

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1430

In the Matter of

PACIFICORP, dba PACIFIC POWER

Application for Deferred Accounting  
Order.

ORDER

**DISPOSITION: APPLICATION APPROVED**

On May 27, 2009, PacifiCorp, dba Pacific Power (Pacific Power or Company), filed an application with the Public Utility Commission of Oregon (Commission) pursuant to ORS 757.259 and OAR 860-027-0300 for an accounting order to track and defer the costs associated with a Commission-selected independent evaluator for its 2009 solicitation process for new renewable resources. 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 October 20, 2009, the Commission adopted Staff's recommendation.

**ORDER**

IT IS ORDERED that Pacific Power's application is approved for accounting purposes only.

Made, entered, and effective OCT 22 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. CA4

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: October 20, 2009**

REGULAR \_\_\_\_\_ CONSENT  X  EFFECTIVE DATE  May 27, 2009

DATE: October 1, 2009

TO: Public Utility Commission

FROM: Deborah Garcia *DG*

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

SUBJECT: PACIFIC POWER & LIGHT: (Docket No. UM 1430) Defers independent evaluator costs associated with the solicitation process for supply-side renewables, docketed as UM 1429.

**STAFF RECOMMENDATION:**

I recommend Pacific Power & Light's application, docketed as UM 1430, be approved for accounting purposes only.

**DISCUSSION:**

Pacific Power & Light (PacifiCorp or company) filed this application pursuant to ORS 757.259 and OAR 860-027-0300. The company requests an accounting order to track and defer the costs associated with a Commission-selected independent evaluator (IE) for its 2009 solicitation process for new renewable resources (2009R RFP).

Under the bidding guidelines established in Docket No. UM 1182, Order No. 06-446 (RFP Order), PacifiCorp filed for approval to open a docket for its 2009R RFP which was docketed as UM 1429. Guideline No. 5 of the RFP Order requires an IE to provide third party oversight during an RFP process to ensure that all offers are treated fairly, and allows a utility to request deferred accounting to track the associated costs for later inclusion into rates, subject to a prudency review. By Order No. 09-181, the Commission selected Boston Pacific Company to serve as the IE for this docket.

As the company's last proposal, known as its 2008R-1 RFP,<sup>1</sup> includes such a provision, PacifiCorp's application for deferral stated that it expects the 2009R RFP to require successful bidders to submit a fee. This success fee would be used to cover the costs

<sup>1</sup> See Docket No. UM 1368

PPL UM 1430  
October 1, 2009  
Page 2

of the IE, leaving only the net amount to be deferred. However, Order No. 09-272, by which the Commission approved the 2009R RFP, does not require a fee from a successful bidder or a bid fee for bids submitted in this docket that were previously submitted during the 2008R-1 RFP process. Staff expects the company will track all of the IE's costs associated with this docket, net of fees from new bidders, for the later inclusion into rates, subject to a prudence review.

During the deferral period, PacifiCorp proposes to record the deferred costs in Account 182.3, Other Regulatory Assets. The company estimates the cost of the IE at \$250,000, approximately half that estimated for its 2008R-1 RFP.

PacifiCorp has met the requirements of OAR 860-027-0300 for this filing.

**PROPOSED COMMISSION MOTION:**

PacifiCorp's application, docketed as UM 1430, be approved for accounting purposes only.

PPL UM 1430, 2009R RFP IE deferral