

July 31, 2008

**VIA ELECTRONIC <PUC.FilingCenter@state.or.us>
AND REGULAR MAIL**

Public Utility Commission of Oregon
Attention: Filing Center
550 Capitol Street NE, Suite 215
PO Box 2148
Salem, OR 97308-2148

Re: Wah Chang vs. PacifiCorp, UM 1002
Wah Chang's Response to Ruling Dated June 26, 2008

Dear Sir or Madam:

Enclosed for filing is Wah Chang's Response to Ruling Dated June 26, 2008.

Very truly yours,



Richard H. Williams

Enclosure

cc: The Honorable Patrick J. Power
Mr. Paul Graham
Ms. Natalie L. Hocken
Mr. James M. Van Nostrand
Mr. Christopher L. Garrett

006854.0164/729610.1

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3
4 **BEFORE THE PUBLIC UTILITY COMMISSION**
5 **OF OREGON**
6 UM 1002

7 WAH CHANG,)
8 Petitioner,) WAH CHANG’S RESPONSE TO
9 vs.) RULING DATED JUNE 26, 2008
10 PACIFICORP,)
11 Respondent.)
12

13 **I. INTRODUCTION**

14 By Ruling issued February 7, 2008, Judge Power directed PacifiCorp to submit
15 information (i) showing the difference between its net revenue with service to Wah Chang and
16 its likely net revenue without service to Wah Chang during the term of the MESA and
17 (ii) addressing the applicability of ORS 757.230 as of December 2000, when Wah Chang filed its
18 petition.

19 PacifiCorp filed its response on March 31, 2008.

20 By Ruling issued June 26, 2008, Judge Power directed PacifiCorp to clarify its response
21 to the first part of his February 7 request and to respond to the second part by addressing
22 “ * * * whether granting the petition and returning Wah Chang to standard tariff rates [as of
23 December 2000] would meet these [ORS 757.230(a) and (b)] standards.” Ruling at 2.
24
25
26

1 Judge Power's June 26 Ruling also invited Wah Chang to address the application of ORS
2 757.230. This memorandum and attachments constitute Wah Chang's response.¹

3 **II. RESPONSE**

4 As noted in the June 26 Ruling, the Commission approved the MESA pursuant to ORS
5 757.230, which required the Commission to consider:

6 "(a) Whether the rate generates revenues at least sufficient to cover relevant short
7 and long run costs of the utility during the term of the rates;

8 (b) Whether the rate generates revenues sufficient to insure just and reasonable
9 rates are established for remaining customers of the utility."

10 **A. Whether the rate generates revenues sufficient to cover relevant costs.**

11 **1. Revenues generated by standard rates.**

12 If the Commission returned Wah Chang to PacifiCorp's standard industrial rate as of
13 December 2000, the rate would generate revenues totaling \$10,008,000 through August 2002,
14 the last full month of MESA service. That is the amount Wah Chang would have paid under
15 Schedule 48T (Large General Service) and its successor, Schedule 48, for service from and
16 including December 2000 through August 2002. The amount was calculated using Wah Chang's
17 actual usage² and the tariff sheets in effect during that period. Attachment 1 to this Response
18 shows the calculated charges for each month October 2000 through August 2002.³ Attachment 2
19 consists of the Schedule 48T and Schedule 48 tariff sheets in effect during the period.

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21

22

23 ¹ Both Rulings noted that a prehearing conference will be held to consider further proceedings.

24 ² See Attachment 1 to PacifiCorp's Response to ALJ Data Request 1, filed March 31, 2008.

25 ³ October 2000 was the first full month of MESA indexed pricing. If Wah Chang were returned
26 to standard rates as of October 2000, total MESA revenue for the period October 2000 through
August 2002 would be \$10,952,000.

1 **2. Relevant short and long run costs.**

2 PacifiCorp's cost of serving Wah Chang under the MESA did not differ in kind from its
3 cost of serving other industrial customers. The MESA did not cause PacifiCorp to operate its
4 system differently than it had before the MESA became effective (or before MESA indexed
5 pricing began),⁴ and its Commission-allowed system costs are the relevant costs. The standard
6 cost of service rate, as increased during 2000-2002, of course was designed to generate revenues
7 sufficient to cover Commission-allowed costs, and there is no reason to believe Wah Chang's
8 payment of standard rates would not cover such costs.

9 Alternatively, PacifiCorp's avoided cost may be used to demonstrate compliance with
10 ORS 757.230. In 1997, PacifiCorp prepared and presented to the Commission a Technical
11 Assessment Package (the "TAP") in support of its request that the Commission approve the
12 MESA. To demonstrate compliance with the statute, the TAP identified the relevant cost as
13 "Energy Marginal Cost," defined as "[m]arginal cost from RAMPP-4-updated avoided costs,
14 including sale for resale credit[;] [a]djusted for line losses (8.04%) and estimated costs of
15 transmission and ancillary service." WC Exhibit 102 at 3-4 and Table 1, line 3 (admitted in
16 2001). The TAP estimated MESA revenues and compared them with marginal energy costs, as
17 so defined and adjusted, and concluded that the MESA would make a contribution to fixed costs
18 and thus that ORS 757.230(a) was satisfied. *Id.* at 3-4 and Table 1, line 4.

19 By the same token, Wah Chang standard rate revenues would more than cover
20 PacifiCorp's energy marginal cost as measured by adjusted avoided cost during the period 2000-
21 2002. Attachment 1 to this Response shows the monthly energy marginal cost of service to Wah
22 Chang from and including October 2000 through August 2002. The monthly marginal cost was

23 _____
24 ⁴ See WC Exhibit 713 at 5, line 14, through 6, line 2 (admitted in 2001). The exhibit is
25 PacifiCorp's Response to Wah Chang's Second Data Requests. In response to the question
26 whether PacifiCorp purchased power for the specific purpose of reselling the power to Wah
Chang, PacifiCorp stated "*** all of the power it purchases is purchased to meet general system
requirements, which include the power that PacifiCorp resells to Wah Chang." *Id.*

1 calculated using Wah Chang's actual usage and PacifiCorp's avoided cost, taken from
2 PacifiCorp's Schedule 5 as then in effect.⁵ As was done in the TAP calculation, the avoided cost
3 was increased by 8.04% line losses and estimated costs of transmission and auxiliary service to
4 yield energy marginal cost.⁶ The energy marginal cost of serving Wah Chang from and
5 including December 2000 through August 2002 as so measured totaled \$9,535,000.

