

ORDER NO. 11 170

ENTERED MAY 24 2011

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 926

In the Matter of

PACIFICORP, dba PACIFIC POWER,

Request for Order to Sign Proposed
Bonneville Power Administration
Residential Exchange Program Settlement
Agreement and the Residential Exchange
Program Settlement Implementation
Agreement.

ORDER

DISPOSITION: REQUEST APPROVED

On May 2, 2011, PacifiCorp, dba Pacific Power (Pacific Power), filed a request with the Public Utility Commission of Oregon (Commission), asking that the Commission require it to sign the Revised Residential Exchange Program Settlement Agreement and the Residential Exchange Program Settlement Implementation Agreement offered by the Bonneville Power Administration (BPA). Pacific Power seeks authorization to execute the Settlement Agreements. Pacific Power concludes that the risks of signing the agreement are outweighed by its benefits.

Staff's recommendation and further description of the procedural history of the Settlement Agreements is contained in the Staff Report, attached as Appendix A and incorporated by reference.

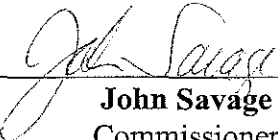
At its Public Meeting on May 17, 2011, the Commission adopted Staff's recommendation that the Commission issue an order directing Pacific Power to execute the revised settlement agreement and the implementation agreement.

ORDER

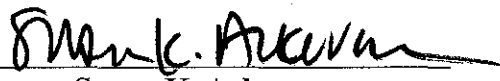
IT IS ORDERED that:

1. PacifiCorp, dba Pacific Power, shall execute the proposed Bonneville Power Administration Residential Exchange Program Settlement Agreement.
2. PacifiCorp, dba Pacific Power, shall execute the proposed Bonneville Power Administration Residential Exchange Program Settlement Implementation Agreement.

Made, entered, and effective MAY 24 2011



John Savage
Commissioner



Susan K. Ackerman
Commissioner



A party may request rehearing or reconsideration of this order under 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 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.

ITEM NO. CA8

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: May 17, 2011**

REGULAR _____ CONSENT X EFFECTIVE DATE _____

DATE: May 10, 2011

TO: Public Utility Commission

FROM: Marc Hellman *nt*

THROUGH: Lee Sparling *li*

SUBJECT: PACIFIC POWER: (Docket No. UM 926) Request for Order to Sign Proposed Revised Bonneville Power Administration Residential Exchange Program Settlement Agreement and the Residential Exchange Program Settlement Implementation Agreement.

STAFF RECOMMENDATION:

I recommend that the Commission require Pacific Power to execute the proposed revised Bonneville Power Administration (BPA) Residential Exchange Program Settlement Agreement and, if offered by BPA, the Residential Exchange Program Settlement Implementation Agreement.

DISCUSSION:

For a discussion of the background and issues, please refer to the staff discussion contained in April 5, 2011, public meeting agenda item #1, "Execution of long-term settlement agreement resolving Residential Exchange Program issues," as well as the May 17, 2011, public meeting regular agenda item titled, "Execution of revised long-term settlement agreement resolving Residential Exchange Program issues."

I agree with Pacific Power's assessment outlined in its filing. As such, I support Pacific Power's request to be directed to execute the Revised Residential Exchange Program Settlement Agreement and the Residential Exchange Program Settlement Implementation Agreement.

In addition, I should note that Pacific Power's current Residential Exchange Program (REP) contract with BPA expires on September 30, 2011. In the event the revised Settlement Agreement does not become effective, either by the failure of the publicly-owned utilities to produce a sufficient number of signers, or because it is not approved

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by BPA, then Pacific Power will need to negotiate with BPA (and OPUC Staff) an alternative REP mechanism, obtain Commission approval to execute the alternative agreement, and execute it prior to October 1, 2011.

PROPOSED COMMISSION MOTION:

Require Pacific Power to execute the proposed revised Bonneville Power Administration Residential Exchange Program Settlement Agreement and, if offered by BPA, the Residential Exchange Program Settlement Implementation Agreement.

Pacific Power UM 926 filing