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October 27, 2006

Via Electronic and U.S. Mail

Public Utility Commission
Attn: Filing Center
550 Capitol St. NE #215
P.O. Box 2148
Salem OR 97308-2148

Re: In the Matter of PORTLAND GENERAL ELECTRIC COMPANY
Request for a General Rate Revision
Docket Nos. UE 180/UE 181/UE 184

Dear Filing Center:

Enclosed please find an original and two copies of the Industrial Customers of Northwest Utilities ("ICNU") Motion to Admit Testimony and Exhibits in the above-referenced docket numbers. Please note that we are filing faxed copies of the signature pages with the originals and will send the original signatures pages upon receipt from our witnesses.

Please return one file-stamped copy of each Affidavit in the self-addressed, stamped envelope provided. Thank you for your assistance.

Sincerely yours,

/s/ Ruth A. Miller
Ruth A. Miller

Enclosures

cc: Service List

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Industrial Customers of Northwest Utilities (“ICNU”) Motion to Admit Testimony and Exhibits upon the parties, on the official service list, by causing the same to be electronically served, to those parties with an email address, as well as mailed, postage-prepaid, through the U.S. Mail.

Dated at Portland, Oregon, this 2nd day of Novmeber, 2006.

/s/ Ruth A. Miller
Ruth A. Miller

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**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 180/UE 181/UE 184

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Request for a General Rate Revision)
(UE 180),)
_____)

**MOTION TO ADMIT TESTIMONY
AND EXHIBITS OF THE INDUSTRIAL
CUSTOMERS OF NORTHWEST
UTILITIES**

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Annual Adjustments to Schedule 125 (2007)
RVM Filing) (UE 181),)
_____)

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Request for a General Rate Revision relating)
to the Port Westward plant (UE 184).)
_____)

Pursuant to Administrative Law Judge Hayes’ October 30, 2006 Memorandum, the Industrial Customers of Northwest Utilities (“ICNU”) moves that the following testimony and exhibits be admitted into the record in this proceeding:

1. Prefiled testimony and exhibits of Randall J. Falkenberg (ICNU/100-120);
2. Prefiled testimony and exhibits of Michael Gorman (ICNU-CUB/300-319);
3. Prefiled testimony and exhibits of Kathryn Iverson (ICNU/200-205);

4. Prefiled testimony and exhibits of Lincoln Wolverton (ICNU/200-206);
5. Hearing exhibits (ICNU/400-417).

Along with this Motion, ICNU is filing an affidavit executed by each ICNU witness attesting that the prefiled testimony and exhibits are true and correct.

WHEREFORE, ICNU requests that this Motion to Admit Testimony and Exhibits be granted.

Dated this 2nd day of November, 2006.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ Matthew W. Perkins

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333 S.W. Taylor, Suite 400
Portland, Oregon 97204
(503) 241-7242 phone
(503) 241-8160 facsimile
mail@dvclaw.com
Of Attorneys for Industrial Customers
of Northwest Utilities

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UE 180/UE 181/UE 184

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Request for a General Rate Revision) AFFIDAVIT OF RANDALL J.
(UE 180),) FALKENBERG
)
_____)

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Annual Adjustments to Schedule 125 (2007)
RVM Filing) (UE 181),)
_____)

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Request for a General Rate Revision relating)
to the Port Westward plant (UE 184).)
_____)

1 I, Randall J. Falkenberg, being first duly sworn on oath, depose and say:
2 1. My full name is Randall J. Falkenberg. I am a utility regulatory consultant and
3 President of RFI Consulting, Inc. I am appearing in this proceeding as a witness for the
4 Industrial Customers of Northwest Utilities ("ICNU"). My business address is: PMB 362, 8343
5 Roswell Road, Sandy Springs, GA 30350-2812.
6 2. I sponsored pre-filed testimony and exhibits on behalf of ICNU in Oregon Public
7 Utility Commission Docket Nos. UE 180/UE 181/UE 184. Specifically, my direct testimony and

1 exhibits on the Resource Valuation Mechanism were filed on July 18, 2006, my direct testimony
2 and exhibits on Power Costs were filed on August 9, 2006, and my surrebuttal testimony and
3 exhibits were filed on October 6, 2006.

4 3. My testimony and exhibits that were previously filed are true and accurate, and no
5 corrections need to be made. If I were asked the same questions today, my answers would be the
6 same.