6 Thus, as shown on Attachment 1, the revenues generated by charging Wah Chang
7 standard rates as of December 2000 exceed marginal cost by \$473,000, and ORS 757.230(a) is
8 satisfied.⁷

9 **B. Whether rate generates sufficient revenue to assure just rates for other customers.**

10 In the TAP, PacifiCorp demonstrated compliance with ORS 757.230(b) by pointing out
11 that MESA revenues were anticipated to exceed energy marginal cost, defined as adjusted
12 avoided cost, and thus to contribute to fixed costs. WC Exhibit 102 at 4. Similarly, the 1997
13 Staff Report that recommended Commission approval of the MESA asked and answered the
14 question, "Will other customers benefit?", by concluding that MESA revenues would contribute
15 to fixed costs. WC Exhibit 103 at 3 (admitted in 2001).

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18 ⁵ To determine PacifiCorp's avoided cost, Wah Chang obtained PacifiCorp's avoided cost filing
19 in 1999 based on RAMPP-5 (Advice 99-004) and its 2001 avoided cost filing based on
20 RAMPP-6 (Advice 01-017). Schedule 5 was part of the PacifiCorp's avoided cost filings. It
21 states the amount PacifiCorp will pay for power generated by qualifying facilities of one
22 megawatt or less. See OAR 860-029-0010(1) (definition of "avoided costs") and OAR 860-025-
23 0040(2)(a) (rates for public utility purchases from qualifying facilities). Attachment 3 to this
24 Response consists of the Schedule 5 tariff sheets in effect during the period.

25 ⁶ The TAP does not state the estimated transmission and ancillary service costs that PacifiCorp
26 used to calculate energy marginal cost. From Wah Chang's examination of RAMPP-4 and
PacifiCorp's 1996 avoided cost filing, it appears that three mills is a reasonable estimate of the
adder used by PacifiCorp. Accordingly, Wah Chang used three mills as the adder for
transmission and auxiliary services.

⁷ Also as shown by Attachment 1, PacifiCorp's cost of serving Wah Chang, as measured by
avoided cost, during the period October 2000 through August 2002 was \$10,199,000, and
standard rate revenues would exceed cost for that period by \$792,000.


1 By the same token, the excess of actual standard tariff revenues over energy marginal
2 cost, measured by adjusted avoided cost, assures a Wah Chang contribution to fixed costs.⁸

3 **III. CONCLUSION**

4 Regardless of whether Commission-allowed system costs or avoided cost is considered
5 the “relevant” cost, returning Wah Chang to standard rates as of October 2000 or December 2000
6 will comply with ORS 757.230(a) and (b).

7 DATED: July 31, 2008

8 LANE POWELL PC

9
10 By 
11 Richard H. Williams, OSB No. 72284
Milo Petranovich, OSB No. 81337

12 Attorneys for Petitioner Wah Chang
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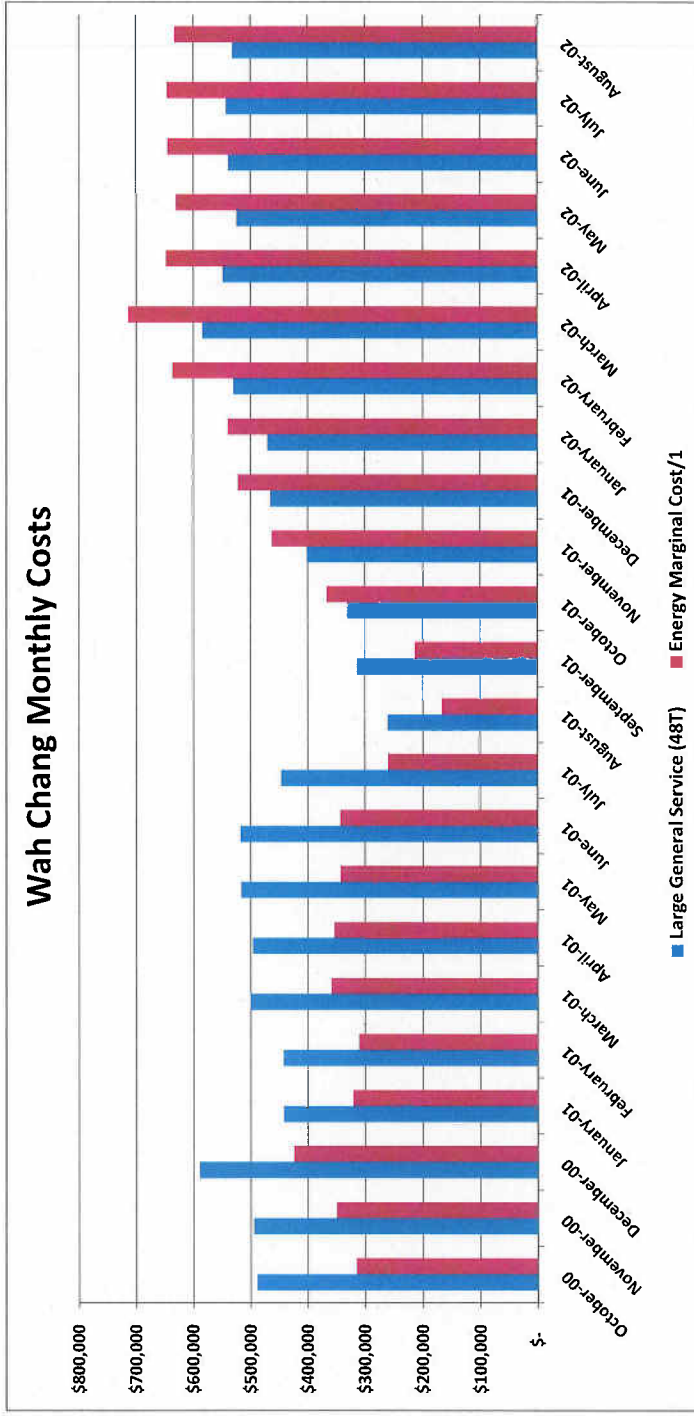
23 _____
24 ⁸ PacifiCorp asserted that granting Wah Chang’s petition would raise rates for other Oregon
25 customers. PacifiCorp’s Post-Hearing Opening Brief at 39. As discussed in Wah Chang’s
26 Post-Hearing Reply Brief at 10, the Commission need not spread the cost of Wah Chang rate
relief to other customers, and even if it did so, the effect would be slight. In any event, that issue
would be decided in a subsequent rate case.

