

ORDER NO. 14 048

ENTERED FEB 18 2014

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1012

In the Matter of  
  
PUBLIC UTILITY COMMISSION OF  
OREGON,  
  
The Imposition of Annual Regulatory Fees  
upon Public Utilities Operating within the  
State of Oregon.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on February 18, 2014, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:



*Becky L. Beier*  
Becky L. Beier  
Commission Secretary

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.

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: February 18, 2014

REGULAR  CONSENT  EFFECTIVE DATE March 1, 2014

DATE: February 18, 2014

TO: Public Utility Commission

FROM: Opal Bontrager and Imee Anderson

THROUGH: Jason Eisdorfer, Michael Dougherty, and David Poston

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF:  
(Docket No. UM 1012) Requests an order to establish the annual fee level for electric, gas, water, and wastewater utilities at 2.5 mills per dollar (.25 percent).

**STAFF RECOMMENDATION:**

Staff recommends that the Public Utility Commission of Oregon (Commission) issue an order setting the annual fee rate at 2.5 mills of 2013 gross operating revenues for electric, natural gas, water, and wastewater utilities.

**DISCUSSION:**

Fee Collections on Electric, Natural Gas, Water, and Wastewater:  
Pursuant to OAR 860-021-0033, Annual Fees Payable to the Commission by an Electric Company, OAR 860-021-0034, Annual Fees Payable to the Commission by a Gas Utility, OAR 860-036-0095, Annual Fees Payable to the Commission by a Water Utility, and OAR 860-037-0095, Annual Fees Payable to the Commission by a Wastewater Utility, each electric, gas, water, and wastewater public utility shall pay to the Commission an annual fee on gross operating revenues derived within Oregon at a rate determined by Commission order.

The gross operating revenues of an electric company do not include revenues from sales of power for resale to the extent that the revenues from those sales exceed an amount equal to 25 percent of the total revenues received by the electric company from sales of electricity to end users in the preceding calendar year.

Docket No. UM 1012  
 February 18, 2014  
 Page 2

The rules also state that the Commission's order shall be entered on or after March 1. The fee shall be payable before 5:00 p.m. on April 1 of the year after the calendar year upon which the fee is based. The fee payable shall not exceed 25 hundredths of one percent (that is, 0.25 percent or 2.5 mills per dollar) of the Oregon gross revenue during the prior calendar year.

Each year, the fee level is set based on gross operating revenues of utilities for the previous calendar year. To ensure adequate funding for the Commission, the fee level should be maintained at 2.5 mills of 2013 gross operating revenues for electric, natural gas, water, and wastewater utilities. Because estimated expenditures for April 1, 2014, through March 31, 2015, are approximately \$95 thousand less than anticipated revenues, the Commission will not need to draw on its reserve balance which is projected at about \$6.9 million on April 1, 2014.

**Estimated Fee Collection as of April 1, 2014**

Natural Gas (@2.5 mills)	\$2,316,085
Water & Wastewater (@2.5 mills)	37,900
Electric <sup>1</sup> (@2.5 mills)	8,275,139
Telecommunications	1,588,168
	<hr/>
<b>Total Estimated Fee Collection</b>	<b>\$12,217,292</b>
<b>Additional Estimated Revenues</b>	<b>\$864,888</b>
(From Federal Gas Pipeline, RSPF, and Misc.)	
<b>Total Collection &amp; Revenues</b>	<b>\$13,082,180</b>

**Estimated Expenditures  
 for Utilities Regulation** **\$12,987,225**  
 (includes Utilities Program and Policy & Administration)  
 April 1, 2014 through March 31, 2015

**PROPOSED COMMISSION MOTION:**

The Commission issues an order setting the annual fee assessment rate at 2.5 mills for 2014 for electric, natural gas, water, and wastewater utilities.

2014 UM 1012 Annual Fee Memo

<sup>1</sup> In addition, the Commission receives amounts from public purpose funds collected by PGE and PacifiCorp to cover administrative costs, per ORS 757.612(3)(c) and OAR 860-038-0480(16).