

# McDowell & Rackner PC



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June 4, 2009

## VIA ELECTRONIC FILING AND U.S. MAIL

PUC Filing Center  
Public Utility Commission of Oregon  
PO Box 2148  
Salem, OR 97308-2148

**Re: Docket UE 210**

Enclosed for filing in the above docket are an original and one copy of PacifiCorp's Notice Regarding Transition Adjustment Mechanism Stipulation and Request To File Additional Supplemental Direct Testimony.

A copy of this document has been served on all parties in this proceeding as indicated on the attached service list.

Very truly yours,



Adam Lowney

cc: UE 210 Service List

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**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UE 210**

In the Matter of PacifiCorp d/b/a Pacific Power's Request for a General Rate Increase in the Company's Oregon Annual Revenues

**NOTICE REGARDING TRANSITION  
ADJUSTMENT MECHANISM  
STIPULATION AND REQUEST TO FILE  
ADDITIONAL SUPPLEMENTAL DIRECT  
TESTIMONY**

Pursuant to Administrative Law Judge ("ALJ") Wallace and ALJ Hardie's Ruling on May 14, 2009, PacifiCorp d/b/a Pacific Power (or the "Company") files this Notice Regarding Transition Adjustment Mechanism ("TAM") Stipulation and Request to File Additional Supplemental Direct Testimony with the Public Utility Commission of Oregon ("Commission").

**I. BACKGROUND**

At the Prehearing Conference on April 21, 2009, ALJs Wallace and Hardie established a schedule in this proceeding that included an opportunity for parties to request that the ALJs issue a ruling directing PacifiCorp to supplement its initial filing with additional evidence.

As a part of this process, on May 12, 2009, Staff made a filing listing issues for which supplemental testimony from PacifiCorp would be appropriate. Staff noted that the parties in Docket UE 199 (the "Parties") were negotiating a Stipulation on the scope of future TAM filings, which might defer certain issues for litigation in Docket UE 210. In the event that the Stipulation was finalized, Staff recommended that PacifiCorp file supplemental testimony on the deferred UE 199 issues. On the same date, the Industrial Customers of Northwest Utilities ("ICNU") filed a letter containing a similar recommendation.

On May 14, 2009, the ALJs issued a Ruling ordering PacifiCorp to file supplemental opening testimony. In footnote 1, the ruling noted that the ALJs would address the need for additional supplemental direct testimony if the settlement in Docket UE 199 deferred litigation of certain issues to this proceeding.

1 **II. DISCUSSION**

2 On June 1, 2009, the Company filed an all-party Stipulation on guidelines governing  
3 future TAM proceedings ("Guidelines"). The Guidelines provided that the Parties would  
4 address in Docket UE 210:


5 whether (1) changes in methodologies utilized in the calculation of  
6 net power costs, such as those used to calculate normalized  
7 hydro or forced or planned outage rates or calculation issues  
8 resolved by the Commission, will be permitted in stand-alone TAM  
9 proceedings; and (2) a stand-alone TAM should include the  
variable costs of new generation resources if the Company will not  
recover the fixed costs of the generation resource in the TAM rate  
effective period.

10 Guidelines at 1.

11 To facilitate implementation of the TAM Stipulation upon approval by the Commission,  
12 the Company requests that the ALJs allow PacifiCorp to file additional supplemental direct  
13 testimony on these two issues. The Company requests a filing date of June 15, 2009 for this  
14 additional Supplemental Direct Testimony.

15  
16 DATED: June 4, 2009.

McDOWELL & RACKNER PC

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**CERTIFICATE OF SERVICE**

I hereby certify that I served a true and correct copy of the foregoing document in Docket UE 210 on the following named person(s) on the date indicated below by email and first-class mail addressed to said person(s) at his or her last-known address(es) indicated below.

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DATED: June 4, 2009

  
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Of Attorneys for PacifiCorp