Attachment 1

2000		Oct-00	Nov-00	Dec-00
Large General Service (48T)		\$ 489,151	\$ 494,865	\$ 589,830
Energy Marginal Cost/1		\$ 315,178	\$ 349,616	\$ 424,148

2001	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01
Large General Service (48T)	\$ 442,777	\$ 442,803	\$ 500,048	\$ 496,741	\$ 517,251	\$ 518,470	\$ 447,098	\$ 261,827	\$ 314,072	\$ 331,643	\$ 402,702	\$ 466,551
Energy Marginal Cost/1	\$ 320,394	\$ 310,165	\$ 358,824	\$ 353,278	\$ 343,121	\$ 343,432	\$ 259,885	\$ 167,273	\$ 214,065	\$ 366,470	\$ 462,305	\$ 521,928

2002	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02
Large General Service (48T)	\$ 471,442	\$ 530,906	\$ 584,186	\$ 549,467	\$ 524,713	\$ 539,465	\$ 543,297	\$ 532,366
Energy Marginal Cost/1	\$ 539,230	\$ 636,138	\$ 713,773	\$ 647,055	\$ 630,073	\$ 644,629	\$ 645,842	\$ 632,499



Totals December 2000 Through August 2002	
total 48T, Large General Service	\$ 10,007,653
Energy Marginal Cost/1	\$ 9,534,526
Difference	\$ 473,127

Totals October 2000 Through August 2002	
total 48T, Large General Service	\$ 10,991,668
Energy Marginal Cost/1	\$ 10,199,320
Difference	\$ 792,348

Note: /1 Schedule 5 Avoided Cost with Line Losses and Transmission and Ancillary Services Costs

**PACIFIC POWER & LIGHT COMPANY
LARGE GENERAL SERVICE
METERED TIME OF USE - 1,000 KW AND OVER**

SEP 28 2000
P.U.C.
Utility Program

**OREGON
SCHEDULE 48T**
Page 1

Available:

In all territory served by Company in Oregon.

Applicable:

This schedule is applicable to electric service loads which have registered 1,000 kW or more, more than once in a preceding 18-month period. This schedule will remain applicable until customer fails to exceed 1,000 kW for a subsequent period of 36 consecutive months. Deliveries at more than one point, or more than one voltage and phase classification, will be separately metered and billed. Service for intermittent, partial requirements, or highly fluctuating loads, or where service is seasonally disconnected during any one-year period will be provided only by special contract for such service.

Partial requirements service for loads of 1,000 kW and over will be provided only by application of the provisions of Schedule 47T.

Monthly Billing:

The Monthly Billing shall be the sum of the Basic, Demand, Energy, and Reactive Power Charges plus applicable Metering and Delivery Adjustments. All Monthly Billings shall be adjusted in accordance with Schedule 91.

Basic Charge:

If Load Size* Is: The Monthly Basic Charge* Is:

4,000 kW or less \$240 plus \$.50 per kW

Over 4,000 kW \$440 plus \$.45 per kW

* **Note:** kW load size, for the determination of the Basic Charge, shall be the average of the two greatest non-zero monthly demands established anytime during the 12-month period which includes and ends with the current billing month.

Demand Charge:

On-Peak Period Demand

(Monday through Friday: 6:00 a.m. to 10:00 p.m.)

\$2.99 For each kW of Billing Demand (I)

Energy Charge:

Base Rate	Adjustments	Effective Rate	
3.279¢	0.161¢	3.440¢	per kWh

Adjustments:

The Effective Rate includes Adjustments as follows:

	Adjustments
Schedule 191 (Adjustment - System Benefit Charge)	0.027¢ per kWh
Schedule 192 (Adjustment - DSM Recovery)	0.097¢ per kWh
Schedule 195 (Adjustment - Decoupling)	0.037¢ per kWh
Total	0.161¢ per kWh

Minimum Charge:

The minimum monthly charge shall be the Basic Charge. A higher minimum may be required by contract.

(continued)
Advice #00-077
By P.U.C. Or. No. 34 15th Revised Sheet No. 1
Effective 1-1-2001 (CP)

Issued: September 28, 2000
Effective: With service rendered on and after October 1, 2000

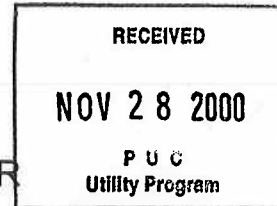
P.U.C. OR No. 34
Fourteenth Revision of Sheet No. 48T-1
Canceling Thirteenth Revision of Sheet No. 48T-1

Issued by
Matthew Wright, Vice President, Regulation

TF1 48T-1.pcf

Order No. 00-580

PACIFIC POWER & LIGHT COMPANY
LARGE GENERAL SERVICE
METERED TIME OF USE - 1,000 KW AND OVER



OREGON
SCHEDULE 48T
 Page 1

Available:

In all territory served by Company in Oregon.

Applicable:

This schedule is applicable to electric service loads which have registered 1,000 kW or more, more than once in a preceding 18-month period. This schedule will remain applicable until customer fails to exceed 1,000 kW for a subsequent period of 36 consecutive months. Deliveries at more than one point, or more than one voltage and phase classification, will be separately metered and billed. Service for intermittent, partial requirements, or highly fluctuating loads, or where service is seasonally disconnected during any one-year period will be provided only by special contract for such service.

Partial requirements service for loads of 1,000 kW and over will be provided only by application of the provisions of Schedule 47T.

Monthly Billing:

The Monthly Billing shall be the sum of the Basic, Demand, Energy, and Reactive Power Charges plus applicable Metering and Delivery Adjustments. All Monthly Billings shall be adjusted in accordance with Schedule 91 and Schedule 99.

(C)

Basic Charge:

If Load Size* Is:	The Monthly Basic Charge* Is:
4,000 kW or less	\$240 plus \$.50 per kW
Over 4,000 kW	\$440 plus \$.45 per kW

* **Note:** kW load size, for the determination of the Basic Charge, shall be the average of the two greatest non-zero monthly demands established anytime during the 12-month period which includes and ends with the current billing month.

