



825 NE Multnomah, Suite 2000  
Portland, Oregon 97232

May 27, 2009

***VIA ELECTRONIC FILING  
AND OVERNIGHT DELIVERY***

Oregon Public Utility Commission  
550 Capitol Street NE, Suite 215  
Salem, OR 97301-2551

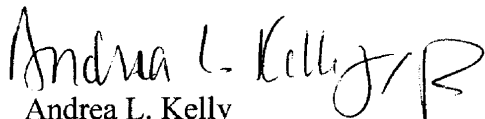
Attn: Filing Center

RE: Application of PacifiCorp for a Deferred Accounting Order

Enclosed for filing by PacifiCorp d.b.a. Pacific Power is an Application for a Deferred Accounting Order to defer the costs associated with the independent evaluators for the solicitation process in Docket UM 1429. A copy of the enclosed Notice has been served on all parties in Docket UE 179 as indicated on the attached Certificate of Service.

Informal inquiries may be directed to Joelle Steward at (503) 813-5542.

Very truly yours,

  
Andrea L. Kelly  
Vice President, Regulation

Enclosures

cc: Service List UE 179

## CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing notice on the parties of record from PacifiCorp's last general rate case, Docket UE 179, on the date indicated below by email and first-class mail, addressed to said parties at his or her last-known address(es) indicated below.

### Service List UE-179

OPUC Filings  
Rates & Regulatory Affairs  
Portland General Electric  
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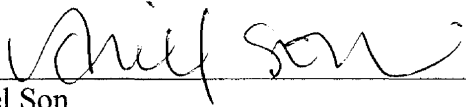
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DATED: May 27, 2009

  
Ariel Son  
Coordinator, Administrative Services

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM \_\_\_\_\_

In the Matter of  
PACIFICORP, dba PACIFIC POWER  
Application of Deferred Accounting.

**PACIFICORP'S APPLICATION FOR  
DEFERRED ACCOUNTING**

**I. INTRODUCTION**

Pursuant to ORS 757.259 and OAR 860-027-0300, PacifiCorp, d.b.a. Pacific Power ("PacifiCorp" or "Company") applies to the Public Utility Commission of Oregon ("Commission") for an order authorizing the Company to defer, from the date of this Application forward, the costs associated with the independent evaluator ("Oregon IE") selected and approved by the Commission for the Company's 2009R Request for Proposal ("2009R RFP") to the extent those costs are not otherwise recovered through bidder success fees as expected to be set forth in the 2009R RFP.

**II. NOTICE**

Communications regarding this Application should be addressed to:

Oregon Dockets  
PacifiCorp  
825 NE Multnomah, Suite 2000  
Portland, OR 97232  
Phone: 503.813.5542  
Email: [oregondockets@pacificorp.com](mailto:oregondockets@pacificorp.com)

Jordan White  
Senior Counsel  
PacifiCorp  
825 NE Multnomah, Suite 1800  
Portland, Oregon 97232  
Phone: 503.813.5613  
Email: [jordan.white@pacificorp.com](mailto:jordan.white@pacificorp.com)

In addition, PacifiCorp requests that all data requests regarding this Application be sent to the following:

1 By email (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)  
2 By regular mail: Data Request Response Center  
3 PacifiCorp  
4 825 NE Multnomah, Suite 2000  
5 Portland, Oregon 97232

6 Informal questions may be directed to Joelle Steward, Oregon Regulatory  
7 Manager at 503-813-5542.

### 8 III. DEFERRED ACCOUNTING RULE REQUIREMENTS

9 The following is provided pursuant to the requirements set forth in OAR 860-027-  
10 0300(3).

#### 11 A. Description of Utility Expense.

12 On August 10, 2006, the Commission issued competitive bidding requirements  
13 for new supply-side resource acquisitions applicable to Oregon's investor-owned utilities.  
14 See Order No. 06-446 ("RFP Order"). Guideline 5 of the RFP Order requires an IE's  
15 participation in all RFPs. Guideline 5 also provides that a utility may request deferred  
16 accounting to track the costs of an IE for later inclusion in rates.

