



Portland General Electric Company
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Douglas C. Tingey
Assistant General Counsel

September 15, 2010

Via Electronic Filing and U.S. Mail

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

Re: UE 215

Attention Filing Center:

Enclosed for filing in the captioned docket are an original and five copies of:

- **STIPULATION REGARDING CITY OF PORTLAND ISSUES**
- **SUPPORTING JOINT TESTIMONY & EXHIBIT (UE 215/Gray-Peters-Cody/700-701)**

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

An extra copy of the cover letter is enclosed. Please date stamp the extra copy and return to me in the envelope provided. Thank you in advance for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "DCT", is written over a faint, larger version of the signature.

DOUGLAS C. TINGEY
Assistant General Counsel

DCT:cbm
Enclosures
cc: UE 215 Service List

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 215

In the Matter of)	
)	
PORTLAND GENERAL ELECTRIC COMPANY)	STIPULATION REGARDING CITY OF PORTLAND ISSUES
)	
Request for a General Rate Revision)	

This Stipulation (“Stipulation”) is between Portland General Electric Company (“PGE”) and the City of Portland (“COP”) (collectively, the “Stipulating Parties”).

On February 16, 2010, PGE filed this general rate case. On March 8, 2010, a prehearing conference was held at which a procedural schedule was adopted for this proceeding. That schedule called for five rounds of testimony on issues other than net variable power costs. Pursuant to that schedule, on June 4, 2010, the City of Portland filed opening testimony. On July 19, 2010, PGE filed testimony in response to the COP testimony and the testimony of other parties in this docket. On August 19, 2010, the COP filed rebuttal testimony. The COP was the only party to file rebuttal testimony. The schedule in this docket called for PGE to file surrebuttal testimony on September 9, 2010. Because the COP and PGE had before that date agreed in principal to this settlement, PGE requested that the Commission suspend the procedural schedule.

PGE has entered into six other stipulations in this docket, with all other parties joining in at least one of the stipulations. On September 7, 2010, the Stipulating Parties participated in a Settlement Conference that resulted in a compromise settlement of the Stipulating Parties regarding the issues raised by the COP in this docket, as described below.

TERMS OF STIPULATION

I. This Stipulation is entered to settle all issues raised by the City of Portland in this docket.

II. Rate Design Study. The Stipulating Parties agree that PGE will initiate a rate design study that will include all interested stakeholders to examine the following possible changes to PGE's rate design:

1. On-peak generation demand charges for Schedules 83, 85, and 89.
2. Time-of-use energy charges for Schedule 83.
3. Seasonal or monthly differentiation of generation demand and energy charges for Schedules 83, 85, and 89.

It is anticipated that during 2011 this study will include the gathering and sharing of information among PGE and interested stakeholders, with periodic meetings held as needed and based on the level of stakeholder interest and demands on staff time. Specific proposals will be shared during 2012. PGE will address the results of this study in its next general rate case filing after this study period, i.e. the next general rate case with a 2013 or later test year. PGE's rate case filing will include a discussion of the study, the arguments for and against the potential rate design changes, any consensus arrived at during the study, and a recommendation regarding implementation of any rate design changes.

III. Streetlight Circuit Cost Study. PGE will initiate a study regarding cost allocation of streetlight circuits. This study process will permit all interested stakeholders to examine the question of a fair allocation of circuit-related costs among affected streetlight customers. It is anticipated that during 2011 this study will include the gathering and sharing of information among PGE and interested stakeholders, with periodic meetings held as needed and based on the level of stakeholder interest and demands on staff time. Specific proposals regarding the cost

allocation will be shared during 2012. PGE will address the results of this study in its next general rate case filing after this study period, i.e. the next rate case with a 2013 or later test year. PGE's rate case filing will include a discussion of the study, the arguments for and against potential cost allocation methodologies, any consensus arrived at during the study, and a recommendation regarding street light circuit cost allocation and related changes in rate design.