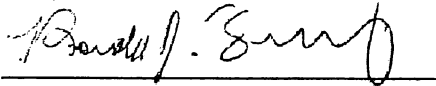
7 I HEREBY DECLARE THAT THE ABOVE STATEMENT IS TRUE TO THE BEST
8 OF MY KNOWLEDGE AND BELIEF, AND THAT I UNDERSTAND IT IS MADE FOR USE
9 AS EVIDENCE AND IS SUBJECT TO PENALTY FOR PERJURY.

10 SIGNED THIS 2 day of November, 2006, at Sandy Springs, Georgia.

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RANDALL J. FALKENBERG

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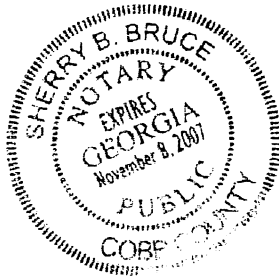
SUBSCRIBED AND SWORN to before me this 2 day of November, 2006,

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NOTARY PUBLIC FOR GEORGIA

My Commission Expires: 11-8-07

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 180/UE 181/UE 184

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Request for a General Rate Revision)
(UE 180),)
_____)

**AFFIDAVIT OF MICHAEL P.
GORMAN**

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Annual Adjustments to Schedule 125 (2007)
RVM Filing) (UE 181),)
_____)

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Request for a General Rate Revision relating)
to the Port Westward plant (UE 184).)
_____)

1 I, Michael P. Gorman, being first duly sworn on oath, depose and say:

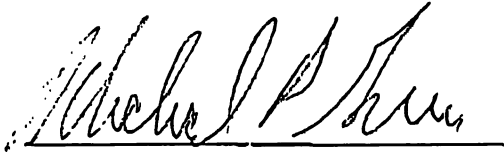
2 1. My full name is Michael P. Gorman. I am a consultant in the field of public
3 utility regulation and a principal in the firm of Brubaker & Associates, Inc., regulatory and
4 economic consultants with corporate headquarters in St. Louis, Missouri. I am appearing in this
5 proceeding as a witness for the Industrial Customers of Northwest Utilities (“ICNU”) and the
6 Citizens’ Utility Board (“CUB”). My business address is: 1215 Fern Ridge Parkway, Suite 208,
7 St. Louis, MO 63141-2000.

1 2. I sponsored pre-filed testimony and exhibits on behalf of ICNU and CUB in
2 Oregon Public Utility Commission Docket Nos. UE 180/UE 181/UE 184. Specifically, my
3 direct testimony and exhibits were filed on August 9, 2006, and my surrebuttal testimony and
4 exhibits were filed on October 6, 2006.

5 3. My testimony and exhibits that were previously filed are true and accurate, and no
6 corrections need to be made. If I were asked the same questions today, my answers would be the
7 same.

8 I HEREBY DECLARE THAT THE ABOVE STATEMENT IS TRUE TO THE BEST
9 OF MY KNOWLEDGE AND BELIEF, AND THAT I UNDERSTAND IT IS MADE FOR USE
10 AS EVIDENCE AND IS SUBJECT TO PENALTY FOR PERJURY.

11 SIGNED THIS 2 day of November, 2006, at St. Louis, Missouri.

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15 MICHAEL P. GORMAN

16 SUBSCRIBED AND SWORN to before me this 2nd day of November, 2006.

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CAROL SCHULZ Notary Public - Notary Seal STATE OF MISSOURI St. Louis County My Commission Expires: Feb. 26, 2008
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NOTARY PUBLIC FOR MISSOURI

My Commission Expires: 2/26/2008

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 180/UE 181/UE 184

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Request for a General Rate Revision)
(UE 180),)
_____)

**AFFIDAVIT OF KATHRYN E.
IVERSON**

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Annual Adjustments to Schedule 125 (2007)
RVM Filing) (UE 181),)
_____)

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Request for a General Rate Revision relating)
to the Port Westward plant (UE 184).)
_____)

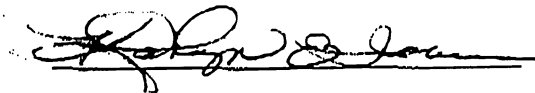
1 I, Kathryn E. Iverson, being first duly sworn on oath, depose and say:
2 1. My full name is Kathryn E. Iverson. I am a consultant in the field of public utility
3 regulation and employed by the firm of Brubaker & Associates, Inc., regulatory and economic
4 consultants with corporate headquarters in St. Louis, Missouri. I am appearing in this
5 proceeding as a witness for the Industrial Customers of Northwest Utilities ("ICNU"). My
6 business address is: 17244 W. Cordova Court, Surprise, AZ 85387.

