

ORDER NO. 03-452

ENTERED JUL 24 2003

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BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1004

In the Matter of)	
)	ORDER
PORTLAND GENERAL ELECTRIC)	
COMPANY)	
)	
Service Quality Measures Performance)	
Reporting for 2002.)	

DISPOSITION: SERVICE QUALITY MEASURES PERFORMANCE FOR 2002
ACKNOWLEDGED AND ACCEPTED

At its Public Meeting on July 15, 2003, the Public Utility Commission of Oregon adopted Portland General Electric Company (PGE) and Staff's joint recommendation to acknowledge PGE's report of 2002 performance as satisfying the requirements of Order No. 97-196. PGE's performance in the C1, R1, R2, R3 and S1 measure categories was acceptable and no penalty levels were reached or exceeded. Staff's recommendation report is attached as Appendix A and is incorporated by reference.

ORDER

IT IS ORDERED that Portland General Electric's Service Quality Measures Performance Report for 2002 satisfies the requirements of Order No. 97-196 and as it relates to the performance levels set for 2002 at the Commission Public Meeting of December 3, 2001. All performance evaluated was acceptable and no penalties are appropriate.

Made, entered and effective _____.

BY THE COMMISSION:

Becky L. Beier
Commission Secretary

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 in 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. 2

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: July 15, 2003**

REGULAR AGENDA X CONSENT AGENDA EFFECTIVE DATE

DATE: May 5, 2003

TO: John Savage through Lee Sparling, Jerry Murray, and Vicki McLean

FROM: Bob Sipler and Clark Jackson

SUBJECT: PORTLAND GENERAL ELECTRIC: (Docket No. UM 1004) Service Quality Measures (SQMs) Performance Reporting for 2002 as required in UM 814 per OPUC Order 97-196, and as it relates to the performance levels set for 2002 at the OPUC Public Meeting of December 3, 2001.

SUMMARY RECOMMENDATION:

Staff and PGE jointly recommend that the Commission acknowledge PGE's report of 2002 performance as satisfying the requirements of PUC Order 97-196. PGE's performance in the C1, R1, R2, R3, and S1 measure categories was acceptable and no penalty levels were reached or exceeded.

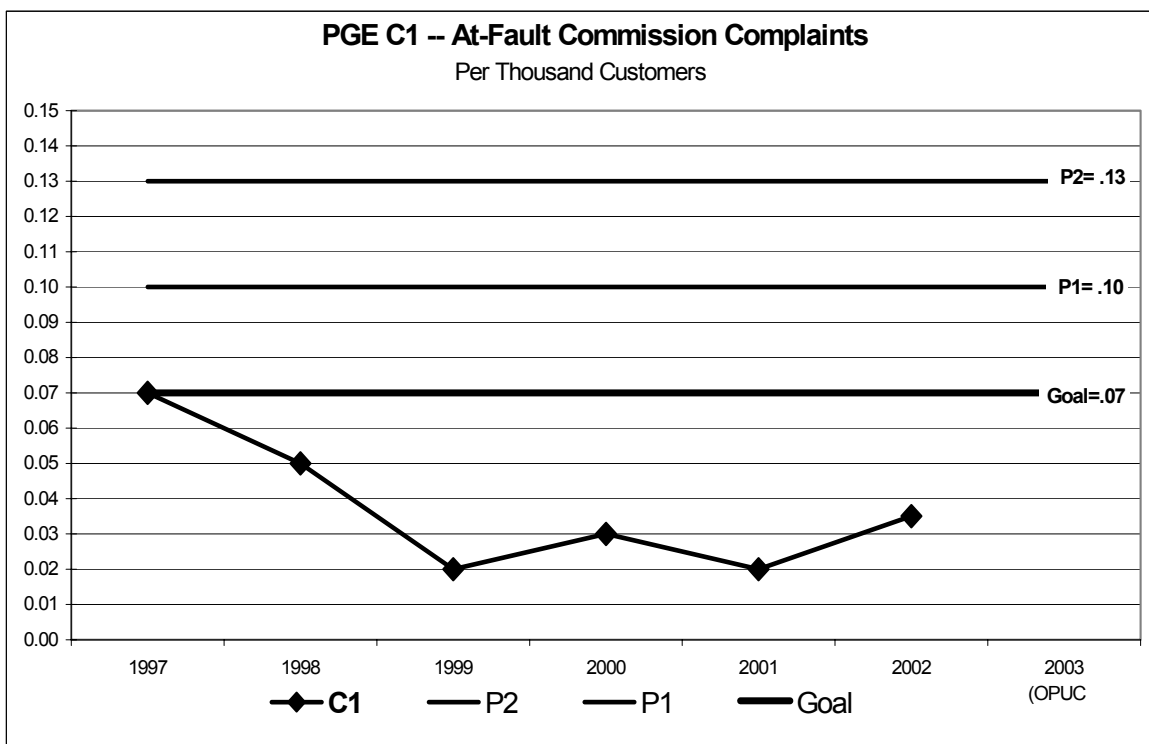
DISCUSSION:

