



825 NE Multnomah, Suite 2000
Portland, Oregon 97232

May 3, 2007

***VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY***

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(4)**

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. Also attached is the Notice of Application by PacifiCorp, pursuant to OAR 860-027-0300(3)(e). An original and five (5) copies will be provided via overnight delivery.

A copy of this Application and the Notice of Application will be sent to the service list for PacifiCorp's most recent general rate case, Docket No. UE 179, pursuant to OAR 860-027-0300(6).

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 2000
Portland, OR 97232

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Please direct informal questions with respect to this filing to Joelle Steward at 503-813-5542.

Very truly yours,

A handwritten signature in black ink that reads "Andrea L. Kelly" followed by a stylized monogram "TKB".

Andrea L. Kelly
Vice President, Regulation

Enclosures

cc: Service list for Docket No. UE-179

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1102(4)

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

**NOTICE OF APPLICATION OF
PACIFICORP**

On May 3, 2007, Applicant PacifiCorp applied to the Public Utility Commission of Oregon (“the Commission”) for reauthorization to use deferred accounting regarding intervenor funding grants. The Commission initially authorized PacifiCorp’s deferred accounting for intervenor funding grants in Order No. 03-560. The Commission subsequently reauthorized this deferred accounting in Order Nos. 05-862 and 06-251.

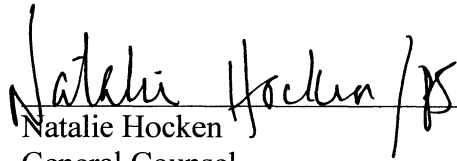
On July 2, 2003, pursuant to section 2 of the Intervenor Funding Act, the Commission issued Order No. 03-388, which, among other things, approved the Intervenor Funding Agreement among PacifiCorp, Portland General Electric Company, Northwest Natural Gas Company, Northwest Industrial Gas Users, Citizens’ 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.

Granting of this application will not authorize a change in rates, but will permit the Commission to consider allowing the deferred amounts in rates in a subsequent proceeding.

A copy of the application may be accessed through PacifiCorp's website at http://www.pacificorp.com/New_Auto_Index/New_Auto_Index2780.html (Docket UM 1102) or by contacting Joelle Steward at (503) 813-5542.

Any person may submit to the Commission written comments on the Application in accordance with procedures set forth by the Commission. The deadline for submission of comments is May 28, 2007.

DATED: May 3, 2007



Natalie Hocken
General Counsel
PacifiCorp

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1102(4)

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, 2007.

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.

C. Communications

Communications regarding this Application should be addressed to:

PacifiCorp Oregon Dockets
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232
Telephone: (503) 813-6176
Facsimile: (503) 813-6060
E-mail: oregondockets@pacificorp.com

and

Michelle Mishoe
Legal Counsel
825 NE Multnomah, Suite 1800
Portland, OR 97232
Telephone: (503) 813-5977
Facsimile: (503) 813-7252
E-mail: michelle.mishoe@pacificorp.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 2000
Portland, OR 97232

D. Basis for Application

1. Statutory Authority

ORS 757.072 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 ORS 757.072 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 in Order 05-862, entered on July 18, 2005, and most recently, in Order No. 06-251, entered on May 25, 2006. This latter order reauthorized deferral until June 30, 2007. PacifiCorp seeks reauthorization of the deferral for a 12 month period beginning on July 1, 2007.

F. Amounts Subject to Deferral

PacifiCorp anticipates that the maximum amounts to be deferred during the 12-month period subsequent to the Application are¹:


<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), 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: May 3, 2007.



Andrea L. Kelly
Vice-President, Regulation

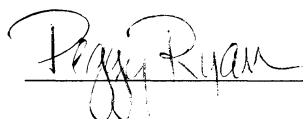
¹ The Intervenor Funding Agreement expires December 31, 2007. These amounts assume extension of the agreement under its current terms.

