

1 **BEFORE THE PUBLIC UTILITY COMMISSION**

2 **OF OREGON**

3 **DR 49**

4 In the Matter of

5 GEORGIA-PACIFIC CONSUMER
6 PRODUCTS (CAMAS) LLC and
7 CLATSKANIE PEOPLE'S UTILITY
8 DISTRICT,

Petition for Declaratory Ruling.

STAFF RESPONSE BRIEF

9 **1. INTRODUCTION**

10 Staff of the Public Utility Commission of Oregon (Staff) responds to the Opening Briefs
11 filed by PacifiCorp d/b/a Pacific Power (PacifiCorp) and by Noble Americas Energy Solutions
12 LLC (Noble), as well as to the Revised Petition for Declaratory Ruling (Revised Petition), and
13 the subsequent Opening Brief, jointly filed by Georgia-Pacific Consumer Products (Camas) LLC
14 (Georgia-Pacific) and Clatskanie People's Utility District (CPUD) (collectively, Petitioners).

15 This proceeding involves factual circumstances that, as far as Staff can determine, are
16 unique in the Commission's regulatory history. For this reason, the questions presented in the
17 Revised Petition are ones of "first impression." Staff will briefly summarize the relevant
18 Assumed Facts in a simple fashion because doing so is helpful to understanding and resolving
19 the legal issues presented by the Revised Petition.

20 Georgia-Pacific owns and operates a mill, known as the Camas Mill, which is physically
21 located in Washington State. At least since 1947, PacifiCorp has served the Camas Mill as its
22 Oregon customer. Since 1993, PacifiCorp has served the Camas Mill, pursuant to a special
23 contract, at a "point of service" located at its PacifiCorp's Troutdale Substation. After Georgia-
24 Pacific accepts delivery of electricity at the Troutdale Substation, the electricity is sent over two
25 69 kV transmission lines to the Camas Mill. Georgia-Pacific owns these transmission lines.

26 ///

1 Georgia-Pacific and PacifiCorp's 20-year service contract will expire at the end of 2015.
2 For reasons not set forth in the Assumed Facts, Georgia-Pacific desires to end its service
3 arrangement with PacifiCorp so that it may instead receive electric utility service for the Camas
4 Mill from CPUD. In order to achieve this result, Georgia-Pacific and CPUD have crafted a plan
5 (referred to in this brief as the Proposed Transaction). Under the Proposed Transaction, Georgia-
6 Pacific will sell its two 69 kV lines to CPUD. CPUD would then arrange to have electricity
7 delivered to PacifiCorp's Troutdale Substation which CPUD would in turn deliver to the Camas
8 Mill in Washington over its newly-purchased kV transmission lines. In the Petitioners' opinion,
9 the Proposed Transaction, once executed, would "move" the point of service for the Camas Mill
10 out of PacifiCorp's Troutdale Substation to a point of service located at the Camas Mill in
11 Washington State. However, other than changing the ownership of the two 69 kV lines "on
12 paper," the physical arrangement for the provision of service under the Proposed Transaction to
13 the Mill is the same as it is currently structured under the contract Georgia-Pacific has with
14 PacifiCorp.

15 The Revised Petition generally asks whether the Proposed Transaction will violate either
16 the "territorial allocation" or "direct access" laws, or both. Staff concludes as follows:

17 (1) The Troutdale Substation is located in territory that has been allocated to
18 PacifiCorp.

19 (2) The Commission has previously determined, presumably under what it has
20 recently termed a "point of service" test, that the Camas Mill is receiving its utility service from
21 PacifiCorp at its Troutdale Substation.

22 (3) If the Commission continues to rely upon a "point of service" test to conclude that
23 the Camas Mill receives its utility service from PacifiCorp at a location within PacifiCorp's
24 allocated territory, which Staff recommends it should do, CPUD is prohibited by the territorial
25 allocation and direct service laws from providing utility service to the Camas Mill.