Service Quality Measures were stipulated as a condition in the Enron merger with PGE (UM 814). The SQMs include a requirement to set goals annually and then later to evaluate performance related to those goals. The performance lines were set for 2002 at the Public Meeting on Dec. 3, 2001. This memo evaluates 2002 SQMs performance.

Staff and company representatives have agreed that it was reasonable to leave the goal and two pairs of Revenue Requirement Reduction (Penalty) lines for C1, R1, and R2 at the same values for the seven years that have been set (1997 - 2003). These performance levels were originally set based on historical performance with the system operating in a reasonable condition.

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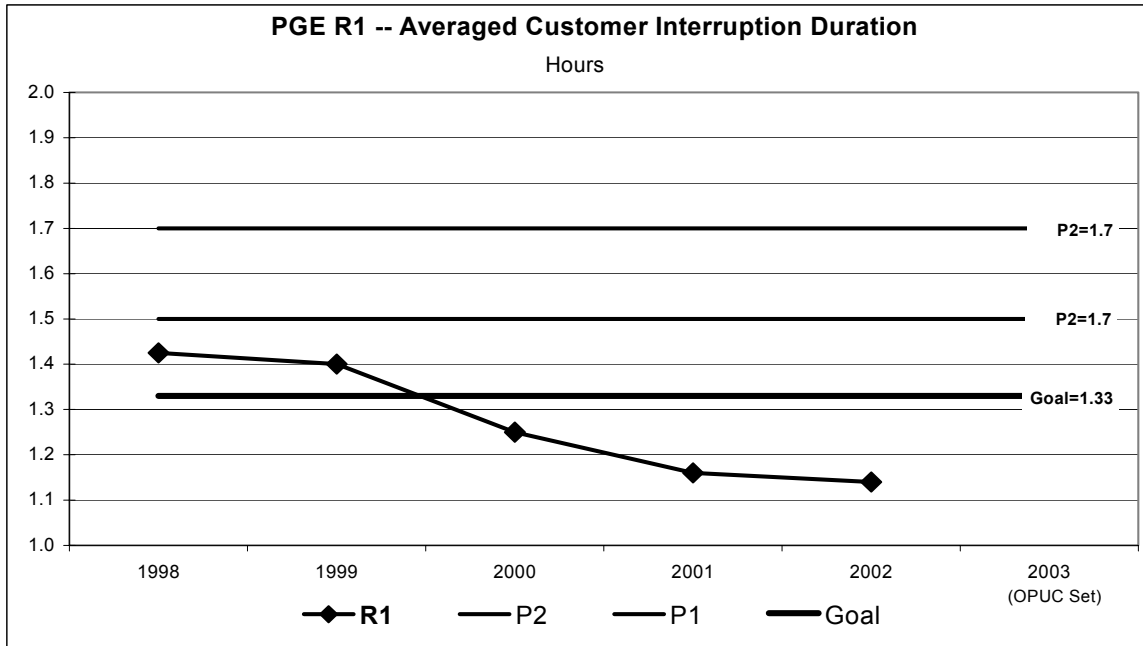
The first measure is C1 (Customer "At-Fault" Complaint Frequency). This is expressed as the number of PUC "at fault" complaints for the year, divided by the total number of customers divided by 1,000. The Goal value was set at .07, the Penalty-1 line was set at .10, and the Penalty-2 line was set at .13. Actual C-1 performance by PGE in 2002 was .035 complaints "at fault" per 1,000 customers. Performance below the goal line over the past six years (averaging .0375) indicates that performance is consistent. Over the last four years performance averaged .026 and is at an excellent level.



The second measure is R1 (Averaged Customer Interruption Duration). This is the weighted average amount of time that customers have been without power over the last three years. The Goal value is set at 1.33 hours (80 minutes), the Penalty-1 line is set at 1.5 hours (90 minutes), and the Penalty-2 line is set at 1.7 hours (102 minutes).

PGE's 2002 R-1 performance was 1.14 hours (73 minutes). There were no excludible "Major Events" in 2002.

