

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1396

| | | |
|---|---|-------------------------|
| In the Matter of |) | |
| |) | |
| THE PUBLIC UTILITY COMMISSION OF |) | PROPOSED BUDGET FOR |
| OREGON |) | ISSUE FUND GRANT OF THE |
| |) | INDUSTRIAL CUSTOMERS OF |
| Investigation into determination of resource |) | NORTHWEST UTILITIES |
| <u>sufficiency, pursuant to Order No. 06-538.</u> |) | |

Pursuant to Section 6.3 of the First Amended and Restated Intervenor Funding Agreement (“IFA”) approved by the Oregon Public Utility Commission (“Commission”) by Order No. 07-564 (December 19, 2007), the Industrial Customers of Northwest Utilities (“ICNU”) files this Proposed Budget in UM 1396 (the “Proceeding”) for an Issue Fund Grant in the amount of \$15,100. ICNU will bear all of its costs in this proceeding that exceed \$15,100 in order to leave additional Issue Funds available for other parties and future proceedings. Since ICNU’s participation in this matter will occur primarily in 2009, the award should apply to the 2009 Portland General Electric (“PGE”) and PacifiCorp issue fund accounts. 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:

(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 UM 1396. In UM 1396, the Commission filed a request to investigate the determination of resource sufficiency, pursuant to Order No. 06-538. 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 1396 directly affects both PGE and PacifiCorp, which fall under the

definition of “Participating Public Utility” in Section 1(k) of the IFA. Therefore, UM 1396 is an Eligible Proceeding, and an Issue Fund Grant may be made for this proceeding under Section 6.1 of the IFA.

ICNU will attend all clarifying sessions, workshops, public meetings, oral presentations and hearings in UM 1396. ICNU plans to conduct discovery in this proceeding. In addition, ICNU will submit expert witness testimony and briefs as called for by the procedural schedule in this Docket.

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

ICNU intends to investigate the use of resource sufficiency periods in calculating avoided costs, pursuant to Order No. 06-538, on behalf of its members. ICNU represents the interests of many large industrial ratepayers that may be affected by the Commission’s investigation into the determination of resource sufficiency.

(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 who purchase service from PGE or PacifiCorp.

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

ICNU is seeking an Issue Fund Grant in the amount of \$7,550 from the 2009 PGE Issue Fund, and \$7,550 from the 2009 PacifiCorp Issue Fund. ICNU will bear the cost of its participation to the extent that its costs exceed the amount requested. ICNU estimates that the amount available in the PGE Issue Fund Account for 2009 is \$150,000, and that the amount available in the PacifiCorp Issue Fund Account for 2009 is \$289,020.44.

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

Attached as Exhibit A is ICNU’s proposed budget in UM 1396.

(6) Matching Funds

ICNU represents that it will use matching fund resources to 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.

Basis for Request

ICNU respectfully requests that the Commission grant its request for this Issue Fund Grant in the amount of \$7,550 from the PacifiCorp 2009 Issue Fund and \$7,550 from the 2009 PGE Issue Fund based on the following considerations:

1. ICNU represents the interests of industrial customers and has significant experience participating in Commission proceedings involving the Commission, PacifiCorp, and PGE. In addition, ICNU has participated in numerous previous rate cases of PGE and PacifiCorp. Thus, ICNU possesses significant interest and expertise with respect to this proceeding. ICNU's participation will benefit all PGE and PacifiCorp industrial and large non-residential customers.

2. ICNU has been pre-certified under Section 5.2(b)(2) of the IFA and OAR § 860-012-0100(3) as eligible to receive an Issue Fund Grant by 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 16th day of December, 2008.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ S. Bradley Van Cleve

S. Bradley Van Cleve

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Of Attorneys for Industrial Customers
of Northwest Utilities

UM 1396

Exhibit A

ICNU Proposed Budget for Issue Fund Grant

| Personnel | Hours | Rate | Cost |
|-------------------------------------|-------|----------|----------|
| <i>Attorney Fees</i> | | | |
| Senior Attorney | 10 | \$225.00 | \$2,250 |
| Associate Attorney | 25 | \$185.00 | \$4,625 |
| Paralegal | 10 | \$125.00 | \$1,250 |
| <i>Expert Witness Fees</i> | | | |
| Witness 1 (Resource Sufficiency) | | | \$10,000 |
| <i>Other Expenses</i> | | | |
| Travel | | | \$250 |
| Printing and Postage | | | \$500 |
| Total | | | \$18,875 |
| <hr/> | | | |
| 20% of ICNU Funded Expenditures | | | \$5,760 |
| <hr/> | | | |
| | | Total | \$15,100 |

(ICNU is requesting less money than it expects to expend in this docket)

Davison Van Cleve PC

Attorneys at Law

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December 16, 2008

Via Electronic and US Mail

Public Utility Commission
Attn: Filing Center
550 Capitol St. NE #215
P.O. Box 2148
Salem OR 97308-2148

Re: Investigation into determination of resource sufficiency, pursuant to Order No.
06-538.
Docket No. UM 1396

Dear Filing Center:

Enclosed please find an original of the Proposed Budget for Issue Fund Grant on behalf of the Industrial Customers of Northwest Utilities in the above-referenced docket.

Thank you for your assistance.

Sincerely yours,

/s/ Brendan E. Levenick
Brendan E. Levenick

Enclosures

cc: Service List

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Proposed Budget for Issue Fund Grant of the Industrial Customers of Northwest Utilities upon the parties on the service list, shown below, by causing the same to be sent by electronic mail to all parties, as well as, deposited in the U.S. Mail, postage-prepaid, to parties which have not waived paper service.

Dated at Portland, Oregon, this 16th day of December, 2008.

/s/ Brendan E. Levenick
Brendan E. Levenick

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|---|--|
| CITIZENS' UTILITY BOARD OF OREGON (W) OPUC DOCKETS ROBERT JENKS G. CATRIONA MCCrackEN 610 SW BROADWAY STE 308 PORTLAND OR 97205 dockets@oregoncub.org bob@oregoncub.org | OREGON PUBLIC UTILITY COMMISSION ED DURRENBERGER PO BOX 2148 SALEM OR 97308-2148 ed.durrenberger@state.or.us |
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| DEPARTMENT OF JUSTICE (W) MICHAEL T WEIRICH JANET L PREWITT REGULATED UTILITY & BUSINESS SECTION 1162 COURT ST NE SALEM OR 97301-4096 michael.weirich@doj.state.or.us janet.prewitt@doj.state.or.us | ANNALA, CAREY, BAKER, ET AL., PC (W) WILL K CAREY PO BOX 325 HOOD RIVER OR 97031 wcarey@hoodriverattorneys.com |

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