

Davison Van Cleve PC

Attorneys at Law

TEL (503) 241-7242 • FAX (503) 241-8160 • mail@dvclaw.com
Suite 400
333 S.W. Taylor
Portland, OR 97204

August 29, 2005

Via Electronic and US Mail

Public Utility Commission
Attn: Filing Center
550 Capitol St. NE #215
P.O. Box 2148
Salem OR 97308-2148

Re: In the Matter of MIDAMERICAN ENERGY HOLDINGS COMPANY
Application for Authorization to Acquire Pacific Power & Light, dba PacifiCorp
Docket No. UM 1209

Dear Filing Center:

Enclosed please find the original and two copies of the Proposed Intervenor Funding Budget with Exhibit A of the Industrial Customers of Northwest Utilities in the above-referenced docket.

Please return one file-stamped copy in the enclosed stamped envelope.

Thank you for your assistance.

Sincerely,

/s/ Sheila R. Ho
Sheila R. Ho

Enclosures

cc: Service List (via email)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Proposed Intervenor Funding Budget with Exhibit A of the Industrial Customers of Northwest Utilities upon the parties on the service list via email.

Dated at Portland, Oregon, this 29th day of August, 2005.

/s/ Sheila R. Ho
Sheila R. Ho

NW ENERGY COALITION 219 FIRST ST STE 100 SEATTLE WA 98104	RATES & REGULATORY AFFAIRS PORTLAND GENERAL ELECTRIC RATES & REGULATORY AFFAIRS 121 SW SALMON STREET, 1WTC0702 PORTLAND OR 97204 pge.opuc.filings@pgn.com
TROUT UNLIMITED 1300 N 17TH ST, SUITE 500 ARLINTON VA 22209	UTILITY WORKERS UNION OF AMERICA PO BOX 37 SAN CLEMENTE CA 92674-0037 uwua@redhabanero.com
JIM ABRAHAMSON COMMUNITY ACTION DIRECTORS OF OREGON 4035 12TH ST CUTOFF SE STE 110 SALEM OR 97302 jim@cado-oregon.org	DOUGLAS L ANDERSON MIDAMERICAN ENERGY HOLDINGS CO 302 S 36 ST STE 400 OMAHA NE 68131 danderson@midamerican.com
SUSAN ANDERSON CITY OF PORTLAND OFFICE OF SUSTAINABLE DEV 721 NW 9TH AVE -- SUITE 350 PORTLAND OR 97209-3447 susananderson@ci.portland.or.us	ADAM S ARMS MCKANNA BISHOP JOFFE & SULLIVAN LLP 1635 NW JOHNSON ST PORTLAND OR 97209 aarms@mbjlaw.com
EDWARD BARTELL KLAMATH OFF-PROJECT WATER USERS INC 30474 SPRAGUE RIVER ROAD SPRAGUE RIVER OR 97639	CURTIS G BERKEY ALEXANDER, BERKEY, WILLIAMS & WEATHERS, LLP 2000 CENTER STREET, SUITE 308 BERKELEY CA 94704 cberkey@abwwlaw.com
MAGGIE BRILZ IDAHO POWER COMPANY PO BOX 70 BOISE ID 83707-0070 mbrilz@idahopower.com	LOWREY R BROWN CITIZENS' UTILITY BOARD OF OREGON 610 SW BROADWAY, SUITE 308 PORTLAND OR 97205 lowrey@oregoncub.org

