

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1422

In the Matter of)	
)	
PORTLAND GENERAL ELECTRIC)	ORDER
COMPANY)	
)	
Application for Waiver of OAR 860-038-)	
0640, Compliance Filing Requirements for)	
2009.)	

DISPOSITION: APPLICATION APPROVED

On February 27, 2009, Portland General Electric Company (PGE) filed an application, with the Public Utility Commission of Oregon (Commission), requesting the Commission approve the waiver of the 2009 biennial submission of an external, independent entity’s verification report regarding PGE’s compliance with OAR 860-038-0500 through OAR 860-038-0640 for the previous two calendar years. A full description of the filing and its procedural history and Staff’s recommendation are contained in the Staff Report, attached as Appendix A and incorporated by reference.

At its Public Meeting on March 24, 2009, the Commission adopted Staff’s recommendation, and approved PGE’s application for waiver of OAR 860-038-0640 compliance filing requirements for 2009.

ORDER

IT IS ORDERED that Portland General Electric Company's request for waiver from the compliance filing requirements of OAR 860-038-0640 for 2009, is approved.

Made, entered, and effective MAR 30 2009.



Lee Beyer
Chairman



John Savage
Commissioner



Ray Baum
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 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. CA6

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

REGULAR _____ CONSENT X EFFECTIVE DATE _____ NA _____

DATE: March 12, 2009

TO: Public Utility Commission

FROM: Marion Anderson *MSA*

THROUGH: *w* Lee Sparling, *A* Marc Hellman, and *w* Michael Dougherty

SUBJECT: PORTLAND GENERAL ELECTRIC: (Docket No. UM 1422) Application for Waiver of OAR 860-038-0640 Compliance Filing Requirements for 2009.

STAFF RECOMMENDATION:

The Commission should approve the request for waiver of the 2009 biennial submission of an external, independent entity's verification report regarding Portland General Electric's (PGE) compliance with OAR 860-038-0500 through OAR 860-038-0640 for the previous two calendar years.

DISCUSSION:

Staff's justification for recommending this waiver is based on the following:

1. The improvement demonstrated over the three compliance reports/reviews to date.
2. PGE's Affiliated Interest Report with Cost Allocation Manual is filed annually and reviewed.
3. Rate case UE 197, filed in 2008, included an examination of affiliated interest and non-regulated operations.
4. As a result of AR 475, In the Matter of a Proposed Rulemaking to Revise Division 038 Definitions and Rules Regarding Code of Conduct, Commission Order No. 06-225, dated May 8, 2006; Staff conducted a Code of Conduct Review and reported its findings in a February 14, 2007, memorandum.

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Protiviti Inc., an external independent risk consultant, conducted the 2003, 2005, and 2007 Code of Conduct compliance examinations. In 2003, policy insufficiencies were noted in employee compliance assignment and training; consumer information; competitor complaint; asset transfer accounting with Energy Efficiency Group, Inc. (an affiliate); and joint marketing. In 2005, questions were raised about Large Nonresidential Tradable Renewable Credits marketing materials' disclaimers; in-house legal monitoring of marketing material; and an ESS access issue to consenting customers. PGE has addressed these issues and the 2007 report did not present any deficiency findings.

Staff did not find any substantive issues in items 2 and 3 previously listed in this memorandum. There was confirmation that PGE does not have a defined Oregon affiliate subject to these administrative rules in item 3. A Commission waiver has been granted for the sharing of proprietary consumer information with competitive operations. Finally, as was referenced in the 2007 Protiviti Inc. compliance report, "the OPUC recently completed its own audit of PGE's Division 38 Code of Conduct compliance and did not make any recommendations to PGE as a result of that audit."

The above experience demonstrates a pattern of correction that supports this waiver request.

PROPOSED COMMISSION MOTION:

Portland General Electric's request for waiver from the compliance filing requirements of OAR 860-038-0640 for 2009 be granted.

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