



CITY OF  
**PORTLAND, OREGON**

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October 16, 2006

Filing Center  
Public Utility Commission of Oregon  
550 Capital Street NE, #215  
PO Box 2148  
Salem, OR 97301

Re: UE 180 - COP/COG/LOC/250

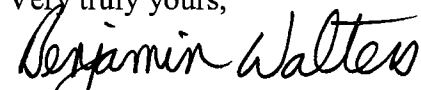
To Whom It Concerns:

Enclosed for filing are four pages to replace portions of the joint surrebuttal testimony submitted by the League of Oregon Cities and the Cities of Gresham and Portland in this case. The changes are as follows:

- COP/COG/LOC/250/Gray-Harris-Fogue-Heberling-Peters/3/line 1:  
The testimony incorrectly refers to PGE/2000. The reference should be to PGE/2200.
- COP/COG/LOC/250/Gray-Harris-Fogue-Heberling-Peters/8/line 12:  
The testimony incorrectly refers to COP/PGE-054. It should be to COP/PGE-063.
- COP/COG/LOC/250/Gray-Harris-Fogue-Heberling-Peters/10, replace lines 11-15 with the following:  
PGE has made several errors. First, PGE's response (UE 180/PGE/2200/Kuns-Cody/13/lines 9-13) does not accurately reflect the City's position. As stated on page 5 of the City's Amended Petition to Intervene in UE 1 and UE 6, dated June 8, 1983, the City recommended setting a base operating time of 4,140 per year, based upon information from Sigma Instruments, Inc., not the 4,200 being used by PGE.
- COP/COG/LOC/250/Gray-Harris-Fogue-Heberling-Peters/11/line 16:  
The testimony incorrectly refers to 3,931. It should be to 3,995.

The corrected pages are enclosed.

Very truly yours,

  
Benjamin Walters  
Senior Deputy City Attorney

BW:BW

c. UE 180 Service List

Witnesses: Richard Gray, John Harris, Andrea Fogue, John Heberling, and Lon L. Peters

BEFORE THE PUBLIC UTILITY COMMISSION  
OF THE STATE OF OREGON

CITY OF PORTLAND (COP)  
CITY OF GRESHAM (COG)  
LEAGUE OF OREGON CITIES (LOC)

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**Surrebuttal Testimony of Richard Gray, John Harris,  
Andrea Fogue, John Heberling and Lon L. Peters**

**on**

**Service Restoration Priority  
Schedule 91 (Street and Highway Lighting) Charges**

**Corrected**  
October 16, 2006

1 cities, we conclude that no changes in our service restoration policy are necessary.” PGE/2200,  
2 Kuns-Cody at 4. PGE states that the Cities “did not propose specific modifications to the Rule  
3 C language” and therefore it is difficult for PGE to determine what needs to be changed. *Id.*  
4 PGE states that “our tariff needs no modification” because “we list ‘Protect Public Safety’ as the  
5 top priority.” PGE also asserts that its “Key Customer Account Managers currently provide the  
6 services that the Cities request.”

7 **Q. DOES PGE ADDRESS ALL OF THE SERVICE RESTORATION POLICY**  
8 **CHANGES RECOMMENDED BY THE CITIES IN THEIR DIRECT**  
9 **TESTIMONY?**

10  
11 A. No. PGE’s summary of the Cities’ position asserts that the Cities request that PGE’s  
12 existing policy be modified in only two ways: (1) listing “Protecting Public Safety” as the top  
13 priority; and (2) requiring PGE to (i) maintain a specific list of “critical accounts” within each  
14 City it serves, and (ii) designate a PGE representative who is available to each individual City 24  
15 hours a day and who has a current list of critical service facilities and City staff names and  
16 cell/pager numbers. PGE’s summary does not address a number of other issues raised by the  
17 Cities, including for example the fact that Rule C refers to “critical Customers” as examples of  
18 high priority accounts, rather than focusing on the function-specific facilities and infrastructure  
19 being served by a specific account, and that Rule C does not require or specify the means for  
20 specific City/utility communications regarding restoration of service to critical accounts.

21 **Q. HAS PGE PROVIDED ANY EVIDENCE OF WHAT ACTIONS IT IS TAKING**  
22 **TO IMPLEMENT ITS EXISTING RESTORATION POLICIES?**

23  
24 A. Yes. In response to discovery requests submitted by the City of Portland, PGE provided  
25 samples of form letters from Account Managers to customers and contact lists for critical  
26 facilities. *See* COP/COG/LOC-251, which is a copy of PGE’s response to COP/PGE-082  
27 including the non-confidential “Confidential Information” by PGE. According to PGE’s

1           Second, PGE’s workpapers demonstrate that the total investment in the system  
2 has increased, even if the share of the streetlight revenue requirement associated with  
3 streetlights has fallen. See COP/COG/LOC-254. The end of year plant balance for the  
4 three FERC accounts that comprise streetlights has increased from about \$37 million in  
5 2001 to about \$48.5 million in 2006 (estimated), or over 30 percent. Thus, the Cities’  
6 conclusions that the average age of the system is declining are supported by PGE’s own  
7 data. Accordingly, it should not be surprising that repair frequencies should be actually  
8 falling in 2006 and projected to remain at that level in 2007.