Demand Charge:

On-Peak Period Demand

(Monday through Friday: 6:00 a.m. to 10:00 p.m.)

\$2.99 For each kW of Billing Demand

Energy Charge:

Base Rate	Adjustments	Effective Rate		
3.279¢	0.025¢	3.304¢	per kWh	(R)

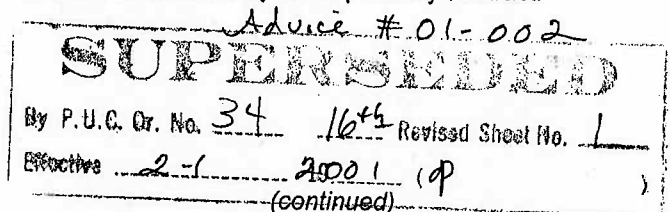
Adjustments:

The Effective Rate includes Adjustments as follows:

	Adjustments	
Schedule 96 (Adjustment - Y2K Deferral)	0.002¢ per kWh	(N)
Schedule 97 (Adjustment - Sale of Centralia)	(0.138¢) per kWh	(N)
Schedule 191 (Adjustment - System Benefit Charge)	0.027¢ per kWh	
Schedule 192 (Adjustment - DSM Recovery)	0.097¢ per kWh	
Schedule 195 (Adjustment - Decoupling)	0.037¢ per kWh	
Total	0.025¢ per kWh	(R)

Minimum Charge:

The minimum monthly charge shall be the Basic Charge. A higher minimum may be required by contract.



Issued: November 28, 2000
 Effective: With service rendered on and after January 1, 2001

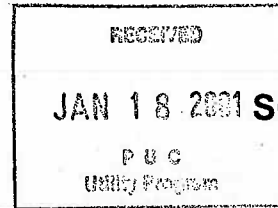
P.U.C. OR No. 34
 Fifteenth Revision of Sheet No. 48T-1
 Canceling Fourteenth Revision of Sheet No. 48T-1

Issued by
 Matthew Wright, Vice President, Regulation

TF1 48T-1.MER

Advice No. 00-017

**PACIFIC POWER & LIGHT COMPANY
LARGE GENERAL SERVICE
METERED TIME OF USE - 1,000 KW AND OVER**



**OREGON
SCHEDULE 48T**
Page 1

Available:

In all territory served by Company in Oregon.

Applicable:

This schedule is applicable to electric service loads which have registered 1,000 kW or more, more than once in a preceding 18-month period. This schedule will remain applicable until customer fails to exceed 1,000 kW for a subsequent period of 36 consecutive months. Deliveries at more than one point, or more than one voltage and phase classification, will be separately metered and billed. Service for intermittent, partial requirements, or highly fluctuating loads, or where service is seasonally disconnected during any one-year period will be provided only by special contract for such service.

Partial requirements service for loads of 1,000 kW and over will be provided only by application of the provisions of Schedule 47T.

Monthly Billing:

The Monthly Billing shall be the sum of the Basic, Demand, Energy, and Reactive Power Charges plus applicable Metering and Delivery Adjustments. All Monthly Billings shall be adjusted in accordance with Schedule 91 and Schedule 99.

Basic Charge:

If Load Size* Is:	The Monthly Basic Charge* Is:
4,000 kW or less	\$240 plus \$.50 per kW
Over 4,000 kW	\$440 plus \$.45 per kW

* **Note:** kW load size, for the determination of the Basic Charge, shall be the average of the two greatest non-zero monthly demands established anytime during the 12-month period which includes and ends with the current billing month.

Demand Charge:

On-Peak Period Demand

(Monday through Friday: 6:00 a.m. to 10:00 p.m.)

\$2.99 For each kW of Billing Demand

Energy Charge:

Base Rate	Adjustments	Effective Rate		
3.279¢	0.190¢	3.469¢	per kWh	(I)

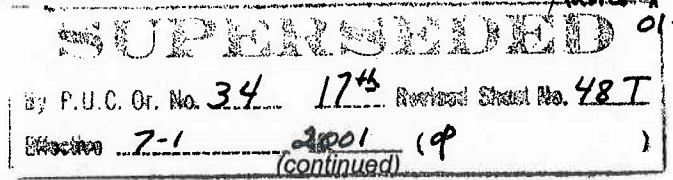
Adjustments:

The Effective Rate includes Adjustments as follows:

	Adjustments	
Schedule 94 (Adjustment - Deferred Accounting)	0.165¢ per kWh	(N)
Schedule 96 (Adjustment - Y2K Deferral)	0.002¢ per kWh	(N)
Schedule 97 (Adjustment - Sale of Centralia)	(0.138¢) per kWh	
Schedule 191 (Adjustment - System Benefit Charge)	0.027¢ per kWh	
Schedule 192 (Adjustment - DSM Recovery)	0.097¢ per kWh	
Schedule 195 (Adjustment - Decoupling)	0.037¢ per kWh	
Total	0.190¢ per kWh	(I)

Minimum Charge:

The minimum monthly charge shall be the Basic Charge. A higher minimum may be required by contract. *Advice #*



Issued: January 18, 2001
Effective: With service rendered on and after February 1, 2001

P.U.C. OR No. 34
Sixteenth Revision of Sheet No. 48T-1
Canceling Fifteenth Revision of Sheet No. 48T-1

Issued by
Matthew Wright, Vice President, Regulation

TF1 48T-1.DEF

Advice No. 01-002

PACIFIC POWER & LIGHT COMPANY
LARGE GENERAL SERVICE
METERED TIME OF USE - 1,000 KW AND OVER



OREGON
SCHEDULE 48T

Reactive Power Charge:

(C) The maximum 15-minute reactive demand for the month in kilovolt-amperes in excess of 40% of the maximum measured kilowatt demand for the same month will be billed, in addition to the above charges, at 60¢ per kvar of such excess reactive demand.

Company retains the right to change its line voltage or classifications thereof at any time, and after reasonable advance notice to any Customer affected by such change, such Customer then has the option to take service at the new line voltage or to accept service through transformers to be supplied by Company subject to the voltage adjustments above.

Primary Voltage Metering and Delivery Adjustments:

The above monthly charges are applicable without adjustment for voltage when delivery and metering are at Company's standard secondary voltage.