26 ///

1 (4) Given these conclusions, Staff notes that, due to the uniqueness of the current
2 service arrangement between PacifiCorp and Georgia-Pacific, the Commission may wish to open
3 a new docket to further consider this matter. In Staff's opinion, the new docket would allow the
4 Commission: (1) to first take a "fresh look" at the unique circumstances presented here through
5 the lens of the territorial allocation laws (e.g. possible use of a different test to determine the
6 location at which service is provided); and (2) the opportunity to explore the extent of the harm,
7 if any, that may occur should the Commission wish to allow the result sought by the Proposed
8 Transaction (i.e. allow CPUD to provide utility service to the Camas Mill instead of PacifiCorp).
9 The types of harm from allowing the Proposed Transaction would include, but not necessarily be
10 limited to: (1) the impact upon the integrity of the allocated territories framework of allowing
11 Georgia-Pacific to withdraw as a PacifiCorp customer, being served by PacifiCorp in its
12 allocated territory, so that it may be served by another Oregon entity (CPUD); (2) the economic
13 impact to PacifiCorp and its customers of losing a large customer like the Mill; and (3) the
14 economic impact of allowing Georgia-Pacific to be served by another entity outside of the direct
15 access laws (not having to pay transition charges). Staff believes that a Declaratory Ruling
16 proceeding is not the proper procedural vehicle to use to develop and explore these complex
17 considerations and facts.

18 2. ARGUMENT

19 A. **The Troutdale Substation is located in territory that the Commission has allocated** 20 **to PacifiCorp.**

21 One of the two questions presented in the Petition for Commission determination is
22 whether the Proposed Transaction violates Oregon's territorial allocation laws. A fundamental
23 component to this question is whether Georgia-Pacific's Camas Mill is currently being served
24 in territory that has been allocated to a utility under ORS 758.400, *et. seq.* The Assumed Facts
25 do not resolve this question. While the scope of allocated territory could be considered a
26 ///

1 question of fact, it is more properly viewed as a legal question which is determined by the
2 relevant Commission orders.

3 While the Camas Mill is physically located in Washington State, PacifiCorp has served
4 it as an Oregon customer since PacifiCorp merged with Northwestern Electric Company in
5 1947. Assumed Facts Nos. 1, 2. PacifiCorp delivers electricity to the Camas Mill at
6 PacifiCorp's Troutdale Substation pursuant to a 20-year term special contract that the
7 Commission approved at its August 31, 1993 Public Meeting. Assumed Facts Nos. 3, 6.

8 Both Georgia-Pacific and PacifiCorp set forth and discuss in their pleadings the relevant
9 Commission orders, and history that address the allocated service territory question. Georgia-
10 Pacific asserts the orders and history show that the Troutdale Substation is located in territory
11 that has been allocated to Portland General Electric Company (PGE). In turn, PacifiCorp, citing
12 to the same, and other, orders, argues that the Troutdale Substation is located in territory the
13 Commission has allocated to it. *See generally* Revised Petition at 21-24; Georgia-Pacific/CPUD
14 Joint Opening Brief at 15-16; PacifiCorp Opening Brief at 7-11. Noble takes a different
15 approach, concluding that, using a "geographic location" test rather than a "point of service" test,
16 Oregon's territorial allocation laws do not apply at all because the Camas Mill is located in
17 Washington State. Noble Opening Brief at 5-6.

18 Staff has reviewed the language of the relevant orders and also compared the legal
19 descriptions of the scope of the allocated territory set forth in those orders to the maps on file at
20 the Commission. Staff's analysis confirms that the Troutdale Substation is located in territory
21 that has been allocated to PacifiCorp for at least the last 23 years (and approved, but not
22 officially allocated by the Commission, for a much longer period).

23 In its Order No. 39026, the Commission allocated to PGE most of the territory around the
24 Troutdale Substation. *See* Order No. 39026 (1963). However, while not entirely clear from
25 available documents on file, the area encompassing the Troutdale Substation was apparently left
26 unallocated. Subsequently, in 1969, PacifiCorp and PGE entered into an agreement to exchange

1 property and facilities in this area. Order No. 70-219, approving the agreement, does not
2 describe in detail the facilities and territories at issue.

3 Later, in 1972, PacifiCorp and PGE entered into another agreement concerning the
4 provision of service to the facilities and territory at issue here. The Commission approved the
5 agreement in its Order No. 72-870. PacifiCorp attached a copy of the agreement as Exhibit A to
6 its Opening Brief. For the purposes of this proceeding, Staff compared the “metes and bounds”
7 property descriptions contained in the 1972 exchange agreement, as approved by the
8 Commission in Order No. 72-870, with maps on file at the Commission. In particular, the 1972
9 Agreement includes a metes and bounds description in its Appendix A for areas designated as
10 Parcels A through C. Importantly, the metes and bounds description for Parcel B, which was
11 transferred by PacifiCorp to PGE, ends just to the *west* of the territory that encompasses the
12 Troutdale Substation. Stated differently, in the 1972 agreement, as evidenced by the metes and
13 bounds description set forth for the Parcel B transfer, PacifiCorp carved out and retained the area
14 which includes the Troutdale Substation. In this way, PacifiCorp preserved the Troutdale
15 Substation as within its service territory. *See also* Exhibit F to Exhibit A attached to
16 PacifiCorp’s Opening Brief (identifying the Troutdale Substation as a PacifiCorp-owned
17 facility).

