

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 184

In the Matter of)	
)	
PORTLAND GENERAL ELECTRIC)	RULING
COMPANY)	
)	
Request for a General Rate Revision)	
relating to the Port Westward plant.)	

DISPOSITION: MOTION TO CONSOLIDATE GRANTED

In its tariff filing for recovery of expenses related to construction of the Port Westward combined cycle combustion turbine generation plant (Port Westward), Portland General Electric Company (PGE) filed a motion to consolidate the case with UE 180, its general rate case, and UE 181, the Resource Valuation Mechanism docket. PGE states that this separate tariff was filed in response to an intervenor's dispute that the Port Westward costs should be considered in UE 180. PGE argues that the issues in UE 184 and UE 180 are interrelated and that consolidation will prevent duplicative efforts and will not delay the schedule in UE 180.

Staff filed a response on May 8, 2006. Staff noted that there is a concern "that PGE is asking the Commission to determine the rate treatment of a plant that is not yet in service." Staff response, 1. However, Staff does not oppose PGE's motion to consolidate the dockets, "and allow PGE to file compliance tariffs when the plant is on-line." *See id.* at 2. Staff intends to address this matter further in testimony.

The Citizens' Utility Board of Oregon (CUB) also filed a response, in which it opposed PGE's motion to consolidate the dockets. CUB first argues that new costs, such as Port Westward, should not be considered in a rate case in a vacuum, without the corresponding offset of other declining costs. In any event, CUB notes that statutes require that a plant not be included in rates unless it is "used and useful." If the motion to consolidate is granted, CUB argues that one of two conditions be adopted: (1) the tariffs be approved through March 2, and only extended if Port Westward goes on-line on March 1, otherwise a new rate case should be commenced; or (2) approval of the tariff including Port Westward be allowed only if there is a review of PGE's earnings for downward adjustments.

The motion to consolidate is granted. The parties appear to agree that the issues raised in UE 184 are closely aligned with those in UE 180, and there is efficiency in considering the dockets together. However, Staff and CUB raise valid concerns regarding the possible lag between approval of the Port Westward tariff and the date on which the plant actually goes into service. No conditions will be adopted at this time, but will be considered as they are raised during the proceeding.

Dated at Salem, Oregon, this 12th day of May, 2006.

Christina M. Smith
Administrative Law Judge