1 2. I sponsored pre-filed testimony and exhibits on behalf of ICNU in Oregon Public
2 Utility Commission Docket Nos. UE 180/UE 181/UE 184. Specifically, my direct testimony and
3 exhibits (jointly with Mr. Wolverton) were filed on August 9, 2006.

4 3. My testimony and exhibits that were previously filed are true and accurate, and no
5 corrections need to be made. If I were asked the same questions today, my answers would be the
6 same.

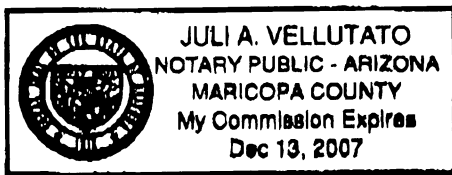
7 I HEREBY DECLARE THAT THE ABOVE STATEMENT IS TRUE TO THE BEST
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9 AS EVIDENCE AND IS SUBJECT TO PENALTY FOR PERJURY.

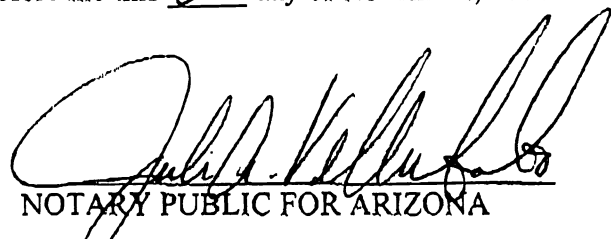
10 SIGNED THIS 2nd day of November, 2006, at Surprise, Arizona.

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14 KATHRYN E. IVERSON

15 SUBSCRIBED AND SWORN to before me this 2 day of November, 2006.




NOTARY PUBLIC FOR ARIZONA
My Commission Expires: 12-13-2007

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 180/UE 181/UE 184

In the Matter of)) PORTLAND GENERAL ELECTRIC) COMPANY)) Request for a General Rate Revision) (UE 180),) _____)) In the Matter of)) PORTLAND GENERAL ELECTRIC) COMPANY)) Annual Adjustments to Schedule 125 (2007) RVM Filing) (UE 181),) _____)) In the Matter of)) PORTLAND GENERAL ELECTRIC) COMPANY)) Request for a General Rate Revision relating) to the Port Westward plant (UE 184).) _____)	AFFIDAVIT OF LINCOLN WOLVERTON
--	-----------------------------------

1 I, Lincoln Wolverton, being first duly sworn on oath, depose and say:

2 1. My full name is Lincoln Wolverton. I am appearing in this proceeding as a
3 witness for the Industrial Customers of Northwest Utilities (“ICNU”). My business address is
4 East Fork Economics, Post Office Box 620, La Center, WA, 98629.

5 2. I sponsored pre-filed testimony and exhibits on behalf of ICNU in Oregon Public
6 Utility Commission Docket Nos. UE 180/UE 181/UE 184. Specifically, my direct testimony and
7 exhibits (jointly with Ms. Iverson) were filed on August 9, 2006, my testimony supporting the

1 Resource Valuation Mechanism Stipulation (jointly with Messrs. Kuns, Galbraith, Higgins, and
2 Peters) was filed on August 22, 2006, and my surrebuttal testimony and exhibits were filed on
3 October 6, 2006.

4 3. My testimony and exhibits that were previously filed are true and accurate, and no
5 corrections need to be made. If I were asked the same questions today, my answers would be the
6 same.

7 I HEREBY DECLARE THAT THE ABOVE STATEMENT IS TRUE TO THE BEST
8 OF MY KNOWLEDGE AND BELIEF, AND THAT I UNDERSTAND IT IS MADE FOR USE
9 AS EVIDENCE AND IS SUBJECT TO PENALTY FOR PERJURY.

10 SIGNED THIS 1st day of November, 2006, at La Center, Washington.

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Lincoln Wolverton

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LINCOLN WOLVERTON

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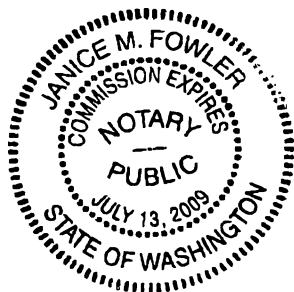
SUBSCRIBED AND SWORN to before me this 1st day of November, 2006.

