

ORDER NO.

11 245

ENTERED

JUL 05 2011

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1537

In the Matter of

PORTLAND GENERAL ELECTRIC  
COMPANY

ORDER

Application for a Temporary Waiver of  
Monthly and Quarterly Electric Company  
Labeling Communication Requirement and  
OAR 860-038-0300 (2) & (3).

**DISPOSITION: APPLICATION REJECTED; RULEMAKING DOCKET  
OPENED**

On April 8, 2011, Portland General Electric (PGE) filed an application with the Public Utility Commission of Oregon (Commission) under OAR 860-038-0300(2) & (3) requesting a temporary waiver of the requirement to provide information with prescribed price, power source, and environmental impact information to customers.

A full description of the filing, its procedural history, and Staff's recommendations are contained in the Staff Reports, attached as Appendix A and B and incorporated by reference.

At its Public Meeting on June 21, 2011, the Commission rejected Staff's recommendation to grant Portland General Electric's Application for a Temporary Waiver of Monthly and Quarterly Electric Company Labeling Communication Requirement under OAR 860-038-0300(2) & (3). The Commission did adopt, however, Staff's related recommendation to open a rulemaking docket to reexamine the portfolio and labeling updates that are the subject of PGE's waiver request.

**ORDER**

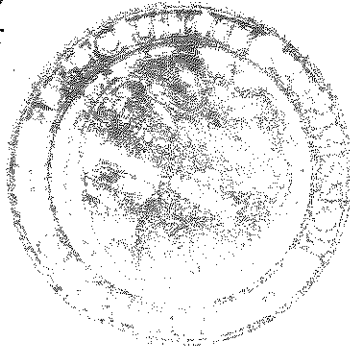
IT IS ORDERED that:

- 1) Portland General Electric's Application for a Temporary Waiver of Monthly and Quarterly Electric Company Labeling Communication Requirement under OAR 860-038-0300(2) & (3) is rejected; and
- 2) A rulemaking docket will be opened to explore portfolio and labeling updates.

Made, entered, and effective JUL 05 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. 2

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: June 21, 2011

REGULAR X CONSENT \_\_\_\_\_ EFFECTIVE DATE Upon  
Commission Approval

DATE: June 13, 2011

TO: Public Utility Commission

FROM: Erik Colville *EC*

THROUGH: Lee Sparling and Maury Galbraith *MG*

SUBJECT: PORTLAND GENERAL ELECTRIC: (Docket No. UM 1537) Requests a temporary waiver of the requirement to provide information with prescribed price, power source, and environmental impact information to consumers, pursuant to OAR 860-038-0300(2) & (3).

**STAFF RECOMMENDATION:**

Staff recommends the Commission grant Portland General Electric's (PGE) temporary waiver request and initiate a proceeding to explore alternatives to the currently prescribed delivery mechanism and information format, with conditions.

**DISCUSSION:**

OAR 860-038-0300(2) requires PGE to provide "price, power source, and environmental impact information to all residential consumers at least quarterly". This rule also stipulates "The information must be supplied using a format prescribed by the Commission." OAR 860-038-0300(3) requires PGE to provide "price, power source and environmental impact information on or with bills to non-residential consumers using a format prescribed by the Commission." In both rules PGE is required to "include on every bill a URL address, if available, for a world-wide web site where this information is displayed."

The currently prescribed information delivery mechanism and format have been in use since 2002. PGE's practice for all residential and non-residential consumers has been to include a bill insert disclosing price, power source, and environmental impact information in the format prescribed by the Commission (the Label). Residential consumers receive the Label quarterly and non-residential consumers receive the Label monthly. Some consumers have commented that they perceive the Label to be

Docket No. UM 1537  
June 13, 2011  
Page 2

wasteful, particularly since the information is duplicated on PGE's web site. The existence of new communication technologies, combined with consumer attitudes and responses to the disclosure material suggest that now may be an appropriate time to reconsider the delivery mechanism and information format.

PGE is requesting temporary waiver of OAR 860-038-0300(2) and (3) requirements to suspend providing the Label monthly/quarterly while a proceeding is underway to explore alternatives to the currently prescribed delivery mechanism and information format. PGE suggests in their waiver request that a web-based communication approach would provide for more environmentally sensitive, convenient, timely and informative price, power source, and environmental impact information disclosure. PGE cites benefits of a web-based communication approach from 24 hour per day information access, rapid information update capability, unconstrained space for information presentation, and the ability to customize cost comparison data based on consumer specifics.

Staff believes that initiating a proceeding to explore alternatives to the currently prescribed delivery mechanism and information format is warranted.<sup>1</sup> Further, Staff believes that PGE has shown good cause to grant a temporary waiver pursuant to OAR 860-038-0001(4). Staff recommends granting a temporary waiver to suspend providing the Label monthly/quarterly while a proceeding is underway to explore alternatives to the currently prescribed delivery mechanism and information format, with the following condition: If a final Order is not issued by September 2012, because there are consumers who do not have regular or convenient access to the internet, Staff recommends PGE be required to send the Label to consumers in September of each year, beginning in 2012.

