



CHAD M. STOKES
ADMITTED IN OREGON AND WASHINGTON

cstokes@cablehuston.com

January 22, 2018

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

Re: In re Hydro One Limited, Application for Authorization to Exercise Substantial Influence over the Policies and Actions of Avista Corporation (Docket UM 1897)
Proposed Issue Fund Budget of the Northwest Industrial Gas Users

Dear Filing Center:

Pursuant to OAR § 860-012-0100(4), the Fourth Amended and Restated Intervenor Funding Agreement (“IFA”), approved by the Public Utility Commission of Oregon (“Commission”) in Order No. 18-017 (January 17, 2018), and the Ruling of Administrative Law Judge Patrick Power dated December 29, 2017, Northwest Industrial Gas Users (“NWIGU”) hereby respectfully submits an issue fund budget of \$44,700, which after 20% match by NWIGU (\$8,940), would result in a net requested issue fund grant of \$35,760. NWIGU has coordinated this request with CUB. Following the Commission’s recent approval of the IFA, Avista’s Issue Fund Account for 2018 will have sufficient funds for this request.

NWIGU’s proposed budget is based on NWIGU’s full participation in this proceeding and expenses that have been incurred to date. NWIGU’s request ensures access to Issue Funds by other parties and accounts for funds made available to NWIGU in other matters. NWIGU reserves its right to revise this request or to seek Matching Funds to the extent its actual participation in this docket exceeds the proposed budget or 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.

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The IFA also requires the following information:

1. A Statement of the Work to be Performed.

NWIGU has already participated in initial proceedings in this docket and will continue to participate in all stages of the review of Avista's request to approve its acquisition by Hydro One. This includes review of and comment on the scope of the proceeding, participation in workshops and settlement conferences, drafting testimony and briefs, and participation at hearing, if one is held.

2. A Description of the Areas to be Investigated.

NWIGU has and will focus on all aspects of Avista's request, with a specific focus on whether there is a net benefit to customer and whether there are sufficient safeguards in place for existing customers after the acquisition.

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

NWIGU is a nonprofit association comprised of nearly forty 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. Avista's request, however, will provide it with the opportunity to make fundamental changes to its existing structure, the impacts of which could affect all customers, including residential customers.

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

NWIGU identifies the Avista Issue Fund Account as the account from which NWIGU is seeking monies. As of the date of this submittal, the uncommitted balance of that fund is only \$0.50. However, that amount does not reflect the annual grant that will occur for 2018 as a result of the Commission's recent approval of the IFA. NWIGU's requested Issue Fund Budget will result in a maximum grant of \$35,760, less than half the amount of the funds that will be available. To the extent NWIGU incurs costs that exceed this request, it will either seek to modify this request or seek Matching Funds.

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 requests that the Commission approve its Issue Fund Budget in the amount of \$44,700, 20% of which (\$8,940) will be matched by NWIGU, and that the budget be approved as expeditiously as possible. NWIGU further requests approval of an Issue Fund Grant in the amount of \$35,760 from 2018 funds in the Avista Issue Fund account.

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

Dated this 22nd day of January 2018.

CABLE HUSTON LLP



Chad M. Stokes, OSB No. 004007
Tommy A. Brooks, OSB No. 076071
1001 SW 5th Avenue, Suite 2000
Portland, OR 97204
Telephone: (503) 224-3092
Facsimile: (503) 224-3176
E-Mail: cstokes@cablehuston.com
tbrooks@cablehuston.com
Of Attorneys for
Northwest Industrial Gas Users

APPENDIX A

**UM 1897
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	10	\$275	\$2,750
	Partner II	5	\$275	\$1,375
Settlement Conferences	Partner	10	\$275	\$2,750
Testimony	Partner	15	\$275	\$4,125
	Partner II	10	\$275	\$2,750
Briefs	Partner	24	\$275	\$6,600
	Partner II	10	\$275	\$2,750
Hearings	Partner	24	\$275	\$6,600
Total NWIGU Budget for Legal Services				\$29,700
Less 20% Match Using In-house Resources				\$5,940
Total NWIGU Request for Legal Services				\$23,760

Estimated Expert Witness Budget for Issue Fund Grant

NWIGU has retained Ed Finklea and Brad Mullins to assist with NWIGU's analysis in this matter. Mr. Finklea serves as NWIGU's Executive Director, but the budget below relates only to the specific services Mr. Finklea will provide in this docket as an expert witness. Brad Mullins has provided expert consulting services to NWIGU and other end users in proceedings in Oregon, Washington and other states.

<u>Personnel</u>	<u>Title</u>	<u>Rate</u>
Edward A. Finklea	Executive Director	\$99.75/hour
Brad Mullins	Consultant	\$208/hour

Review filing, testimony, exhibits, workpapers, assistance with the preparation of data requests; review of the utility's books, records and other relevant materials; analysis of responses to discovery requests and assistance with preparation of additional discovery, preparation of testimony; review and analysis of direct and rebuttal testimony; preparation of final testimony and assistance with preparation for cross-examination; attendance at hearings to testify and assist with cross-examination; assist with preparing the briefs.

Estimated Expert Witness Fees	\$15,000
20 Percent In-House Resources	\$3,000
Total NWIGU Request for Expert Witness Fees	\$12,000
Total NWIGU Issue Fund Budget Request (Legal + Expert)	\$44,700
Total NWIGU 20% Match	\$8,940
Total NWIGU Issue Fund Grant Possible (Budget – 20% in-house)	\$35,760
<u>Total Amount of Issue Fund Grant Request based on available funds</u>	<u>\$35,760</u>