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Janice M. Fowler
NOTARY PUBLIC FOR WASHINGTON

My Commission Expires: 7-13-2009

ICNU Cross Examination Exhibit List
UE 180 Hearing

NUMBER	DESCRIPTION
ICNU/400	PGE Response to ICNU DR No. 18.205
ICNU/401	PGE Response to ICNU DR No. 18.206
ICNU/402	PGE Response to ICNU DR No. 18.207
ICNU/403	PGE Response to ICNU DR No. 18.208
ICNU/404	PGE Response to ICNU DR No. 18.209
ICNU/405	PGE Response to ICNU DR No. 18.210
ICNU/406	PGE Response to ICNU DR No. 18.213
ICNU/407	PGE Response to ICNU DR No. 18.215
ICNU/408	PGE Response to ICNU DR No. 18.217
ICNU/409	PGE Response to ICNU DR No. 18.221
ICNU/410	PGE Response to ICNU DR No. 18.223
ICNU/411	PGE Response to ICNU DR No. 18.227
ICNU/412	PGE Response to ICNU DR No. 18.232 (<i>Confidential Subject to General Protective Order</i>)
ICNU/413	PGE Response to ICNU DR No. 18.233
ICNU/414	PGE Response to ICNU DR No. 18.234
ICNU/415	PGE Response to ICNU DR No. 18.235
ICNU/416	PGE Response to ICNU DR No. 18.236
ICNU/417	PGE Response to ICNU DR No. 18.237

October 31, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Pricing & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.205
Dated October 26, 2006
Question No. 205**

Request:

Page 6, lines 7-9. Is PGE suggesting in this passage that it did not use the extrinsic value analysis to decide to enter into and justify the Super Peak contract? Can PGE demonstrate that it would have been prudent to enter into the Super Peak contract even without consideration of extrinsic value? Please provide all documents and analyses that refer or relate to this request.

Response:

PGE objects to this request because it is overly broad, unduly burdensome, and requires speculation. Without waiving its objection, PGE responds as follows:

PGE provided an extensive discussion of how we decided to enter into the Super Peak contract to meet part of the capacity contract needs acknowledged in Commission Order No. 04-375 on pages 35-37 of PGE Exhibit 1900. We used extrinsic value analysis as one element in our scoring process, which ranked the capacity bids we received in response to the 2003 Request for Proposals.

The question, “[can] PGE demonstrate that it would have been prudent to enter into the Super Peak contract even without consideration of extrinsic value?” requires speculation about how PGE would have evaluated RFP capacity bids without the extrinsic value analysis, but the analysis discussed in PGE Exhibit 1900 suggests “yes”.

PGE’s discussion on pages 35-37 of PGE Exhibit 1900 cites PGE’s responses to ICNU Data Request Nos. 125-6 and 158-61.

October 31, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Pricing & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.207
Dated October 26, 2006
Question No. 206**

Request:

Reference the quote from DR 620 on Page 7. In the passage, it indicates that the Super Peak contract would likely have no value at all during many months. Provide the basis/support for that statement, including all documents and information that refers or relates to the statement. In addition, please specifically explain how PGE knows the contract would have no value during many months.

Response:

PGE objects to this request because it is overly broad and unduly burdensome. Without waiving its objection, PGE responds as follows:

The passage quoted includes “the basis for the assertion is the historical experience of PGE’s trading floor,” and it makes the qualitative point that a contract with parameters like those of the Super Peak contract would have more value in the December-February winter period than in other periods. The passage does not make quantitative points. PGE has not performed the analysis that appears to be requested. However, the market clearing heat rate in most months is significantly less than the rate at which the Super Peak contract would dispatch.

October 31, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.207
Dated October 26, 2006
Question No. 207**

Request:

Reference the quote from DR 620 on Page 7. In the passage, it indicates the Super Peak contract would likely have no value at all during many months. The implication is that it would have value during some months. Please quantify the value PGE perceives for the months December through February and provide all supporting documentation

Response:

PGE objects to this request because it is overly broad and unduly burdensome. Without waiving its objection, PGE responds as follows:

The passage quoted includes “the basis for the assertion is the historical experience of PGE’s trading floor,” and it makes the qualitative point that a contract with parameters like those of the Super Peak contract would have more value in the December-February winter period than in other periods. The passage does not make a quantitative point. PGE has not performed the requested analysis.