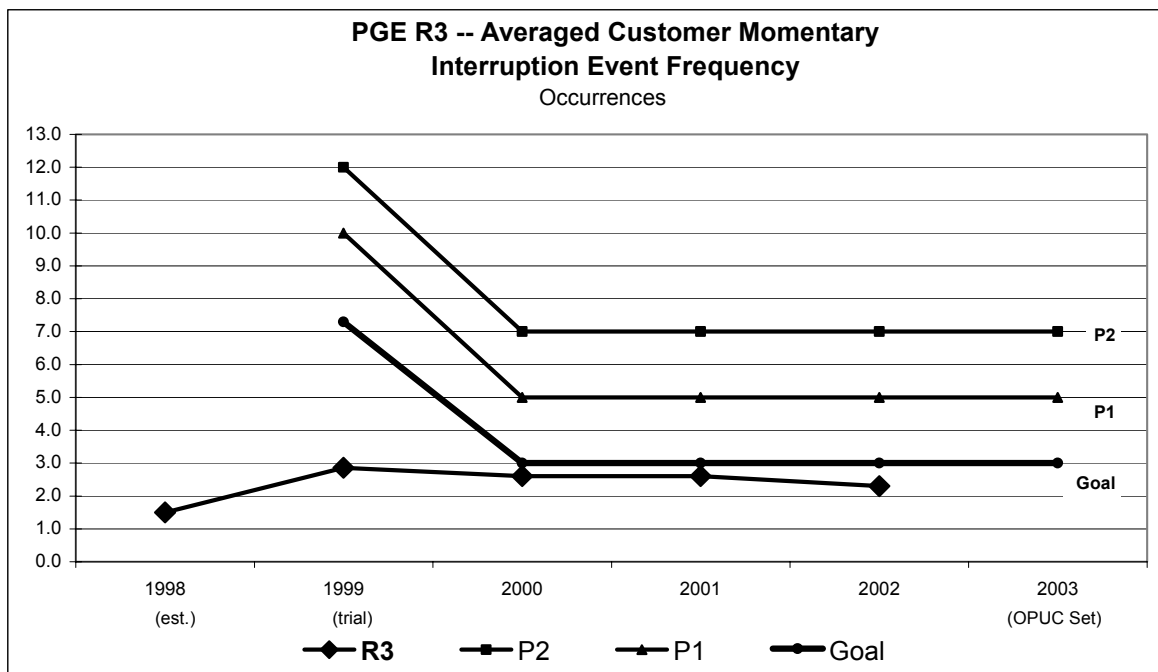
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The third measure is R2 (Averaged Customer Interruption Frequency). This is a weighted average number of times that customers have been without power over the last three years. The Goal value was set at 1.0 occurrence, the Penalty-1 line was set at 1.2 occurrences, and the Penalty-2 line was set at 1.4 occurrences. R-2 performance for 2002 was at .64 occurrences.

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The fourth measure is R3 (Averaged Customer Momentary Interruption Event Frequency). R-3 is a phased-in measure that had a trial setting for 1999, and full implementation in 2000. The 2000 goal line was set at 3 momentaries, the Penalty-1 line was 5, and the Penalty-2 line was at 7. These same levels remained set for 2001 and 2002. The R3 performance for 2002 was 2.3 momentary event occurrences.



Included in the SQMs is also S1 (Major PUC Safety Violation Measure), and the X1, X2, and X3 Measures that evaluate vegetation management (tree trimming program) and service personnel count, basic inspection and maintenance programs, PGE's Standards, the metering program, and "special" programs.

PGE managers met with PUC Staff on April 21, 2003, for an annual operations, safety and SQMs review. The 2002 Service Quality Measures Report was received on May 8, 2003. This 16-page summary is available upon request. We discussed a wide variety of subjects, including:

- Service Quality Measures performance
- Vegetation Management Program and budgets
- Service personnel counts

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- Inspection and maintenance programs for overhead lines, underground lines, marinas, substations and switches
- PGE's Metering program
- Special programs including experimental deployment of a new type of squirrel guards and substation fencing to prevent animal caused outages.
- Joint-Use Issues including the National Joint Use Notification System (NJUNS), the proliferation of pole attachments, and the Oregon Joint Use Association.

This reporting indicates that performance lines set by the Commission for the SQMs were satisfactorily met and that essential operating and maintenance programs are continuing.

Staff indicated last year that they have had some concerns related to National Electrical Safety Code (NESC) violation correction. The stipulated agreement language in the X2 Measure includes a commitment to correct NESC violations. This situation has been improving and Staff will continue to work with PGE through our regular program reviews and SQM administration.

PROPOSED COMMISSION MOTION:

Acknowledge PGE's report of 2002 performance as satisfying the requirements of PUC Order 97-196. Relative to the performance lines set by the Commission for 2002, all performance evaluated was acceptable and no penalties are appropriate.

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