IV. Street Lighting Meetings. PGE will, during 2011 and 2012, hold meetings and workshops with stakeholders in the street lighting customer class. Such meetings will be held on an as-needed basis no less frequently than every six months beginning in January 2011. It is anticipated that the participants will generate agenda items for these meetings in advance of such meetings. The meetings will address issues the parties identify including billing, coding, innovative demonstration projects, maintenance practices and policies and will seek to achieve consensus on modifications of such practices and policies.

V. Other Issues. The Stipulating Parties agree that as a result of this Stipulation there are no changes to the rate spread or rate design proposed by PGE and modified by the previous stipulations entered in this docket. The Stipulating Parties further agree that there is no change in the revenue requirement in this docket as a result of this Stipulation.

VI. The Stipulating Parties recommend and request that the Commission approve this stipulation as containing appropriate and reasonable resolutions of the issues it addresses.

VII. The Stipulating Parties agree that this Stipulation is in the public interest and will result in rates that are fair, just, and reasonable.

VIII. The Stipulating Parties agree that this Stipulation represents a compromise in the positions of the Stipulating Parties. Without the written consent of all parties, evidence of conduct or statements, including but not limited to term sheets or other documents created solely for use in

settlement conferences in this docket, are confidential and not admissible in the instant or any subsequent proceeding, unless independently discoverable or offered for other purposes allowed under ORS 40.190.

IX. If the Commission rejects all or any material part of this Stipulation, or adds any material condition to any final order which is not contemplated by this Stipulation, each Stipulating Party disadvantaged by such action shall have the rights provided in OAR 860-014-0085 and OAR 860-014-0095 including the right to withdraw from the stipulation and to seek reconsideration of the Commission's order. Nothing in this paragraph provides any Stipulating Party the right to withdraw from this Stipulation as a result of the Commission's resolution of issues that this Stipulation does not resolve.

X. This Stipulation will be offered into the record in this proceeding as evidence pursuant to OAR § 860-14-0085. The Stipulating Parties agree to support this Stipulation throughout this proceeding and in any appeal, provide witnesses to sponsor this Stipulation at the hearing (if necessary), and recommend that the Commission issue an order adopting the settlements contained herein. The Stipulating Parties also agree to cooperate in drafting and submitting written testimony required by OAR § 860-14-0085(4).

XI. By entering into this Stipulation, no Stipulating Party shall be deemed to have approved, admitted or consented to the facts, principles, methods or theories employed by any other Stipulating Party in arriving at the terms of this Stipulation, other than those specifically identified in the Stipulation. Except as provided in this Stipulation, no Stipulating Party shall be deemed to have agreed that any provision of this Stipulation is appropriate for resolving issues in any other proceeding.

XII. This Stipulation may be signed in any number of counterparts, each of which will be

an original for all purposes, but all of which taken together will constitute one and the same agreement.

DATED this ¹⁵ day of September, 2010.



PORTLAND GENERAL ELECTRIC
COMPANY




9/14/2010 CITY OF PORTLAND

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused **STIPULATION REGARDING CITY OF PORTLAND ISSUES and JOINT TESTIMONY IN SUPPORT OF STIPULATION (UE 215/Gray-Peters-Cody/700-701)** to be served by electronic mail to those parties whose email addresses appear on the attached service list and by method specified, postage prepaid and properly addressed, to those parties on the attached service list who have not waived paper service from OPUC Docket No. UE 215.

Dated at Portland, Oregon, this 15th day of September, 2010.



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<p>Leo Smith THE INTERNATIONAL DARK SKY ASSOCIATION leo@smith.net (*Waived Paper Service)</p>	<p>Jess Kincaid, Energy Partnership Coordinator COMMUNITY ACTION PARTNERSHIP OF OREGON jess@caporegon.org (*Waived Paper Service)</p>

**BEFORE THE PUBLIC UTILITY COMMISSION
OF THE STATE OF OREGON**

UE 215

Request for a General Rate Revision

PORTLAND GENERAL ELECTRIC COMPANY

**Stipulation Regarding City of Portland Issues
Joint Testimony & Exhibits**

September 15, 2010

Table of Contents

I. Introduction..... 1

List of Exhibits 4

I. Introduction and Settlement Description

1 **Q. Please state your names and positions.**

2 A. My name is Richard Gray. I am a Contract Administrator and Senior Management Analyst
3 with the City of Portland's Bureau of Transportation. My qualifications appear in COP
4 Exhibit 101.

