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October 25, 2010

VIA ELECTRONIC FILING AND OVERNIGHT DELIVERY

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

Attn: Filing Center

RE: UM 918 - Pacific Power Response to Staff's Motion to Amend Order No. 98-191

Enclosed for filing by PacifiCorp d.b.a. Pacific Power is an original and one copy of Pacific Power's Response to Staff's Motion to Amend Order No. 98-191 in the above-reference proceeding.

Informal inquiries may be directed to Joelle Steward at (503) 813-5542.

Very truly yours,

Ladrea Fitelly/ce

Andrea L. Kelly Vice President, Regulation

Enclosures

CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing document on the date indicated below by email and/or US Mail, addressed to said parties at his or her last-known address(es) indicated below.

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DATED: October 25, 2010

Ariel Son

Coordinator, Regulatory Operations

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 918

In the Matter of: The Application Of SCOTTISHPOWER PLC And PACIFICORP For An Order Authorizing Scottishpower PLC To Exercise Substantial Influence Over The Policies And Actions Of PacifiCorp

PACIFIC POWER'S RESPONSE TO STAFF'S MOTION TO AMEND ORDER NO. 98-191

1	Pursuant to OAR 860-013-0050(3)(d), PacifiCorp, d/b/a Pacific Power (Pacific
2	Power), respectfully provides this response to the Motion to Amend Order No. 98-191 (UM
3	918) (Staff's Motion) filed by the Staff of the Public Utility Commission of Oregon (Staff) in
4	the above-captioned proceeding on October 8, 2010.
5	I. Background and Introduction
6	Staff's Motion requests that the Public Utility Commission of Oregon (Commission)
7	issue an order amending Order 98-191 (UM 918) to approve revisions to the previously-
8	approved "Service Quality Measures" agreement (SQM Agreement) regarding provision of
9	service by Pacific Power. During more than the past year, Pacific Power has been working
10	with Staff to modify the SQM and supports Staff's Motion subject to the condition and
11	clarification provided below.
12	II. Response
13 14	A. Pacific Power Supports Staff's Motion Provided Staff and Pacific Power Enter into a Policy Agreement Clarifying the Compliance Criteria.
15	Pacific Power is in support of Staff's Motion to modify the SQM Agreement
16	provided a policy agreement is developed to ensure clarity of the criteria utilized to
17	determine whether a "major safety violation" (MSV) has occurred; these measures are
18	outlined as "Compliance Thresholds" in the proposed order. Although the SQM Agreement,

as modified by Staff's Motion, includes a definition of the compliance thresholds and the
MSV, the definitions and calculations are broad and do not include specific criteria or
examples upon which to base evaluations of compliance. Pacific Power feels strongly that a
policy agreement setting forth such criteria and examples would assist Staff in determining
adherence to various measures and to establish whether a MSV has occurred. Further, this
clarity would be beneficial in Pacific Power's tailoring of its quality assurance program,
while also aiding Pacific Power in the avoidance of an MSV.

8 Staff has also indicated that it would be amenable to working with Pacific Power to
9 negotiate and establish a policy agreement by April 1, 2011.

10

Modifications to the SQM Agreement Would Not Be Effective Until 2011.

Staff's Motion requests that the Commission issue its order amending Order 98-191 (UM 918) not later than December 1, 2010 to allow Pacific Power to make changes necessary to comply with the revised SQM Agreement beginning in 2011. Pacific Power would like to further clarify that the proposed revisions to the SQM Agreement are prospective and as such, are applicable commencing with the first annual audit report following completion of the 2011 operating bases audit.

17 III. Conclusion

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Pacific Power supports the SQM revisions set forth in Staff's Motion: (i) provided that a policy agreement clarifying certain compliance criteria is established by April 1, 2011; and (ii) with the clarification that the proposed revisions are prospective.

WHEREFORE, subject to the condition and clarification stated above, Pacific Power
 respectfully requests that the Commission grant Staff's Motion.

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DATED: October 25, 2010.

Respectfully submitted,

<u>Jamm McWhinney</u> Shannon McWhinney #071503 Counsel for Pacific Power