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May 7, 2013

**VIA ELECTRONIC FILING
& FIRST CLASS MAIL**

Oregon Public Utility Commission
Attn: Filing Center
550 Capitol Street, N.E., #215
P.O. Box 2148
Salem, Oregon 97308-2148

Re: In the Matter of PUC Investigation into Treatment of Pension Costs in Utility Rates
(Docket No. UM-1633)
Proposed Issue Fund Budget of the Northwest Industrial Gas Users

Dear Filing Center:

Pursuant to OAR § 860-012-0100(4), the Second Amended and Restated Intervenor Funding Agreement (“IFA”), approved by the Oregon Public Utility Commission (“Commission”) in Order No. 12-452 (November 20, 2012), the Northwest Industrial Gas Users (“NWIGU”) hereby respectfully submit an issue fund budget of \$41,160, which after 20% match by NWIGU, is a net requested issue fund grant of \$32,928.

NWIGU’s proposed budget is based on a fully-litigated case. In the event of settlement of some or all of the issues, NWIGU’s actual expenditures will be less than those presented in the budget. NWIGU’s request is for an amount less than the total funds available in the Issue Fund accounts. NWIGU’s request ensures access to Issue Funds by other parties and ensures the availability of funds to NWIGU in other matters. NWIGU reserves its right to seek Matching Funds to the extent its actual participation in this docket exceeds the resources available from Issue Funds.

Article 6.3 of the IFA provides that precertified intervenors seeking an issue fund grant must submit a proposed budget to the Commission. Accordingly, NWIGU has attached a detailed budget as Appendix A. In addition, the IFA requires the following information:

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1. A Statement of the Work to be Performed.

NWIGU has participated and will participate in all stages of the investigation into pension costs. This includes review of and comment on the scope of the proceeding, participation in settlement conferences, drafting testimony and briefs, and participation at hearing. NWIGU plans to retain an expert witness, in conjunction with ICNU, to assist in this proceeding.

2. A Description of the Areas to be Investigated.

NWIGU will focus on all aspects of pension recovery costs, and any other issues raised by other parties to ensure that rates built on pension recovery policies are set in a fair and equitable manner consistent with Commission precedent.

3. A Description of the Particular Customer Class(es) That Will Benefit from the Intervenor's Participation.

NWIGU is a nonprofit association comprised of thirty-eight end users of natural gas with major facilities in the states of Oregon, Washington, and Idaho. NWIGU members include diverse industrial and commercial interests, including food processing, pulp and paper, wood products, electric generation, aluminum, steel, chemicals, electronics, aerospace, and healthcare providers. NWIGU members take service from local distribution companies under industrial rate schedules. Accordingly, NWIGU advocacy will benefit the industrial rate class, but will also benefit other rate classes who have issues similar to NWIGU's issues.

4. Identification of the Specific Fund Accounts From Which the Intervenor is Seeking Monies.

NWIGU identifies the Avista, Cascade, and NW Natural Account as the account from which NWIGU is seeking monies. Specifically, NWIGU seeks \$10,976 from each of those accounts. As of May 3, 2012, those accounts currently hold \$60,666.00 (Avista), \$43,419.00 (Cascade), and \$13,723.41 (NW Natural) of available uncommitted funds. Settlement of some or all of the issues will likely reduce NWIGU's request. To the extent NWIGU incurs costs that exceed this request, it will seek Matching Funds or other Issue Funds that may be released back to their original accounts.

5. A Budget Showing Estimated Attorney, Consultant and Expert Witness Fees, Which May Include the Cost for Appropriate Support Staff and Operations Support.

NWIGU has attached a detailed budget for NWIGU's participation in this proceeding as Appendix A.

6. Representation that Intervenor will use matching funds in the form of either in-house resources or outside funding to account for or pay at least 20 percent of the Eligible Expenses.

NWIGU represents that it will use matching funds in the form of either in-house resources or outside funding to account for or pay at least 20 percent of the Eligible Expenses.

CONCLUSION

NWIGU respectfully request that the Commission approve its proposed budget for an issue fund grant in the amount of \$41,160, less the 20% matching requirement (\$8,232), for a net total issue fund grant of \$32,928, and that the budget be approved as expeditiously as possible. The issue fund grant would be paid out of Avista's, Cascade's and NW Natural's Issue Fund Accounts in the amount of \$10,976 each. NWIGU respectfully reserves the right to revise this request in the event that committed monies in the Issue Fund accounts become available at a later time. NWIGU will recover any additional expert witness or professional fees and costs through matching funds or other Issue Funds that may be released back to their original accounts.

Should you have any questions regarding this filing, please call.

Very truly yours,



Tommy A. Brooks

TAB:sk
cc: UM-1633 Service List

APPENDIX A

**UM-1633
NWIGU PROPOSED BUDGET FOR ISSUE FUND**

Legal Counsel

<u>Work to be Performed</u>	<u>Personnel</u>	<u>Hours</u>	<u>Rate</u>	<u>Cost</u>
Review of Proceeding Scope and Discovery	Partner	15	\$220	\$3,300
	Partner II	15	\$210	\$3,150
Settlement Conferences	Partner	16	\$220	\$3,520
Testimony	Partner	20	\$220	\$4,400
	Partner II	10	\$210	\$2,100
Briefs	Partner	24	\$220	\$5,280
	Partner II	20	\$210	\$4,200
Hearings	Partner	18	\$220	\$3,960

Expert Witness

<u>Work to be Performed</u>	<u>Personnel</u>	<u>Hours</u>	<u>Rate</u>	<u>Cost</u>
Expert Analysis and Testimony	Expert	75	\$150	\$11,250

Total NWIGU Budget for Legal and Expert Fees **\$41,160**

Total NWIGU Issue Fund Budget Request **\$41,160**

Less 20% Match Using In-house Resources \$8,232

Total Issue Fund Grant Request **\$32,928**

May 7, 2013

CERTIFICATE OF SERVICE

I CERTIFY that I have on this day served the foregoing document upon all parties of record in this proceeding via electronic mail and/or by mailing a copy properly addressed with first class postage prepaid.

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Dated in Portland, Oregon, this 7th day of May 2013.



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