<p>JOANNE M BUTLER IDAHO POWER COMPANY PO BOX 70 BOISE ID 83707-0070 jbutler@idahopower.com</p>	<p>D KEVIN CARLSON DEPT OF JUSTICE - GENERAL COUNSEL DIVISION 1162 COURT ST NE SALEM OR 97301-4096 d.carlson@doj.state.or.us</p>
<p>PHIL CARVER OREGON DEPARTMENT OF ENERGY 625 MARION ST NE STE 1 SALEM OR 97301-3742 philip.h.carver@state.or.us</p>	<p>RALPH CAVANAGH NATURAL RESOURCES DEFENSE COUNCIL 111 SUTTER ST FL 20 SAN FRANCISCO CA 94104 rcavanagh@nrdc.org</p>
<p>BRYAN CONWAY PO BOX 2148 SALEM OR 97309-2148 bryan.conway@state.or.us</p>	<p>JOHN CORBETT YUOK TRIBE PO BOX 1027 KLAMATH CA 95548 jcorbett@yuroktribe.nsn.us</p>
<p>JOAN COTE OREGON ENERGY COORDINATORS ASSOCIATION 2585 STATE ST NE SALEM OR 97301 cotej@mwvcaa.org</p>	<p>CHRIS CREAM MULTNOMAH COUNTY 501 SE HAWTHORNE, SUITE 500 PORTLAND OR 97214 christopher.d.cream@co.multnomah.or.us</p>
<p>JASON EISDORFER CITIZENS' UTILITY BOARD OF OREGON 610 SW BROADWAY STE 308 PORTLAND OR 97205 jason@oregoncub.org</p>	<p>ANN L FISHER AF LEGAL & CONSULTING SERVICES 2005 SW 71ST AVE PORTLAND OR 97225-3705 energlaw@aol.com</p>
<p>ANDREA FOGUE LEAGUE OF OREGON CITIES PO BOX 928 1201 COURT ST NE STE 200 SALEM OR 97308 afogue@orcities.org</p>	<p>JOHN R GALE IDAHO POWER COMPANY PO BOX 70 BOISE ID 83707-0070 rgale@idahopower.com</p>
<p>BERNARDO R GARCIA UTILITY WORKERS UNION OF AMERICA 215 AVENDIA DEL MAR, SUITE M SAN CLEMENTE CA 92672 uwua@redhabanero.com</p>	<p>ANN ENGLISH GRAVATT RENEWABLE NORTHWEST PROJECT 917 SW OAK - STE 303 PORTLAND OR 97205 ann@mp.org</p>
<p>DAVID E HAMILTON NORRIS & STEVENS 621 SW MORRISON ST STE 800 PORTLAND OR 97205-3825 davidh@norrstev.com</p>	<p>NANCY HARPER IBEW, LOCAL 125 17200 NE SACRAMENTO GRESHAM OR 97230 nancy@ibew125.com</p>
<p>JASON W JONES DEPARTMENT OF JUSTICE REGULATED UTILITY & BUSINESS SECTION 1162 COURT ST NE SALEM OR 97301-4096 jason.w.jones@state.or.us</p>	<p>ANDREA L KELLY PACIFICORP 825 NE MULTNOMAH ST STE 800 PORTLAND OR 97232 andrea.kelly@pacificorp.com</p>

<p>BARTON L KLINE IDAHO POWER COMPANY PO BOX 70 BOISE ID 83707-0070 bkline@idahopower.com</p>	<p>KAITLIN LOVELL TROUT UNLIMITED 213 SW ASH ST, SUITE 205 PORTLAND OR 97204 klovell@tu.org</p>
<p>KATHERINE A MCDOWELL STOEL RIVES LLP 900 SW FIFTH AVE STE 1600 PORTLAND OR 97204-1268 kamcdowell@stoel.com</p>	<p>WILLIAM MILLER IBEW, LOCAL 125 17200 NE SACRAMENTO GRESHAM OR 97230 bill@ibew125.com</p>
<p>MARK C MOENCH MIDAMERICAN ENERGY HOLDINGS CO 2755 E COTTONWOOD PARKWAY, STE 300 SALT LAKE CITY UT 84171-0400 mcmoench@midamerican.com</p>	<p>CHRISTY MONSON LEAGUE OF OREGON CITIES 1201 COURT ST. NE STE. 200 SALEM OR 97301 cmonson@orcities.org</p>
<p>BARBARA LEE NORMAN KARUK TRIBE OF CALIFORNIA PO BOX 657 YREKA OR 96097 bnorman@karuk.us</p>	<p>MICHAEL W ORCUTT HOOPA VALLEY TRIBE FISHERIES DEPT PO BOX 417 HOOPA CA 95546</p>
<p>MATTHEW W PERKINS DAVISON VAN CLEVE PC 333 SW TAYLOR, STE 400 PORTLAND OR 97204 mwp@dvclaw.com</p>	<p>JANET L PREWITT DEPARTMENT OF JUSTICE 1162 COURT ST NE SALEM OR 97301-4096 janet.prewitt@doj.state.or.us</p>
<p>LISA F RACKNER ATER WYNNE LLP 222 SW COLUMBIA ST STE 1800 PORTLAND OR 97201-6618 lfr@aterwynne.com</p>	<p>STEVE ROTHERT AMERICAN RIVERS 409 SPRING ST, SUITE D NEVADA CITY CA 95959 srother@americanrivers.org</p>
<p>GREGORY W SAID IDAHO POWER COMPANY PO BOX 70 BOISE ID 83707 gsaid@idahopower.com</p>	<p>THOMAS P SCHLOSSER MORISSET, SCHLOSSER, JOZWIAK & MCGAW 801 SECOND AVE, SUITE 1115 SEATTLE WA 98104-1509 t.schlosser@msaj.com</p>
<p>GLEN H SPAIN PACIFIC COAST FEDERATION OF FISHERMEN'S ASSOC PO BOX 11170 EUGENE OR 97440-3370 fish1ifr@aol.com</p>	<p>JOHN W STEPHENS ESLER STEPHENS & BUCKLEY 888 SW FIFTH AVE STE 700 PORTLAND OR 97204-2021 stephens@eslerstephens.com</p>
<p>DOUGLAS C TINGEY PORTLAND GENERAL ELECTRIC 121 SW SALMON 1WTC13 PORTLAND OR 97204 doug.tingey@pgn.com</p>	<p>SANDI R TRIPP KARUK TRIBE DEPT. OF NATURAL RESOURCES PO BOX 1016 HAPPY CAMP CA 95546 stripp@karuk.us</p>

