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February 12, 2016

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,
Application for Deferral Accounting of Excess Pension Costs and
Carrying Costs on Cash Contributions
Docket No. UM 1623

Dear Filing Center:

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

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 1623

In the Matter of)	
)	
PORTLAND GENERAL ELECTRIC)	PROPOSED BUDGET FOR ISSUE
COMPANY,)	FUND GRANT OF THE INDUSTRIAL
)	CUSTOMERS OF NORTHWEST
)	UTILITIES
Application for Deferral Accounting of Excess)	
Pension Costs and Carrying Costs on Cash)	
Contributions.)	
<hr/>)	

Pursuant to Section 6.3 of the Third Amended and Restated Intervenor Funding Agreement (“IFA”) approved by the Oregon Public Utility Commission (“Commission”) in Order No. 15-335 (October 20, 2015), the Industrial Customers of Northwest Utilities (“ICNU”) files this Proposed Budget in UM 1623 (the “Proceeding”) seeking an Issue Fund Grant in the amount of \$30,000. ICNU proposes that this grant be funded from the Portland General Electric Company (“PGE”) Issue Fund Account. ICNU did not previously file a proposed budget in this proceeding because insufficient funds were available in the 2015 PGE Issue Fund Account. In addition, any Eligible Expenses for which ICNU seeks an Issue Fund Grant in this proceeding will be incurred in 2016, since ICNU intends to include any such expenses incurred in 2015 in ICNU’s 2015 PGE Matching Fund Grant Request. Accordingly, ICNU respectfully requests that the Commission act on this Proposed Budget within fourteen days of receipt, as provided by 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 1623. PGE filed its Application for Deferral Accounting of Excess Pension Costs and Carrying Costs on Cash Contributions on August 22, 2012. 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 1623 directly affects PGE, which falls under the definition of “Participating Public Utility” in Section 1(k) of the IFA. Therefore, UM 1623 is an Eligible Proceeding and an Issue Fund Grant may be made for this proceeding under Section 6.1 of the IFA.

ICNU will participate in all phases of this proceeding, and will submit expert witness testimony and briefs as called for by the procedural schedule in this Docket. In addition, ICNU will attend a hearing, participate in any settlement conferences, and conduct discovery as necessary.

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

ICNU intends to examine the methodology used by PGE in its request to defer for later recovery in rates the difference between actual and forecasted pension expense, and whether such expenses are eligible for deferral under Oregon law.

(3) Description of the particular customer class or classes that will benefit from ICNU’s participation:

ICNU’s participation will directly benefit industrial customers who take service from PGE, as well as other PGE customers.

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

ICNU is seeking an Issue Fund Grant in the amount of \$30,000 from the PGE Issue Fund Account, established under IFA Section 4.2.3. ICNU estimates that the amount available in the 2016 PGE Issue Fund Account is \$121,382.81.

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

Attached as Exhibit A is ICNU's Proposed Budget. The Proposed Budget details the expected hours and hourly rates of ICNU's attorney and expert. The Proposed Budget was developed based on the costs ICNU incurred in previous cases.

(6) Matching Funds

As required by Section 6.3(f) of the IFA, ICNU 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% of the Eligible Expenses for which ICNU is seeking an Issue Fund Grant. ICNU's proposed budget assumes that the case will end with a final order from the Commission. Actual expenses could be lower depending upon any early agreement by the parties; if the scope of the case is expanded, ICNU reserves the right to submit a revised budget.

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. PGE's request to defer FAS 87 pension costs and carrying costs on cash contribution for later recovery in rates would directly impact the rates paid by ICNU's PGE-served members.

2. ICNU represents the interests of industrial customers and has significant experience participating in Commission proceedings involving PGE. ICNU's participation will benefit PGE industrial customers, as well as other customers of PGE.

3. Pursuant to Commission Order No. 03-502, entered on August 21, 2003, 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.

Therefore, ICNU respectfully requests that the Commission issue an order granting an Issue Fund Grant in the amount of \$30,000. ICNU prepared the attached budget on the basis of costs incurred in previous cases.

Dated this 12th day of February, 2016.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ S. Bradley Van Cleve

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Of Attorneys for Industrial Customers
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Exhibit A

Proposed Budget of ICNU

UM 1623

Exhibit A

ICNU Proposed Budget for Issue Fund Grant

Personnel	Hours	Rate	Cost
<i>Attorney Fees</i>			
Attorney	107	\$265	\$28,355
Paralegal	10	\$170	\$1,700
<i>Expert Witness Fees</i>			
Expert 1	46	\$160	\$7,360
<i>Other Expenses</i>			
Printing and Postage			\$85
Subtotal			\$37,500
20% of ICNU Funded Expenditures			\$7,500
Total ICNU Issue Fund Request			\$30,000