On-Peak Period Billing Demand:

The On-Peak Period kW shown by or computed from the readings of Company's demand meter for the 15-minute period of Customer's greatest use during the month, determined to the nearest kW.

Metering:

For so long as metering voltage is at Company's available primary distribution voltage of 11 kv or greater, the above charges will be reduced by 1.5%.

Special Conditions:

Customer shall not resell electric service received from Company under provisions of this schedule to any person, except by written permission of Company and where Customer meters and bills any of his tenants at Company's regular tariff rate for the type of service which such tenant may actually receive.

Delivery:

For so long as delivery is made at the Company's current locally available primary or transmission voltage, the total of the above charges will be reduced by the following amounts per kW of load size used for the determination of the Basic Charge billed in the month; and where such deliveries are metered at the delivery voltage, the following High Voltage Charges shall be added:

Term of Contract:

Company may require the Customer to sign a written contract which shall have a term of not less than one year.

<u>Standard Service Voltage</u>	<u>Reduction</u>	<u>High Voltage Charge</u>
Primary voltage of 11 kv or greater	15¢ per kW	\$ 35 per month
Transmission voltage of 60 kv and greater (57 kv locally in Portland)	27¢ per kW	\$340 per month

Rules and Regulations:

Service under this schedule is subject to the General Rules and Regulations contained in the tariff of which this schedule is a part and to those prescribed by regulatory authorities.

When a new delivery or an increase in capacity for an existing delivery is, at request of Customer, made by means of Company-owned transformers at a voltage other than a locally standard distribution voltage, the above charges for any month will be increased by 15¢ per kW of load size used for the determination of the Basic Charge billed in the month.

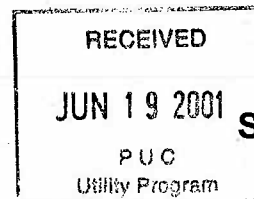
CANCELLED

Issued: April 28, 1994
 Effective: With service rendered on and after June 8, 1994

P.U.C. Or. No. 34
 First Revision of Sheet No. 48T-2
 Cancelling Original Sheet No. 48T-2

Issued by
 Robert V. Sirvaitis, Director, Pricing

**PACIFIC POWER & LIGHT COMPANY
LARGE GENERAL SERVICE
METERED TIME OF USE - 1,000 KW AND OVER**



**OREGON
SCHEDULE 48T**
Page 1

Available:

In all territory served by Company in Oregon.

Applicable:

This schedule is applicable to electric service loads which have registered 1,000 kW or more, more than once in a preceding 18-month period. This schedule will remain applicable until customer fails to exceed 1,000 kW for a subsequent period of 36 consecutive months. Deliveries at more than one point, or more than one voltage and phase classification, will be separately metered and billed. Service for intermittent, partial requirements, or highly fluctuating loads, or where service is seasonally disconnected during any one-year period will be provided only by special contract for such service.

Partial requirements service for loads of 1,000 kW and over will be provided only by application of the provisions of Schedule 47T.

Monthly Billing:

The Monthly Billing shall be the sum of the Basic, Demand, Energy, and Reactive Power Charges plus applicable Metering and Delivery Adjustments. All Monthly Billings shall be adjusted in accordance with Schedule 91 and Schedule 99.

Basic Charge:

If Load Size* Is:	The Monthly Basic Charge* Is:
4,000 kW or less	\$240 plus \$.50 per kW
Over 4,000 kW	\$440 plus \$.45 per kW

* **Note:** kW load size, for the determination of the Basic Charge, shall be the average of the two greatest non-zero monthly demands established anytime during the 12-month period which includes and ends with the current billing month.

Demand Charge:

On-Peak Period Demand

(Monday through Friday: 6:00 a.m. to 10:00 p.m.)

\$2.99 For each kW of Billing Demand

Energy Charge:

Base Rate	Adjustments	Effective Rate		
3.279¢	0.182¢	3.461¢	per kWh	(R)

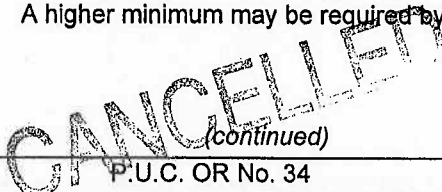
Adjustments:

The Effective Rate includes Adjustments as follows:

	Adjustments	
Schedule 93 (Adjustment - AFOR)	0.004¢ per kWh	(N)
Schedule 94 (Adjustment - Deferred Accounting)	0.165¢ per kWh	(N)
Schedule 96 (Adjustment - Y2K Deferral)	0.002¢ per kWh	
Schedule 97 (Adjustment - Sale of Centralia)	(0.138¢) per kWh	
Schedule 191 (Adjustment - System Benefit Charge)	0.027¢ per kWh	
Schedule 192 (Adjustment - DSM Recovery)	0.097¢ per kWh	
Schedule 195 (Adjustment - Decoupling)	0.025¢ per kWh	(R)
Total	0.182¢ per kWh	(R)

Minimum Charge:

The minimum monthly charge shall be the Basic Charge. A higher minimum may be required by contract.



Issued: June 19, 2001
Effective: With service rendered on and after July 1, 2001

P.U.C. OR No. 34
Seventeenth Revision of Sheet No. 48T-1
Canceling Sixteenth Revision of Sheet No. 48T-1

Issued by
D. Douglas Larson, Vice President, Regulation

TF1 48T-1.AFOR

Advice No. 01-014

Attachment 2
Page 5 of 8

PACIFIC POWER & LIGHT COMPANY
LARGE GENERAL SERVICE - 1,000 KW AND OVER
DELIVERY SERVICE

OREGON
SCHEDULE 48

Page 1

RECEIVED
SEP 10 2001
PUC
Utility Program

Available

In all territory served by the Company in the State of Oregon.

Applicable

This Schedule is applicable to electric service loads which have registered 1,000 kW or more, more than once in a preceding 18-month period. This Schedule will remain applicable until the Consumer fails to exceed 1,000 kW for a subsequent period of 36 consecutive months. Deliveries at more than one point, or more than one voltage and phase classification, will be separately metered and billed. Service for intermittent, partial requirements, or highly fluctuating loads, or where service is seasonally disconnected during any one-year period will be provided only by special contract for such service.

