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December 31, 2008

VIA FIRST CLASS AND ELECTRONIC MAIL

Hon. Michael Grant Oregon Public Utility Commission P.O. Box 2148 Salem, OR 97308-2148 David J. Meyer Vice President & Chief Counsel Avista Corporation P.O. Box 3727 Spokane, WA 99220-3727

Kelly O. Norwood Vice President-State & Federal Regulations Avista Utilities P.O. Box 3727 Spokane, WA 99220-3727

Re:

Northwest Industrial Gas Users' Request for Payment of a Preauthorized Matching Fund Grant, Avista Account, Docket No. UM 1357

Honorable Judge Grant:

The Northwest Industrial Gas Users ("NWIGU") files this request for payment of Preauthorized Matching Fund Grant for costs incurred from January 1, 2008 through November 30, 2008 from Avista Utilities' Preauthorized Matching Fund Account in the amount of \$3,699.36. This request for payment is filed pursuant to Section 7.2 of the First Amended and Restated Intervenor Funding Agreement, which was approved by the Oregon Public Utility Commission ("Commission"), on December 19, 2007 in Order No. 07-564 ("Amended IFA"). The Commission's rules provide that the terms of a Commission-approved intervenor funding agreement will be binding on all organizations seeking a grant under the agreement and will be followed by the Commission in administering the agreement. OAR 860-012-0100(2).

NWIGU meets all of the criteria for payment of a Preauthorized Matching Fund Grant from the Avista Preauthorized Matching Fund Account for 2008, as demonstrated by the following:

1. Under the Amended IFA, Avista makes available an Annual Grant Amount of \$30,000, which is added to Avista's Preauthorized Matching Fund Account each calendar year during the term of the Amended IFA through 2012. Amended IFA at Section 4.2.

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- 2. A Preauthorized Matching Fund Grant from Avista must be used solely to pay Eligible Expenses for Eligible Proceedings involving Avista. Amended IFA at Section 4.2.2. NWIGU requests the payment of a Preauthorized Matching Fund Grant for Eligible Expenses incurred in the following Eligible Proceedings from January 1, 2008 through November 30, 2008: LC 44, UG 181, UG 171, UM 1286, UM 1302, UM 1357, and UM 1351. NWIGU requests the payment of the \$3,699.36 Preauthorized Matching Fund Grant for the expenses listed in confidential Exhibit A, attached, which are Eligible Expenses under Section 7.4 of the Amended IFA. These expenses are in excess of any amounts recovered through Issue Fund Grants and/or other Matching Fund Grant Requests.
- 3. A Preauthorized Matching Fund Grant may be provided only if NWIGU demonstrates that it has used in-house resources or outside funding for at least 50% of the Eligible Expenses for Eligible Proceedings. Amended IFA at Section 7.2. As shown in confidential Exhibit A, NWIGU has used in-house resources and outside funding for at least 50% of the Eligible Expenses in these proceedings.
- 4. NWIGU became precertified as eligible to receive intervenor funding grants under Section 5.2 of the original Intervenor Funding Agreement pursuant to Order No.04-055, entered by the Commission on February 3, 2004. Under the Amended IFA, funds from Avista's Preauthorized Matching Fund Account are available for use exclusively by NWIGU. Amended IFA at Section 4.2.2.

Having demonstrated that it meets all of the criteria and conditions for such request, NWIGU requests payment of a Preauthorized Matching Fund Grant from Avista's Preauthorized Matching Fund in the amount of \$3,699.36. NWIGU requests that the Commission grant this request within 30 days of receipt and order Avista to pay NWIGU the amount of \$3,699.36 within 30 days after receipt of the Commission directive, in accordance with Section 7.2 of the Amended IFA.

Payment should be sent to:

Paula E. Pyron Executive Director Northwest Industrial Gas Users P.O. Box 2058 Tualatin, OR 97062-2058

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Thank you for your attention to this matter. Please do not hesitate to contact me if you have any questions.

Very truly yours,

Chad M. Stokes

Counsel for the Northwest Industrial Gas Users

CMS:wc

Enclosure with all originals & four copies to Judge Grant

cc: Paula Pyron (via e-mail with enclosures)