18 Finally, in 1991, as a consequence of a then-ongoing court proceeding, PGE and
19 PacifiCorp again entered into, and filed with the Commission, an agreement to exchange
20 facilities and transfer property in the territory at issue in the proceeding. The Commission
21 approved the 1991 agreement in its Order No. 92-557. Staff has confirmed that the metes and
22 bounds property description set forth in 1992 Commission Order, like the 1972 Commission
23 order, places the Troutdale Substation within the territory that 1992 Order allocates to PacifiCorp
24 (in other words, 1992 Order essentially leaves unchanged the 1971 exchange agreement the
25 Commission approved in its Order No. 72-870).

26 ///

1 **B. The Commission has previously determined that the Camas Mill is deemed to**
2 **receive its utility service from PacifiCorp at a point of service located at**
3 **PacifiCorp's Troutdale Substation.**

4 An important consideration in this case is the theory under which the Commission
5 allowed PacifiCorp to serve the Camas Mill as an Oregon customer even though the Mill is
6 physically located in Washington. As far as Staff can determine, such a service
7 arrangement is unique in Oregon. It appears the Commission must have employed what it has
8 recently termed a "point of service" test to allow the current service structure.

9 In *In the Matter of Columbia Basin Electric Cooperative vs. PacifiCorp*, Order No. 15-
10 110 (Docket No. UM 1670) (*Columbia Basin*), the Commission discussed at length the
11 considerations that may be used to determine a utility's right to serve a customer. The first
12 situation needed no explanation: "When an entire load is located within the service territory of a
13 single utility, that utility has the right and obligation to serve that load." Order 15-110 at 6.

14 The Commission next turned to the more complex situation at issue in UM 1670,
15 resolving which utility has the right to serve a customer that straddles adjoining service
16 territories. The Commission found that while this issue had not been previously addressed in
17 Oregon, there were three tests from other jurisdictions that were "thoughtfully developed." *Id.* at
18 7. In brief summary, the Commission described these three tests as follows:

19 (1) Point of Service: This test focuses on the point at which electricity is delivered,
20 rather than on the point at which it is consumed. If the utility provides electricity to a customer
21 within its allocated territory, the sale is proper, even if the customer transports the electricity into
22 the allocated territory of another utility for the customer's use.

23 (2) Geographic Load Center: This test considers the location of the permanent
24 electric loads. The test permits a utility which serves a majority of a customer's load to serve the
25 entire load, regardless of the territorial boundaries of a service area.

26 ///

///

1 (3) Point of Use: This test requires the utility authorized to serve within an allocated
2 territory to provide power to a facility within that territory. In other words, this test strictly
3 enforces the territorial boundaries of the utility's allocated territory.

4 *See generally* Order 15-110 at 7.

5 In *Columbia Basin*, the Commission decided to apply the Geographic Load Center test to
6 the particular circumstances of a customer straddling two allocated service territories. The
7 Commission made its determination for two reasons. First, the Geographic Load Center test
8 precludes a customer from manipulating delivery points and running transmission lines across
9 boundaries to obtain service from a neighboring utility. Second, the Geographic Load Center
10 test helps avoid duplication of facilities by accepting the fact that a customer's facilities may
11 cross service area boundaries and allowing the predominate utility to serve the customer's entire
12 load. Order 15-110 at 7-8.¹

13 While the history of the Commission's treatment of the Camas Mill does not identify the
14 "right to serve" test used, Staff surmises that the Commission must have relied upon the Point of
15 Service test in order to allow PacifiCorp to serve the Mill as an Oregon customer. No other test
16 fits the situation better.

17 Staff believes that it would be inappropriate for the Commission in this Declaratory
18 Ruling proceeding to revise or change the Point of Service test used for many years to conclude
19 that the Camas Mill is PacifiCorp's customer being served in PacifiCorp's allocated territory.
20 There are facts to be explored, and ramifications and consequences to be considered, before such
21 a change in test should be used. A Declaratory Ruling proceeding, being necessarily limited to
22 application of existing law to stated assumed facts, is not the appropriate process for such
23 exploration.

