

BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON

UE 170

In the Matter of	)	
	)	CUB’S OPPOSITION TO KOPWU’S
PACIFIC POWER & LIGHT	)	OPPOSITION TO PETITIONS TO
	)	INTERVENE OF ONRC AND
Application for general rate increase in the	)	WATERWATCH
company’s Oregon annual revenues	)	
_____	)	

The Citizens’ Utility Board of Oregon (CUB) opposes the Klamath Off-Project Water Users’ (KOPWU) opposition to the petitions to intervene in UE 170 by the Oregon Natural Resources Council (ONRC) and WaterWatch. On the one hand it may be none of our business, on the other hand it is precisely our business to see that the public process of setting utility rates includes the perspectives of all of those who have a legitimate interest in utility rates and the resulting incentives those rates have on customers. As we all know, setting rates for electricity companies is part factual determination and part policy construction. We believe that ONRC and WaterWatch have legitimate interests in this case and meet the requirements for intervention as parties.

Both ONRC and WaterWatch have members throughout Oregon. See respective petitions to intervene. PacifiCorp customers who are interested in specific environmental issues as they pertain to river streamflows and fish and wildlife concerns have a special interest in seeing that their utility

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rates do not subsidize specific potential environmentally harmful activities. This alone constitutes sufficient interest in the proceeding to allow intervention.

KOPWU's filing argues that because the PUC's authorities are to establish just and reasonable rates, a party whose primary interest is not rate levels should be excluded from participating in a rate case. KOPWU, p. 2-3. KOPWU further argues that the efficiency of water use is not related to the reasonableness of rates in this case. Id at 3-4. These arguments are nonsense. First, as stated above, the members of ONRC and WaterWatch could argue their rates are not just and reasonable if they are to subsidize an environmentally harmful, inefficient use of, what is in essence, the fuel powering a generator, i.e. water. Second, the PUC understands the policy choices involved even in rate cases and the relationship between rates and efficient use of resources and therefore routinely allows in parties whose primary interest is energy efficiency or renewable energy.

CUB has many members who have environmental concerns and we assume that some CUB members share the concern about paying higher rates to subsidize activity in an area where environmental and specific economic issues are in conflict. However, CUB can claim no significant knowledge of the issues in the Klamath Basin. ONRC and WaterWatch do bring specific knowledge and expertise that can be used to assist the PUC in understanding the full range of issues and the history of the developments in the Klamath Basin, which, according to the filings of the irrigator groups to date, is a relevant issue.

Finally, it disturbs us that parties who would attempt to use the intervenor funding mechanism that customers helped develop to increase the viability of intervenor participation should attempt to

limit legitimate participation in the process by others.<sup>1</sup>

We do not take a position on the merits of the arguments ONRC or WaterWatch will raise in this proceeding, but we defend their right to raise those arguments.

Dated this 21st day of January, 2005

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jason Eisdorfer", with a long horizontal flourish extending to the right.

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Jason Eisdorfer #92292  
Attorney for Citizens' Utility Board of Oregon

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<sup>1</sup> We are not taking a position on the dueling requests for intervenor funding by KOPWU and the Klamath Water Users Association except to note the following: either both groups represent the same interests in which case both groups should not be funded or they represent different sub-interests which calls into question whether either group represents a “broad group or class of customers” (Intervenor Funding Agreement, 5.2(b)B)). If the latter, as it seems from KOPWU’s January 20<sup>th</sup> filing contradicting KWUA’s assertions, then PacifiCorp’s arguments are well taken that some members of the class charged for representation by both these groups will be paying “to fund their competitors’ pursuit of discounted rates.” PacifiCorp’s Response, p. 4-5.