrow the proceedings, it expended considerable time and expense in preparing relevant testimony. The whole process of developing an issues list is, in ICNU's view, undermined if parties cannot rely upon it to determine the scope of the proceeding.

ICNU argues that utility-specific issues are often included in Commission investigations and that PacifiCorp takes an overly narrow view of investigative proceedings. ICNU cites UM 1129, wherein the Commission adopted generic policies on the calculation of avoided costs but also included specific details regarding the application of those policies to individual utilities. Other investigations have led to utility-specific dockets or required utilities to file utility-specific contract provisions (docket UM 1394).

Furthermore, in ICNU's view, this investigation meets all of the requirements for a contested case and that "it would be inappropriate for the Commission to adopt general methodologies on these issues without considering how they impact the utilities." ICNU notes that hydro rates are considered in this docket and, because PGE does not model hydro outages, they are PacifiCorp company-specific. ICNU further argues that planned outages, an issue on the List, is within the scope of the proceeding, and PacifiCorp proposed a specific planned outage methodology applicable to both PGE and itself. Outage data must be categorized as either planned or forced. And therefore the modeling should be consistent and coordinated over the same time period. ICNU makes recommendations with respect to both PGE and PacifiCorp's planned outage models.

ICNU contends that the Commission should also address the forced outage rate methodology for exclusion of certain non-outage related adjustments, such as thermal ramping, and PacifiCorp's Motion failed to explain why it believes that seeking to exclude thermal ramping is not within the issues, when they discuss it in their own testimony.

PGE does not comment on the specifics of the PacifiCorp Motion but notes that some of the issues raised in this docket go beyond a generic investigation and granting the PacifiCorp Motion would be consistent with the docket's proper scope.

RULING

The Motion to Limit Scope of Docket to Generic Issues filed by PacifiCorp is denied. PacifiCorp, as well as PGE, had ample opportunity to object to the scope of the issues in this docket and had been put on notice regarding ICNU's view of the scope of the proceedings. ICNU will be allowed to pursue all issues raised in its testimony. The Commission will ultimately decide whether ICNU's testimony more closely relates to modeling issues rather than to an investigation into forced outages.

Dated at Salem, Oregon, this 27th day of May, 2009.

Allan J. Arlow

Administrative Law Judge

UM 1355 Ruling 5-27-09