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January 18, 2018

Via Electronic Filing

Public Utility Commission of Oregon
Attn: Filing Center
201 High St. SE, Suite 100
Salem OR 97301

Re: In the Matter of PUBLIC UTILITY COMMISSION OF OREGON,
Investigation into PacifiCorp, dba PACIFIC POWER's
Oregon-Specific Cost Allocation.
Docket No. UM 1824

Dear Filing Center:

Enclosed please find the Request for Issue Fund Grant and Proposed Budget of the Industrial Customers of Northwest Utilities in the above-referenced docket.

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

Sincerely,

/s/ Jesse O. Gorsuch
Jesse O. Gorsuch

Enclosure

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1824

In the Matter of)
) REQUEST FOR ISSUE FUND GRANT
PUBLIC UTILITY COMMISSION OF) AND PROPOSED BUDGET OF THE
OREGON,) INDUSTRIAL CUSTOMERS OF
) NORTHWEST UTILITIES
Investigation into PacifiCorp, dba Pacific)
Power's Oregon-Specific Cost Allocation)
<u>Issues.</u>)

Pursuant to Article 6.3 of the Fourth Amended and Restated Intervenor Funding Agreement (“IFA”), approved by the Oregon Public Utility Commission (“Commission”) in Order No. 18-017 on January 17, 2018, the Industrial Customers of Northwest Utilities (“ICNU”) files this Request for Issue Fund Grant and Proposed Budget in Docket No. UM 1824 (the “Proceeding”) in the amount of \$30,000. ICNU respectfully requests that the Commission act on this Request for Issue Fund Grant and Proposed Budget within fourteen days of receipt, as provided in Article 6.4 of the IFA. The following information is provided in accordance with Article 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 Docket No. UM 1824. The IFA defines an Eligible Proceeding for Issue Funds as, among other things, any “proceeding ... that directly affects one or more of the Participating Utilities and is anticipated to have a substantial impact on utility rates or service, a significant impact on utility customers or the operations of the utility, [or] is likely to result in significant change in regulatory policy....”

IFA, Article 1(c). UM 1824 examines a potential Oregon-specific model for allocation of the costs of PacifiCorp's system, which could fundamentally differ from the existing cost-allocation methodology, governed by the 2017 Protocol. Such a change will directly affect PacifiCorp, which is a Participating Public Utility under Article 1(n) of the IFA, and UM 1824 may have a substantial impact on PacifiCorp's rates and service, PacifiCorp's operations, and/or regulatory policy as applied to PacifiCorp's operations. Therefore, ICNU requests a Commission determination that UM 1824 constitutes an Eligible Proceeding for Issue Funds under the Fourth IFA, and that an Issue Fund Grant may be made for this proceeding under Article 6.1.

ICNU plans to attend any settlement conferences, workshops, public meetings, oral presentations and hearings in UM 1824. ICNU also plans to conduct and/or review discovery in this proceeding. In addition, if called for by a procedural schedule in this proceeding, ICNU plans to submit expert witness testimony and briefs.

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

ICNU intends to explore and evaluate new inter-jurisdictional cost allocation methodologies in this proceeding, with an emphasis on Oregon-specific issues that will impact the final form of any such cost allocation.

(3) 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.

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

ICNU proposes a total budget of at least \$37,500 and is seeking an Issue Fund Grant in the amount of \$30,000. ICNU will bear the costs of its participation to the extent that its costs exceed the proposed budget. However, if 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 2018 is \$ 155,930.53.

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

Attached as Exhibit A is ICNU's proposed budget in Docket No. UM 1824

(6) Matching Funds

As required by Article 6.3(g) 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 investigation does not include contested case proceedings, or is settled prior to a 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 \$30,000, based on the following considerations:

1. The outcome of this investigation will impact the allocation of PacifiCorp's service costs to Oregon. Accordingly, this proceeding will have a direct bearing on the rates paid by PacifiCorp's Oregon customers.

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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 Articles 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 18th day of January, 2018.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ Tyler C. Pepple

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Of Attorneys for Industrial Customers
of Northwest Utilities

UM 1824

Exhibit A

ICNU Proposed Budget for Issue Fund Grant

Personnel	Hours	Rate	Cost
<i>Attorney Fees</i>			
Attorney	66	\$280	\$18,480
Paralegal	10	\$170	\$1,700
<i>Expert Witness Fees</i>			
Expert	75	\$200	\$15,000
Travel			\$2,200
Printing and Postage			\$120
Subtotal			\$37,500
20% of ICNU Funded Expenditures			\$7,500
Total ICNU PacifiCorp Issue Fund Request			\$30,000