



Pacific Power | Utah Power
Rocky Mountain Power
825 NE Multnomah
Portland, Oregon 97232

April 26, 2006

VIA ELECTRONIC FILING

Oregon Public Utility Commission
550 Capitol Street NE, Ste 215
Salem, OR 97301-2551

Attention: Vikie Bailey-Goggins, Administrator
Regulatory and Technical Support

RE: **Application of PacifiCorp**
Docket No. UM 1102(3)

Enclosed for filing by PacifiCorp dba, Pacific Power & Light Company (“PacifiCorp” or “the Company”) is PacifiCorp’s Application for Reauthorization of Deferred Accounting Regarding Intervenor Funding Grants. An original and five (5) copies will be provided via overnight delivery.

The company respectfully requests that all formal correspondence and data requests regarding this matter be addressed to:

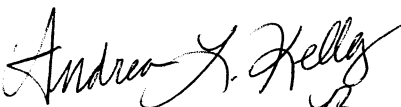
By E-mail (preferred): datarequest@pacificorp.com.

By Fax: (503) 813-6060

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 300
Portland, OR 97232

Please direct informal questions with respect to this filing to Laura Beane at 503-813-5542.

Very truly yours,


Andrea L. Kelly
Vice President, Regulation
Enclosures

cc: Service list for Docket Nos. UM-1102(3) and UE-170

I hereby certify that on this 26th day of April 2006, I caused to be served, via email if available and overnight delivery, a true and correct copy of the Application of PACIFICORP for Reauthorization of Deferred Accounting regarding Intervenor Funding Grants in Docket Nos. UE-170, UM-1102 and UM-1103.

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Oregon Public Utility Commission



Peggy Ryan
Supervisor Regulatory Administration

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1102(3)

In the Matter of the Application of
PACIFICORP for Reauthorization of Deferred
Accounting Regarding Intervenor Funding
Grants.

**APPLICATION OF
PACIFICORP**

In accordance with ORS 757.259 and OAR 860-027-0300, PacifiCorp (or the “Company”) files this application with the Public Utility Commission of Oregon (the “Commission”) for an order reauthorizing the Company to record and defer, on an ongoing basis, the cost of intervenor funding grants pursuant to the provisions of ORS 757.259(3). The Company respectfully requests reauthorization for a 12 month period commencing on July 1, 2006.

In support of this Application, PacifiCorp states:

A. PacifiCorp

PacifiCorp is a public utility in the state of Oregon and is subject to the jurisdiction of the Commission with regard to rates, service, and accounting practices. PacifiCorp also provides retail electricity service in the states of California, Idaho, Utah, Washington, and Wyoming.

B. Statutory Authority

This Application is filed pursuant to ORS 757.259, which authorizes the deferral of expenses or revenues of a public utility for later incorporation in rates.

Communications

Communications regarding this Application should be addressed to:

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Manager, Regulation
PacifiCorp
825 NE Multnomah, Suite 800
Portland, OR 97232
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Facsimile: (503) 813-6060
E-mail: laura.beane@pacificorp.com

and

Katherine McDowell
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Portland, OR 97204-1268
Telephone: (503) 294-9602
Facsimile: (503) 220-2480
E-mail: kamcdowell@stoel.com

In addition, the Company respectfully requests that all formal correspondence and data requests regarding this matter be addressed to:

By E-mail (preferred): datarequest@pacificorp.com

By facsimile: (503) 813-6060

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 300
Portland, OR 97232

D. Basis for Application

1. Statutory Authority

ORS 757.071 authorizes the Commission to approve an agreement between an energy utility and a customer organization for intervenor funding. ORS 757.259(3) allows a utility to recover intervenor funding in rates through deferred accounting:

“Upon request of the public utility, the commission by order shall allow deferral of amounts provided as financial assistance under an

agreement entered into under section 2 of this 2003 Act for later incorporation in rates.”

Additionally, deferred amounts under ORS 757.259(3) are not subject to the percentage of gross revenues limitation on amortization or other provisions of subsections (5), (6), (7), and (8) of the amended section.

2. Commission Approval of the Intervenor Funding Agreement

On July 2, 2003, pursuant to section 2 of the Intervenor Funding Act, the Commission issued Order No. 03-388, which, among other things, approved the Intervenor Funding Agreement among PacifiCorp, Portland General Electric Company, Northwest Natural Gas Company, Northwest Industrial Gas Users, Citizens’ Utility Board of Oregon (“CUB”), and Industrial Customers of Northwest Utilities, dated February 5, 2003 (the “Intervenor Funding Agreement”). The Intervenor Funding Agreement sets forth the amount of funding to be contributed by each utility and the procedures for budget submittals by intervenors, Commission approval of budgets, and the payment of grants by utilities. In its subsequent Order No. 03-405, the Commission directed the utilities to pay to CUB the amounts made available for the CUB Fund Grants as defined and provided for in the Intervenor Funding Agreement (\$50,000 for each of the participating public utilities, including PacifiCorp). Express Commission approval for payment was necessitated by section 7.1 of the Intervenor Funding Agreement, which provides that “upon request by CUB, the Commission will direct the Participating Public Utilities to pay the amounts made available for CUB Fund Grants * * *.”

E. Request for Reauthorization of Deferred Accounting

The Commission originally authorized deferral of these costs beginning September 17, 2003, in Order 03-560. The Commission has reauthorized this deferral annually, most recently in Order 05-862, entered on July 18, 2005. This order reauthorized deferral until June 30, 2006. PacifiCorp seeks reauthorization of the deferral for a 12 month period beginning on July 1, 2006.

F. Amounts Subject to Deferral

PacifiCorp anticipates that the maximum amounts to be deferred during the 12-month period subsequent to the Application are:

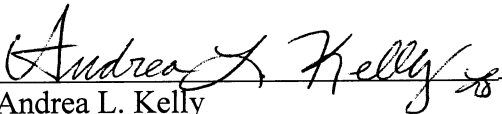
<u>Fund</u>	
CUB Fund	\$ 50,000
Preauthorized Matching Fund	\$ 50,000
Issue Fund	<u>\$125,000</u>
Total	<u>\$225,000</u>

G. Accounting

PacifiCorp proposes to record payment of Intervenor Funding Grants in Account 182.3—Miscellaneous Deferred Debits. In the absence of the Commission’s approval of this Application, the Company would not incur the cost of Intervenor Funding Grants. Were such costs incurred, however, they would be recorded in Account 930—Miscellaneous General Expenses.

PacifiCorp respectfully requests that in accordance with ORS 757.259(3), as amended, the Commission reauthorize the Company to record and defer, on an ongoing basis and commencing as of the date of this filing, Intervenor Funding Grants incurred by the Company pursuant to the Intervenor Funding Agreement, as described in this Application.

DATED: April 26, 2006.



Andrea L. Kelly
Vice-President, Regulation