9       **Q.     WHAT HAS BEEN THE HISTORICAL PATTERN OF PGE’S**  
10       **EXPENDITURES ON CORRECTIVE STREETLIGHT MAINTENANCE?**

11  
12       A.     In response to COP/PGE-063, PGE has provided detailed data on historical,  
13 current, and proposed lighting maintenance costs. The historical data show that  
14 corrective streetlight maintenance more than doubled from 2001 to 2004: from just over  
15 \$600,000 to almost \$1.3 million. Actual maintenance costs in 2005 for Schedule 91 were  
16 almost as high as in 2004. See COP/COG/LOC-255, which is a chart based on data  
17 received from PGE. The Cities conclude that an unusual amount of corrective  
18 maintenance was concentrated in these five years, which in turn reduced the average age  
19 of the streetlight system. Accordingly, we continue to conclude that the repair  
20 frequencies experienced in Portland and Gresham during the first half of this calendar  
21 year are more likely to be representative of future repair frequencies than those proposed  
22 by PGE.

23       //

24

1 **III. STREETLIGHT OPERATING HOURS**

2  
3 **Q. WHAT IS PGE'S POSITION IN REBUTTAL REGARDING**  
4 **STREETLIGHT OPERATING HOURS?**

5  
6 A. PGE has conducted additional analysis and concluded that the number of annual  
7 operating hours should be either kept at its current level, which is 4,150, or increased to  
8 4,176. See PGE/2200, Kuns-Cody at 12-16.

9 **Q. WHAT IS YOUR EVALUATION OF PGE'S NEW STUDY?**

10  
11 A. PGE has made several errors. First, PGE's response (UE 180/PGE/2200/Kuns-  
12 Cody/13/lines 9-13) does not accurately reflect the City's position. As stated on page 5  
13 of the City's Amended Petition to Intervene in UE 1 and UE 6, dated June 8, 1983, the  
14 City recommended setting a base operating time of 4,140 per year, based upon  
15 information from Sigma Instruments, Inc., not the 4,200 being used by PGE.

16 Second, PGE's response does not accurately reflect the purpose or the results of  
17 the joint PGE – City of Portland study conducted in 1984. The 1984 study used a survey  
18 to determine the percentage of malfunctioning luminaires and had nothing to do with  
19 base burning hours. That study included a sample of 4,000 luminaires in PGE's service  
20 territory and recorded both outages at night and lamps on during the day. The sample  
21 size provided a 95% confidence level to the study.

22 Third, PGE's rebuttal testimony included a description of adjustments to  
23 operating hours, including reference to an IESNA document relating to "dayburners".  
24 PGE recommends adding 50 hours per year for dayburners. However, the 1984 study  
25 obviously refutes that generalized IESNA recommendation with actual field data. Rather  
26 than adding 50 hours for dayburners, PGE should subtract 50 hours based on the 1984  
27 study. See COP/COG/LOC-258, which is a copy of the 1984 study. Using this revised

1 factor in PGE's calculations, we conclude that PGE should assume no more than 4,076  
2 operating hours for Portland.

3 **Q. GIVEN THESE COMPETING METHODOLOGIES, WHAT DO YOU**  
4 **RECOMMEND IN THIS DOCKET?**

5  
6 A. First, the Cities still support our original testimony on this subject, as filed in  
7 COP/COG/LOC/200. The number of operating hours assumed by PacifiCorp is not  
8 disputed by either the utility or its customers, applies to streetlights in the Portland  
9 metropolitan area, and thus should carry a significant amount of weight in this  
10 proceeding. Second, although PGE has offered Puget Sound Energy as an alternative  
11 source for operating hours, PGE has not explained why data from the Puget Sound area is  
12 more appropriate than a number that is agreed to for the Portland metropolitan area by  
13 PacifiCorp and its customers in Portland. Third, the Cities recommend working with  
14 PGE to construct a field test that would develop an updated number for operating hours,  
15 based on actual and current data. The Cities thus recommend that the Commission  
16 require PGE to (a) adopt 3,995 as the appropriate number of operating hours per year,  
17 and (b) develop a field study with the Cities that will yield a new stipulation on the  
18 number of operating hours. To allow enough time for the field test, the Cities  
19 recommend that the results of the test be reported to the Commission no later than  
20 January 1, 2008.

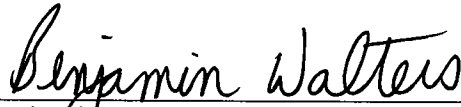
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CERTIFICATE OF SERVICE

I hereby certify that I served a copy of the foregoing **Corrected Pages - Surrebuttal Testimony of Richard Gray, John Harris, Andrea Fogue, John Heberling and Lon L. Peters** on the individuals on the attached Service List by electronic mail and by First Class Mail with the U.S. Postal Service in a sealed envelope with postage paid, and deposited in the post office at Portland, Oregon on said day.

DATED this 16<sup>th</sup> day of October, 2006



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