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July 30, 2015

## Via Electronic Filing

Public Utility Commission of Oregon Attn: Filing Center 201 High St. SE Salem OR 97301

Re: In the Matter of Depreciation Study Requirements for Energy Utilities

Docket No. AR 588

Dear Filing Center:

Enclosed for filing in the above-referenced docket, please find the Comments of the Industrial Customers of Northwest Utilities.

Thank you for your assistance. If you have any questions, please do not hesitate to call.

Sincerely,

/s/ Jesse O. Gorsuch Jesse O. Gorsuch

Enclosure

## BEFORE THE PUBLIC UTILITY COMMISSION

#### OF OREGON

### **AR 588**

In the Matter of	)	
	)	COMMENTS OF THE INDUSTRIAL
Depreciation Study Requirements for Energy	)	CUSTOMERS OF NORTHWEST
Utilities Rulemaking	)	UTILITIES
	)	
	)	

The Industrial Customers of Northwest Utilities ("ICNU") submits the following comments regarding the Oregon Public Utility Commission's ("OPUC" or the "Commission") proposed rulemaking to require each regulated energy utility to file a new depreciation study with the OPUC no less frequently than every five years. ICNU supports the newly proposed draft rule, 860-027-0350.

More specifically, ICNU believes the definition of the term "depreciation study" as a study "sufficient" for the Commission to determine proper and adequate rates is important, and should be retained in the final rule. Proposed Rule 860-027-0350(1). This express requirement of a "sufficient" study should guarantee that, while utilities will be required to file a new depreciation study "no less frequently than every five years," circumstances could conceivably exist which would require *more* frequent study filings.

For instance, anomalous events could render a depreciation study filed within five years as no longer "sufficient"—i.e., as no longer sufficiently reflective of a utility's circumstances, regardless of the time in which the study was filed, given extraordinary intervening events. In regard to such a potential scenario, it is important that the final rule

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maintain its current flexibility in allowing for additional, "sufficient" study filings, whenever circumstances may warrant.

ICNU supports the proposed rule and recommends that the Commission adopt it without any modification to the "sufficient" study requirement. ICNU appreciates the opportunity to participate in these proceedings.

Dated in Portland, Oregon, this 30th day of July, 2015.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ Jesse E. Cowell

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