

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 161

In the Matter of)	
)	
PORTLAND GENERAL ELECTRIC)	PREHEARING CONFERENCE
COMPANY)	MEMORANDUM
)	
Adjustments to Schedule 125 (2005 RVM)	
Filing).)	

On November 5, 2004, Public Utility Commission of Oregon (Commission) Staff (Staff) requested a prehearing conference to discuss concerns about the ratemaking treatment of capacity tolling agreements raised upon review of Portland General Electric's (PGE) draft MONET run November 3, 2004. As PGE was scheduled to file a final MONET run on November 10, 2004, Staff requested that a prehearing conference be held as soon as possible. PGE filed a letter on November 9, 2004, opposing Staff's request for an investigation of capacity tolling agreement ratemaking.

On November 10, 2004, a prehearing conference was held in Salem, Oregon. Appearances were entered as follows: David B. Hatton, attorney, appeared on behalf of Commission Staff; Doug Tingey, attorney, appeared on behalf of Portland General Electric Company (PGE); Matthew Perkins, attorney, appeared by telephone on behalf of the Industrial Customers of Northwest Utilities (ICNU); Brad Van Cleve, attorney, also appeared by telephone on behalf of ICNU; and Bob Jenks, attorney, appeared by telephone on behalf of Citizens' Utility Board of Oregon (CUB).

After preliminary matters were addressed, conference participants went off the record to discuss how to proceed. Back on the record, Mr. Hatton represented that the conference participants agreed that no further action by the Commission was necessary in this docket and that the final MONET run would be filed as scheduled. Instead, parties agreed to work informally outside of a contested case proceeding to draft language regarding the modeling of capacity tolling agreements, with the intent to present such language in PGE's next general rate case filing. Should efforts be unsuccessful, however, Staff indicated it would consider filing a deferred accounting request with the Commission, prior to the end of this year, to address the capacity tolling agreements at issue for 2005.

Dated this 16th day of November, 2004, at Salem, Oregon.

Traci A. G. Kirkpatrick
Administrative Law Judge

