

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 210

In the Matter of

PACIFICORP, dba PACIFIC POWER

Request for a General Rate Revision.

RULING

**DISPOSITION: PACIFICORP ORDERED TO FILE SUPPLEMENTAL
OPENING TESTIMONY**

In this ruling we order PacifiCorp, dba Pacific Power (PacifiCorp) to file supplemental opening testimony.

Purpose of Requests for Supplemental Opening Testimony. Under the procedural schedule adopted during the prehearing conference in this docket, Staff and intervenors were given until May 12, 2009, to submit requests for information to be included in an Administrative Law Judge (ALJ) ruling requiring PacifiCorp to submit supplemental opening testimony. As we noted in an April 14, 2009 memorandum to the parties, these requests were to be limited to factual data that the parties believe should have been included as part of PacifiCorp's initial filing. Only Staff filed requests for information.¹ On May 14, 2009, PacifiCorp filed a response to Staff's information requests.

In its response, PacifiCorp asks us to clarify that the purpose of this ruling requiring supplemental opening testimony is not to address to the sufficiency of the initial filing or to expressly or implicitly establish initial rate case filing requirements, but rather to require PacifiCorp to file testimony on issues of particular concern to Staff and intervenors and to further develop the record on those issues. As we noted in our April 14, 2009 memorandum to the parties and discussed during the April 21, 2009 prehearing conference, the Commission has experienced ongoing issue with insufficient information in initial utility filings. As a result, we included in the procedural schedule for this docket a date for a possible request for PacifiCorp to submit supplemental opening testimony. As we noted in our memorandum, if the Commission believes that PacifiCorp's initial filing lacks evidence that should have been included in the

¹ The Industrial Customers of Northwest Utilities (ICNU) filed a letter noting that ICNU was still in the process of reviewing testimony to determine if PacifiCorp should supplement its opening testimony. See ICNU Letter May 12, 2009. The deadline for a party to submit potential requests for supplemental opening testimony, however, has passed. ICNU and Staff also stated that a potential settlement in docket UE 199, PacifiCorp's TAM docket, might defer litigation of certain issues to this docket. Should that occur, we will address the need for supplemental opening testimony at that time.

initial filing, we would issue a ruling asking the PacifiCorp to submit specific further evidence.² This is a new process, however, and the parameters for what should be included in an initial filing are not entirely clear. For that reason, this ruling should not be deemed to have any precedential value in future proceedings.

Requests for Supplemental Opening Testimony. We order PacifiCorp to submit supplemental opening testimony responding to the following requests. If PacifiCorp believes these issues have been adequately addressed in its initial filing, PacifiCorp should so state and identify the pages of testimony and exhibits responsive to the requests. The scope of these requests is not intended to make any statement about the relevance of data prior to October 1, 2006, or data from PacifiCorp's other jurisdictions that may be sought in discovery.

Request 1: Provide, as additional exhibits to PPL/200, copies of the documents cited in the following testimony:

- PPL/200, Hadaway/25, Lines 3-4, 14-15;
- PPL/200, Hadaway/28, Table 4; and
- PPL/200, Hadaway/35, Lines 1-2.

Request 2: Provide, as additional exhibits to PPL/500, copies of the documents cited in PPL/500, Bird/9, n 1-3.

Request 3: Provide, as additional exhibits to PPL/200, the authorized rate of return on equity for the 19 comparable companies listed in PPL/202 and PPL/204.

Request 4: Provide testimony explaining why PacifiCorp used July 2007 through June 2008 as the historical basis for its 2010 test year rather than calendar year 2008.

Request 5: Provide testimony explaining in detail how PacifiCorp's proposed rate spread appropriately reflects cost of service, including an explanation of why rate increases were relatively equal for all customer classes in docket UE 179, but the proposed rate increases in this docket vary significantly by customer class.

Request 6: In PPL/700, Dalley/34, lines 13-18, witness Dalley indicates that PacifiCorp relied on the Revised Protocol adopted by the Commission in Order 05-021 to determine jurisdiction allocation in this docket. Please file additional testimony explaining how the jurisdictional allocations in this docket comply with the Revised Protocol.

