



900 S.W. Fifth Avenue, Suite 2600
Portland, Oregon 97204
main 503.224.3380
fax 503.220.2480
www.stoel.com

April 20, 2005

KATHERINE A. MCDOWELL
Direct (503) 294-9602
kamcdowell@stoel.com

VIA ELECTRONIC FILING

PUC Filing Center
Public Utility Commission of Oregon
PO Box 2148
Salem, OR 97308-2148

**Re: PacifiCorp's Motion to Consolidate
Dockets UM 1193 and UE 173**

Enclosed for filing is PacifiCorp's Motion Consolidate the above-referenced dockets. A hard copy was served on all parties to this proceeding as indicated on the attached service list.

Very truly yours,

A handwritten signature in black ink, appearing to be "Katherine A. McDowell".

Katherine A. McDowell

KAM:knp
Enclosure
cc: Service List

1 BEFORE THE PUBLIC UTILITY COMMISSION
2 OF OREGON

3 **UM 1193 AND UE 173**

4 In the Matter of the Application of
5 PACIFICORP for an Order Approving
6 Deferral of Costs Related to Declining
7 Hydro Generation

MOTION TO CONSOLIDATE

8 In the Matter of the Application of
9 PACIFICORP for an Order Approving an
10 Automatic Adjustment Clause Related to
11 Net Power Costs

12 Pursuant to OAR 860-014-0025, PacifiCorp (or the “Company”) respectfully moves
13 that proceedings in dockets UM 1193 and UE 173 be consolidated.

14 PacifiCorp’s Application in UM 1193 (the “Hydro-Deferral Application”) was filed
15 on February 1, 2005. In the Hydro-Deferral Application, the Company sought Commission
16 approval, pursuant to ORS 757.259, to defer expected higher power costs caused by a
17 continuation of poor hydro-electric conditions. In that Application, PacifiCorp
18 acknowledged that its request to defer higher costs related to poor hydro conditions was part
19 of a larger issue of whether normalized ratemaking was permitting Oregon’s electric utilities
20 a reasonable opportunity to earn a fair rate of return:

21 In its Order in UM 1071, the Commission acknowledged that
22 “climate changes and others factors, such as hydro
23 availability,” may impact the ability of a utility to recover its
24 hydro losses using current normalization techniques. *In re*
25 *Portland General Electric*, Order 04-108 at 10 (2004). For this
26 reason, the Commission encouraged the parties to review
alternatives such as a PCAM to deal with hydro variability.
This Application seeks to initiate the development of new
approaches to hydro variability in PacifiCorp’s rates as
suggested in UM 1071.” *UM 1193 Application at 4.*

1 The Hydro-Deferral Application also anticipated PacifiCorp's subsequent filing of a
2 power-cost adjustment mechanism ("PCAM") as a possible mechanism to recover the costs
3 to be deferred:

4 PacifiCorp requests that the deferral continue until the
5 Commission addresses the current low-hydro trend in rates
6 through a PCAM or through updated and more balanced hydro
7 normalization practices that take into account the year-to-year
8 dependencies of hydro variability. PacifiCorp also requests
9 that the Commission convene a prehearing conference on this
10 application in the near future and set a schedule for the filing of
11 testimony on the merits of this Application and on longer-term
12 solutions for PacifiCorp's hydro variability, such as a PCAM.
13 *UM 1193 Application at 1.*

14 On April 15, 2005, PacifiCorp filed an Application to establish a PCAM which was
15 docketed as UE 173. That Application states that if the proposed PCAM is approved by the
16 Commission, amounts deferred as a result of the Hydro-Deferral Application should be
17 integrated into the PCAM.

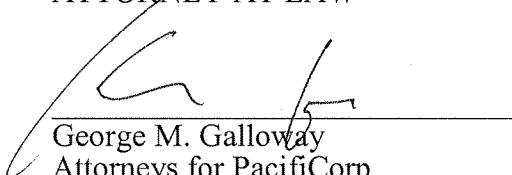
18 It therefore appropriate to consolidate proceedings related to PacifiCorp's Hydro-
19 Deferral Application and its PCAM Application because they deal with many of the same
20 issues and their outcomes are interrelated. Such consolidation should reduce the burden on
21 the parties and the Commission and permit the two dockets to resolved in an efficient and
22 consistent manner.

23 DATED: April 20, 2005

24 STOEL RIVES, LLP

25 
Katherine A. McDowell

26 GEORGE M. GALLOWAY
ATTORNEY AT LAW


George M. Galloway
Attorneys for PacifiCorp

CERTIFICATE OF SERVICE

1
2 I hereby certify that I served a true and correct copy of the foregoing Motion to
3 Consolidate on the following named person(s) on the date indicated below by email, where
4 available and first-class mail to said person(s) at his or her last-known address(es) indicated
5 below.