I hereby certify that I served the foregoing upon the parties of record in PacifiCorp's last general rate case proceeding, Docket No. UE 179, on the date indicated below, via E-Mail and Overnight Delivery (to those parties who have not waived paper service) addressed to said person(s) at his or her last-known address(es) indicated below:

<p>JIM DEASON ATTORNEY AT LAW ONE SW COLUMBIA STREET, SUITE 1600 PORTLAND, OR 97258 jimdeason@comcast.net</p>	<p>MCDOWELL & RACKNER PC 520 SW SIXTH AVE – SUITE 830 PORTLAND, OR 97204 Katherine@mcd-law.com</p>
<p>KURT J BOEHM – MICHAEL KURTZ BOEHM KURTZ & LOWRY 36 E SEVENTH ST - STE 1510 CINCINNATI OH 45202 kboehm@bkllawfirm.com</p>	<p>LON L. PETERS NORTHWEST ECONOMIC RESEARCH INC. 607 SE MANCHESTER PLACE PORTLAND, OR 97202 lpeters@pacifier.com</p>
<p>JAMES T. SELECKY BRUBAKER AND ASSOCIATES, INC. 1215 FERN RIDGE PKWY – STE 208 ST. LOUIS, MO 63141 jtselecky@consultbai.com</p>	<p>JIM ABRAHAMSON -- COMMUNITY ACTION DIRECTORS OF OREGON 4035 12TH ST CUTOFF SE STE 110 SALEM OR 97302 jim@cado-oregon.org</p>
<p>EDWARD FINKLEA RICHARD LORENZ CABLE HUSTON BENEDICT HAAGENSEN & LLOYD LLP 1001 SW 5TH AVENUE SUITE 2000 PORTLAND, OR 97204 rlorenz@chbh.com efinklea@chbh.com</p>	<p>BENJAMIN WALTERS PORTLAND CITY OF –OFFICE OF CITY ATTORNEY 1221 SW 4TH AVENUE ROOM 430 PORTLAND, OR 97204 bwalters@ci.portland.or.us</p>
<p>CITIZENS' UTILITY BOARD OF OREGON OPUC DOCKETS 610 SW BROADWAY STE 308 PORTLAND, OR 97205 dockets@oregoncub.org</p>	<p>RICHARD GRAY PORTLAND CITY OF – OFFICE OF TRANSPORTATION 1120 SW 5TH AVE. ROOM 800 PORTLAND, OR 97204 Richard.gray@pdxtrans.org</p>
<p>MELINDA J DAVISON – IRION SANGER DAVISON VAN CLEVE PC 333 SW TAYLOR, STE. 400 PORTLAND OR 97204 mail@dvclaw.com</p>	<p>DAVID TOOZE PORTLAND CITY OF ENERGY OFFICE 721 NW 9TH AVENUE SUITE 350 PORTLAND, OR 97209 dtooze@ci.portland.or.us</p>
<p>JASON W JONES -- MICHAEL T. WEIRICH DEPARTMENT OF JUSTICE REGULATED UTILITY & BUSINESS SECTION 1162 COURT ST NE SALEM OR 97301-4096 jason.w.jones@state.or.us Michael.weirich@doj.state.or.us</p>	<p>PORTLAND GENERAL ELECTRIC RATES & REGULATORY AFFAIRS 121 SW SALMON ST 1WTC0702 PORTLAND, OR 97204 Pge.opuc.filing@pgn.com</p>

LEAGUE OF OREGON CITIES ANDREA FOGUE 1201 COURT STREET NE SUITE 200 SALEM, OR 97308 afoque@orcities.org	PORTLAND GENERAL ELECTRIC RATES & REGULATORY AFFAIRS DOUGLAS C. TINGEY 121 SW SALMON ST 1WTC13 PORTLAND, OR 97204 doug.tingey@pgn.com

May 3, 2007



Peggy Ryan
Supervisor Regulatory Administration