#### **PROPOSED COMMISSION MOTION:**

PGE's request for a temporary waiver of OAR 860-038-0300(2) & (3) while a proceeding is underway to explore alternatives to the currently prescribed delivery mechanism and information format be granted, with the following condition: If a final Order is not issued by September 2012, PGE will send the Label to consumers in September of each year, beginning in 2012.

Docket No. UM 1537

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<sup>1</sup> Staff is requesting in a separate Staff Report that a docket be opened to explore options for and the extent of updates to various aspects of Portfolio Options addressed on OAR 860-038-0300.

ITEM NO. 3

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: June 21, 2011

REGULAR X CONSENT \_\_\_\_\_ EFFECTIVE DATE \_\_\_\_\_ Upon  
Commission Approval

DATE: June 13, 2011

TO: Public Utility Commission

FROM: Erik Colville

W



MG

THROUGH: Lee Sparling and Maury Galbraith

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF: Request to Open  
Docket to Explore Portfolio Options and Labeling Updates.

**STAFF RECOMMENDATION:**

Staff recommends the Commission open a docket to explore options for and the extent of updates to various aspects of Portfolio Options, as that subject is addressed in OAR 860-038-0220, and Labeling, as that subject is addressed in OAR 860-038-0300.

**DISCUSSION:**

OAR 860-038-0220 requires electric companies to provide each residential consumer with a portfolio of product and pricing options. Electric companies must also implement small non-residential consumer product and pricing options. In addition, OAR 860-038-0300 requires electric companies and electricity service suppliers to provide, for the available service options, "price, power source, and environmental impact information to all residential consumers at least quarterly." This rule also stipulates "The information must be supplied using a format prescribed by the Commission." In addition, electric companies and electricity service suppliers must provide "price, power source and environmental impact information on or with bills to non-residential consumers using a format prescribed by the Commission." For both consumer types the electric company or electricity service supplier is required to "include on every bill a URL address, if available, for a world-wide web site where this information is displayed." For net market purchases, the electric company must report power source and environmental impact information based on the net system power mix. Lastly, OAR 860-038-0300 requires "By June 1 for the prior calendar year, each electric company, and each ESS making any claim other than net system power mix, must file a reconciliation report on forms prescribed by the Commission."

Portfolio Options and Labeling Updates  
June 13, 2011  
Page 2

The currently prescribed consumer information delivery mechanism and format have been in use since 2002. The practice for residential and non-residential consumers has been to include a bill insert disclosing price, power source, and environmental impact information in the format prescribed by the Commission (the Label). The currently prescribed reconciliation report form has been in use since 2003 with little change.

The process used to determine the net system power mix was developed in 2002 and involves parties from the Oregon Department of Energy, the large investor owned utilities, some consumer owned utilities, and Washington State University (through a contract with the Washington Department of Community, Trade and Economic Development). The process spans a six month time period each year.

As discussed in Portland General Electric's (PGE) Docket No. 1537, some consumers have commented that they perceive the Label to be wasteful, particularly since the information is duplicated on PGE's web site.<sup>1</sup> In addition, Staff has received complaints from consumers who are unclear about the source of the power they receive. This confusion is likely in part a result of the current format and content of the Label. The existence of new communication technologies, combined with consumer attitudes and responses to the disclosure material suggest that now may be an appropriate time to reconsider the delivery mechanism and information format. In Docket No. UM-1537 PGE recommends a proceeding to explore alternatives to the currently prescribed delivery mechanism and information format. Staff believes that initiating a proceeding to explore alternatives to the currently prescribed delivery mechanism and information format is warranted.

Staff also recommends that the process currently employed to determine the net system power mix be re-examined. Staff believes that there may be opportunities for more efficient and less costly methods to compute net system power mix that would still meet the needs of stakeholders at an appropriate level of accuracy. Further, there is concern with the delegation of responsibility to the Department of Energy for determining the net system power mix. Staff believes that initiating a proceeding to explore alternatives to the current net system power mix process, and to revision of the definition of net system power mix in rule, is warranted.

Finally, Staff believes the portfolio options annual reconciliation report form does not disclose sufficient information to reconcile what was claimed to the consumers on their Label with what the electric company or electricity service supplier provided to them. As

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<sup>1</sup> In Docket UM 1537 PGE requested that a docket be opened to explore alternatives to the currently prescribed Label delivery mechanism and information format.

Portfolio Options and Labeling Updates  
June 13, 2011  
Page 3

a result, Staff believes that initiating a proceeding to explore alternatives to and expansion of the currently prescribed reconciliation report form is warranted.

**PROPOSED COMMISSION MOTION:**

A docket be opened to explore options for and extent of updates to various aspects of Portfolio Options, as that subject is addressed in OAR 860-038-0220, and Labeling, as that subject is addressed in OAR 860-038-0300.

Portfolio Options and Labeling Updates