

ISSUED: November 9, 2007

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

DR 10, UE 88, and UM 989

In the Matters of)
)
The Application of Portland General Electric)
Company for an Investigation into Least)
Cost Plan Plant Retirement, (DR 10))
)
Revised Tariffs Schedules for Electric)
Service in Oregon Filed by Portland)
General Electric Company, (UE 88))
)
Portland General Electric Company's)
Application for an Accounting Order and)
for Order Approving Tariff Sheets)
Implementing Rate Reduction.)
(UM 989))

MEMORANDUM

Last month, the Commissioners notified all parties that it was hoping to issue a final order in these remand proceedings within a few weeks. The purpose of this memorandum is to provide parties additional notice that the Public Utility Commission of Oregon's (Commission) order will be necessarily delayed following the Court of Appeals recent decision in *Utility Reform Project v. Pub. Util. Comm'n of Or.*, ___ Or App ___ (October 10, 2007).

As the parties are aware, the Commission undertook these joint proceedings in response to two judicial decisions on orders setting rates for Portland General Electric Company (PGE). One of those decisions was an opinion from the Marion County Circuit Court, which reversed, in large part, Order No. 02-227 on the grounds that it did not properly offset and recover past amounts paid by customers for the Trojan generating facility. Although the Commission commenced these remand proceedings in response to that decision, we also joined PGE in an appeal of the Circuit Court's opinion.

The Court of Appeals has now vacated the Circuit Court's opinion, and instructed the Circuit Court to remand Order No. 02-227 to the Commission for reconsideration. The Court of Appeals has directed the Commission to reconsider all issues, including those raised on cross-appeal by the Utility Reform Project (URP) that have not previously been addressed in these remand proceedings. The Court of Appeals also requested that, "for reasons of judicial economy and agency efficiency,"

all issues relating to Trojan “should be resolved in one forum rather than through piecemeal litigation.” *Util. Reform Proj.*, slip op at 9.

The Commission has not yet received the remand of Order No. 02-227 from the Circuit Court. Once received, the Commission will hold a conference with the parties to determine what further proceedings are necessary in light of the Court of Appeal’s decision. Following the additional proceedings, the Commission will then issue a single order resolving all issues related to Trojan to ensure that this matter is addressed collectively during any subsequent judicial review.

Dated at Salem, Oregon, this 9th day of November, 2007.

Michael Grant
Chief Administrative Law Judge