

McDowell & Rackner PC



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September 30, 2009

VIA E-MAIL AND FIRST-CLASS MAIL

ALJ Sarah Wallace
ALJ Lisa Hardie
PUC Filing Center
Public Utility Commission of Oregon
550 Capitol Street NE
Salem, OR 97308

Re: Resolution of Issues in Docket UE 210 in UE 207 Stipulation

Dear ALJs Wallace and Hardie,

On June 4, 2009, PacifiCorp filed a notice in this case on behalf of the parties in Docket UE 199, PacifiCorp's 2009 Transition Adjustment Mechanism ("TAM") proceeding, PacifiCorp, Commission Staff ("Staff"), the Industrial Customers of Northwest Utilities ("ICNU"), Citizens' Utility Board ("CUB") and Sempra. The notice informed the Public Utility Commission of Oregon ("Commission") that the parties had stipulated to defer two issues from UE 199 to this proceeding, Docket UE 210:

- (1) whether changes in methodologies utilized in the calculation of net power costs, such as those used to calculate normalized hydro or forced or planned outage rates or calculation issues resolved by the Commission, will be permitted in stand-alone TAM proceedings; and
- (2) whether a stand-alone TAM should include the variable costs of new generation resources if the Company will not recover the fixed costs of the generation resource in the TAM rate effective period.

PacifiCorp requested the opportunity to file additional supplemental direct testimony on these issues, which the Commission granted on June 8, 2009. PacifiCorp filed additional supplemental direct testimony on June 15, 2009. Staff and ICNU filed testimony on these issues in their opening testimony on July 24, 2009.

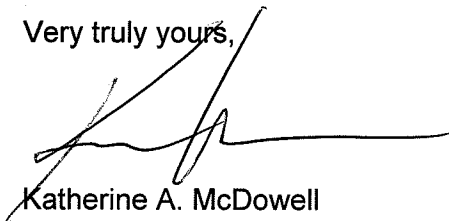
On September 25, 2009, all parties to UE 207, PacifiCorp's 2010 TAM, filed a stipulation resolving all issues in that docket ("UE 207 Stipulation"). A copy of the UE 207 Stipulation is attached. The parties to the UE 207 Stipulation are Staff, ICNU, CUB, and Sempra. Thus, all parties in UE 210 that testified on these issues in UE 210 have joined the UE 207 Stipulation. The UE 207 Stipulation resolves the two issues deferred from UE 199 to UE 210.

Section 13 of the UE 207 Stipulation describes the parties' agreement on the question of whether changes in methodologies will be permitted in stand-alone TAM proceedings. Section 12 of the UE 207 Stipulation describes the parties' agreement on the issue of whether a stand-alone TAM should include the variable costs of a new generation resource if the Company will not be recovering the fixed costs of the generation resource in the TAM effective period.

Section 11 of the UE 207 Stipulation describes the parties' agreement to file this Notice in UE 210, informing the Commission that the residual issues from UE 199 which were originally deferred to UE 210 have now been resolved by the all-party Stipulation in UE 207.

Please let us know if you have any questions about this Notice or need the parties to take any additional procedural steps in UE 210 to effectuate the UE 207 Stipulation.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Katherine A. McDowell', is written over a horizontal line. The signature is stylized and somewhat cursive.

Katherine A. McDowell

Enclosure

cc: ALJ Traci Kirkpatrick
Service List

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CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing document in UE 210 on the following named person(s) on the date indicated below by email and first-class mail addressed to said person(s) at his or her last-known address(es) indicated below.

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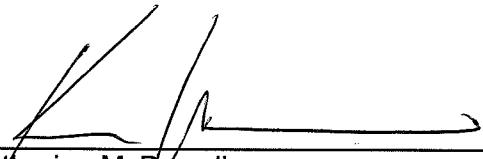
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DATED: September 30, 2009



Katherine McDowell
Of Attorneys for PacifiCorp