

November 2, 2011

***VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY***

Oregon Public Utility Commission
550 Capitol Street NE, Ste 215
Salem, OR 97301-2551

Re: UM 926 – Request for Order to Sign Amendment No. 1 to the Bonneville Power Administration Residential Exchange Program Settlement Agreement ("Amendment No. 1")

PacifiCorp d/b/a Pacific Power hereby requests approval from the Commission to execute the enclosed Amendment No. 1 to the Residential Exchange Program Settlement Agreement ("REP Settlement Agreement").

In Order No. 11-170, the Commission directed PacifiCorp to execute the REP Settlement Agreement. Thereafter, on May 17, 2011, PacifiCorp executed and delivered the REP Settlement Agreement to the Bonneville Power Administration ("BPA"). On July 26, 2011, BPA executed the REP Settlement Agreement, rendering all provisions of the REP Settlement Agreement effective.

Amendment No. 1 would permit additional entities to become parties to the REP Settlement Agreement. The REP Settlement Agreement currently provides that entities must have signed the REP Settlement Agreement by June 3, 2011. In the BPA Record of Decision authorizing the Administrator to execute the REP Settlement Agreement, BPA urged the parties to draft an amendment that would allow additional entities to become parties to the REP Settlement. Consumer-owned utilities ("COUs") reflecting approximately 88 percent of BPA's load executed the REP Settlement Agreement, but others have expressed an interest in joining the settlement.

The terms of Amendment No. 1 were collectively drafted by BPA, representatives of the investor-owned utility group, the COU group, and a representative of a large contingent of non-settling COUs. For others to join the REP Settlement Agreement, all current parties to the REP Settlement Agreement must execute the enclosed Amendment No. 1 and deliver it to BPA by January 31, 2012. BPA has requested that existing parties sign and deliver Amendment No. 1 by November 30, 2011. If Amendment No. 1 becomes effective, additional entities would have the opportunity to become parties by signing the REP Settlement Agreement and Amendment No. 1 and delivering them to BPA by January 31, 2012.

PacifiCorp recommends that the Commission approve execution of Amendment No. 1. As described in PacifiCorp's initial request, dated March 22, 2011, the level of participation by COUs in the REP Settlement Agreement influences the level of risk for PacifiCorp and its residential and small farm customers. Increasing the level of COU participation mitigates the uncertainty associated with the REP Settlement Agreement. Amendment No. 1 serves this

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purpose by enabling additional COUs to become parties. Amendment No. 1 has no material risk to PacifiCorp or its residential and small farm customers.

Thank you for your consideration of this request. We can available to answer questions at the November 22, 2011, public meeting or informal questions may be directed to Joelle Steward, Regulatory Manager, at 503-813-5542.

Sincerely,

A handwritten signature in black ink that reads "Andrea L. Kelly" followed by a stylized monogram "AK".

Andrea L. Kelly
Vice President, Regulation

Enclosure

cc: UM 926 Service List

Amendment No. 1
Contract No. 11PB-12322

AMENDMENT NO. 1
to the
REP SETTLEMENT AGREEMENT

This AMENDMENT NO. 1 (“Amendment”), dated as of _____, to the REP Settlement Agreement, Contract No. 11PB-12322, Conformed (“Settlement Agreement”) is entered into by and among the investor-owned utilities, state public utility commissions, Citizens’ Utility Board of Oregon, consumer-owned utilities, consumer-owned utility associations, and other BPA power customers, and the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (“BPA”) (collectively the “Existing Parties”), which as of July 26, 2011 comprise the Parties to the Settlement Agreement, and also such other entities that become Parties by executing and delivering to BPA the Settlement Agreement and this Amendment on or before January 31, 2012.

This Amendment, if it takes effect, allows additional entities to become Parties to the Settlement Agreement, consistent with the decision by the BPA Administrator in the Residential Exchange Program Settlement Agreement Proceeding (REP-12) Administrator’s Final Record of Decision issued on July 26, 2011.

It is agreed as follows:

1. EFFECTIVENESS OF AMENDMENT

This Amendment will take effect on the date that it has been executed by all the Existing Parties and has been delivered to BPA; provided, that such execution and delivery by the Existing Parties occurs on or before January 31, 2012. In the event that any of the Existing Parties fails to execute and deliver this Amendment to BPA on or before January 31, 2012, this Amendment will not take effect.

2. AMENDMENT OF AGREEMENT

The Settlement Agreement is hereby amended as follows:

The definition of “Party” in Section 2 is deleted and replaced by the following:

“Party” means (i) any entity that signs this Settlement Agreement and delivers it to BPA on or before June 3, 2011; (ii) BPA as of the Effective Date; and (iii) if Amendment No. 1 to this Settlement Agreement becomes effective, any other entity that signs and delivers to BPA on or before January 31, 2012 this Settlement Agreement and Amendment No. 1.

3. SIGNATURES; CONFORMED COPIES

Each signatory represents that he or she is authorized to enter into this Amendment on behalf of the Party for whom he or she signs. For the convenience of the Parties, this Amendment may be executed in any number of counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts together constituting the same agreement. If this Amendment becomes effective, BPA will promptly after January 31, 2012: (i) notify each Party that this Amendment has become effective; (ii) deliver to each Party a conformed copy of this Amendment; and (iii) notify each Party of any entity that was not an Existing Party and that becomes a Party in accordance with item (iii) of the definition of Party in this Amendment.

4. INCORPORATION AND INTERPRETATION

Unless expressly amended by this Amendment, the provisions of the Settlement Agreement remain in full force and effect. The Settlement Agreement as amended by this Amendment shall be and remain in full force and effect upon the effectiveness of this Amendment, and each Party confirms, ratifies and approves the Settlement Agreement as amended by this Amendment. All capitalized terms used herein and not otherwise defined in this Amendment shall have the respective meanings given to such terms in the Settlement Agreement. The invalidity or unenforceability of any provision of this Amendment shall not affect the validity or enforceability of any other provision of the Settlement Agreement, which shall remain in full force and effect.

FULL NAME OF PARTY

(Print/Type Name of Party)

By _____

Title _____

Name _____
(Print/Type)

Date _____

CERTIFICATE OF SERVICE

I certify that I have cause to be served the foregoing document in OPUC Docket No. UM 926 by electronic mail and/or first class mail to the parties on the attached service list unless paper service has been waived.
DATED this 2nd Day of November, 2011.

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