October 31, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.208
Dated October 26, 2006
Question No. 208**

Request:

Page 8, lines 13-15. Does PGE agree that if ICNU's proposals are adopted by the Commission there would be no Annual Variance Tariff and no Annual Update Tariffs and that in that case, Port Westward should be reflected in rates on the basis of twelve full months of operation? If not, reconcile the statements in this passage with the statements found in PGE/1900 at 51, lines 7-8. Does PGE not also agree that if the Commission were to also adopt an extrinsic value adjustment, under this scenario that Port Westward's extrinsic value should be reflected for a full twelve months?

Response:

PGE objects to this request because it requires speculation on hypothetical situations. Without waiving its objection, PGE responds as follows:

In the case of no Annual Update tariff or other update effective January 2008, it would be appropriate to reflect 12 months of Port Westward operation in the power cost forecast. If it were necessary to reflect 12 months of Port Westward operation in the power cost forecast and the Commission also adopted an extrinsic value adjustment, it would be appropriate to formulate the Port Westward extrinsic value adjustment component on a 12-month basis.

October 31, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Pricing & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.209
Dated October 26, 2006
Question No. 209**

Request:

Page 8, lines 13-15. Does PGE agree that this \$220,000 adjustment to the ICNU calculation would only apply if the Commission adopts the some form of PCAM or an annual update mechanism?

Response:

PGE objects to this request because it requires speculation on a hypothetical question. Without waiving its objection, PGE responds as follows:

This adjustment would apply only if the Commission adopts an annual update mechanism. The \$220,000 adjustment applies to PGE's power cost framework because this framework includes an annual update mechanism, the Annual Update tariff.

October 31, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.210
Dated October 26, 2006
Question No. 210**

Request:

Table 1, Page 10. Does PGE agree that the Monet dispatch benefit values shown are not computed on the basis of extrinsic value, but rather reflect the intrinsic value of the resources shown?

Response:

No. The figures shown for “Value of Coyote, Beaver, and PW Under ICNU Methodology” include both intrinsic and extrinsic value. The extrinsic values are calculated using the corrected ICNU methodology. ICNU’s extrinsic value methodology is based on changes that might happen to the monthly on- and off-peak spark spreads that can be calculated from the MONET input data.

PGE has not defined extrinsic value. ICNU’s methodology implies that intrinsic value is based on the monthly on- and off-peak monthly spark spreads implied by the MONET input data, and extrinsic value is based on possible changes in those spark spreads, the possible changes being based on historical data. According to this implication of ICNU’s methodology, the figures shown for “Value of Coyote, Beaver, and PW in March MONET Run” include both intrinsic and extrinsic value, as the hourly spark spreads are based on both the monthly on- and off-peak spark spreads and hourly shaping of these spark spreads based on historical data.

October 31, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Pricing & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.213
Dated October 26, 2006
Question No. 213**

Request:

Page 10, line 15. Define “cherry picking.” Would this be the same thing as requesting PCAM mechanisms when power costs are uncertain and increasing, but retuning to fixed rates when power costs are stable and declining?

Response:

PGE objects to this request on the basis that it is vague and ambiguous. It is unclear if the scenario described (“requesting PCAM mechanisms when power costs are uncertain and increasing, but retuning [sic] to fixed rates when power costs are stable and declining?”) is meant to be a purely hypothetical scenario or if ICNU believes it refers to some actual historical facts. Without waiving objection, PGE responds as follows:

If ICNU is referring to the PCAM mechanism PGE had from 1979 through 1987, that PCAM mechanism was terminated by the Commission based on a recommendation from the OPUC Staff. PGE supported the continuation of the PCAM. If ICNU is referring to the PCAM mechanisms of 2001 and 2002, these were ended by the terms of a stipulation.

A tariff PCAM mechanism, such as the one proposed by PGE in this rate case, cannot end without Commission approval: either with an explicit sunset date (such as the UE 115 PCAM), or by Commission Order (such as the UE 47/ 48 decision that terminated the 1979-1987 PCAM). PGE assumes that, if the Commission terminated a PCAM on either of these bases, it had a good reason for doing so. PGE believes that a well-designed PCAM mechanism will lower cost of service risk for both customers and PGE. We disagree that the operation of PGE’s proposed Annual Variance Tariff (which has no explicit sunset date and thus must be terminated by

Commission Order) in this case amounts to “cherry picking” since neither we, nor any of the other parties to this rate case, know what future power costs variances will be over the (unknown) operating period of the PCAM tariff.

