1 BEFORE THE PUBLIC UTILITY COMMISSION 2 **OF OREGON** 3 4 UE 180/UE 181 5 In the Matter of PORTLAND GENERAL ELECTRIC COMPANY 7 Request for a General Rate Revision. 8 LEAGUE OF OREGON CITIES' (UE 180), APPLICATION FOR 9 CASE-CERTIFICATION TO BE ELIGIBLE TO REQUEST AN In the Matter of ISSUE FUND GRANT 10 PORTLAND GENERAL ELECTRIC 11 **COMPANY** 12 Annual Adjustments to Schedule 125 (2007 RVM Filing). (UE 181). 13 14 Pursuant to OAR 860-12-0100(4) and Section 5.3 of the Intervenor Funding Agreement 15 dated February 5, 2003 ("IFA") and approved by the Public Utility Commission of Oregon 16 ("Commission") pursuant to Order 03-388 (July 2, 2003), the League of Oregon Cities (the 17 "League") hereby files this application for case-certification by the Commission so as to become 18 eligible to receive an Issue Fund Grant. In support of this application, the League provides the 19 following information demonstrating that it meets the criteria for case-certification set forth in 20 OAR 860-12-0100(4) and Section 5.3 of the IFA. 21 I. **Background** 22 On March 15, 2006, Portland General Electric Company ("PGE") filed a request 23 for a general retail rate increase of 8.9 percent. This filing was docketed as UE 180. On March 24 28, 2006, PGE filed a request to implement its 2007 Resource Valuation Mechanism (Schedule 25 125) adjustment. This latter filing was docketed as UE 181. At a prehearing conference held on 26

April 4, 2006, the parties to these two proceedings agreed to consolidate them and established a joint schedule for the consolidated docket. Pursuant to the Prehearing Conference Report issued April 5, 2006 by ALJ Christina M. Smith, the deadline to file a petition to intervene in these proceedings was set as May 12, 2006.

Section 6.1 of the IFA provides that a request for an Issue Fund Grant may only be made in a proceeding that qualifies as an "Eligible Proceeding" under Article 1. The IFA defines an Eligible Proceeding as "any Commission proceeding that directly affects one or more of the Participating Public Utilities, including but not limited to . . . adjudications and contested cases . . ." IFA, Section 1(c). Section 1(k) of the IFA defines "Participating Public Utility" to include PGE. Since both UE 180 and UE 181 will directly affect the rates that a Participating Public Utility (PGE) may charge and collect, they are Eligible Proceedings and a request for an Issue Fund Grant may be made in connection therewith.

II. The League Satisfies the Case-Certification Criteria Set Forth in OAR 860-012-0100(4).

Founded in 1925, the League is an intergovernmental entity whose membership is comprised of two hundred forty one (241) individually-incorporated municipalities located throughout Oregon. The League's membership includes 52 cities that receive electric service from Portland General Electric ("PGE"). Exhibit 1 to this Petition contains a listing of those 52 PGE-served cities and provides for their respective population estimates from the 2004 federal census.

The League serves its member cities by providing them a variety of services. These services include research, education and training on topics relating to municipal business and

governmental operations. The League has provided policy advocacy for its members before a wide array of legislative bodies and administrative agencies, including the Commission on numerous occasions.

The League meets each of the criteria for grant eligibility set forth in OAR 860-012-0100(4)(a-f) and Articles 5.3(a-f) of the IFA, as follows:

860-012-0100(4)(a):

The organization represents the interests of a broad group or class of customers and its participation in the proceeding will be primarily directed at public utility rates and terms and conditions of service affecting that broad group or class of customers, and not narrow interests or issues that are ancillary to the impact of the rates and terms and conditions of service to the customer group;

In the last few years the cities served by PGE have experienced a series of rate increases. This has resulted in a heightened awareness of the need to have an entity actively engaged to protect their interests and those of their citizens. The League has been asked to help mitigate the detrimental economic and other consequences that rising energy costs are having on cities and their constituents. The League has filed for intervention and intends to participate in these proceedings so that it can fulfill that charge.

By actively participating in UE 180 and UE 181, the League will have an opportunity to benefit the broad group of cities served by PGE, while also benefiting all of PGE's small and large commercial customers. The League has gathered information from its members regarding their load profiles and provided assistance to them as they assessed the impacts that various rate proposals could have on their operations and their communities. These assessments have demonstrated that not only do municipalities have an interest in ensuring charges for street lights and similar specialized tariffs are sufficiently scrutinized, cities also have numerous operations

that function as small and large commercial loads. To the best of the League's knowledge and belief, no other party has to date intervened in these proceedings with the intention of providing a majority of their focus on these customer groups.

860-012-0100(4)(b):

The organization demonstrates that it is able to effectively represent the particular class of customers it seeks to represent;

The League has a proven ability to effectively represent PGE's municipal customers on issues specific to cities. The League believes that because cities have consumptive patterns that are often similar to many types of general commercial loads, many members of the general commercial customer class will benefit if the League expands its participation to focus on these areas of similarity. Such an expansion is possible in part because the League is already employing representatives experienced in proceedings of this nature. The League's authorized representative, Andrea Fogue, has participated in numerous proceedings before the Commission, filing testimony and comments on broad policy issues as well as areas specifically focused on municipalities. Similarly, the League has engaged legal counsel with over ten years experience in Commission proceedings. In addition, the League's counsel remains actively engaged in advising clients on energy transactions occurring at both the wholesale and retail level.

