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April 27, 2007

VIA E-MAIL & FIRST CLASS MAIL

Honorable Michael Grant, Administrative Law Judge
Public Utility Commission of Oregon
550 Capitol St NE #215
PO Box 2148
Salem OR 97308-2148

Re: *In the Matter of Portland General Electric Company Request for a General Rate Revision*, OPUC Docket No. UE 180/UE181/UE184

Dear Judge Grant:

Enclosed in connection with the above-referenced docket are an original and four copies of the LEAGUE OF OREGON CITIES' REQUEST FOR PAYMENT OF ISSUE FUND GRANT ("Payment Request"). Please note that the League has designated Exhibit A to the Payment Request as "Confidential" and requests that the Commission treat it as such pursuant to OAR 860-011-0080. In support of its designation of Exhibit A as Confidential, the League provides its good faith belief that the information contained within Confidential Exhibit A contains matters otherwise protected by the attorney-client privilege, attorney work product doctrine, strategies and other matters relating to this proceeding that if disclosed could detrimentally effect the League's ability to participate in this or future Commission proceedings.

Pursuant to Section 7.3 of the Intervenor Funding Grant, a copy of the League's Payment Request without Confidential Exhibit A is being served on Portland General Electric, the Participating Public Utility from whose account payment is requested. .

If you have any questions regarding this matter, please do not hesitate to call or contact me at (503) 223-4335 or jimdeason@comcast.net .

Sincerely,



Jim Deason

Encl.

cc: Douglas C. Tingey, Counsel for PGE
PGE Rates & Regulatory Affairs
Andrea Fogue, League of Oregon Cities (email only)

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UE 180

In the Matter of)
)
PORTLAND GENERAL ELECTRIC) LEAGUE OF OREGON CITIES'
COMPANY) REQUEST FOR PAYMENT
) OF ISSUE FUND GRANT
)
Request for a General Rate Revision (UE 180))
)
_____)

Pursuant to Section 7.3 of the Intervenor Funding Agreement (“IFA”) adopted by the Oregon Public Utility Commission (“Commission”) on July 2, 2003 (Order No. 03-388), the League of Oregon Cities (the “League”) hereby submits its Request For Payment of Issue Fund Grant (“Payment Request”). The League respectfully seeks payment of \$14,025.00, the amount of the League’s Issue Fund Grant proposed budget approved by the Commission in Order 06-289. As set forth herein, and evidenced, *inter alia*, by the contents of the attached Confidential Exhibit A, the League has satisfied all IFA payment prerequisites and its request for payment should therefore be approved.

I. Background.

On May 12, 2006, the League sought to become eligible to receive an Issue Fund Grant by filing an Application for Case Certification pursuant to OAR 860-012-0100(4) and section 5.3 of the IFA. On May 30, 2006, the League filed a proposed Issue Fund Grant budget seeking approval of an in the amount of \$14,025.00. On June 5, 2006, the Commission issued Order 06-267 granting the League’s case-certification application. On June 8, 2006, the Commission

issued Order 06-289 wherein it approved the League's proposed budget for an Issue Fund Grant in an amount up to \$14,025.00.

II. Standard of Review for Request for Payment of an Issue Fund Grant

Section 7.3 of the IFA provides that a Request for Payment must only seek payment for "Eligible Expenses" (as defined in Section 7.4 of the IFA) and must:

- 1) Itemize the expenses, payees and hourly rates of amount to be reimbursed;
- 2) Demonstrate that the expenses are reasonable and are directly attributable to issues and positions pursued on behalf of a particular customer class and consistent with the intervenor's proposed budget; and
- 3) Provide information sufficient to show that the intervenor has complied with any conditions imposed on the Issue Fund Grant.

See also Order 07-066.

III. The League's Payment Request Satisfies All IFA Requirements.

The League's Payment Request satisfies all of the criteria for payment. First, third-party costs incurred by the League in connection with this proceeding are provided in Confidential Exhibit A in a manner demonstrating itemized expenses, payees and hourly rates are as required by Section 7.3(a) of the IFA.¹ These costs consist of consultant fees, expert witness fees and attorneys' fees all of which are Eligible Expenses under Section 7.4 of the IFA.

Second, the expenses were all incurred as part of the League's active participation in this proceeding. The League attended settlement conferences, submitted and responded to data requests, filed testimony jointly with other similarly aligned intervenors and generally advocated on a number issues impacting a broad class of PGE's municipal customers. The League

¹ Please note that the League has designated Exhibit A to its Payment Request as "Confidential" and requests that the Commission treat it as such pursuant to OAR 860-011-0080. In support of its designation of Exhibit A as Confidential, the League states that it in good faith believes that the information contained within Confidential Exhibit A contains matters otherwise protected by the attorney-client privilege, attorney work product doctrine, strategies and other matters relating to this proceeding that if disclosed could detrimentally effect the League's ability to participate in this or future Commission proceedings.

evaluated the impact of PGE's proposed rate increases on cities of differing size and usage patterns, and actively engaged PGE on cost and service issues relating to streetlight and outdoor lighting service. In addition, the League's participation in this proceeding fostered a settlement and stipulation that ensures that all of PGE's municipal customers, not just the largest cities, may identify accounts they deem necessary to protect public safety, health and welfare and which should be given priority during times of emergency. These and other issues advocated by the League are included in a settlement and stipulation that was approved by the Commission. The expenses reflected in the attached Confidential Exhibit A were reasonably incurred and are directly attributable to the issues and positions pursued on the League's behalf as required by Section 7.3(b) of the IFA.

Finally, Section 7.3(c) requires that the League "[p]rovide information sufficient to show that the intervenor has complied with any conditions imposed on the Issue Fund Grant, including but not limited to documentation of matching funds if the Issue Fund Grant was conditioned on matching funds being used."² This requirement is inapplicable to the League as there were no conditions placed on the League's Issue Fund Grant. Nevertheless, it bears noting that as shown in Confidential Exhibit A, the total expenses incurred by the League in connection with this proceeding are such that the League's monetary contribution exceeds the amount of the Issue Fund Grant payment requested herein.

IV. Conclusion.

The League has satisfied the requirements of the IFA for payment of an Issue Fund Grant and respectfully requests that the Commission authorize payment from the PGE Issue Fund to

² Section 7.3(c) goes on to require that "[d]ocumentation of matching funds must be sufficient to prove that the intervenor has used in-house resources or outside funding to account for at least 50% of the Eligible Expenses for an Eligible Proceeding."

the League in the amount of \$14,025.00. The League requests that payment in full be made within thirty (30) days of filing this Payment Request, and that payment be made payable to the League of Oregon Cities and sent to the following address:

League of Oregon Cities
Attn: Andrea Fogue
PO Box 928
Salem, Oregon 97308

Dated this 27th day of April, 2007.

Respectfully submitted,

/s/ Jim Deason
Jim Deason
Attorney at Law
1 SW Columbia St., Suite 1600
Portland, OR 97252
503-223-4335

Of Attorneys for the League of Oregon Cities