

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: May 27, 2014

REGULAR \_\_\_\_\_ CONSENT  X  EFFECTIVE DATE \_\_\_\_\_ N/A \_\_\_\_\_

DATE: May 15, 2014

TO: Public Utility Commission

FROM: Diane Davis *dbd.*

THROUGH: Michael Grant *MG*

SUBJECT: OREGON PUBLIC UTILITY COMMISSION ADMINISTRATIVE HEARINGS DIVISION: (Docket No. AR 578) Adopt permanent rule amendments regarding due dates for certain energy utility reports.

**RULES COORDINATOR RECOMMENDATION:**

Adopt the rule modifications as revised.

**DISCUSSION:**

The 2013 Legislative Assembly passed HB 2266 to address the concerns expressed by the energy utilities regarding meeting the due dates for certain reports. The changes to the law allowed the energy utilities and the Commission greater flexibility by allowing the Commission to set certain due dates in rule. With informal input from the energy utilities, Staff proposed changes to OAR 860-027-0005, 860-027-0015, 860-027-0045, and 860-027-0070.

The rule changes were adequately noticed and comments were received from NW Natural, Idaho Power, Pacific Power, and Avista Utilities. The comments and resolution are discussed in the attached draft order. Appendix A to the draft order shows the changes to be adopted.

**PROPOSED COMMISSION MOTION:**

Adopt the modifications to OAR 860-027-0005, 860-027-0015, 860-027-0045, and 860-027-0070 as set forth in Appendix A of the attached draft order.

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

AR 578

In the Matter of a Rulemaking Regarding  
Due Dates for Certain Energy Utility  
Reports.

ORDER

**DISPOSITION: MODIFICATIONS TO RULES ADOPTED**

**I. INTRODUCTION**

In this order, we adopt changes to rules requiring reports from energy utilities.

Historically, the energy utilities have expressed concerns about meeting due dates for certain reports. To allow the Commission and the energy utilities greater flexibility, House Bill 2266 was introduced and passed during the 2013 regular legislative session. With informal input from the subject utilities, Staff proposed changes to OAR 860-027-0005, 860-027-0015, 860-027-0045, and 860-027-0070.

**II. PROCEDURAL HISTORY**

On February 5, 2014, we filed a Notice of Proposed Rulemaking and Statement of Need and Fiscal Impact for this rulemaking with the Secretary of State. On that same day, we provided notice to all interested persons on the service lists established under OAR 860-001-0030(1)(b) and to legislators specified in ORS 183.335(1)(d). Notice of the rulemaking was published in the March 2014 *Oregon Bulletin*. The notice established a comment due date of March 28, 2014. Written comments were filed by Northwest Natural Gas Company, dba NW Natural; Idaho Power Company; PacifiCorp, dba Pacific Power; and Avista Corporation, dba Avista Utilities.

**III. DISCUSSION**

**A. Comments**

As written, Staff's proposed rules: (a) eliminate the firm due date of November 1 for the Budget of Expenditures and New Construction reports and replace the due date with a requirement to

notify us each year in writing by December 1 of the date the utility will provide the report, and (b) change the due date from April 1 to May 1 for the annual reports such as the Results of Operations and FERC 1 with Oregon Supplement or FERC 2 with Oregon Supplement. The proposed rules also include housekeeping changes.

With regard to rules governing Budget of Expenditures and New Construction reports, rulemaking participants recommended the Commission adopt a specific due date rather than requiring the utility to provide notification of when it can make the filings. NW Natural explains that the written notification of when the reports would be filed will quickly become a nuisance compliance filing and questions if the proposed rule language satisfies the intent of the changes to the statute since a firm date is not established. NW Natural proposes a firm due date of February 15 or within 45 calendar days from the start of the utility's budget year. Idaho Power proposes a due date of March 15, while Pacific Power and Avista Utilities propose a due date of March 31.

NW Natural also notes ambiguities in the proposed changes requiring utilities to notify the Commission "each year" of when it will file these reports. NW Natural explains that the rules provide no definition for "year" and fail to clarify whether the reporting period is prospective or historical.

Pacific Power was the only rulemaking participant to suggest changes to proposed OAR 860-027-0070 governing the filing of annual reports. Pacific Power notes that it would need to request an extension of the due date for the annual report even with the proposed change to May 1. Pacific Power proposes a due date of May 31.

## **B. Resolution**

We adopt the proposals to establish a specific due date in OAR 860-027-0005 and 860-027-0015 for the Budget of Expenditures and New Construction Budget reports as proposed by the utilities and adopt, as that date, March 31 as suggested by Pacific Power and Avista Utilities. Doing so addresses NW Natural's concerns about satisfaction of the legislative intent. In response to NW Natural's concerns about defining "year" and whether the reports are historical or prospective, we note that the forms provided by this Commission for reporting contain instructions making changes to the rules unnecessary.

Revisions to OAR 860-027-0045 and 860-027-0070 are adopted as proposed by Staff. Pacific Power's concerns are noted, and it may request a waiver of OAR 860-027-0070 if needed.

