

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE

STATE OF CALIFORNIA

Order Instituting Rulemaking for)
Electric Distribution Facility Standard) R.96-11-004
Setting)
_____ U 901 E)

**PACIFICORP'S
ANNUAL REPORT IN COMPLIANCE WITH
GENERAL ORDER NO. 166**

Compliance Period: July 1, 2005 – June 30, 2006

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**PACIFICORP'S
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GENERAL ORDER NO. 166**

Pursuant to General Order 166, Standard 11, PacifiCorp hereby submits its report on its compliance with General Order 166 for the period July 1, 2005 through June 30, 2006 ("Compliance Period"). The report demonstrates PacifiCorp's compliance with each of the thirteen standards of the General Order.

Standard 1- Emergency Response Plan:

- The 2006 PacifiCorp Outage Management Procedures consists of one volume.
See Attachment B.
- The Outage Management Procedures cover each of the items specified in Standard 1. The following Table 1 sets forth the location in the volume entitled PacifiCorp's Outage Management Procedures where required elements are covered.

Table 1: Location of Topics Covered in Procedures

| <u>Requirement</u> | <u>Pages</u> |
|---|---------------------|
| A. Internal Coordination | 3 -9; 15 - 33 |
| B. ISO/TSO Coordination | 34 |
| C. News Coordination | 44 - 45 |
| D. External and Governmental Coordination | 46 - 49 |
| E. Safety Coordination | 50 - 51 |
| F. Damage Assessment | 10 - 12 |
| G. Restoration Priority Guidelines | 13 - 14 |
| H. Mutual Assistance | 74 - 78 |
| I. Plan Updates | Table 3 |

- PacifiCorp's Outage Management Procedures will be updated annually or more frequently as required. Applicable information regarding Company personnel is updated on a daily basis from the Company's human resources database.

Standard 2 - Mutual Assistance Agreements

- Many of the Western regional utilities, including PacifiCorp, belong to the Western Energy Institute (W.E.I.). In order to streamline the administration of mutual assistance agreements, W.E.I. coordinated a Western Region Mutual Assistance Agreement for member signatures. This agreement was signed February 27, 2004. See Attachment C for agreement and list of members.

Standard 3 - Emergency Training and Exercises

- There were two outages during the Compliance Period that resulted in the activation of PacifiCorp's Outage Management Procedures:
 - February 26, 2006 Crescent City outage
 - March 6, 2006 Northern California and Weed outage
- PacifiCorp employees participate in monthly safety meetings to discuss ongoing Company safety standards, including how to respond to emergency situations. An

adequate number of employees will be utilized to efficiently deal with the emergency or disaster. Employee phone numbers are available on an “emergency call out list” which is updated and circulated bi-monthly.

Standard 4 - Communications Strategy

- PacifiCorp’s strategy for communicating with the media, customers, regulatory agencies, and other governmental organizations is contained in PacifiCorp’s Outage Management Procedures.
- Meetings with Del Norte, Siskiyou, Modoc Counties and Crescent City emergency personnel resulted in a request that all communication be directed through the 911 call center. This center will act as a clearing house for communication to relevant agencies.
- Grid Operations will establish and maintain communications with the California Independent System Operator (CAISO), PG&E and BPA for Line 14 and Path 66 transmission lines.

Standard 5 - Activation Standard

- Within an hour of the identification of a major outage or other newsworthy event, PacifiCorp will notify Office of Emergency Services (OES) of the location, possible cause and expected duration of the outage.
- In the event of a major outage that results in PacifiCorp’s operation center being without power, a back up generator would supply emergency power to the center and the base radio station. Dispatch centers would call employees out based on the level of the outage occurring.
- Coordination and responsibility of notification will be with the Regional Information Coordinator.

Standard 6 – Initial Notification Standard

- PacifiCorp will follow the procedures outlined in the CPUC's Guidelines for Notifying Energy Division of Electrical and Gas Emergencies, dated February 14, 2005.

As soon as possible or each time new blocks of circuits are interrupted:

1. Imminent or planned implementation of Interruptible Electric Load Curtailments or Rotating Outages of firm Electric Load by your utility, either ordered by the ISO (Stage 2 or 3) or necessary by other emergencies.

Within one hour:

2. Outage of electric service expected to accrue to over 300,000 customer hours, or exceeding 300 megawatts of interrupted load, or affecting more than 10 % of your electric customers. (For utilities with fewer 150,000 customers in California (small utilities), report when 50% of your customers are affected or 30,000 customer hours of interruption are expected to accrue.)

Within one hour:

3. An emergency, involving facilities or personnel, likely to be reported statewide or in more than one major media market.

Within one hour:

4. Interruptions to bulk power supply (generators, transmission lines, or other equipment) that are likely to lead to an ISO declared Stage 2 or 3 emergency on or before the next business day.

Notify by 9 a.m. the next business day:

5. An electric outage affecting more than 30,000 customers, or lasting over 24 hours for 2,500 customers, or expected to total over 60,000 customer hours, or a situation (such as floodwaters threatening a substation) likely to lead to such an outage. (Small utilities shall report outages affecting 3,000 customers, or lasting over 24 hours for more than 250 customers, or are expected to accrue to more than 6,000 customer hours.)

