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June 13, 2005

#### Via Electronic and US Mail

**Public Utility Commission** Attn: Filing Center 550 Capitol St. NE #215 P.O. Box 2148 Salem OR 97308-2148

> In the Matter of PACIFIC POWER & LIGHT Request for a Re:

> > General Rate Increase in the Company's Oregon Annual Revenues

Docket No. UE 170

Dear Filing Center:

Enclosed for filing in the above-referenced proceeding please find the original and two (2) copies of the Comments on behalf of the Industrial Customers of Northwest Utilities.

Please return one file-stamped copy in the enclosed stamped envelope.

Thank you for your assistance.

Sincerely,

/s/ Sheila R. Ho Sheila R. Ho

Enclosures

Service List cc:

## **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I have this day served the foregoing Comments on behalf of the Industrial Customers of Northwest Utilities upon the parties on the service list by causing the same to be mailed, postage-prepaid, through the U.S. Mail.

Dated at Portland, Oregon, this 13th day of June, 2005.

/s/ Sheila R. Ho Sheila R. Ho

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# BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UE 170

In the Matter of	)
PACIFIC POWER & LIGHT (dba PACIFICORP)	) COMMENTS OF THE INDUSTRIAL ) CUSTOMERS OF NORTHWEST UTILITIES
(dou'llen leold)	)
Request for a General Rate Increase in the	)
Company's Oregon Annual Revenues	)
	)

The Industrial Customers of Northwest Utilities ("ICNU") files these comments in response to Administrative Law Judge ("ALJ") Logan's June 9, 2005

Memorandum asking the parties to answer the questions of whether: 1) ICNU wishes to have oral argument before the Commission; and 2) the PacifiCorp (or the "Company") general rate case (Docket No. UE 170) should be consolidated with the proceeding regarding PacifiCorp's proposed power cost adjustment mechanism ("PCAM") (Docket No. UE 173). ICNU believes oral argument should occur in the general rate case and ICNU can participate in oral argument on any of the dates proposed by ALJ Logan. Unless PacifiCorp is willing to extend the schedule by waiving the statutory suspension period in the general rate case, ICNU does not believe that it is appropriate to consolidate and issue a final joint order in both proceedings. ICNU has spoken with counsel for PacifiCorp, and the Company agrees with ICNU that the Commission should abide by the existing schedules in both proceedings.

Issuing a joint order in both the general rate case and PCAM proceeding can only be accomplished by either extending the suspension period in the general rate

PAGE 1 – COMMENTS OF ICNU

case or by inappropriately shorting the procedural schedule in the PCAM proceeding.

The general rate case is nearing the final stages of an eleven-month process that is

scheduled to conclude by September 12, 2005. Three rounds of testimony have been

filed and the hearing is scheduled for the week of July 20, 2005. Although ICNU

believes that the PCAM should be addressed as part of a general rate case, PacifiCorp did

not file its PCAM proposal as part of the general rate proceeding and the parties have not

addressed the PCAM in the general rate case. Without additional time, ICNU believes

that it is inappropriate to address the specific details of the PCAM in the general rate

case.

ALJ Logan recently adopted a procedural schedule in the PCAM

proceeding that provides Staff and intervenors an opportunity to investigate the PCAM

proposal and incorporate into the PCAM proceeding issues related to the general rate

case. In the PCAM proceeding, Staff and intervenor testimony is due in August 2005 and

an evidentiary hearing scheduled in October 2005, approximately three months after the

hearings in the general rate case. Reducing the PCAM procedural schedule to comply

with the general rate case schedule would not provide the parties or the Commission

sufficient time to address the merits of the PCAM proposal. In addition, consolidation

and the issuance of a joint final order is unnecessary, because the PCAM schedule has

incorporated an opportunity for parties to file supplemental testimony specifically

addressing the effect and implementation of the general rate case order.

In conclusion, ICNU does not believe that consolidation and the issuance

of a final joint order in these proceedings is necessary or can be accomplished in a

PAGE 2 – COMMENTS OF ICNU

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manner that allows the parties an opportunity to adequately review PacifiCorp's proposals.

Dated this 13th day of June, 2005.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

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