5 My name is Lon Peters. I am an independent consulting economist providing services
6 to the City of Portland in this docket. My qualifications appear in COP Exhibit 104.

7 My name is Marc Cody. I am a Senior Analyst for Portland General Electric (PGE).
8 My qualifications appear in PGE Exhibit 1500.

9 **Q. What is the purpose of your testimony?**

10 A. Our purpose is to describe the Stipulation Regarding City of Portland Issues reached among
11 the City of Portland (COP) and PGE (the Parties) regarding certain rate design and street
12 lighting issues in this docket (UE 215).

13 **Q. What is the basis for the Partial Stipulation?**

14 A. PGE filed this general rate case on February 16, 2010. Over the subsequent three months,
15 Staff, CUB, ICNU, the COP and other parties submitted over 700 data requests regarding
16 PGE's filing.

17 Parties submitted opening testimony on June 4. PGE submitted Reply Testimony on
18 July 19, and the COP submitted Rebuttal Testimony on August 9. Parties participated in a
19 Settlement Conference on September 7 and negotiations among the Parties resulted in the
20 settlement agreement described in this testimony.

21 **Q. Please summarize the rate design settlement.**

22 A. This stipulation settles all design issues among the Parties, including issues related to street
23 lighting. A copy of the stipulation is provided as Exhibit 701.

1 The Parties agree that PGE will initiate a rate design study during 2011 with input from
2 interested stakeholders that will examine the following possible changes to PGE's
3 nonresidential rate design:

4 1) On-peak generation demand charge for Schedules 83, 85, and 89.

5 2) Time-of-use energy charges for Schedule 83.

6 3) Seasonal or monthly differentiation of generation demand and energy charges for
7 Schedules 83, 85, and 89.

8 The parties anticipate that during 2011 PGE and interested stakeholders will hold periodic
9 meetings as needed, and based on the level of stakeholder interest. Based on the gathering
10 and sharing of information from these meetings, PGE will address the results of this study in
11 its next general rate case filing after this study period. PGE's rate case filing will include a
12 discussion of the study, the arguments for and against potential rate design changes, any
13 consensus arrived at during the study, and a recommendation regarding implementation of
14 any rate design changes.

15 **Q. Please summarize the settlement with respect to street lighting issues.**

16 **A.** The Parties agree that PGE will:

17 1) Conduct a study regarding the allocation of streetlight circuit costs with all interested
18 stakeholders. PGE will share a specific proposal regarding cost allocation and rate design
19 during 2012 and address this issue in its next general rate case with a 2013 or later test year.

20 2) Hold meetings and workshops during 2011 and 2012 with streetlight customers and other
21 interested parties. Such meetings will be held on an as-needed basis no less frequently than
22 every six months and will address issues identified by customers such as billing, coding, and
23 maintenance practices and policies including the potential modification of such practices and
24 policies.

1 **Q. Will this Stipulation modify or change any of the other stipulations reached in this**
2 **docket?**

3 A. No. This stipulation involves the further study of issues raised by the COP in this docket.
4 The Parties anticipate that the further study of these issues combined with stakeholder input
5 will aid all parties in preparing for and processing PGE's next general rate case.

6 **Q. Does this complete your testimony?**

7 A. Yes.

List of Exhibits

Exhibit

Description

701

Stipulation Regarding City of Portland Issues

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 215

In the Matter of)
)
PORTLAND GENERAL ELECTRIC) **STIPULATION REGARDING**
COMPANY) **CITY OF PORTLAND ISSUES**
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DATED this ^{15th} day of September, 2010.



PORTLAND GENERAL ELECTRIC
COMPANY



9/14/2010 CITY OF PORTLAND