Request 7: Please identify any changes to the key assumptions underlying the Revised Protocol and explain whether these changes were considered in determining the jurisdictional allocation factors used in PacifiCorp's filing.

² As we stated during the prehearing conference, problems with the adequacy of utility filings is not specific to PacifiCorp. The additional procedures we have requested in this docket should therefore not be considered a comment on the adequacy of PacifiCorp's testimony or conduct.

Request 8. Provide testimony explaining whether the forecast loads used to derive the jurisdictional allocation factors are the same as the forecast loads used to develop test year revenues and net power costs. If different, please explain the differences.

Request 9: Provide testimony explaining how retail sales have changed or are forecasted to change from October 1, 2006, through the test year, as well as the key factors driving such changes.

Request 10: Provide testimony explaining how monthly coincident peak loads (12 CP) have changed or are forecasted to change from October 1, 2006, through the test year in this docket, including an explanation of key factors causing such changes.

Request 11: Provide testimony explaining how the adoption of the 20-year weather data set (1988 through 2007) changes the forecasted energy and peak allocation factors for the test year, relative to the previous 30 year NOAA data set (1971 through 2000).

Request 12: Provide testimony explaining the methods used to adjust sales for temperature and to forecast sales, coincident peak loads, and customer numbers.

Request 13: Provide testimony explaining how sales estimates are converted into energy deliveries.

Request 14: Provide testimony and exhibits showing energy volumes delivered from January 2006 through December 2008 in Oregon by month and by rate schedule.

- (a) Provide testimony showing the same information in a combination of actual plus forecast for 2009.
- (b) Provide testimony showing the same information as forecast for the 2010 test year by month, by rate schedule, and by peak and off-peak periods.

Request 15: Provide testimony explaining price elasticities, whether they are used in the load forecasts, their derivation (studies utilized by the PacifiCorp) and level, and their impact on test year 2010 energy volumes.

Request 16: Provide testimony and exhibits related to volume changes from October 1, 2006, through calendar year 2009 related to energy efficiency measures for each jurisdiction.

Request 17: Provide testimony explaining the statistical models used by PacifiCorp in developing the 2010 test year load forecast including theoretical bases, mathematical forms, and relevant statistics.

- (a) Provide testimony explaining how such statistical models were developed (e.g., a discussion of any process involving step-wise regression).

- (b) Provide testimony explaining forecasts of or trends in the independent variables used in such statistical models, including the source of any such forecasts or trends.

Request 18: Provide testimony explaining in detail any non-statistical models used by PacifiCorp in developing the 2010 test year load forecast including theoretical bases and, if applicable, mathematical forms.

Request 19: Provide testimony explaining how PacifiCorp's statistical and non-statistical models differ from those used in PacifiCorp's last Oregon general rate case for forecasting test year energy deliveries.

Request 20: Provide testimony explaining the risks and uncertainties associated with the 2010 test year load forecasts.

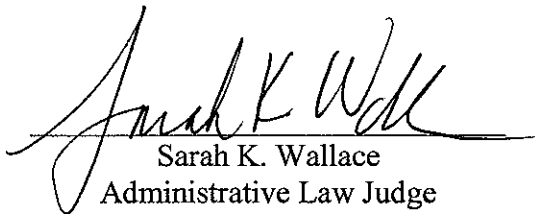
Request 21: Provide testimony and exhibits related to reconciliation of the 2010 test year load forecast with levels of billing determinants as used in PPL/1000 through PPL/1003.


Request 22: Provide testimony explaining the data in PPL/907, Paice/Tab 17.4, including a discussion of how the customer load factors were derived.

Request 23: Provide further testimony explaining the removal of net power costs from Schedule 200, and how Schedules 200 and 201 appropriately reflect cost causation principles.

Pursuant to the procedural schedule in this docket, PacifiCorp should file its supplemental opening testimony by June 5, 2009.

Dated this 14th day of May, 2009, at Salem, Oregon.


Sarah K. Wallace
Administrative Law Judge


Lisa D. Hardie
Administrative Law Judge