**IV. ORDER**

IT IS ORDERED that:

1. The modifications to OAR 860-027-0005, 860-027-0015, 860-027-0045, and 860-027-0070, as shown in Appendix A, are adopted.
2. The rule changes become effective upon filing with the Secretary of State.

Made, entered, and effective \_\_\_\_\_.

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**Susan K. Ackerman**  
Chair

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**John Savage**  
Commissioner

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**Stephen M. Bloom**  
Commissioner

A person may petition the Public Utility Commission of Oregon for the amendment or repeal of a rule under ORS 183.390. A person may petition the Oregon Court of Appeals to determine the validity of a rule under ORS 183.400.

**860-027-0005**

**Utilities Required to File Reports**

Each energy utility operating within Oregon and having gross operating revenues of \$50,000 or more per annum is required to file with the Commission on or before ~~the first~~ **March 31** ~~day of November~~ of each year, a copy of its proposed Budget of Expenditures, on forms approved by the Commission.

Stat. Auth.: ORS 183, 756, & 757

Stats. Implemented: ORS 756.105 & 757.105

Hist.: PUC 164, f. 4-18-74, ef. 5-11-74 (Order No. 74-307); PUC 9-1998, f. & cert. ef. 4-28-98; PUC 16-2001, f. & cert. ef. 6-21-01; PUC 12-2007, f. & cert. ef. 10-31-07

**860-027-0015**

**New Construction Budget**

Each energy utility operating within Oregon is required to file annually on or before ~~December~~ **March 31** on forms approved by the Commission information on new construction, extensions, and additions to the utility's property.

Stat. Auth.: ORS 183, 756 & 757

Stats. Implemented: ORS 756.105 & 757.105

Hist.: PUC 164, f. 4-18-74, ef. 5-11-74 (Order No. 74-307); PUC 9-1998, f. & cert. ef. 4-28-98; PUC 16-2001, f. & cert. ef. 6-21-01; PUC 12-2002, f. & cert. ef. 3-12-02; PUC 2-2013, f. & cert. ef. 3-21-13

**Uniform System of Accounts**

**860-027-0045**

**Uniform System of Accounts for Electric Utilities -- Major and Nonmajor**

(1) The Uniform System of Accounts prescribed for Public Utilities and Licensees, Part 101, Chapter 1, 18 Code of Federal Regulations (April 1, 2001~~13~~, edition) is hereby adopted and prescribed by the Commission for each electric company.

(2) Each electric company having multistate operations ~~shall~~ **must** maintain records in such detail that the cost of property located in and business done in Oregon in accordance with geographic boundaries can be readily ascertained.

(3) Each electric company having multistate operations ~~must~~ **shall** file annually ~~with the Commission, on or before April 1 of the ensuing year,~~ its Oregon allocated results of operations ~~for the calendar year reported, on the basis of~~ **using** allocation methods

acceptable to the Commission. **The results of operations report must be filed with the Commission on or before May 1 of each year.**

Stat. Auth.: ORS 183, 756 & 757

Stats. Implemented: ORS 756.105, 757.120, 757.125 & 757.135

Hist.: PUC 164, f. 4-18-74, ef. 5-11-74 (Order No. 74-307); PUC 5-1985, f. & ef. 4-24-85 (Order No. 85-355); PUC 3-1992, f. & cert. ef. 2-14-92 (Order No. 92-246); PUC 9-2001, f. & cert. ef. 3-21-01; PUC 19-2001, f. & cert. ef. 6-21-01; PUC 7-2005, f. & cert. ef. 11-30-05

### Annual Reports

860-027-0070

#### **Annual Report Requirements for Electric, Gas, Steam Heat, and Large Telecommunications, ~~Gas, and Steam Heat~~ Utilities**

(1) Annual Reports ~~will~~**must** be submitted by electric, gas, ~~water~~, and steam heat utilities. The report ~~shall~~**must** be submitted on or before ~~April~~**May** 1, using the most current forms approved by the Commission. **For energy utilities, the annual reports include but are not limited to the FERC 1 (including the Oregon Supplement) or the FERC 2 (including the Oregon Supplement), and the Results of Operations.**

(2) Annual Reports will be submitted by large telecommunications utilities. The report Form O for the previous calendar year shall be submitted on or before April 1, using the most current forms approved by the Commission. The report Form I for the previous calendar year shall be submitted on or before October 31 using the most current forms approved by the Commission.

[ED. NOTE: Forms referenced in this rule are available from the agency.]

Stat. Auth.: ORS 183, 756, 757 & 759

Stats. Implemented: ORS 756.040, 756.105, 757.120, 757.125, 757.135 & 759.225

Hist.: PUC 164, f. 4-18-74, ef. 5-11-74 (Order No. 74-307); PUC 9-1985, f. & ef. 6-25-85 (Order No. 85-574); PUC 3-1995, f. & cert. ef. 6-19-95 (Order No. 95-516); PUC 13-1997, f. & cert. ef. 11-12-97; PUC 2-1998, f. & cert. ef. 2-24-98; PUC 3-1999, f. & cert. ef. 8-10-99; PUC 19-2000, f. & cert. ef. 12-28-00; PUC 16-2001, f. & cert. ef. 6-21-01