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April 4, 2017

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 Notice of Intent to Request Issue Fund Grant and 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)
) NOTICE OF INTENT TO REQUEST ISSUE
PUBLIC UTILITY COMMISSION OF) FUND GRANT AND REQUEST FOR
OREGON) ISSUE FUND GRANT AND PROPOSED
) BUDGET OF THE INDUSTRIAL
Investigation into PacifiCorp, dba PACIFIC) CUSTOMERS OF NORTHWEST
POWER's Oregon-Specific Cost Allocation) UTILITIES
<u>Issues.</u>)

The Industrial Customers of Northwest Utilities (“ICNU”) files this Notice of Intent to Request an Issue Fund Grant in Docket No. UM 1824, pursuant to OAR § 860-001-0120 and 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).

1. On March 29, 2017, the Commission issued Order No. 17-124 in Docket No. UM 1050, in which it formally opened an investigation into PacifiCorp’s Oregon-specific cost allocation issues. The Commission docketed this proceeding as UM 1824.

2. UM 1824 is an Eligible Proceedings under the IFA. 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 1824 will directly affect PacifiCorp, which is a Participating Public Utility under Section 1(k) of the IFA. Therefore, an Issue Fund Grant may be made for this proceeding under Section 6.1 the IFA.

3. As required by Section 6.2 of the IFA, this Notice of Intent is being filed at the time ICNU is requesting intervention in UM 1824.

4. As required by Section 6.2 of the IFA, this Notice of Intent is being served on each affected Participating Public Utility, all precertified organizations, and all parties identified on the service list for UM 1824.

5. ICNU identifies the PacifiCorp Issue Fund Account as the account from which ICNU intends to request the Issue Fund Grant.

6. 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, by Commission Order No. 03-502, which was entered on August 21, 2003.

7. Pursuant to Section 6.3 of the IFA, ICNU files this Proposed Budget in Docket No. UM 1824 for an Issue Fund Grant in the amount of \$20,000. 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 Docket No. UM 1824. 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 1824 directly affects PacifiCorp (or the “Company”), which falls under the definition of “Participating Public Utility” in Section 1(k) of the IFA. Therefore, UM 1824 is an Eligible Proceeding, and an Issue Fund Grant may be made for this proceeding under Section 6.1 of the IFA.

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

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discovery in this proceeding. In addition, if called for by a procedural schedule in this Docket, 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. In particular, ICNU will examine the impact of Senate Bill 1547 on how the Company allocates costs to Oregon, as well as the appropriateness of alternatives to a system-wide, or “rolled-in,” cost allocation methodology that make sense for Oregon customers.

(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 \$25,000 and is seeking an Issue Fund Grant in the amount of \$20,000. 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 2017 is \$59,164.03.

(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 Section 6.3(f) 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 these proceedings. ICNU's proposed budget assumes a fully litigated case. If the investigation does not incorporate 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 \$25,000, based on the following considerations:

1. The outcome of this investigation will impact the allocation of PacifiCorp's service costs allocated to Oregon. Accordingly, this proceeding will have a direct bearing on the rates paid by PacifiCorp's Oregon customers.
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 Sections 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 4th day of April, 2017.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ Jesse E. Cowell

Jesse E. Cowell

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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	45	\$265	\$11,925
Paralegal/Law Clerk	20	\$170	\$3,400
<i>Expert Witness Fees</i>			
Expert	59	\$160	\$9,440
Travel			\$175
Printing and Postage			\$60
Subtotal			\$25,000
20% of ICNU Funded Expenditures			\$5,000
Total ICNU PacifiCorp Issue Fund Request			\$20,000