6 Stephanie S. Andrus
7 Department of Justice
8 Regulated Utility & Business Section
9 1162 Court Street, NE
10 Salem, OR 97301-4096
11 stephanie.andrus@doj.state.or.us

Ron Binz
333 Eudora Street, Suite 100
Denver, CO 80220-5721
rbinz@rbinz.com

12 Ken Canon
13 Industrial Customers of Northwest
14 Utilities
15 825 NE Multnomah, Suite 180
16 Portland, OR 97232-2158
17 kcanon@icnu.org

Ralph Cavanagh
Natural Resources Defense Council
111 Sutter Street, 20th Floor
San Francisco, CA 94104
rcavanagh@nrdc.org

18 Melinda J. Davison
19 Matthew W. Perkins
20 Davison Van Cleve
21 333 SW Taylor, Suite 400
22 Portland, OR 97204
23 mail@dvclaw.com

J. Jeffrey Dudley
Portland General Electric
121 SW Salmon Street, 1WTC1300
Portland, OR 97204
jay.dudley@pgn.com

24 Jason Eisdorfer
25 Lowrey R. Brown
26 Citizens' Utility Board of Oregon
610 SW Broadway, Suite 308
Portland, OR 97205
jason@oregoncub.org
lowrey@oregoncub.org

Michael L. Kurtz
Kurt Boehm
Boehm, Kurtz & Lowry
36 E 7th Street, Suite 1510
Cincinnati, OH 45202-4454
mkurtz@bkllawfirm.com

John W. Stephens
Esler Stephens & Buckley
888 SW Fifth Avenue, Suite 1600
Portland, OR 97204-2021
stephens@eslerstephens.com

Rates & Regulatory Affairs
Portland General Electric
121 SW Salmon Street, 1WTC0702
Portland, OR 97204
pge.opuc.filings@pgn.com

Jim Abrahamson
Community Action Directors
of Oregon
4035 12th Street Cutoff SE, Suite 110
Salem, OR 97302
jim@cado-oregon.org

Edward Bartell
Klamath Off-Project Water Users, Inc.
30474 Sprague River Road
Sprague River, OR 97639

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10
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23
24
25
26

Phil Carver
Oregon Office of Energy
625 Marion Street NE, Suite 1
Salem, OR 97301-3742
philip.h.carver@state.or.us

John Devoe
Lisa Brown
Waterwatch of Oregon
213 SW Ash Street, Suite 208
Portland, OR 97204
john@waterwatch.org
lisa@waterwatch.org

Edward A. Finklea
Cable Huston Benedict Haagensen
& Lloyd LLP
1001 SW 5th Avenue, Suite 2000
Portland, OR 97204
efinklea@chbh.com

Dan Keppen
Klamath Water Users Assoc.
2455 Patterson Street, Suite 3
Klamath Falls, OR 97603

Janet L. Prewitt
Department of Justice
1162 Court Street, NE
Salem, OR 97301-4096
janet.prewitt@doj.state.or.us

Robert Valdez
Judy Johnson
Public Utility Commission of Oregon
PO Box 2148
Salem, OR 97308-2148
bob.valdez@state.or.us
judy.johnson@state.or.us

DATED: April 20, 2005.

Joan Cote
Oregon Energy Coordinators Assoc.
2585 State Street, NE
Salem, OR 97301
cotej@mwvcaa.org

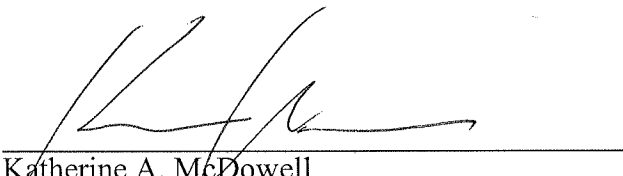
Randall J. Falkenberg
RFI Consulting, Inc.
PMB 362
8351 Roswell Road
Atlanta, GA 30350
consultrfi@aol.com

David Hatton
Department of Justice
Regulated Utility & Business Section
1162 Court Street, NE
Salem, OR 97301-4096
david.hatton@state.or.us

Jim McCarthy
Oregon Natural Resources Council
PO Box 151
Ashland, OR 97520

Douglas C. Tingey
Portland General Electric
121 SW Salmon, 1WTC13
Portland, OR 97204
doug.tingey@pgn.com

Glen H. Spain
PCFFA
PO Box 11170
Eugene, OR 97440-3370
fish1ifr@aol.com



Katherine A. McDowell
Of Attorneys for PacifiCorp