SARAH WALLACE
ATER WYNNE LLP
222 SW COLUMBIA STE 1800
PORTLAND OR 97201-6618
sek@aterwynne.com

BENJAMIN WALTERS
CITY OF PORTAND - OFFICE OF CITY ATTORNEY
1221 SW 4TH AVE - RM 430
PORTLAND OR 97204
bwalters@ci.portland.or.us

MICHAEL T WEIRICH
DEPARTMENT OF JUSTICE
REGULATED UTILITY & BUSINESS SECTION
1162 COURT ST NE
SALEM OR 97301-4096
michael.weirich@state.or.us

STEVEN WEISS
NORTHWEST ENERGY COALITION
4422 OREGON TRAIL CT NE
SALEM OR 97305
steve@nwenergy.org

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1209

In the Matter of)	
)	
MIDAMERICAN ENERGY HOLDINGS COMPANY)	PROPOSED BUDGET OF THE INDUSTRIAL CUSTOMERS OF NORTHWEST UTILITIES
)	
Application for Authorization to Acquire Pacific Power & Light, dba PacifiCorp.)	
_____)	

Pursuant to Section 6.3 of the Intervenor Funding Agreement (“IFA”) approved by the Oregon Public Utility Commission (“Commission”) in Order No. 03-388 (July 2, 2003), the Industrial Customers of Northwest Utilities (“ICNU”) files this Proposed Budget in UM 1209 for an Issue Fund Grant in the amount of \$75,000.00. ICNU prepared its Proposed Budget on the basis of the procedural schedule adopted in the prehearing conference report issued in this Docket on August 4, 2005. ICNU proposes that this grant be funded from the PacifiCorp (or the “Company”) Issue Fund Account. ICNU respectfully requests that the Commission act on this Proposed Budget within fourteen days of receipt, as provided by Section 6.4 of the IFA. The following information is provided in accordance with Section 6.3 of the IFA:

(1) Statement of the work to be performed by ICNU for which ICNU is seeking the Issue Fund Grant:

ICNU has retained Davison Van Cleve, P.C. to represent ICNU in UM 1209, in which MidAmerican Energy Holdings Company (“MEHC”) has submitted an application requesting an order pursuant to ORS § 757.511 approving the proposed purchase of all of the common stock of PacifiCorp from ScottishPower for approximately \$9.4 billion. The IFA

defines an Eligible Proceeding as “any Commission proceeding that directly affects one or more of the Participating Public Utilities” IFA, Section 1(c). UM 1209 directly affects PacifiCorp, which falls under the definition of “Participating Public Utility” in Section 1(k) of the IFA. Therefore, UM 1209 is an Eligible Proceeding and an Issue Fund Grant may be made for this proceeding under Section 6.1 of the IFA.

ICNU intends to attend all workshops, settlement conferences, oral presentations, and hearings in UM 1209. In addition, ICNU intends to sponsor expert witness testimony and prepare briefs and executive summaries as called for by the procedural schedule in this Docket. The purpose of ICNU’s participation is to ensure that the proposed transfer of ownership complies with Oregon law and will provide a net benefit to PacifiCorp’s customers.

(2) Description of the areas to be investigated by ICNU:

ICNU intends to investigate MEHC’s proposal to acquire PacifiCorp from ScottishPower. According to MEHC, the transfer of ownership of PacifiCorp serves the public interest, as required by ORS § 757.511(3). ICNU intends to review issues regarding any impact of the proposed transfer of ownership on rates and quality of service and its consistency with the public interest requirement. ICNU also intends to examine the fulfillment of the existing ScottishPower merger conditions and whether any new conditions are necessary, to advocate for the interests of PacifiCorp’s customers, and promote customer benefits consistent with the public interest requirement.

(3) Description of the particular customer class or classes that will benefit from the intervenor’s participation:

ICNU’s participation will directly benefit industrial and all other large non-residential customers who purchase service from PacifiCorp. ICNU has previously participated

in the proceedings related to the acquisition of PacifiCorp by ScottishPower in 1999. Thus, ICNU possesses significant interest and expertise with respect to issues regarding the ownership of PacifiCorp.

