

ISSUED: March 9, 2006

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 499

In the Matter of the Adoption of Permanent)
Rules Implementing SB 408 Relating to)
Utility Taxes.)

MEMORANDUM

**DISPOSITION: STRAW PROPOSALS GUIDELINES AND
SCHEDULE SET; REMAINING SCHEDULE
OUTLINED.**

On March 6, 2006, numerous participants attended a workshop to discuss drafts of proposed rule language and methodologies for defining the term “properly attributed.” At the end of the workshop, the participants agreed to maintain the March 17, 2006, workshop date for working on the various proposals regarding “properly attributed.” The participants also agreed on a schedule for future events. I took the liberty of adding an event, the filing of revised straw proposals, to give participants an opportunity for revisions based on comments made at the April 17, 2006, workshop. The schedule is as follows:

EVENT	DATE
Workshop	March 17, 2006
File straw proposals re: properly attributed	April 11, 2006
Workshop	April 17, 2006
File revised straw proposals	April 20, 2006
File opening comments	May 1, 2006
File response comments	May 12, 2006
Commissioner Workshop	May 31, 2006

Straw Proposals

For these proposals to be useful to the Commission, they need to be in a similar format and use several standard examples. I recommend that the written straw proposals contain an initial section that summarizes the concept of the proposal in a few sentences. The next section should contain a more detailed explanation of the proposal. Finally, the last section should show the results reached when the straw proposal is applied. This “application” section of the straw proposal would use three or four scenarios devised by the participants during the March 17 workshop. I suggest that the participants use the organizational structure outlined in ICNU’s proposal (or one with similar characteristics). A straw proposal should be written in no more than three pages. Further explanation of the proposal, along with argument for and against, is reserved for opening and response comments.

Revisions to proposed rules

Ms. McDowell and Mr. Wood indicated that they would make some revisions to their proposed rules based on the March 6 workshop discussions. Please circulate those revisions by March 16, 2006. I suggest that participants discuss the revisions during the March 17 workshop.

Remaining schedule

All SB 408 rules need to be adopted before January 1, 2007. Therefore, I have attempted to outline the remainder of the schedule for adopting the rules:

EVENT	DATE
Staff distribution of proposed SB 408 rules (excluding “properly attributed” section)	Mid June 2006
Commission determination of “properly attributed”	On or before June 21, 2006
Workshop to review draft rules	Early July 2006
Revisions circulated	Mid July 2006
File opening comments	Late July 2006
File response comments	Early August 2006
ALJ/Commission Public Comment Hearing	Late August 2006
Adopt Rules	Early September 2006

The exact dates for the various events will have to be established. We also may need additional workshops to discuss other proposed rules. This schedule shows, however, that we do not have the ability to move beyond the ranges set forth above if the tax report rules are to be in place at least one month before the October 15, 2006 filing date.

Dated at Salem, Oregon, this 9th day of March, 2006.

Kathryn A. Logan
Administrative Law Judge