Partial requirements service for loads of 1,000 kW and over will be provided only by application of the provisions of Schedule 47.

Monthly Billing

The Monthly Billing shall be the sum of the Distribution Charge and Transmission & Ancillary Services Charge plus applicable adjustments as specified in Schedule 90.

	<u>Delivery Voltage</u>		
	Secondary	Primary	Transmission
<u>Distribution Charge</u>			
Basic Charge			
Load Size ≤ 4000 kW, per month	\$240.00	\$220.00	\$200.00
Load Size > 4000 kW, per month	\$440.00	\$400.00	\$370.00
Load Size Charge			
Load Size ≤ 4000 kW, per kW Load Size	\$ 0.50	\$ 0.45	\$ 0.40
Load Size > 4000 kW, per kW Load Size	\$ 0.45	\$ 0.40	\$ 0.40
Demand Charge, per kW of billing demand	\$ 1.95	\$ 1.41	\$ 0.53
Reactive Power Charge, per kvar	\$ 0.60	\$ 0.60	\$ 0.60
<u>Transmission & Ancillary Services Charge</u>			
Per kW of billing demand	\$ 1.57	\$ 1.62	\$ 1.85

kW Load Size

For determination of the Basic Charge and the Load Size Charge, the kW load size shall be the average of the two greatest non-zero monthly demands established during the 12-month period, which includes and ends with the current billing month.

Minimum Charge

The minimum monthly charge shall be the Basic Charge and the Load Size Charge. A higher minimum may be required by contract.

Reactive Power Charge

The maximum 15-minute reactive demand for the month in kilovolt-amperes in excess of 40% of the maximum measured kilowatt demand for the same month will be billed at 60¢ per kvar of such excess reactive demand.

(continued)

Issued:	September 10, 2001	P.U.C. OR No. 35
Effective:	With service rendered on and after September 10, 2001	Original Sheet No. 48-1

Issued By
D. Douglas Larson, Vice President, Regulation

TF1 48-1.NB

Advice No. 01-020

Advice #02-019
SUPPLEMENTED
 By P.U.C. Of. No. 35 1st Revised Sheet No. 48-1
 Effective 6-1-2002

PACIFIC POWER & LIGHT COMPANY
LARGE GENERAL SERVICE - 1,000 KW AND OVER
DELIVERY SERVICE

OREGON
SCHEDULE 48
Page 2

Billing Demand

The kW shown by or computed from the readings of the Company's demand meter for the 15-minute period of the Consumer's greatest use during the month, determined to the nearest kW.

Metering Adjustment

For a Consumer receiving service at secondary delivery voltage where metering is at primary delivery shall have all billing quantities multiplied by an adjustment factor of 0.9583.

For a Consumer receiving service at primary delivery voltage where metering is at secondary delivery voltage shall have all billing quantities multiplied by an adjustment factor of 1.0435.

Supply Service Options

A Consumer taking Delivery Service under this Schedule shall select Supply Service Schedule 200 or Schedule 220, as appropriate and in accordance with the Applicable section of Schedule 200 or Schedule 220.

Special Conditions

The Consumer shall not resell electric service received from the Company under provisions of this Schedule to any person, except by written permission of the Company and where the Consumer meters and bills any of his tenants at the Company's regular Tariff rate for the type of service which such tenant may actually receive.

Term of Contract

The Company may require the Consumer to sign a written contract which shall have a term of not less than one year.

Rules and Regulations

Service under this Schedule is subject to the General Rules and Regulations contained in the tariff of which this Schedule is a part and to those prescribed by regulatory authorities.

RECEIVED
SEP 10 2001
PUC
Utility Program

Advice 05-013
SUPERSEDED
P.U.C. Or. No. 35 *at* Revised Sheet No. 48-2
Effective 10-4-05 19 *ckw*

Issued: September 10, 2001
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September 10, 2001

P.U.C. OR No. 35
Original Sheet No. 48-2

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D. Douglas Larson, Vice President, Regulation

TF1 48-2.NB

Advice No. 01-020

PACIFIC POWER & LIGHT COMPANY
LARGE GENERAL SERVICE - 1,000 KW AND OVER
DELIVERY SERVICE

OREGON
SCHEDULE 48
 Page 1

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MAY 30 2002
 P U C
 Utility Program

Available

In all territory served by the Company in the State of Oregon.

Applicable

This Schedule is applicable to electric service loads which have registered 1,000 kW or more, more than once in a preceding 18-month period. This Schedule will remain applicable until the Consumer fails to exceed 1,000 kW for a subsequent period of 36 consecutive months. Deliveries at more than one point, or more than one voltage and phase classification, will be separately metered and billed. Service for intermittent, partial requirements, or highly fluctuating loads, or where service is seasonally disconnected during any one-year period will be provided only by special contract for such service.

Partial requirements service for loads of 1,000 kW and over will be provided only by application of the provisions of Schedule 47.

Monthly Billing

The Monthly Billing shall be the sum of the Distribution Charge and Transmission & Ancillary Services Charge plus applicable adjustments as specified in Schedule 90.

<u>Distribution Charge</u>	<u>Delivery Voltage</u>		
	Secondary	Primary	Transmission
Basic Charge			
Load Size ≤ 4000 kW, per month	\$240.00	\$220.00	\$200.00
Load Size > 4000 kW, per month	\$440.00	\$400.00	\$370.00
Load Size Charge			
Load Size ≤ 4000 kW, per kW Load Size	\$ 0.50	\$ 0.45	\$ 0.40
Load Size > 4000 kW, per kW Load Size	\$ 0.45	\$ 0.40	\$ 0.40
Demand Charge, per kW of billing demand	\$ 1.94	\$ 1.40	\$ 0.53
Reactive Power Charge, per kvar	\$ 0.60	\$ 0.60	\$ 0.60
<u>Transmission & Ancillary Services Charge</u>			
Per kW of billing demand	\$ 1.57	\$ 1.62	\$ 1.85

(R)

Load Size

For determination of the Basic Charge and the Load Size Charge, the kW load size shall be the average of the two greatest non-zero monthly demands established during the 12-month period, which includes and ends with the current billing month.

Minimum Charge

The minimum monthly charge shall be the Basic Charge and the Load Size Charge. A higher minimum may be required by contract.