Notify as soon as possible:

6. Electric outages associated with Office of Emergency Services declared state of emergency, not otherwise reportable under above criteria.

Standard 7 - Mutual Assistance Evaluation Standard

- Regional Emergency Controller has the responsibility to initiate Mutual Assistance.
- PacifiCorp did not experience an outage which required the initiation of the Mutual Assistance Agreement during this compliance period.

Standard 8 - Major Outage and Restoration Estimate Communications

- Upon the identification of a major outage or other newsworthy event, PacifiCorp will update the Company's Integrated Voice Response (IVR) telecommunication system to reflect the location, possible cause and expected duration of the outage. Thereafter updates are provided on a regular basis for the duration of the event.
- When call volume exceeds the IVR system capabilities the Company will activate an external call handling system to divert to 21st Century some of the high call volume coming into the call centers and to prevent long queue times and busy signals.
- Upon activation of the Regional Emergency Action Centers the Company will provide e-mail notification to the CPUC Energy Division and will provide updates on a regular basis for the duration of the event. The e-mail notifications will contain information related to the location, possible cause, the number of customers without power, number of crews and equipment working to restore power and number of employees involved in the restoration.
- During a major outage, the Corporate Communications representatives will make proactive contact with the media to provide storm news releases. The releases will include the number of customers and areas affected, estimated length of outage, and public electrical safety messages wherever possible.

Standard 9 - Personnel Redeployment Planning Standard

- All employees are cross-trained and a plan is in place for performing safety standby activities and assessing damage during a major outage.
- Vehicles are routinely fueled at the end of each day. In the event of a major outage that impacts Company service centers, vehicles would be removed from the garage and parked outside as required.

Standard 10 - Annual Pre-Event Coordination Standard

- The Company does not believe requirement 10 is applicable to PacifiCorp. The Company relies upon NWPP, WECC and BPA to coordinate with CAISO, and participates in coordination meetings and emergency scenarios to ensure a seamless interface in the event of an emergency.

Standard 11 - Annual Report

- PacifiCorp is in compliance with G.O. 166, see Attachment B.
- PacifiCorp's Outage Management Procedures are provided as of October 27, 2006.

Standard 12 – Restoration Performance Benchmark for a Measured Event

- As a utility with fewer than 150,000 electric customers, PacifiCorp qualifies for the exemption D, Attachment 1 Additional Provisions to G.O. 166.

Standard 13 – Call Center Benchmark for a Measured Event

- As a utility with fewer than 150,000 electric customers, PacifiCorp qualifies for the exemption C, Attachment 1 Additional Provisions to G.O. 166.

The following attachments reflect PacifiCorp's compliance with the aforementioned rules:

- Attachment "A" titled PacifiCorp G.O. 166 Compliance Report Year Ending June 30, 2006, describes how PacifiCorp has complied with the rules listed above.
- Attachment "B" titled PacifiCorp Outage Management Procedures describes the key activities to be addressed in the event of a major outage.
- Attachment "C" titled Western Region Mutual Assistance Agreement for Electric and Natural Gas Utilities, effective November 14, 2003, describes PacifiCorp's compliance with Standard 2.

Number of Repair and Maintenance Personnel

Standard 11 of General Order 166 further requires "the utility shall report on the number of repair and maintenance personnel in each personnel classification in each county (and total throughout the company) as of June 30 of the current and previous year."

Table 2 is a compilation of these statistics:

Table 2
PacifiCorp
Number of Repair and Maintenance Personnel

| | June 30, 2005 | June 30, 2006 |
|---|---------------------|---------------------|
| Location | Number of Personnel | Number of Personnel |
| Alturas | 2 | 2 |
| Crescent City | 9 | 10 |
| Mt. Shasta | 4 | 4 |
| Yreka | 30 | 29 |
| Total California Service Territory | 45 | 45 |

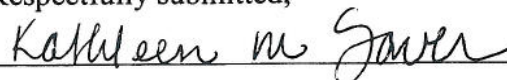
Table 3: Description of Changes

The following is a summary of the changes PacifiCorp made to its 2006 Emergency Response Plan during the Compliance Period:

1. Page 62 – 72: Updated First Call List
2. Page 73: Updated PacifiCorp's Environmental Policy
3. Page 74: Updated Western Region Utilities list to include new participants
4. Vice President of Distribution changed to Vice President of Field Operations
5. Managing Director of Operations and Maintenance changed to Field Operations
6. Customer Business Manager changed to Regional Community Manager

DATED: October 27, 2006

Respectfully submitted,

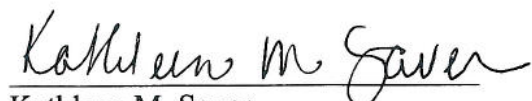


Kathleen M. Sauer
 Customer & Regulatory Liaison
 PacifiCorp

CERTIFICATE OF SERVICE

I hereby certify that I caused the foregoing document to be served on the following named person(s) on the date indicated below by e-mail or U.S. Postal Service to said person(s) a true copy thereof, contained in a sealed envelope, addressed to said person(s) at their last known address(es) indicated below:

Dated: October 27, 2006


Kathleen M. Sauer
Customer & Regulatory Liaison