



May 27, 2005

VIA ELECTRONIC FILING

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

Attention: Chairman Lee Beyer

Re: **Docket No. UM-1050**
PacifiCorp Petition To Initiate Investigation of Inter-Jurisdictional Issues
Notification of Proposed Budget for Ongoing MSP Standing Committee
Activities

The purpose of this letter is to provide a copy of the Proposed Budget for ongoing MSP Standing Committee activities as required by the Stipulation in the Oregon MSP Docket. The letter is for information only and does not require a response.

Proposed Budget for Ongoing MSP Standing Committee Activities

Pursuant to Paragraph 12 of the Stipulation in Oregon Docket # UM-1050, PacifiCorp proposes the following budget to each State Commission that has finally ratified the Revised Protocol.

Paragraph 12 states:

“Within 90 days of such final ratification of the Revised Protocol, the Company shall file with each Commission that has finally ratified the Revised Protocol a proposed budget sufficient to reasonably fund the appointment of a Standing Neutral and the activities described in Section XIII B of the Revised Protocol for a 12 month period”

In compliance with the above stipulation language and the terms of the Revised Protocol, PacifiCorp proposes to budget a sum of \$160,000 to support these requirements for a twelve month period.



Proud Sponsor of the
2002/2004 U.S. Olympic Team

The sum is sufficient to cover estimated expenses for establishment of the Standing Committee, initial engagement and on-going activities of the Standing Neutral (for 12 months), an estimate for retention of independent consultants to provide advisory findings as directed by the Standing Committee, and an estimate for required travel and organizational expenses related to the Standing Committee. See attachment for further detail of the proposed budget.

In addition, PacifiCorp continues to support the on-going efforts in a very substantial fashion. Beyond the sum budgeted above, PacifiCorp will continue to provide full time resources to the on-going efforts of the workgroups, provide all required reporting comparisons in rate cases and periodic reporting, continue to facilitate and manage the on-going process with the Standing Committee and Standing Neutral, and to obtain legal services related to on-going work items.

This Standing Committee budget is expected to be an item of discussion at the initial meeting of the MSP Standing Committee.

If you have any questions or require further assistance, please contact John Rush, MSP Project Manager, at (503) 813-6957

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'DF', with a long horizontal line extending to the right.

Don Furman
Senior Vice President, Regulation and External Affairs

cc: Vikie Bailey-Goggins
Lee Sparling
Marc Hellman
MSP Participants

Attachment

MSP Standing Committee Proposed Budget

Standing Neutral

Professional Fees, Travel and Expenses - up to \$ 125,000

Independent Consultant

250 hours at \$100/hour \$ 25,000

Miscellaneous Expenses

Meeting Facilities, Materials, Supplies, etc. \$ 10,000

Total Proposed Budget \$ 160,000

Does not include legal costs, costs of PacifiCorp employees
or costs for employee travel



May 31, 2005

VIA ELECTRONIC FILING

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

Attention: Chairman Lee Beyer

Re: **Docket No. UM-1050**
Request for Nomination of MSP Standing Committee Member

At this time, PacifiCorp is formally requesting that the Commission designate its Standing Committee member.

As outlined in my letter dated March 30, 2005, a group of representatives from each of the states that ratified the Revised Protocol have met and developed a process for formation of the MSP Standing Committee. Oregon representative Marc Hellman has actively participated in the discussions to date.

The initial meeting of the MSP Standing Committee has tentatively been scheduled for the evening of June 21, 2005, during the Western Conference of Public Service Commissioners event in Boise, Idaho. Details and materials for that meeting will be provided in early June.

In preparation for the initial meeting of the Standing Committee, it is now time for each of the ratifying states to identify the individual who will sit as a member of the Standing Committee. Mr. Hellman has informally indicated that Chairman Beyer would become Oregon's Standing Committee member. PacifiCorp respectfully requests that the Oregon Commission confirm the selection of Chairman Beyer as its Standing Committee member.



The time requirements and obligations of the Standing Committee Member are not anticipated to be substantial. Generally, each Standing Committee member would spend two to three days per year attending and preparing for Standing Committee meetings and discussing issues with the Standing Neutral. Further discussions with other Standing Committee members and discussions about issues raised by the Committee would occur as a normal part of business.

Thank you for your continued support of the Revised Protocol as a means of providing a greater level of certainty for PacifiCorp to make the investments required to effectively and reliably serve customers in Oregon and our other service territories in the region. We look forward to continuing this collaborative work through the MSP Standing Committee.

The Company respectfully requests that the Commission provide the name of the Standing Committee member to me by June 6, 2005. If you have any questions or require further assistance, please contact John Rush, MSP Project Manager, at 503-813-6957.

Very truly yours,

A handwritten signature in black ink, appearing to read 'DF', with a long horizontal line extending to the right.

Don Furman

Senior Vice President, Regulation and External Affairs

cc: Vikie Bailey-Goggins
Lee Sparling
Marc Hellman
MSP Participants