In the context of the discussion on page 10 of PGE Exhibit 2600, “cherry picking” means “picking” or selecting to look only at possible decreases to the MONET power cost forecast, but ignoring possible increases to the forecast. This “picking” to propose decreases and “not picking” or ignoring possible increases worsens the problem that MONET likely underestimates power costs on an expected basis. PGE discussed this issue further on pages 4-5 of PGE Exhibit 2600.

October 31, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.215
Dated October 26, 2006
Question No. 215**

Request:

Does PGE agree that use of the NERC outage data would eliminate the necessity of the Commission examining the prudence of PGE's extensive outages at Boardman in 2006, when that becomes part of the 4 year average?

Response:

PGE objects to the request on the basis that it is vague. It is unclear what period is referenced by the phrase "extensive outages at Boardman in 2006." Notwithstanding the objection, PGE responds as follows:

No, PGE does not agree with ICNU's premise. In 2006, Boardman had major forced outages from January 1 through June 30. The period January 1 - February 5 is part of a docketed proceeding, UM 1234. Prudence in that deferral docket will be part of a second phase, depending on the Commission's decision in phase 1. PGE has committed to removal of the remaining period, February 6 - June 30, from future forced outage rate calculations. Therefore, future four-year average forced outage rate calculations will not need to consider the prudence of major forced outages at Boardman in 2006. As a result, use of NERC data does not eliminate a prudence review as no such review is necessary with current practices.

October 31, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.217
Dated October 26, 2006
Question No. 217**

Request:

Can PGE provide any evidence that the Boardman outages in 2005 and 2006 were prudent? Has PGE proven the prudence of these outages?

Response:

PGE objects to this request on the basis that it is vague, unduly burdensome, and not relevant. It is unclear what outages are included. Further, any 2006 Boardman outages are not at issue in this docket. Notwithstanding the objection, PGE responds as follows:

PGE assumes ICNU is referring to the Boardman outage that is included in the UM 1234 deferral docket. Prudence will be part of the second phase of this docket, depending on the Commission's decision in the first phase. See also PGE response to ICNU Data Request No. 215, as well as PGE Exhibit 2600, page 21 lines 4-17.

October 31, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.221
Dated October 26, 2006
Question No. 221**

Request:

Cost of Service Risk. Assume events occur that results in rates being charged to customers below actual costs, by an amount of say \$1 million dollars. Does PGE agree that in that case, under PGE's actual cost framework, rates are \$1 million too low for customers or costs are \$1 million too high for PGE. Does PGE dispute in that case that ratepayers have obtained a benefit (relative to paying actual cost rates) of \$1 million, while PGE has experienced a detriment of \$ 1 million? Does PGE agree that, in this case, the ratepayer impact has the same magnitude but opposite sign of the PGE impact?

Response:

PGE objects to this request because it is unclear and requires speculation about hypothetical situations. Without waiving its objection, PGE responds as follows:

It is not clear what is meant by "PGE's actual cost framework," so the question is unclear. It is true that if collections from customers were \$1 million less than costs, and any adjustment mechanism did not "true up" the situation, then customers would, in a sense, have obtained a benefit of \$1 million, and PGE a detriment of \$1 million. However, this would be the actual result of one set of circumstances. It is quite different from the discussion on Page 3 of ICNU Exhibit 108 ("So the concept of 'cost of service risk' is meaningless because the customers' and investors' risks are equal in magnitude and opposite in sign.") and Page 7 of PGE Exhibit 2400 ("ICNU attempts to dismiss this cost-of-service risk by asserting that the 'risks are equal in [magnitude] and always sum to zero.' ICNU offers no support for this assertion Assuming the sides sum to zero also assumes that the point forecast chosen for test year ratemaking exactly splits the range of the risk.") The latter discussion concerns expectations over a range of

possible outcomes, not one single “after the fact” outcome, as presented in the hypothetical \$1 million example in the request.

