

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 179

In the Matter of the Request of)	
)	
PACIFIC POWER & LIGHT)	PREHEARING CONFERENCE
(dba PacifiCorp))	RULING AND REPORT
)	
Request for a General Rate Increase in the)	
Company's Oregon Annual Revenues.)	

On March 16, 2006, a prehearing conference was held in Salem, Oregon in the above-captioned docket. The primary purpose of the prehearing conference was to establish a provisional procedural schedule for the docket.

Identification of the Parties

Appearances were entered as follows: Jason Jones, on behalf of Staff of the Public Utility Commission of Oregon (Commission); Katherine McDowell, on behalf of PacifiCorp; Jason Eisdorfer, on behalf of the Citizens Utility Board (CUB); and Irion Sanger, on behalf of the Industrial Customers of Northwest Utilities (ICNU). Three parties participated by telephone: Kurt Boehm, on behalf of Fred Meyer Stores and Quality Food Centers, Divisions of Kroger Co. (Fred Meyer/QFC); Edward A. Finklea, on behalf of the Klamath Water Users Association; and Jim Abrahamson, on behalf of the Community Action Directors of Oregon (CADO) and the Oregon Energy Coordinators Association (OECA).

Petitions to intervene, that were filed prior to the prehearing conference met with no objections and were conditionally granted on behalf of the following parties: ICNU; Portland General Electric Company (PGE); and CADO/OECA. CUB's Notice of Intervention was also acknowledged.

Procedural Schedule

As the prehearing conference was conducted pending formal action by the Commission to suspend PacifiCorp's filed tariffs, the parties were directed to develop a provisional schedule that could be finally adopted at a later date. The parties agreed to bifurcate the proceeding into two phases, as requested by PacifiCorp, with the first phase addressing power cost issues and the second phase addressing all other issues. PacifiCorp requested the bifurcation in order to have power cost issues resolved prior to the Company's Transition Adjustment Mechanism filing. The phases will not be conducted separately, however, and there is some overlap in the schedules for each phase. Consequently, parties

agreed to the following consolidated schedule—dates associated with GRID updates or power cost issues are in **bold**:

PacifiCorp submits GRID update (including a description)	April 3, 2006
Petitions to intervene due	April 17, 2006
Proposed budgets for issue fund grants due	May 8, 2006
Public comment hearings	TBD
<i>Staff and intervenors publish settlement proposals</i>	<i>June 7, 2006</i>
<i>General Settlement conferences</i> ¹	<i>June 14, 16, 21 and 23</i>
<i>Settlement conference (power costs)</i>	<i>June 15, 2006</i>
Staff and intervenors file direct testimony (power costs)	June 30, 2006
<i>Settlement conference (power costs)</i>	<i>July 10, 2006</i>
Staff and intervenors file direct testimony	July 12, 2006
PacifiCorp files rebuttal testimony (power costs)	July 20, 2006
PacifiCorp files rebuttal testimony	August 10, 2006
Hearing (power costs) -- (Details TBD)	August 14, 2006
One round of simultaneous post-hearing briefs (power costs) due	August 24, 2006
Staff and intervenors file surrebuttal testimony	September 7, 2006
Requested date for Commission order on power costs	September 20, 2006
PacifiCorp files sursurrebuttal testimony	September 25, 2006
PacifiCorp GRID update (contract lockdown)	October 9, 2006
Hearing -- (Details TBD)	October 9-11, & 13, 2006 ²
Opening briefs due	October 31, 2006
Reply briefs due	November 13, 2006
Oral arguments (if requested, or established, at a later time)	November 29, 2006
PacifiCorp submits final GRID update for posting transition credits	November 14, 2006
End of second suspension	December 26, 2006

The dates for filing are considered “in hand” dates.

Parties also agreed to the following rules regarding discovery: 1) After June 30, 2006, the due date for direct testimony from Staff and intervenors on power costs, parties agree to a seven-business-day response period to data requests regarding power costs; 2) After August 10, 2006, the due date for rebuttal testimony to be filed by PacifiCorp, parties agree to a seven-business-day response period to data requests; 3) After

¹ For the convenience of parties, all schedule dates related to settlement activities (whether settlement conferences or the filing of settlement proposals), as agreed to by the participants at the prehearing conference, are included in the schedule set forth in this memorandum. These dates are not, however, official schedule dates that are adopted by the Commission. Consequently, parties may change the date of, or cancel, any date related to settlement without authorization from the Commission. All italicized due dates are considered settlement in nature, and not part of the official schedule.

² Although prehearing conference participants agreed to schedule hearings on October 10, 2006 through October 13, 2006, the schedule was modified to accommodate hearing room availability.

September 25, 2006, the due date for PacifiCorp to file surrebuttal testimony, parties agree to a five-business-day response period for data requests.

I conferred with the Commissioners regarding the proposed schedule. The Commissioners expressed concern about the relatively short period of time for the Commission's consideration of the issues after the close of the evidentiary record and the submission of all legal arguments. Nevertheless, recognizing that prehearing conference participants already made compromises to the rest of the schedule in order to provide the Commission with the amount of consideration time that is included in the proposed schedule, the Commissioners agreed that the schedule should be adopted. The Commissioners, however, expressed the opinion that, given the company's request for bifurcation and the expiration of the suspension period during the holidays, PacifiCorp should be expected to accommodate a request for an extension of the suspension period if more time is needed for the Commission's consideration of the issues.

The proposed schedule is provisionally adopted; to be finally adopted upon the Commission's suspension of the pertinent tariffs filed by PacifiCorp. Should other procedural questions arise, I refer the parties to the Administrative Hearings Procedures for contested case proceedings, located at www.puc.state.or.us under the heading "Commission Overview."

Dated this 17th day of March, 2006, at Salem, Oregon.

Traci A. G. Kirkpatrick
Administrative Law Judge