

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 146

In the Matter of)	
)	ORDER
PORTLAND GENERAL ELECTRIC)	
COMPANY)	
)	
Application to Waive Statutory Notice and)	
Modification of Schedule 127 Power Cost)	
Adjustment Rate)	

**DISPOSITION: APPLICATION APPROVED AND
AMENDED STIPULATION ADOPTED**

At a Public Meeting on December 19, 2002, the Public Utility Commission of Oregon (Commission) adopted the Stipulation on the Schedule 127 Power Cost Adjustment Rate (Schedule 127 Stipulation) signed by Portland General Electric Company (PGE), the Citizens' Utility Board (CUB), Industrial Customers of Northwest Utilities (ICNU), and the Commission Staff (Staff) (Order No. 02-894). Since the Special Public Meeting, concerns have been raised about the applicability of the Lump-Sum Payment option.¹

On January 6, 2003, PGE, CUB, ICNU and Staff amended the Schedule 127 Stipulation (Amended Stipulation) to resolve the issue of the applicability of the lump-sum payment option, and the Commission received an application (Advice No. 03-1) from PGE, requesting statutory notice be waived and the Amended Stipulation be approved.

Based upon a review of the application and the Commission's records, the Commission finds that the application satisfies applicable statutes and administrative rules. At its public meeting on January 7, 2003, the Commission adopted Staff's recommendation to approve the application and adopt the Amended Stipulation. Staff's recommendation is attached as Appendix A and is incorporated by reference.

¹ In docket UE 145, ICNU filed a petition for clarification of the Schedule 127 Stipulation adopted by the Commission in Order No. 02-894. The amendment to the Schedule 127 Stipulation approved in this order renders ICNU's request for clarification moot.

ORDER

IT IS ORDERED that:

1. Portland General Electric Company's Application to Waive Statutory Notice is granted.
2. The Amended Stipulation on the Schedule 127 Power Cost Adjustment Rate is adopted.
3. Portland General Electric's Second Revision of Sheet Nos. 127-4, and 127-5 filed in Advice No. 03-1 is allowed into effect on January 8, 2003.

Made, entered, and effective _____.

Roy Hemmingway
Chairman

Lee Beyer
Commissioner

Joan H. Smith
Commissioner

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements of OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order to a court pursuant to applicable law.

ITEM NO. 1

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: January 7, 2003**

REGULAR X **CONSENT** **EFFECTIVE DATE** January 8, 2003

DATE: January 6, 2003

TO: John Savage through Lee Sparling and Jack Breen

FROM: Maury Galbraith

SUBJECT: PORTLAND GENERAL ELECTRIC: (Advice No. 03-1) Modifies applicability of single lump-sum payment option for consumers paying Schedule 127 Power Cost Adjustment Rate.

STAFF RECOMMENDATION:

I recommend that the Commission adopt the Amended Stipulation on the Schedule 127 Power Cost Adjustment Rate. I also recommend that the Commission allow the Second Revision of Sheet Nos. 127-4, and 127-5 filed in Advice No. 03-1 into effect on January 8, 2003.

DISCUSSION:

At a Special Public Meeting on December 19, 2002, the Commission adopted the Stipulation on the Schedule 127 Power Cost Adjustment Rate (Schedule 127 Stipulation) signed by Portland General Electric (PGE), the Citizens' Utility Board (CUB), Industrial Customers of Northwest Utilities (ICNU), and the Commission Staff (Staff) (Order No. 02-894).

Since the Special Public Meeting, concerns have been raised about the applicability of the Lump-Sum Payment option. Paragraph No. 8 of the Schedule 127 Stipulation states:

...[A]ny PGE Schedule 83 or 583 Consumer (as defined in the PGE tariff) with usage equal to or greater than 5 MWa during 2002 (43,800 MWhs) may elect to pay its share of the 2002 PCA charges in the form of a single lump-sum payment...

APPENDIX A
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PGE interpreted this provision to limit applicability to single points of delivery with usage equal to greater than 5 MWa during 2002. ICNU had a broader interpretation that allowed for aggregation of multiple points of delivery.

On January 6, 2003, PGE, CUB, ICNU and Staff amended the Schedule 127 Stipulation (Amended Stipulation) to resolve the issue of the applicability of the lump-sum payment option. Paragraph No. 8 of the Amended Stipulation states:

...[A]ny PGE Schedule 83 or 583 Consumer with usage during 2002 equal to or greater than 5 MWa at any site, as defined in ORS 757.212(1)(b), (43,800 MWhs) may elect to pay its share of the 2002 PCA charges related to such site in the form of a single lump-sum payment...

This effect of this change is to expand the applicability of the lump-sum payment option to include *sites* with 2002 usage of 5 MWa or more. This is the only change to the Schedule 127 Stipulation. The Amended Stipulation is attached to this Staff Report (Attachment A).

On January 6, 2003, in Advice No. 03-1, PGE filed Second Revisions of Sheet Nos. 127-4 and 127-5 to update the tariff to incorporate the amended applicability provision. PGE also filed an Application to Waive Statutory Notice.

PROPOSED COMMISSION MOTION:

- The Amended Stipulation on the Schedule 127 Power Cost Adjustment Rate be adopted.
- Portland General Electric's Application to Waive Statutory Notice filed on January 6, 2003, be approved.
- Second Revision of Sheet Nos. 127-4, and 127-5 filed in Advice No. 03-1 be allowed into effect on January 8, 2003, with less than statutory notice.