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February 13, 2015

Via E-Mail and Federal Express

Public Utility Commission of Oregon
Attn: Filing Center
3930 Fairview Industrial Drive SE
Salem OR 97302

Re: PACIFICORP dba PACIFIC POWER
Application for Approval of Deer Creek Mine Transaction
Docket No. UM 1712

Dear Filing Center:

Enclosed for filing in the above-referenced docket, please find the original and one (1) copy of the Notice of Intent to Request an Issue Fund Grant and Proposed Budget of the Industrial Customers of Northwest Utilities.

Thank you for your assistance. If you have any questions, please do not hesitate to contact our office.

Sincerely,



Jesse O. Gorsuch

Enclosures

cc: Service List

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the attached **Notice of Intent to Request an Issue Fund Grant and Proposed Budget** upon all parties in this proceeding, as shown below, by sending a copy via electronic mail.

Dated at Portland, Oregon, this 13th day of February, 2015.



Jesse O. Gorsuch

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BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1712

In the Matter of)	
)	
PACIFICORP d/b/a PACIFIC POWER)	NOTICE OF INTENT TO REQUEST
)	AN ISSUE FUND GRANT AND
Application for Approval of Deer Creek Mine)	PROPOSED BUDGET OF THE
Transaction.)	INDUSTRIAL CUSTOMERS OF
)	NORTHWEST UTILITIES
)	

The Industrial Customers of Northwest Utilities (“ICNU”) files this Notice of Intent to Request an Issue Fund Grant and Proposed Budget in Docket No. UM 1712, pursuant to OAR § 860-001-0120 and the Second Amended and Restated Intervenor Funding Agreement (“IFA”), approved by the Oregon Public Utility Commission (“Commission”) in Order No. 12-452 (November 7, 2012).

1. On December 12, 2014, PacifiCorp filed its Application for Approval of Deer Creek Mine Transaction. The Commission docketed the filing as UM 1712.

2. UM 1712 is an Eligible Proceeding under the IFA. 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 1712 will directly affect PacifiCorp, which is a Participating Public Utility under Section 1(k) of the IFA. Therefore, an Issue Fund Grant may be made for this proceeding under Section 6.1 the IFA.

3. ICNU filed its Petition to Intervene in this Docket on January 12, 2015. At that time, ICNU did not anticipate that its participation in this proceeding would require intervenor funding, and so did not notify the Commission of its intent to request an Issue Fund Grant, as required by Section 6.2 of the IFA. Based on the Company’s responses to ICNU’s

initial round of data requests, ICNU believes it will need to invest additional time and resources in this proceeding that were not foreseen. Accordingly, ICNU is now requesting an Issue Fund Grant in this Docket in the amount of \$26,700.

4. As required by Section 6.2 of the IFA, this Notice of Intent is being served on each affected Participating Public Utility, all precertified organizations, and all parties identified on the service list from UM 1712.

5. ICNU identifies the PacifiCorp Issue Fund Account as the account from which ICNU intends to request the Issue Fund Grant.

6. ICNU has been precertified under Sections 5.1 and 5.2 of the IFA and OAR § 860-001-0120(3)(b) as eligible to receive an Issue Fund Grant, by Commission Order No. 03-502, which was entered on August 21, 2003.

7. Pursuant to Section 6.3 of the IFA, ICNU files this Proposed Budget in Docket No. UM 1712 (the “Proceeding”) for an Issue Fund Grant in the amount of \$26,700. ICNU will bear all of its costs in this proceeding that exceed ICNU’s proposed budget. ICNU proposes that this grant be funded from the PacifiCorp Issue Fund Account. ICNU respectfully requests that the Commission act on this Proposed Budget within fourteen days of receipt, as provided in Section 6.4 of the IFA. The following information is provided in accordance with Section 6.3 of the IFA:

(a) 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 1712. ICNU will attend all clarifying sessions, workshops, public meetings, oral presentations and hearings in UM 1712. ICNU plans to conduct discovery in this proceeding. In addition, if

necessary, ICNU will submit expert witness testimony and briefs as called for by the procedural schedule in this Docket.

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

ICNU intends to investigate numerous aspects of the Company's filing, including its proposal for deferred accounting of the costs associated with the Deer Creek Mine retirement and the associated transaction with Bowie Energy Resource Partners, LLC ("Bowie"); the Company's proposal to begin immediate amortization of the regulatory asset or deferred account through the new Schedule 198; the calculation of the costs the Company has proposed to include in Schedule 198 rates; the prudence of the Company's decision to retire the Deer Creek Mine and enter into the associated transaction with Bowie; and other issues raised by PacifiCorp's filing or by other parties.

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

ICNU's participation will directly benefit industrial customers, as well as all other large non-residential customers of PacifiCorp.

(d) Identification of the specific Fund account from which ICNU is seeking the Issue Fund Grant and Available Funds:

ICNU proposes a total budget of \$33,375 and is seeking an Issue Fund Grant in the amount of \$26,700. ICNU will bear the costs of its participation to the extent that its costs exceed the proposed budget. However, in the event that the Commission elects to modify the scope of this proceeding, ICNU reserves the right to file a request to amend its budget.

ICNU estimates that the amount currently available in the PacifiCorp Issue Fund Account for 2015 is \$158,695.52.

(e) Budget showing estimated attorney and consultant fees and expert witness fees:

Attached as Exhibit A is ICNU's proposed budget in UM 1712.

(f) Matching Funds

As required by Section 6.3(f) of the IFA, ICNU represents that it will use matching fund resources in the form of either in-house resources or outside funding to account for or pay at least 20% of the Eligible Expenses for which ICNU is seeking an Issue Fund Grant. As such, ICNU seeks an issue fund grant for 80% of its proposed budget in this proceeding. ICNU's proposed budget assumes a fully litigated case. If the case is settled prior to hearing, actual expenses could be lower.

Basis for Request

ICNU respectfully requests that the Commission grant its request for this Issue Fund Grant in the amount of \$26,700 based on the following considerations:

1. In this proceeding, PacifiCorp is seeking to recover the Company's Deer Creek Mine closure costs in 2015 and 2016 rates, and is also requesting deferral, transaction approval and prudence determinations. If the Commission grants the Application, it will substantially impact the rates of ICNU's PacifiCorp-served members.
2. ICNU represents the interests of industrial customers and has significant experience participating in Commission proceedings involving PacifiCorp. ICNU's participation will benefit all of PacifiCorp's industrial and large non-residential customers.
3. ICNU has been precertified under Sections 5.1 and 5.2 of the IFA and OAR § 860-001-0120(3)(b), as eligible to receive an Issue Fund Grant, by Commission Order No. 03-502, which was entered on August 21, 2003.

Therefore, ICNU respectfully requests that the Commission issue an order granting an Issue Fund Grant in the amount specified above.

Dated this 13th day of February, 2015.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.



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Of Attorneys for Industrial Customers
of Northwest Utilities

UM 1712

Exhibit A

ICNU Proposed Budget for Issue Fund Grant

Personnel	Hours	Rate	Cost
<i>Attorney Fees</i>			
Senior Attorney	15	\$275	\$4,125
Associate Attorney	60	\$205	\$12,300
Paralegal	10	\$150	\$1500
<i>Expert Witness Fees</i>			
Expert	100	\$150	\$15,000
<i>Other Expenses</i>			
Travel		\$200	\$200
Printing and Postage		\$250	\$250
Subtotal			\$33,375
20% of ICNU Funded Expenditures			\$6,675
Total ICNU PacifiCorp Issue Fund Grant Proposed Budget			\$33,375
Total ICNU Issue Fund Request			\$26,700