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Suite 2460 1000 SW Broadway Portland, OR 97205

December 23, 2004

Via Facsimile, Electronically, and US Mail

Ms. Annette Taylor Oregon Public Utility Commission P.O. Box 2148 Salem OR 97308-2148

Re:

In the Matter of PUBLIC UTILITY COMMISSION OF OREGON Staff's

Request to Open an Investigation Related to the Implementation of

ORS § 757.612

Docket No. UM 1169

Dear Ms. Taylor:

Enclosed please find an original and six (6) copies of the Issues Lists of the Industrial Customers of the Northwest Utilities in the above-captioned docket.

Please return one file-stamped copy of the document in the self-addressed, stamped envelope provided. Please call me at (503) 241-7242 if you have any questions. Thank you for your assistance.

Sincerely yours,

Ally L. Smith

Enclosures

cc: Service List

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1169

In the Matter of the)
PUBLIC UTILITY COMMISSION OF OREGON STAFF's	ISSUES LIST OF THE INDUSTRIAL CUSTOMERS OF NORTHWEST UTILITIES
Request to Open an Investigation Related to the Implementation of ORS § 757.612.	

Pursuant to the Prehearing Conference Memorandum issued on November 3, 2004, the Industrial Customers of Northwest Utilities ("ICNU") submits this Issues List regarding the issues to be addressed in phase one of Public Utility Commission of Oregon ("OPUC" or "Commission") Docket UM 1169. On September 21, 2004, the Commission opened an investigation related to implementation of the provisions of ORS § 757.612 regarding an electric company's ability to include in rates costs associated with new local energy conservation, new market transformation efforts, the above-market costs of new renewable energy resources, and new low-income weatherization. Phase one of this investigation will address the legal requirements of ORS § 757.612, including whether it is permissible to include costs of new local energy conservation, new market transformation efforts, new renewable energy resources, and new low-income weatherization in rates in addition to those already incorporated into the 3% public purpose charge.

PAGE 1 – ISSUES LIST OF ICNU

The following is ICNU's list of issues to be addressed in phase one of this

proceeding:

Issue #1: Does ORS § 757.612(3)(g) prohibit electric companies from embedding in

rates costs of new cost-effective local energy conservation measures, new market transformation

efforts, the above-market costs of new renewable energy resources, and new low-income

weatherization that are in addition to the costs for those measures funded by the 3% public

purpose charge?

Issue #2: Does ORS § 757.612 permit the OPUC to set the public purpose charge at

a rate other than 3% for any customer or class of customers?

Issue #3: Does ORS § 757.612(3)(f) prohibit the OPUC from establishing a public

purpose charge greater than 3% for customers with a load greater than 1 aMW?

Issue #4: Does ORS § 757.612(3)(f) prohibit the OPUC from requiring a customer

with an average load greater than 1 aMW to pay greater than 3% of the customer's total cost for

electricity service to fund new cost-effective local energy conservation, new market

transformation efforts, the above-market costs of new renewable energy resources, and new low-

income weatherization?

Issue #5: Are additional public purpose expenditures permitted under

ORS § 757.612(4), which provides that an "electric company that satisfies its obligations under

this section shall have no further obligation to invest in conservation, new market transformation,

new renewable energy resources or new low-income weatherization or to provide a commercial

energy conservation services program and is not subject to ORS 469.631 to 469.645, 469.860 to

469.900 and 758.505 to 758.555"?

PAGE 2 - ISSUES LIST OF ICNU

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These are the issues that ICNU has identified at this time. ICNU reserves the right to raise additional issues as they are presented.

WHEREFORE, ICNU respectfully submits this Issues List for the Commission's consideration.

Dated this 17th day of December, 2004.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

S. Bradley Van Cleve)

Matthew Perkins

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Of Attorneys for Industrial Customers of Northwest Utilities

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing Issues

List of the Industrial Customers of the Northwest Utilities upon the service list, shown

below, by causing the same to be electronically served by email all parties on the official
service list.

Dated at Portland, Oregon, this 17th day of December, 2004.

Ally L. Smith

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