24

25 ¹ Before proceeding, it is important to note that in *Columbia Basin* the Commission carefully
26 refrained from mandating a "utility right to serve" test that must be used in all circumstances. As
the present proceeding illustrates, there are different fact patterns involved with utility customer
service and a "one test fits all" approach may yield an incorrect decision. The Commission has
the discretion to apply different tests to different complex factual circumstances.

1 Accordingly, the discussion in the next section assumes that the Commission will
2 continue to use the Point of Service test to conclude that the Camas Mill is a customer of
3 PacifiCorp, receiving utility service at a point located within PacifiCorp's allocated territory.
4 For reasons discussed immediately below, under the current state of affairs, the Petitioners'
5 Proposed Transaction is inconsistent with Oregon's territorial allocation and direct access laws.

6 **C. The Petitioners' proposed transaction would violate Oregon's territorial allocation**
7 **and direct access laws.**

8 The Petitioners argue that their Proposed Transaction is lawful because:

9 Under the Assumed Facts, GP will sell all of its existing facilities with the State of
10 Oregon to Clatskanie. Once that sale is completed, the Camas Mill will include
11 no facilities with the State of Oregon and will be a customer located entirely
12 within the State of Washington. Further, Clatskanie will deliver electricity to the
Camas Mill over facilities owned by Clatskanie and located in Washington.
Oregon laws, including direct access laws, do not apply to the provision of utility
service within the State of Washington.

13 Revised Petition at 12.

14 In other words, the Petitioners' argue that the Proposed Transaction is lawful because it
15 involves either: (1) moving the point of service from the Troutdale Substation to the Mill's
16 location in Washington (and thus outside of PacifiCorp's allocated territory); or (2) discarding
17 the Point of Service test that the Commission has employed in relation to the service provided by
18 PacifiCorp to the Mill and replacing it with the Geographic Load Center test, which would place
19 the "territory" at issue in Washington.

20 Similarly, Noble asserts "The assumed facts include that the delivery of electricity will be
21 made to a retail customer whose entire load is geographically located in the State of Washington,
22 and the customer's point of delivery and interconnection within the interstate grid will be located
23 in Washington." Noble Opening Brief at 3. Noble also asserts that the Camas Mill years ago
24 "volunteered" to be an Oregon utility customer and as such, it may unilaterally withdraw its
25 consent at the conclusion of its current contract with PacifiCorp and take utility service from a
26 different Oregon entity. Noble Oregon Brief at 5.

1 (1) Application of the Territorial Allocation Laws

2 The Petitioners' and Noble's arguments are fatally flawed because, at their core, they are
3 based upon the faulty premise that an Oregon customer receiving utility service in territory that
4 has been allocated to its service provider may unilaterally, *without Commission input or*
5 *approval*, switch to another Oregon provider to receive its utility service. But, this is precisely
6 the circumstance the territorial allocations laws were created to prevent.

7 Oregon's territorial allocation laws, originally enacted in 1961, are codified at ORS
8 758.400 to 758.475. These laws grant the Commission authority to approve an agreement by
9 entities providing utility service to allocate service territories amongst themselves. ORS
10 758.425(1). The stated purpose of the law is to prevent the duplication of utility facilities and to
11 promote the efficient development and safety of the operation of utility service while providing
12 adequate and reasonable service to all territories and customers. ORS 758.405. Importantly,
13 once a territory has been allocated to a utility, ORS 758.405(2) prohibits other persons from
14 providing utility service in that territory. *See also Columbia Basin*, Order 15-110 at 4.
15 Conversely, a utility has the important obligation to serve all customers receiving service within
16 its allocated territory.

17 It is beyond dispute that the Commission, not the Petitioners, has the sole power to
18 implement and apply the territorial allocation laws. As set forth in *Columbia Basin*, there are
19 three separate "right to serve" tests under the territorial allocation laws that the Commission
20 considers to be "thoughtfully developed" to determine, in complex factual circumstances, which
21 utility may properly provide service to a customer. No matter which of the tests the Commission
22 ultimately decides to use in a particular circumstance, be it Point of Service, Geographic Load
23 Center, or Point of Use, the result of that test is as valid as the result that could have been
24 obtained had the Commission chosen to use a different test. In other words, the result obtained
25 by the Commission's use of the Point of Service test to determine that PacifiCorp may serve the
26 Camas Mill as an allocated customer is not somehow less worthy or valid than the result

1 obtained by the Commission in *Columbia Basin* that applied the Geographic Load Center test to
2 the complex facts in that proceeding.

