

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1363(1)

In the Matter of	)	
	)	
PACIFICORP, dba PACIFIC POWER	)	ORDER
	)	
Application for Reauthorization of Deferred Accounting.	)	

**DISPOSITION: APPLICATION APPROVED**

On January 22, 2009, PacifiCorp, dba Pacific Power (Pacific Power) filed a request with the Public Utility Commission of Oregon (Commission), pursuant to ORS 757.259 and OAR 860-027-0300, for reauthorization to defer costs associated with Independent Evaluators for the ongoing solicitation process. A description of the filing and its procedural history is contained in the Staff Report, attached as Appendix A, and incorporated by reference.

At its Public Meeting on February 24, 2009, the Commission adopted Staff's recommendation.

**ORDER**

IT IS ORDERED that:

1. Pacific Power's request to defer costs associated with an Independent Evaluator is approved.
2. Amortization of the balance is to be considered in a subsequent proceeding coincident with inclusion in rates.

Made, entered, and effective MAR 02 2009



BY THE COMMISSION:

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

ITEM NO. CA2

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: February 24, 2009

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE January 22, 2009

DATE: February 2, 2009

TO: Public Utility Commission

FROM: Lisa Gorsuch

THROUGH: <sup>li</sup> Lee Sparling, <sup>EB</sup> Ed Busch, and <sup>jj</sup> Judy Johnson

SUBJECT: PACIFIC POWER & LIGHT: (Docket No. UM 1363(1)) Requests reauthorization to defer costs associated with the independent evaluators for the solicitation process established in Docket UM 1360 for flexible resources beginning 2012 through 2017.

**STAFF RECOMMENDATION:**

Staff recommends that Pacific Power & Light's (PP&L or Company) application in this filing be approved.

**DISCUSSION:**

Deferral History

On January 22, 2008, PP&L filed Docket No. UM 1363 in accordance with the competitive bidding guidelines associated with the acquisition of resources that were established by Order No. 06-446 (RFP Order) in Docket No. UM 1182. This filing was a request for approval to establish a solicitation process for 2008 and to select Oregon Independent Evaluators (IE). In Order 08-119, the Commission approved the Company's application for deferred accounting for the costs associated with the IE.

Application for Deferral

On January 22, 2009, PP&L filed an application requesting reauthorization to defer costs associated with the IE as the process is on-going. The Company requests to defer costs for a 12-month period from the date of this filing.

PP&L Docket UM 1363(1)  
February 2, 2009  
Page 2

Adoption of this deferred account is authorized by 757.259(2)(e) in order to minimize the frequency of rate changes or fluctuation of rate levels. PP&L has met the requirements of OAR 860-027-0300 in its filing.

PP&L proposes to account for the deferred costs of the IE by recording the deferral in FERC Account 182.3 (Other Regulatory Assets). As of the date of this application the Company states it has paid the IEs approximately \$150,000 for the IEs' services and anticipates the total cost will be approximately \$550,000.

**PROPOSED COMMISSION MOTION:**

PP&L's filing, docketed as UM 1363(1), be approved for accounting purposes only with amortization of the balance to be considered in a subsequent proceeding coincident with inclusion in rates.

PP&L Docket UM 1360(1) 2009 IE