

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of Revisions to PACIFICORP's)
Tariff P.S.C.U. No. 43, Re: Schedule 71,)
Changes to the Company's Energy Exchange)
Program Including Expansion and Extended)
Operation)

DOCKET NO. 01-035-T06
ORDER SUSPENDING TARIFF

ISSUED: May 9, 2001

By The Commission:

For reasons stated in the memorandum from the Division of Public Utilities, Utah Department of Commerce (DPU), attached hereto and incorporated herein by this reference, we issue the following:

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that:

- The proposed changes to PacifiCorp's Tariff P.S.C.U. No. 43, First Revised Sheets Nos. 71.1, 71.2, 71.3, 71.4, and 71.5, be, and they are, suspended pending further Order of the Commission, all existing provisions to remain effective in the interim.

Dated at Salt Lake City, Utah, this 9th day of May, 2001.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Richard M. Campbell, Commissioner

Attest:

/s/ Julie Orchard

Commission Secretary

[DPU LETTERHEAD]

Memorandum

To: Public Service Commission

From: Division of Public Utilities
Lowell Alt, Director
Energy Section
Judith Johnson, Energy Manager
Neal Townsend, Rate Analyst

Date: April 12, 2001

Subject: Revisions to PacifiCorp's Tariff P.S.C.U. No. 43, Schedule 71 - Energy Exchange Program, Docket No. 01-035-T06.

I ISSUE

On March 29, 2001, PacifiCorp, d.b.a. Utah Power & Light (Company), filed a request to expand the Schedule 71 - Energy Exchange Program to 1) expand the program to include customers with 1 megawatt (MW) or greater monthly demand from the current 4 MW or above limit, 2) to eliminate the current October 1, 2001 termination date, and 3) to clarify certain tariff language and enhance program operation. The Company has requested that the tariff revision take effect on April 15, 2001.

II RECOMMENDATION

The Division of Public Utilities (Division) recommends that the Public Service Commission (PSC) extend the current Schedule 71 - Energy Exchange Program for 30 days until May 15, 2001. This extension will allow the Division to complete its review of the Company's energy exchange activity to date and the proposed Energy Exchange Program tariff changes.

III DISCUSSION

Schedule 71, the Energy Exchange Program, was initially approved by the PSC on January 25, 2001 in this docket. Consistent with the Division's recommendation, the PSC ordered a sunset date of April 15, 2001 with an understanding that the program would be continued if the program proved to be effective. Further, the PSC ordered the Company to submit quarterly reports identifying the short-term market prices at the time the "event" was called, the corresponding Market Price Signal offered, the reason triggering the "event", the "event" duration, the kilo-watt hours (kWh) pledged, and the kWh's actually curtailed. Events that were canceled were also to be reported. As noted in the order, the first quarterly report was to be submitted to the PSC on or about March 15, 2001. The Division expected that minimal energy exchange activity would have taken place in Utah by March 15, but that PacifiCorp would have more extensive data on its activities in its other jurisdictions to include in the report. The Division anticipated evaluating the energy exchange activity throughout PacifiCorp's system since, for rate-making purposes, the costs associated with exchange "events" were being treated as purchased power costs allocated among PacifiCorp's various jurisdictions.

To date, PacifiCorp has not submitted the quarterly report for exchange "events" throughout its system. In response to a data request from the Division, the Company did provide some detail regarding exchange "events" offered in Utah, but this information was not received until April 6, 2001. In addition, this report fails to provide all the information anticipated by the Division, e.g. the kilo-watts (kW) pledged in each hour from each customer, the kW accepted each hour by the Company, the kW actually curtailed each hour, and the amount credited to each customer for each event.

The proposed 30 day extension will hopefully allow the Company to gather the necessary information for the Division to complete a review of the energy exchange program throughout PacifiCorp's system and to evaluate the proposed changes set out in the Company's latest filing.

cc. PacifiCorp, D. Douglas Larson
Committee of Consumer Services
Ted Boyer, Executive Director
Barbara Gardner