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December 18, 2006

## Via Electronic Filing and U.S. Mail

Oregon Public Utility Commission Attention: Filing Center PO Box 2148 Salem OR 97308-2148

#### Re: UE 180, UE 181 AND UE 184

Attention Filing Center:

Enclosed for filing in the captioned dockets are an original and one copy of :

# • RESPONSE OF PORTLAND GENERAL ELECTRIC TO STAFF'S MOTION FOR RECONSIDERATION OF DECEMBER 8, 2006 RULING.

This document is being filed by electronic mail with the Filing Center.

An extra copy of this cover letter is enclosed. Please date stamp the extra copy and return it to me in the envelope provided.

Thank you in advance for your assistance.

Sincerely,

DOUGLAS C. TINGEY

DCT:jbf Enclosure

cc: Service List – UE 180, 181 and 184

#### **BEFORE THE PUBLIC UTILITY COMMISSION**

#### **OF OREGON**

#### UE 180/ UE 181/ UE 184

| In the Matter of   | )   |
|--|---|
| PORTLAND GENERAL ELECTRIC<br>COMPANY   | ) )   |
| Request for a General Rate Revision (UE 180),  | )<br>)<br>_ )   |
| In the Matter of   | )<br>) RESPONSE OF PORTLAND<br>) GENERAL ELECTRIC TO            |
| PORTLAND GENERAL ELECTRIC<br>COMPANY   | <ul><li>STAFF'S MOTION FOR</li><li>RECONSIDERATION OF</li></ul> |
| Annual Adjustments to Schedule 125 (2007<br>RVM Filing) (UE 181),                    | ) DECEMBER 8, 2006 RULING<br>)<br>_)<br>_ )                     |
| In the Matter of   | ) )   |
| PORTLAND GENERAL ELECTRIC<br>COMPANY   | )   |
| Request for a General Rate Revision relating to<br>the Port Westward Plant (UE 184). | )<br>)<br>)   |

Portland General Electric Company ("PGE") submits this response to the "Motion for Reconsideration of December 8, 2006 Ruling Excluding Attachment from Record and Request for Certification" filed by Staff on December 14, 2006. In the December 8, 2006 Ruling the Administrative Law Judge excluded from the record two attachments to Staff's brief, and Staff has not provided sufficient reason to change that decision. The motion should not be granted, for the reasons set forth below.

#### **PROCEDURAL BACKGROUND**

Staff included two evidentiary attachments, "A" and "B", to its amended opening brief, dated November 20, 2006. Attachment A was described in footnote 40 as "a spreadsheet updating staff's analysis. . ." Staff, however, did not file a motion to admit them as evidence or even request in its brief that the attachment be admitted into the record. In PGE's reply brief, PGE pointed out that the attachment contains no indication of the source of the numbers in the attachment. PGE argued that the "attachment of unlabeled sheets of paper with a multitude of unexplained numbers is unfounded and inadequate." *PGE Reply Brief at 6.* In its reply brief, Staff stated: "Staff does not believe that its re-calculation of its cost of debt estimate constitutes new evidence. However, in the event the administrative law judge concludes that staff's characterization of its recalculated cost of debt estimate is incorrect, staff asks that the administrative law judge admit staff's calculation into the record." *Staff Reply Brief at 19-20.* 

Attachment B to Staff's brief was described in footnote 41 as "a spreadsheet showing the treasury rate on November 14, 2006." Staff's brief asked the Commission to take official notice of the November 14, 2006 treasury rate. As pointed out by PGE, Attachment B to Staff's brief was, however, not a spreadsheet showing treasury rates.

On December 8, 2006, the Administrative Law Judge issued a Ruling that addressed several issues including these two attachments. With respect to Attachment B, the Ruling noted that Attachment B did not contain the treasury rates claimed by Staff, and should not be entered into the record. The Ruling added that the Commission would take judicial notice of the Treasury rates on November 14, 2006, as reported in the Wall Street Journal. The Ruling also found, after citing PGE's objections, that Attachment A should not be admitted into the record.

On December 12, 2006, oral argument was held in this docket. This was the final procedural step scheduled in this docket.

#### PAGE 2-PGE REPLY TO MOTION FOR RECONSIDERATION

On December 14, 2006, Staff moved for reconsideration of this Ruling. In the alternative, Staff requests certification of the question to the Commission. In addition, Staff has offered yet another version of the attachment, containing new information, along with its motion for reconsideration.

#### ARGUMENT

The Ruling correctly found that the evidentiary attachments to Staff's brief should not be admitted into the record. At a fundamental level, the record was closed and it is improper to attempt to add evidence through briefs. Yet Staff now, well after the record has closed and even after oral argument, seeks to have admitted a newly revised attachment. This cannot be allowed.

First, Staff challenges the Ruling because "[n]o motion to exclude the spread sheets was pending." *Motion at 3.* This argument turns proper procedures backwards. Staff submitted evidence after the record was closed, and made no motion to have it admitted. Staff's reply brief finally contained a request to admit the exhibits, but no motion. PGE explained in its briefs why admission of the attachments would be improper. But apparently Staff believes it was incumbent upon PGE or another party to make a motion to exclude the spreadsheet. Staff appears to claim that in the absence of such a motion, Judge Hayes should not have excluded the exhibits. The attachments were offered as part of a brief and after the record had closed; Staff had the burden of coming forth to seek leave to add to the record. It did not do so, and the Ruling that the attachments should not be part of the record was proper.

Staff's other arguments in support of its motion also fail. Staff takes issue with the characterization of the attachment as a "multitude of unexplained numbers," then confirms that the characterization was correct by attempting to explain the numbers in its motion. In further recognition that the attachment contained unexplained numbers, Staff now has offered a revised

attachment that contains some explanations. The time for submitted new exhibits in this proceeding, however, has long since passed.

Staff also makes the inconsistent argument that the record would be prejudiced without inclusion of the attachments, while at the same time Staff claims that the spreadsheet is not new evidence, just "illustrates the adjustments staff described in direct testimony" (*Motion at 3*), and the Commission could recreate Staff's proposed adjustments "by referring to Staff's testimony." *Motion at 5*. According to Staff's statements, there will be no prejudice.

#### CONCLUSION

The attachments to Staff's brief were properly excluded and there is no basis for reconsideration of that ruling.

DATED this 18<sup>th</sup> day of December, 2006.

Respectfully submitted,

/s/ DOUGLAS C. TINGEY

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## **CERTIFICATE OF SERVICE**

# I hereby certify that I have this day caused the **RESPONSE OF PORTLAND GENERAL ELECTRIC TO STAFF'S MOTION FOR RECONSIDERATION OF DECEMBER 8,**

**2006 RULING** to be served by electronic mail to those parties whose email addresses appear on the attached service list, and by First Class US Mail, postage prepaid and properly addressed, to those parties on the attached service list who have not waived paper service.

Dated at Portland, Oregon, this 18th day of December 2006.

/S/ DOUGLAS C. TINGEY

DOUGLAS C. TINGEY

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