October 31, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.223
Dated October 26, 2006
Question No. 223**

Request:

Page 15, lines 17-20. Does PGE believe that the investment community would look more favorably or less favorably on PGE if the Company had a PCAM with a deadband rather than if PGE had no PCAM at all?

Response:

PGE objects to this question on the basis that it calls for speculation. Notwithstanding its objection, PGE responds as follows:

The PCAM is just one of many factors investors may take into account when evaluating a company. Whether investors view the PCAM as “favorable” would depend on the terms and conditions applied to the PCAM and its implementation.

October 31, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.227
Dated October 26, 2006
Question No. 227**

Request:

What would PGE's bond rating improve to if the Commission adopted a PCAM without any deadbands as PGE proposes?

Response:

PGE objects to this request on the basis that it calls for speculation. Notwithstanding its objection, PGE responds as follows:

Bond ratings are a function of many factors, one of which includes the ability to recover prudently incurred power costs. Whether and how the PCAM impacts bond ratings depends on the terms and conditions applied to the PCAM and its implementation. Any such impact could potentially serve to help increase a rating or forestall a decrease.

November 1, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.232
Dated October 26, 2006
Question No. 232**

Request:

Please provide all information that PGE has provided to Standard & Poor's between January 1, 2005, and September 25, 2006.

Response:

PGE objects to the question because it is overly broad and unduly burdensome. Notwithstanding its objection, PGE responds as follows:

Confidential Attachment 232-A, along with PGE's responses to OPUC Data Request Nos. 059, 060, 579, and 588, provide information that PGE provided to Standard & Poor's that could be obtained in the time allotted. Confidential information included in PGE's response to OPUC Data Request No. 059 was provided to ICNU in PGE's response to ICNU Data Response No. 158.

For the convenience of parties of this case, electronic copies of PGE responses to data requests in this docket, and non-confidential attachments to the responses, will be posted to the following web site: www.portlandgeneral.com/ue180datarequests

Attachment 232-A is confidential and subject to Protective Order No. 06-111 and is provided under separate cover.

UE 180
Attachment 232-A

Confidential and Subject to Protective Order No. 06-111
Information Provided to S&P

November 1, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Pricing & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.233
Dated October 26, 2006
Question No. 233**

Request:

Please describe and provide all communications between PGE and Standard & Poor's between January 1, 2005, and September 25, 2006. Please provide hardcopies of written communications. For verbal communications, please identify the date of the communication, the individuals involved, the subject matter that was discussed, and provide any notes that were taken.

Response:

PGE objects to this request on the basis that it is unduly burdensome. Notwithstanding its objection, PGE responds as follows:

Please see PGE's response to ICNU Data Request No. 232.

November 1, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Pricing & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.234
Dated October 26, 2006
Question No. 234**

Request:

For any meeting between PGE and Standard & Poor's between January 1, 2005, and September 25, 2006, please identify the date of the meeting, the individuals present, the subject matter discussed, and provide any materials distributed at the meeting by either PGE or Standard & Poor's.

Response:

PGE meets with ratings agencies annually. Please see PGE's response to OPUC Data Request No. 124 for dates of past annual reviews. Materials from the November 16, 2005, meeting were provided in Attachment 158-A, pages 708-808, from PGE's response to ICNU Data Request No. 158. PGE has not presented an annual review in 2006.

For the convenience of parties of this case, electronic copies of PGE responses to data requests in this docket, and non-confidential attachments to the responses, will be posted to the following web site: www.portlandgeneral.com/ue180datarequests

October 31, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.235
Dated October 26, 2006
Question No. 235**

Request:

Please identify whether PGE's current partial requirements customer utilizes its current economic replacement power tariff?

Response:

Yes.

October 31, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.236
Dated October 26, 2006
Question No. 236**

Request:

For PGE's partial requirements customer, please identify how many days a year is PGE's economic replacement power tariff used.

Response:

PGE objects to this request on the basis that it is vague. It is unclear what is meant when a tariff is "used." Must service be taken or just available? Without waiving its objection, PGE responds as follows:

Over the past 12 monthly billing cycles, the customer has received economic replacement power 269 days.

October 31, 2006

TO: S. Bradley Van Cleve
ICNU

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to ICNU Data Request 18.237
Dated October 26, 2006
Question No. 237**

Request:

Please identify whether PGE is aware if any PacifiCorp partial requirements customers utilize PacifiCorp's economic replacement power tariff.

Response:

PGE does not have such information on PacifiCorp customers.