3 Georgia-Pacific has no power or authority to ignore the result of the Point of Service test
4 the Commission has applied to the Mill's circumstances for over 23 years. Further, the
5 Petitioners have no power or authority to unilaterally decide to structure the Proposed
6 Transaction as if the Geographic Load Center test was being used instead of the Point of Service
7 test. The result of a test, and the choice of which test to use, cannot be set aside at the desire of
8 the customer. Under the current Point of Service test being used by the Commission for the
9 Camas Mill, the Mill is PacifiCorp's customer, receiving service within the utility's allocated
10 territory. As such, the territorial allocation laws prohibit Georgia-Pacific and CPUD's proposal
11 to have CPUD provide utility service to the Mill instead of PacifiCorp.²

12 There is another aspect to the Proposed Transaction that is important to note and
13 consider. Under the Proposed Transaction, there will be no physical change to the Camas Mill or
14 to any of the facilities involved with serving the Mill. Georgia-Pacific proposes to sell the two
15 69 kV lines that interconnect with PacifiCorp's facilities located at its Troutdale Substation to
16 CPUD. However, the lines physically remain situated as they were before the Proposed
17 Transaction and will be connected precisely as they were prior to the Proposed Transaction.
18 Further, there is no physical change to the Mill or to its location. Assumed Fact No. 10. The
19 only new physical aspect, apparently, is CPUD would extend its "distribution system" to
20 interconnect at PacifiCorp's Troutdale Substation so that it may deliver power to the Mill via its
21 newly-acquired 69 kV lines. *Id.*, Assumed Fact No. 11. CPUD's service territory is 70 miles
22 from Troutdale. Assumed Fact No. 10.

23 ///

24 ² Staff notes that the Petition does not raise issue of the lawfulness of the Camas Mill entirely
25 severing its ties with Oregon service entities in favor of taking utility service from an entity
26 located in and providing utility service within the state of Washington without using the existing
two 69kV transmission lines. This would be an entirely different issue than the one presented in
the current proceeding, which involves replacing PacifiCorp with another Oregon serving entity
while still using the existing service infrastructure.

1 Staff recognizes that the Proposed Transaction is structured as a creative attempt by the
2 Petitioners to try to navigate around the territorial allocation and direct access laws. However, in
3 the *Columbia Basin* Order, in the context of applying the Geographic Load Center test to the
4 circumstances of a load straddling two allocated territories, the Commission firmly and clearly
5 stated its concern with plans like that presented by the Proposed Transaction: “The test precludes
6 a customer from manipulating delivery points and running transmission lines across boundaries
7 to obtain service from a neighboring utility.” Order 15-110 at 8.

8 The territorial allocation laws are intended to protect the customer, the serving utility and
9 the public. The harm which the laws are intended to protect against is unnecessary duplication
10 of utility facilities. The goal which the law is intended to help promote is “the efficient use and
11 development and the safety of operation of utility services while providing adequate and
12 reasonable service to all territories and customers.” See ORS 758.405. It would be inconsistent
13 with these purposes to allow Georgia-Pacific to simply sever its long term relationship as an
14 allocated customer of PacifiCorp in favor of obtaining utility service from CPUD. PacifiCorp
15 has structured its utility operations in order to be in a position to serve the Camas Mill load and it
16 would thus suffer harm if Georgia-Pacific could simply choose to leave at its own whim.
17 Further, the Camas Mill load helps PacifiCorp and its customers offset the fixed costs inherent
18 with providing utility service.

19 Finally, there would be harm to the integrity of the entire territorial allocation scheme if
20 the Proposed Transaction were allowed to go forward without first thoroughly exploring all of its
21 ramifications. The Transaction, which involves selling transmission lines to “move” the point of
22 service to allow service by a different Oregon provider, in the words of the Commission, “if
23 adopted, would effectively render meaningless all allocated service territories, as a customer
24 could choose its own utility service provider simply by constructing its own transmission line to
25 an adjoining territory.” Order 15-110 at 7.