17 On April 28, 2009, PacifiCorp filed an application requesting the Commission to  
18 (1) open a docket for the 2009R RFP; and (2) appoint Boston Pacific Company ("Boston  
19 Pacific") as the independent evaluator for the 2009R RFP. The filing was assigned  
20 Docket UM 1429. In Order 09-181, the Commission appointed Boston Pacific as the  
21 Oregon IE for the 2009R RFP.

22 The 2009R RFP, which the Company is drafting for review by the IE, is expected  
23 to require successful bidders to submit a fee, which will be used to cover the costs of the  
24 Oregon IE. The 2008R-1 RFP approved in Docket UM 1368 included such a provision.  
25 The Company anticipates the costs of the Oregon IE to be covered by successful bidders'

1 fees and, therefore, does not expect the deferral to be necessary absent unanticipated  
2 circumstances (e.g. lack of sufficient successful bidders to cover the full cost). To that  
3 end, this application seeks deferred accounting for costs incurred under the Oregon IE  
4 Contract only to the extent such costs are not otherwise recovered from successful  
5 bidders.

6 **B. Reasons for Deferral.**

7 ORS 757.259(2)(e) allows the deferral of utility expenses or revenues where  
8 necessary to match appropriately the costs borne by and benefits received by customers.  
9 This request seeks to align the costs of the Oregon IE and the services they will perform  
10 on behalf of PacifiCorp's customers. In its RFP Order, the Commission specifically  
11 approved of the use of deferred accounting to match the customer costs and benefits of an  
12 IE in this manner.

13 **C. Proposed Accounting.**

14 During the period of deferral, PacifiCorp proposes to account for the deferred  
15 costs of the IE by recording the deferral in Account 182.3, Other Regulatory Assets.  
16 PacifiCorp requests that in accordance with ORS 757.259(4), it be allowed to accrue  
17 interest on the unamortized balance at a rate equal to its weighted average cost of capital  
18 most recently approved by the Commission. Amortization of the balance would be  
19 considered in a subsequent proceeding coincident with inclusion in rates.

20 **D. Estimate of Amounts.**

21 The Company anticipates that the cost of the Oregon IE will be approximately  
22 \$250,000.

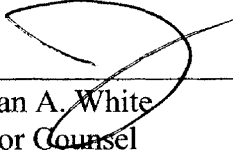
1 **E. Notice.**

2 A copy of the Notice of Application and a list of the persons served with the  
3 Notice are attached to this Application as Exhibit A.

4 **IV. CONCLUSION**

5 PacifiCorp respectfully requests that, in accordance with ORS 757.259, the  
6 Commission authorize the Company to defer the costs described in this Application.

DATED: May 27, 2009.



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Jordan A. White  
Senior Counsel  
Pacific Power  
PacifiCorp

**EXHIBIT A**



**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM \_\_\_\_\_

In the Matter of  
PACIFICORP, dba PACIFIC POWER  
Application of Deferred Accounting.

**NOTICE OF APPLICATION**

1           On May 27, 2009, Applicant PacifiCorp, d.b.a. Pacific Power (“PacifiCorp” or  
2           “Company”) applied to the Public Utility Commission of Oregon (“Commission”) for  
3           authorization to use deferred accounting.

4           The Company proposes to defer from the date of the Application forward the  
5           costs associated with the independent evaluator (“Oregon IE”) selected and approved by  
6           the Commission for the Company’s solicitation process in its 2009R Request for Proposal  
7           (“2009R RFP”) in Docket UM 1429. The Company estimates the total deferral amount  
8           to be \$250,000.


9           The granting of this Application will not authorize a change in rates, but will  
10          permit the Commission to consider allowing such deferred amounts in rates in a  
11          subsequent proceeding.

12          Interested persons may obtain a copy of the Application by contacting:

13                           Joelle Steward  
14                           PacifiCorp  
15                           825 NE Multnomah Street, Suite 2000  
16                           Portland, OR 97232  
17                           Phone: (503) 813-5542

1           Any person may submit the Commission written comment to the Application, in  
2 accordance with the procedures prescribed by the Commission. The deadline for  
3 comments on the application is June 27, 2009.

DATED: May 27, 2009.



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Jordan A. White  
Senior Counsel  
Pacific Power  
PacifiCorp