

**BEFORE THE PUBLIC UTILITY COMMISSION**

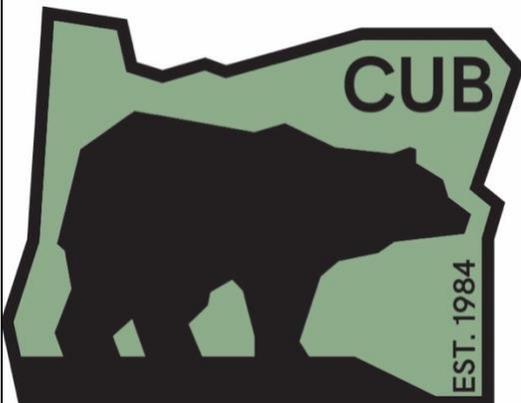
**OF OREGON**

**UE 335**

In the Matter of )  
 )  
PORTLAND GENERAL ELECTRIC )  
COMPANY, )  
 )  
Request for a General Rate Revision. )  
\_\_\_\_\_ )

**OBJECTIONS  
OF THE  
OREGON CITIZENS' UTILITY BOARD**

September 4, 2018



**BEFORE THE PUBLIC UTILITY COMMISSION**

**OF OREGON**

**UG 344**

In the Matter of	)	
	)	
NORTHWEST NATURAL GAS	)	OBJECTIONS OF THE OREGON
COMPANY, dba, NW NATURAL,	)	CITIZENS' UTILITY BOARD TO
	)	THE PARTIAL STIPULATION
Request for a General Rate Revision.	)	REGARDING DIRECT ACCESS
	)	ISSUES
_____	)	

**I. INTRODUCTION**

Pursuant to OAR 860-001-0350(8) and the Administrative Law Judge's (ALJ) August 14, 2018 Ruling, the Oregon Citizens' Utility Board (CUB) hereby submits its files these objections to the Partial Stipulation Regarding Direct Access Issues (Partial Stipulation), filed on August 20, 2018 in the above-referenced proceeding. In these objections, CUB supports its September 4, 2018 filed testimony on the direct access issues in this proceeding that were covered by the Partial Stipulation.

CUB's objections to the Partial Stipulation are narrowly focused on one issue—Portland General Electric's (PGE or the Company) decision to retract from its initial testimony proposal to modify its long-term direct access program to reflect fixed

generation costs over ten years.<sup>1</sup> After initially proposing to extend its transition adjustment from five years to ten years, the Company reached a settlement agreement with other parties' to this case that proposes to retain the existing five year transition adjustment period. That five-year transition adjustment proposal is maintained in the paragraph two of the Partial Stipulation.<sup>2</sup> CUB continues to believe that, as PGE stated, “[a]llowing ten years of fixed costs will help protect remaining [cost-of-service] customers from undue cost shifting when large nonresidential customers choose to opt out of COS on a long-term basis.”<sup>3</sup>

A. *Burden of Proof*

In a utility dispute before the Commission, the burden of proof consists of two discrete components—the burden of persuasion and the burden of production.<sup>4</sup> In a utility proceeding, the burden of persuasion and the ultimate burden of producing sufficient evidence to support its claims is always with the utility.<sup>5</sup> Other parties to the proceeding have the burden of producing evidence to support their argument in opposition to the utility’s position.<sup>6</sup> In a case in which a utility is requesting a change in rates or a schedule of rates—such as a general rate case—the utility bears the burden of showing that its proposed change will result in rates that are fair, just, and reasonable.<sup>7</sup>

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<sup>1</sup> UE 335 – PGE/100/Pope – Lobdell/12.

<sup>2</sup> UE 335 – Stipulating Parties/500/Kaufman-Waidelich-Bieber-Higgins-Macfarlane.

<sup>3</sup> UE 335 – PGE/1300/Macfarlane – Goodspeed/40.

<sup>4</sup> *In re Portland General Electric Company Application to Amortize the Boardman Deferral*, OPUC Docket No. UE 196, Order No. 09-046 at 7 (Feb. 5, 2009).

<sup>5</sup> *Id.*

<sup>6</sup> *Id.* at 7-8.

<sup>7</sup> ORS 757.210(1)(a).

## II. ARGUMENT

As the statutory party that represents residential customers in proceedings before the Public Utility Commission (Commission), CUB's principal inquiry into utilities' long-term direct access programs is to help ensure that the Commission's obligation to ensure that direct access programs do not result in unwarranted cost shifting to existing cost-of-service customers is met.<sup>8</sup> Because residential customers are ineligible from participating in direct access programs, it is essential that these programs retain their ability to hold existing cost-of-service customers harmless. CUB's direct access testimony in this matter provides a thorough history of direct access programs in Oregon, and demonstrates why we continue to believe that PGE's initial proposal to move to a ten year transition adjustment window is sound and comports with Oregon Law to protect non direct access customers.

## III. CONCLUSION

For the foregoing reasons, CUB respectfully urges the Commission to modify Paragraph 2 of the Partial Stipulation to retain the initial ten-year transition adjustment that PGE advocated for in this case. In the alternative, CUB requests that the Commission reject the Partial Stipulation reached by parties in this matter.

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<sup>8</sup> ORS 757.607(1).

Dated this 4<sup>th</sup> day of September, 2018.

Respectfully submitted,



Michael P. Goetz, OSB #141465  
Staff Attorney  
Oregon Citizens' Utility Board  
610 SW Broadway, Ste. 400  
Portland, OR 97205  
T. (503) 227-1984 x 16  
F. (503) 224-2596  
E. [mike@oregoncub.org](mailto:mike@oregoncub.org)