(4) Identification of the specific Fund account from which ICNU is seeking the Issue Fund Grant:

ICNU is seeking an Issue Fund Grant in the amount of \$75,000.00. ICNU will bear the cost of its participation to the extent that its costs exceed the amount requested. ICNU proposes that the grant amount be allocated from the PacifiCorp Issue Fund Account established under IFA Section 4.2.3.

(5) Budget showing estimated attorney and expert witness fees:

Attached as Exhibit A is ICNU's proposed budget in UM 1209.

Basis for Request

ICNU respectfully requests that the Commission grant its request for this Issue Fund Grant in the amount of \$75,000.00 based on the following considerations:

1. UM 1209 involves consideration of the risks and harms associated with the proposed transfer of ownership of the Company from ScottishPower to MEHC, and the required benefits to offset those risks and harms. As a result, UM 1209 will have a direct impact on PacifiCorp's customers.
2. UM 1209 involves significant policy issues, and the Commission should solicit as much input as possible from PacifiCorp's customers.
3. UM 1209 involves issues that could have significant impacts on customer rates and service. PacifiCorp's customers could bear substantial risks associated with the

proposed transfer of ownership if the transaction is approved without ensuring appropriate customer protections and benefits.

4. ICNU represents the interests of industrial customers and has experience participating in Commission proceedings involving the acquisition of PacifiCorp. ICNU's participation will benefit all PacifiCorp industrial customers.

5. ICNU has been pre-certified under Section 5.1 of the IFA and OAR § 860-012-0100(3) as eligible to receive an Issue Fund Grant by Order No. 03-502, which was entered on August 1, 2003.

Therefore, ICNU respectfully requests that the Commission issue an order granting an Issue Fund Grant in the amount specified above. ICNU prepared the attached budget on the basis of the schedule adopted in the prehearing conference report issued in this Docket on August 4, 2005. In the event that the Docket involves a substantially different process, ICNU will prepare an amended budget.

Dated this 29th day of August, 2005.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ Melinda J. Davison

Melinda J. Davison

Matthew Perkins

Davison Van Cleve, P.C.

333 SW Taylor, Suite 400

Portland, Oregon 97204

(503) 241-7242 phone

(503) 241-8160 facsimile

mail@dvclaw.com

Of Attorneys for Industrial Customers
of Northwest Utilities

UM 1209

Exhibit A

ICNU Proposed Budget for Issue Fund Grant

<u>Task</u>	<u>Assigned Personnel</u>	<u>Hours</u>	<u>Rate</u>	<u>Cost</u>
Attend Prehearing Conference, Work on Scheduling, Review Filing	Sr. Attorney	10	195.00	1,950.00
Analyze Case and Prepare Issue Statement, Work on Issues with Other Parties	Sr. Attorney	10	195.00	1,950.00
	Assoc. Attorney	10	145.00	1,450.00
Prepare for and Participate in Workshops	Sr. Attorney	20	195.00	3,900.00
	Assoc. Attorney	5	145.00	725.00
Prepare Opening Comments	Sr. Attorney	5	195.00	975.00
	Assoc. Attorney	10	145.00	1,450.00
Conduct Discovery	Sr. Attorney	10	195.00	1,950.00
	Assoc. Attorney	20	145.00	2,900.00
Prepare for and Participate in Settlement Conferences	Sr. Attorney	20	195.00	3,900.00
	Assoc. Attorney	5	145.00	725.00
Review Testimony	Sr. Attorney	10	195.00	1,950.00
	Assoc. Attorney	10	145.00	1,450.00
Legal Research	Assoc. Attorney	20	145.00	2,900.00
Draft Executive Summary	Sr. Attorney	5	195.00	975.00
	Assoc. Attorney	10	145.00	1,450.00
Prepare for and Attend Opening Presentations to Commissioners	Sr. Attorney	10	195.00	1,950.00
	Assoc. Attorney	5	145.00	725.00
Prepare for and Attend Hearing	Sr. Attorney	20	195.00	3,900.00
	Assoc. Attorney	20	145.00	2,900.00
Draft Opening and Reply Briefs	Sr. Attorney	10	195.00	1,950.00
	Assoc. Attorney	25	145.00	3,625.00
Expert Witness Fees		<u>105</u>	225.00	<u>23,625.00</u>
	Total Hours	375	Sub-Total	69,275.00
Travel Expenses (Mileage)				500.00
Consultant Travel Expenses				2,000.00
Printing and Reproduction				3,000.00
Telephone and Postage				<u>225.00</u>
			Grand Total	<u>75,000.00</u>