Reactive Power Charge

The maximum 15-minute reactive demand for the month in kilovolt-amperes in excess of 40% of the maximum measured kilowatt demand for the same month will be billed at 60¢ per kvar of such excess reactive demand.

(continued)

Issued:	May 30, 2002	P.U.C. OR No. 35
Effective:	With service rendered on and after June 1, 2002	First Revision of Sheet No. 48-1 Canceling Original Sheet No. 48-1

Issued By
 D. Douglas Larson, Vice President, Regulation

TF1 48-1.REV2

Advice No. 02-019

Case # UE 147
SUPERSEDED
 By P.U.C. Or. No. 35
 Effective 9/1
 Revised Sheet No. 48-1
 2003

**PACIFIC POWER & LIGHT COMPANY
PARTIAL REQUIREMENTS SERVICE
1,000 KW OR LESS**



Available:

In all territory served by Company in Oregon.

Applicable:

To qualifying facilities with a generating design capacity of 1000 kW or less.

Monthly Billing:

The Monthly Billing to the qualifying facility shall be the sum of the Basic Charge specified hereunder and the monthly billing for takings from Company, in accordance with the applicable schedule or schedules for the type of service received. All Monthly Billings shall be adjusted in accordance with Schedule 91.

(N)
(N)

Basic Charge:

\$5.00 per month

Generation Credit (On-Peak):

Company, in accordance with the terms of a contract between the qualifying facility and Company, shall pay, for all separately metered kilowatt-hours of qualifying facility on-peak generation, 2.71 cents per kilowatt-hour for the period November through April, and 2.52 cents per kilowatt-hour for the period May through October. Peak hours are defined as 6:00 a.m. to 10:00 p.m., Monday through Saturday.

Generation Credit (Off-Peak):

Company, in accordance with the terms of a contract between the qualifying facility and Company, shall pay, for all separately metered kilowatt-hours of qualifying facility off-peak generation, 1.74 cents per kilowatt-hour for the period November through April, and 1.55 cents per kilowatt-hour for the period May through October. Off-peak hours are defined as 10:00 p.m. to 6:00 a.m., Monday through Saturday and all day Sunday.

Parallel Operation:

Interconnection of a qualifying facility with Company's system will be permitted only under the terms of a contract between the qualifying facility and Company. Such contract shall include but not be limited to the following:

- (1) The qualifying facility shall indemnify and hold harmless the Company from any and all liability arising from the operation and interconnection of qualifying facility.
- (2) Qualifying facility shall provide a lockable disconnect switch to isolate qualifying facility's generation from Company's system. Such switch shall be accessible to Company and Company shall have the right to lock such disconnect switch open whenever necessary to maintain safe electrical operating conditions, or whenever the qualifying facility adversely affects Company's system.
- (3) Qualifying facility shall provide an additional meter base adjacent to the delivery meter to measure the qualifying facility's total generation independently from the qualifying facility's load. For three-phase generation the qualifying facility will also provide a meter base for a kvar meter.
- (4) Except for the metering, qualifying facility shall own and maintain all facilities on the qualifying facility's side of a single point of delivery as specified by Company. Qualifying facility's system, including interconnecting equipment, shall meet the requirements of and be inspected and approved by state electrical inspector and any other public authority having jurisdiction before any connection is made to Company.

Advice # 01-017

SUPERSEDED
(continued)
By P.U.C. Or. No. 34 8th Revised Street No. 1
Effective 9-27 2001 (dp)

Issued: December 3, 1999
Effective: With service rendered on and after January 19, 2000

P.U.C. OR No. 34
Seventh Revision of Sheet No. 5-1
Canceling Sixth Revision of Sheet No. 5-1

Issued by
Matthew Wright, Vice President, Regulation

**PACIFIC POWER & LIGHT COMPANY
PARTIAL REQUIREMENTS SERVICE
1,000 KW OR LESS**



Unmetered Generation:

If the qualifying facility does not desire to make sales to Company, then the requirement for separate metering of the generation shall be waived. Such generation may reduce the net delivery and billing to the qualifying facility by Company. The delivery meter will be of a type that will not reverse registration and the qualifying facility will not be compensated for unmetered incidental flows to Company.

Definitions:

Qualifying Facility means either a cogeneration facility or small power production facility as defined hereunder:

- (a) **Cogeneration Facility** means a facility which produces electric energy and steam or other forms of useful energy (such as heat) which are used for industrial, commercial, heating, or cooling purposes through the sequential use of energy.
- (b) **Small Power Production Facility** means a facility which produces electric energy using as a primary energy source biomass, waste, renewable resources, or any combination thereof.

Rules and Regulations:

Service hereunder is subject to the General Rules and Regulations contained in the Company's regularly filed and published tariff and to those prescribed by regulatory authorities.

CANCELLED

Issued:	December 3, 1999	P.U.C. OR No. 34
Effective:	With service rendered on and after January 19, 2000	Third Revision of Sheet No. 5-2 Canceling Second Revision of Sheet No. 5-2

Issued by
Matthew Wright, Vice President, Regulation

TF1 5-2.LIA

Advice No. 99-011

**PACIFIC POWER & LIGHT COMPANY
PARTIAL REQUIREMENTS SERVICE
1,000 KW OR LESS**

**OREGON
SCHEDULE 5**
Page 1

Available:

In all territory served by Company in Oregon.

Applicable:

To qualifying facilities with a generating design capacity of 1000 kW or less.

Monthly Billing:

The Monthly Billing to the qualifying facility shall be the sum of the Basic Charge specified hereunder and the monthly billing for takings from Company, in accordance with the applicable schedule or schedules for the type of service received. All Monthly Billings shall be adjusted in accordance with Schedule 91.

Basic Charge:

\$5.00 per month

Generation Credit (On-Peak):

Company, in accordance with the terms of a contract between the qualifying facility and Company, shall pay, for all separately metered kilowatt-hours of qualifying facility on-peak generation, 4.82 cents per kilowatt-hour. Peak hours are defined as 6:00 a.m. to 10:00 p.m., Monday through Saturday.

Generation Credit (Off-Peak):

Company, in accordance with the terms of a contract between the qualifying facility and Company, shall pay, for all separately metered kilowatt-hours of qualifying facility off-peak generation, 3.42 cents per kilowatt-hour. Off-peak hours are defined as 10:00 p.m. to 6:00 a.m., Monday through Saturday and all day Sunday.

