

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1837

In the Matter of)
)
PUBLIC UTILITY COMMISSION OF)
OREGON,)
)
Investigation into the Treatment of New)
Facility Direct Access Load.)
_____)

REPLY BRIEF
OF THE
OREGON CITIZENS' UTILITY BOARD

October 10, 2017

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As CUB stated in its Opening Brief, since a utility cannot give preferential treatment or discriminate¹ among members of the same customer class, the Commission cannot eliminate transition charges for new commercial² customers. CUB is unaware of, and no party has provided, any Commission precedent authorizing differential rates between new and existing members of the same customer class.

Moreover, creating a separate rate class for new commercial customers³ would establish an untenable precedent. ICNU appears to argue that *new* commercial customers are entitled to a separate customer class, because the utility has not yet incurred costs to serve those customers.⁴ Setting aside the factual inaccuracy of that position, if the Commission adopts this logic, it would open the door for other customers to argue for differential classes based on cost-causation

¹ See ORS §§ 757.282; 757.325; 757.310.

² For purposes of this brief, CUB refers broadly to all customers eligible to take service from Direct Access as “commercial customers”.

³ ICNU suggests that the Commission would not violate Oregon’s non-discriminatory statute if it simply created a new category for new commercial customers. ICNU’s Opening Brief, p. 4.

⁴ *Id.*

principles. For example, new residential customers who install solar panels on their homes could argue for a separate customer class, based on their reduced load usage and utility costs incurred to serve those customers. Conversely, existing customers who have invested significantly in the region's hydro system could request a separate class for new customers who have not contributed to the hydro system.

It is for these reasons that CUB cautions the Commission against establishing a separate class for new commercial customers. Because rates may not discriminate or give preferential treatment to customers within the same customer class, and because establishing a separate customer class for new customers would create an untenable precedent, the Commission lacks the authority to eliminate transition adjustments for new commercial utility customers.

Dated this 10th day of October, 2017.

Respectfully submitted,

October 10, 2017

/s/ Elizabeth Jones

Elizabeth Jones, OSB #170349
Staff Attorney
Oregon Citizens' Utility Board
610 SW Broadway, Ste. 400
Portland, OR 97205
T. 503.227.1984
F. 503.224.2596
E. liz@oregoncub.org