

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 170

In the Matter of)	
)	
PACIFIC POWER & LIGHT (dba PacifiCorp))	PREHEARING CONFERENCE
)	MEMORANDUM
Request for a General Rate Increase in the)	
Company's Oregon Annual Revenues)	
(Klamath River Basin Irrigator Rates).)	

On June 24, 2005, a prehearing conference was held to address the rates PacifiCorp should charge irrigation customers located within the Klamath River Basin. The following appearances were entered: Kathryn McDowell, on behalf of PacifiCorp; Edward Finklea, on behalf of Klamath Water Users Association (KWUA), Matthew Perkins, on behalf of the Klamath Off-Project Water Users (KOPWU), Bob Jenks, on behalf of the Citizens' Utility Board; Kurt Boehm, on behalf of Kroeger; Steve Palmer, on behalf of the United States Bureau of Reclamation and Fish and Wildlife Service (collectively referred to as the Bureau), John Devoe and Lisa Brown on behalf of WaterWatch of Oregon, Thomas Schlosser, on behalf of the Hoopa Valley Tribe, Jim McCarthy, on behalf of Oregon Natural Resources Council, and Jason Jones, on behalf of the Commission Staff (Staff).

At the conference, the following issues were addressed:

Parties and Protective Order

All parties to docket UE 171 are granted party status in UE 170. KOPWU's renewal of its objection to the intervention of certain parties raised in UE 171 is noted for the record. Any party desiring the receipt of information designated as confidential must sign the signatory page set forth in the protective order issued in UE 170 (Order No. 04-682).

KWUA's Motion in UE 171

On May 24, 2005, KWUA filed a motion to estop PacifiCorp from contending that the on-project irrigators are not third-party beneficiaries of the 1956 contract with respect to power. PacifiCorp opposed KWUA's request.

A ruling on that motion was not necessary prior to the Commission's resolution of UE 171. Now that the question of irrigator rates has been remanded back to this docket, the motion is dismissed without comment and without prejudice. If necessary, KWUA may refile the motion at a later date.

UE 170 Suspension Date

The parties agreed that the irrigation rate for customers within the Klamath River Basin need not be completed prior to September 12, 2005—the suspension date for the general rate proceeding, but should be resolved prior to April 6, 2006—the expiration date of the 1956 on-project contract. To accomplish this, the parties suggest that the Commission use the current contract rates, set forth in Schedule 33, as interim rates for these irrigation customers when setting PacifiCorp's revenue requirement in the general rate proceeding. The parties further agreed that, once a Commission decision is made regarding the rates for the Klamath River Basin irrigators, PacifiCorp would spread any revenue requirement impact of that decision to other customer classes through an adjustment to its rate spread/rate design.

UE 171 Record

The parties agreed that the record submitted in UE 171 should be moved into UE 170. I interpret the request as one to incorporate in this docket all substantive material from UE 171 that relates to the irrigation rate issue, and grant it. Because the UE 171 record also contains procedural information not relevant to UE 170, the parties shall file a joint list that identifies all relevant documents to be moved from UE 171 to UE 170.

Schedule

The parties agreed to the following procedural schedule:

EVENT	DATE
Parties submit joint issues list, as supplemented by any party	Friday, July 29, 2005
Opening briefs on rate standard	Monday, August 29, 2005
Reply briefs on rate standard	Friday, September 16, 2005
Commission decision on rate standard	TBD
Conference to set remaining schedule	TBD

Dated at Salem, Oregon, this 30th day of June, 2005.

Michael Grant
Chief Administrative Law Judge