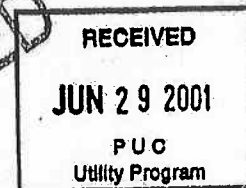
Parallel Operation:

Interconnection of a qualifying facility with Company's system will be permitted only under the terms of a contract between the qualifying facility and Company. Such contract shall include but not be limited to the following:

- (1) The qualifying facility shall indemnify and hold harmless the Company from any and all liability arising from the operation and interconnection of qualifying facility.
- (2) Qualifying facility shall provide a lockable disconnect switch to isolate qualifying facility's generation from Company's system. Such switch shall be accessible to Company and Company shall have the right to lock such disconnect switch open whenever necessary to maintain safe electrical operating conditions, or whenever the qualifying facility adversely affects Company's system.
- (3) Qualifying facility shall provide an additional meter base adjacent to the delivery meter to measure the qualifying facility's total generation independently from the qualifying facility's load. For three-phase generation the qualifying facility will also provide a meter base for a kvar meter.
- (4) Except for the metering, qualifying facility shall own and maintain all facilities on the qualifying facility's side of a single point of delivery as specified by Company. Qualifying facility's system, including interconnecting equipment, shall meet the requirements of and be inspected and approved by state electrical inspector and any other public authority having jurisdiction before any connection is made to Company.

(continued)

CANCELLED



Issued: June 29, 2001
Effective: With service rendered on and after
September 27, 2001

P.U.C. OR No. 34
Eighth Revision of Sheet No. 5-1
Canceling Seventh Revision of Sheet No. 5-1

TF1 5-1.ACF

Issued by
D. Douglas Larson, Vice President, Regulation

Advice No. 01-017

Attachment 3
Page 3 of 5

**PACIFIC POWER & LIGHT COMPANY
PARTIAL REQUIREMENTS SERVICE
1,000 KW OR LESS**

**OREGON
SCHEDULE 5**
Page 1

Available

In all territory served by Company in Oregon.

Applicable

To qualifying facilities with a generating design capacity of 1000 kW or less.

Monthly Billing

The Monthly Billing to the qualifying facility shall be the sum of the Basic Charge specified hereunder and the monthly billing for takings from Company, in accordance with the applicable schedule or schedules for the type of service received. All Monthly Billings shall be adjusted in accordance with Schedule 91.

Basic Charge

\$5.00 per month

Generation Credit (On-Peak)

Company, in accordance with the terms of a contract between the qualifying facility and Company, shall pay, for all separately metered kilowatt-hours of qualifying facility on-peak generation, 4.82 cents per kilowatt-hour. Peak hours are defined as 6:00 a.m. to 10:00 p.m., Monday through Saturday.

Generation Credit (Off-Peak)

Company, in accordance with the terms of a contract between the qualifying facility and Company, shall pay, for all separately metered kilowatt-hours of qualifying facility off-peak generation, 3.42 cents per kilowatt-hour. Off-peak hours are defined as 10:00 p.m. to 6:00 a.m., Monday through Saturday and all day Sunday.

Parallel Operation

Interconnection of a qualifying facility with Company's system will be permitted only under the terms of a contract between the qualifying facility and Company. Such contract shall include but not be limited to the following:

- (1) The qualifying facility shall indemnify and hold harmless the Company from any and all liability arising from the operation and interconnection of qualifying facility.
- (2) Qualifying facility shall provide a lockable disconnect switch to isolate qualifying facility's generation from Company's system. Such switch shall be accessible to Company and Company shall have the right to lock such disconnect switch open whenever necessary to maintain safe electrical operating conditions, or whenever the qualifying facility adversely affects Company's system.

(continued)

Issued:	September 18, 2001	P.U.C. OR No. 35
Effective:	With service rendered on and after October 10, 2001	First Revision of Sheet No. 5-1 Canceling Original Sheet No. 5-1

Issued By
D. Douglas Larson, Vice President, Regulation

TF1 5-1.E

Advice No. 01-022

Parallel Operation *(continued)*

- (3) Qualifying facility shall provide an additional meter base adjacent to the delivery meter to measure the qualifying facility's total generation independently from the qualifying facility's load. For three-phase generation the qualifying facility will also provide a meter base for a kvar meter.

- (3) Except for the metering, qualifying facility shall own and maintain all facilities on the qualifying facility's side of a single point of delivery as specified by Company. Qualifying facility's system, including interconnecting equipment, shall meet the requirements of and be inspected and approved by state electrical inspector and any other public authority having jurisdiction before any connection is made to Company.

Unmetered Generation

If the qualifying facility does not desire to make sales to Company, then the requirement for separate metering of the generation shall be waived. Such generation may reduce the net delivery and billing to the qualifying facility by Company. The delivery meter will be of a type that will not reverse registration and the qualifying facility will not be compensated for unmetered incidental flows to Company.

Definitions

Qualifying Facility means either a cogeneration facility or small power production facility as defined hereunder:

- (a) **Cogeneration Facility** means a facility which produces electric energy and steam or other forms of useful energy (such as heat) which are used for industrial, commercial, heating, or cooling purposes through the sequential use of energy.

- (b) **Small Power Production Facility** means a facility which produces electric energy using as a primary energy source biomass, waste, renewable resources, or any combination thereof.

Rules and Regulations

Service hereunder is subject to the General Rules and Regulations contained in the Company's regularly filed and published tariff and to those prescribed by regulatory authorities.

Issued:	September 10, 2001	P.U.C. OR No. 35
Effective:	With service rendered on and after September 10, 2001	Original Sheet No. 5-2

Issued By
D. Douglas Larson, Vice President, Regulation

TF1 5-2.E

Advice No. 01-020

1 **CERTIFICATE OF SERVICE**

2 I certify that on July 31, 2008, I served the foregoing WAH CHANG'S RESPONSE TO
3 RULING DATED JUNE 26, 2008 upon all parties of record in this proceeding, by delivering a
4 copy in person or by mailing a copy properly addressed with first class postage prepaid, or by
5 electronic mail pursuant to OAR 860-013-0070, to the following parties or attorneys of parties:

6 Paul Graham
7 Assistant Attorney General
8 Department of Justice
9 Regulated Utility & Business Section
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11 Salem, OR 97301-4096
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Of Attorneys for Petitioner Wah Chang