860-012-0100(4)(c):

The organization's members who are customers of one or more of the utilities affected by the proceeding that are parties to the agreement contribute a significant percentage of the overall support and funding of the organization;

The League's members who are PGE customers contribute a significant percentage of the League's overall support and funding. The source of the League's overall funding is contributed by its member cities in proportion to their total population. Due to this methodology and the fact

that PGE serves the most populated portions of the state, the League's fifty two (52) cities served 1 2 by PGE contribute a significant percentage of the overall support and funding of the 3 organization. 4 860-012-0100(4)(d): 5 The organization demonstrates, or has demonstrated in past Commission 6 proceedings, the ability to substantively contribute to the record on behalf of customer interests related to rates and the terms and conditions of service, 7 including in any proceeding in which the organization was case-certified 8 and received a grant 9 The League has actively participated in many complex proceedings before the 10 Commission, including the following which are either ongoing or recently concluded: AR 394, 11 AR 421, AR 498, AR 499, AR 506, UE 115, UE 116, UE 118, UE 119, UM 1121 and UM 1209. 12 The League has sponsored testimony on matters involving rate setting¹ and franchise issues.² 13 among other things. In past Commission proceedings the League has demonstrated the ability to 14 substantively contribute to the record on behalf of customer interests related to rates and the 15 16 terms and conditions of service. 17 860-012-0100(4)(e): 18 The organization demonstrates that: 19 (A) No precertified intervenor participating in the proceeding adequately represents the specific interests of the class of customers represented by the organization 20 related to rates and terms and conditions of service; or (B) The specific interests of a class of customers will benefit from the 21 organization's participation; and 22 23 24 25

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¹ See, e.g., In UE 115, the League participated in filing the Joint Testimony of the City of Portland, League of Oregon Cities and Portland General Electric: Witnesses: Tooze, Sanger, Graham - Fogue - Cardwell/100/1-7; with supporting stipulation. Faxed by A.W. Turner. Hard copy received 6/7/01.

² See e.g., the recently concluded In the Matter of MidAmerican Energy Holding Company & PacifiCorp Application for Authorization to Acquire Pacificorp, OPUC Docket No. UM 1209.

1	No other party or pre-certified intervenor adequately represents the specific interests of				
2	cities, nor do they demonstrate a focused effort on analyzing the impact of rate proposals such as				
3	that being offered in these proceedings on the commercial customer class. Specifically, the pre-				
4	certified intervenors, the Citizen's Utility Board ("CUB") and the Industrial Customers of				
5	Northwest Utilities ("ICNU") focus their efforts almost entirely on the residential and industrial				
7	consumers who are their main constituency. Accordingly, cities and commercial consumers with				
8	load profiles similar to cities would benefit by having an entity actively representing their unique				
9	interests.				
10	860-012-0100(4)(f):				
11	The organization demonstrates that its request for case-certification will not unduly delay the schedule of the proceeding				
12	not undury delay the schedule of the proceeding				
13	The League's request for case-certification is being filed in compliance with the				
14	procedural schedule agreed to by the parties, and will not unduly delay the schedule of these				
15	proceedings.				
16					
17	WHEREFORE, the League respectfully requests that the Commission grant this				
18	Application for Case-Certification to be Eligible to Request an Issue Fund Grant.				
19					
20	DATED this 12 th day of May, 2006.				
21					
22	<u>/s/ Jim Deason</u> Jim Deason, OSB No. 95497				
23	521 SW Clay Street, Ste. 107 Portland, OR 97201-5407				
24	(503) 223-4335 jimdeason@comcast.net				
25	Attorney for the League of Oregon Cities				
26					

Exhibit 1

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CITIES SERVED BY PORTLAND GENERAL ELECTRIC

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4	City:	Population (2004 Census):	City:	Pop. (2004 Census):
5	Amity Aurora	1,480 660	Milwaukie Molalla	20,590 5,930
6	Banks Barlow	1,430 140	Mt. Angel Newberg	3,600 19,910
7	Beaverton	79,350	North Plains	1,650
8	Carlton Cornelius	1,560 10,150	Oregon City Portland	28,370 550,560
9	Dayton Damascus	2,230 9,670	Rivergrove St. Helens	340 11,370
10	Donald Dundee	660 2,900	St. Paul Salem	400 143,700
11	Durham Estacada	1,400 2,450	Sandy Scotts Mills	6,350 300
12	Fairview Gaston	9,250 620	Sheridan Sherwood	5,620 14,190
13	Gervais Gladstone	2,130 12,140	Silverton Tigard	8,060 44,650
14	Gresham Happy Valley		Troutdale Tualatin	14,380 24,940
15	Hillsboro Hubbard	79,940 2,750	Turner West Linn	1,480 23,970
16	Johnson City Keizer	630 34,380	Willamina Wilsonville	1,850 16,250
17	King City Lafayette	2,100 3,060	Woodburn Wood Village	
18	Lake Oswego	35,930	Yamhill	820
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CERTIFICATE OF SERVICE

I hereby certify that I have this day caused the foregoing LEAGUE OF OREGON CITIES' APPLICATION FOR CASE-CERTIFICATION TO BE ELIGIBILE TO REQUEST AN ISSUE FUND GRANT to be served upon each party listed below, by email, or, when not available, by mail, postage prepaid, and upon the Commission by email and by sending the original plus (1) copy by U.S. mail, postage prepaid, to the Commission's Salem offices.

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DATED this 12th day of May, 2006.

/s/ Jim Deason

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