26 ///

1 (2) Application of the Direct Access Laws

2 The statutes which encompass what is commonly referred to as the ‘direct access laws’
3 are codified at ORS 757.600 to 757.689. These statutes are intended to promote competition by
4 allowing larger customers the opportunity to receive electric supply service from “electricity
5 service suppliers” (ESSs) instead of their allocated electric utility. ORS 757.601, 757.646. An
6 ESS must be certificated by the Commission before it may provide service in Oregon. ORS
7 757.649. So, the direct access laws provide a regulated avenue for a customer, such as the
8 Camas Mill, to obtain electric supply service from another provider, such as CPUD, even though
9 the Mill obtains utility service as a customer of PacifiCorp within the utility’s allocated territory.
10 Among other provisions, the rules adopted by the Commission under ORS 757.607 require direct
11 access customers to pay 100 percent of transition costs and receive 100 percent of transition
12 benefits that result from their participation in the direct access market. *See* ORS 757.607; OAR
13 860-038-0160(1).

14 The Petitioners assert as the second of their two main issues that their Proposed
15 Transaction will not violate Oregon’s direct access laws. *See generally* Petitioners’ Opening
16 Brief at 5-12; Revised Petition at 10-18. Similar to their arguments that the Proposed
17 Transaction would not violate the territorial allocation laws, the Petitioners inappropriately based
18 their arguments upon the assumption that the Proposed Transaction will occur, and from that
19 faulty premise assert: (1) Oregon’s direct access laws do not apply to delivery of electric service
20 outside of the State; and (2) even if the direct access law did apply to electric service delivered
21 outside of the State, the Commission’s regulatory authority over a consumer-owned utility under
22 the direct access laws is limited to where the consumer-owned utility sells electricity service to a
23 nonresidential customer of another electric utility. As to this second point, the Petitioners assert
24 that the Mill will no longer be a nonresidential customer of PacifiCorp after the Proposed
25 Transaction occurs. Petitioners’ Opening Brief at 6-7, 8-11 (emphasis added).

26 ///

1 The Petitioners' argument fails from the outset because it assumes, like its arguments
2 about the territorial allocation laws, that Georgia-Pacific may unilaterally move, without
3 Commission input or approval, the point of service for the Mill from PacifiCorp's allocated
4 territory to a location in Washington State. For the reasons discussed in the prior section, the
5 Petitioners' assumption is incorrect: the Mill's point of service remains in Oregon, at a location
6 within PacifiCorp's allocated territory, until the Commission decides otherwise. Thus, the
7 Camas Mill remains at this time a customer of PacifiCorp taking service at a point within
8 PacifiCorp's allocated territory, under the direct access laws, CPUD may only provide service to
9 the Mill as an ESS. *See* ORS 757.672(2).

10 **D. The Commission may wish to consider opening a new docket to further consider the**
11 **important issues presented in this proceeding and to further develop the factual**
12 **record.**

13 For the reasons discussed earlier in this brief, Staff believes it would not be appropriate to
14 change the test used in a declaratory ruling proceeding. Staff recommends that the Commission
15 continue to apply the Point of Service test and conclude that the Camas Mill is a customer of
16 PacifiCorp taking service within its allocated territory.

17 However, Staff notes that the Commission may wish to consider opening a new docket to
18 explore this matter in greater depth. Staff presents this alternative in recognition of the fact that
19 this proceeding presents unique and novel circumstances. As far as Staff can determine, no other
20 Oregon entity provides electric utility service to a customer who has the majority of its facilities
21 located in another state. Further, the Commission has not been presented the question of whether
22 such an out-of-state customer may switch service from its assigned Oregon utility without
23 changing any physical aspect of its prior service arrangement but simply by selling to another
24 Oregon service provider the part of its facility (here, the two 69 kV lines) that is located in
25 Oregon. In a subsequent proceeding, the Commission could (1) take a "fresh look" at the unique
26 circumstances presented here through the lens of the territorial allocation laws as informed by the
Commission's discussion in the *Columbia Basin* decision; and (2) review the extent of the harm

1 to PacifiCorp, its customers, and the public inherent in allowing a large customer to switch
2 Oregon service providers outside of the direct access laws.

3 **3. CONCLUSION**

4 For the reasons stated, Staff recommends the Commission declare that the Proposed
5 Transaction would violate both the territorial allocation laws and the direct access laws.

6 DATED this 28th day of July, 2015.

7 Respectfully submitted,

8 ELLEN F. ROSENBLUM
9 Attorney General

10 

11 Michael T. Weirich, #82425
12 Assistant Attorney General
13 Of Attorneys for Staff of the Public Utility
14 Commission of Oregon