

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 183

In the Matter of)	
)	
PORTLAND GENERAL ELECTRIC)	ORDER
)	
Proposed Tariff for Electric Service.)	
Advice No. 06-9)	

DISPOSITION: TARIFF SHEETS ALLOWED; WAIVER GRANTED

On April 7, 2006, PORTLAND GENERAL ELECTRIC filed tariff sheets in Advice No. 06-9 to be effective with meter readings on and after May 31, 2006. The terms of the proposed tariff sheets are set forth in the Staff Report dated April 28, 2006, attached as the Appendix to this order.

At its May 23, 2006, public meeting, the Public Utility Commission of Oregon allowed the tariff sheets to go into effect. Pursuant to a waiver of OAR 860-022-0032, the Commission finds that the tariff sheets shall be effective with meter readings on and after May 31, 2006.

IT IS ORDERED that Advice No. 06-9 filed by PORTLAND GENERAL ELECTRIC, is allowed effective with meter readings on and after May 31, 2006.

Made, entered, and effective MAY 24 2006.



BY THE COMMISSION:

Becky L Beier
Becky 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 by filing a petition for review with the Court of Appeals in compliance with ORS 183.480-183.484.

ITEM NO. CA3

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: May 23, 2006

With meter readings on
May 31, 2006 through
June 28, 2006

REGULAR CONSENT EFFECTIVE DATE _____

DATE: April 28, 2006

TO: Public Utility Commission

FROM: Carla Owings

THROUGH: *us* Lee Sparling, *EB* Ed Busch and *JJ* Judy Johnson

SUBJECT: PORTLAND GENERAL ELECTRIC: (Docket No. UE 183/Advice No. 06-9)
Requests distribution of funds associated with FERC Settlement.

STAFF RECOMMENDATION:

Staff recommends that the Commission waive OAR 860-022-0032 and allow Portland General Electric's Advice No. 06-9, as filed on April 7, 2006, to become effective with meter readings on May 31, 2006 through June 28, 2006.

DISCUSSION:

On April 7, 2006, Portland General Electric (PGE) filed a request for approval to distribute funds associated with an Offer of Settlement resolution to FERC Docket Numbers EL02-114-000 and EL02-115-001, as well as Commission Order No. 03-599.

PGE proposes to implement a one-month credit to return to customers the balance of funds remaining from a settlement which was the result of a FERC investigation of the Company's trading activity during the western electricity crisis of 2000-01.

The "Offer of Settlement" relating to FERC Docket Numbers EL02-114-000 and EL02-115-001 require the payment of \$1.3 million to be disbursed in the following manner:

- \$250,000 to Blue Heron Paper Company,
- \$250,000 to Industrial Customers of Northwest Utilities,
- \$800,000 to be overseen by the Oregon Public Utility Commission.

PGE Advice No. 06-9
April 28, 2006
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Commission Order No. 03-599 mandated that \$800,000 be placed into a deferral account in January of 2004, and accrue interest at PGE's cost of capital, or 9.083 percent. The current balance as of May 31, 2006, is approximately \$990,000.

PGE proposes to distribute 43.51 percent of that balance to Residential Customers, 55.97 percent to Commercial and Industrial Customers, and 0.52 percent to Irrigation Customers. The allocation to customer classes is based on the Company's 2006 load forecast.

The credit per kWh was calculated by dividing the customer class refund amount by the forecasted customer usage for the one-month refund period. The refund rate for residential customers is 0.085 cents per kWh. For a customer using an average June amount of 739 kWh, the credit will be 63 cents.

PGE requests a waiver of OAR 860-022-0032 in order to distribute the credit with meter readings beginning on May 31, 2006, rather than with service rendered starting May 31, 2006. By basing the refund distribution on meter reading, rather than on days of service from the effective date, customers will receive their refund as a single, identifiable bill credit. Staff supports the Company's proposal for distribution as well as the Company's waiver request.

PROPOSED COMMISSION MOTION:

The Commission waive OAR 860-022-0032 and allow Portland General Electric's Advice No. 06-9, as filed on April 7, 2006, to become effective with meter readings on May 31, 2006 through June 28, 2006.

PGE – Advice No. 06-9 FERC Distribution