ORDER NO.
 1 & 283

 ENTERED
 AUG 072014

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1635 Phase II

In the Matter of

NORTHWEST NATURAL GAS COMPANY, dba NW NATURAL,

ORDER

Mechanism for Recovery of Environmental Remediation Costs.

DISPOSITION: ISSUE FUND GRANT REQUEST APPROVED

On July 29, 2014, the Citizens' Utility Board of Oregon filed a Request for Payment of Northwest Natural Gas Company, dba NW Natural's Issue Fund Grant. The procedures for payment of Issue Fund Grants are governed by Section 7.3 of the Second Amended and Restated Intervenor Funding Agreement (Agreement), adopted by the Commission in Order No. 12-452¹. CUB is automatically precertified to receive Issue Fund Grants under OAR 860-001-0120(3)(a) and under Section 5.2(a) of the Agreement.

CUB asks for a final payment of \$15,000 from the NW Natural Issue Fund. Under the Agreement, the Request for Payment must:

- 1. Itemize the expenses, payees and hourly rates of amount to be reimbursed;
- 2. Demonstrate that the expenses are reasonable and are directly attributable to issues and positions pursued on behalf of a particular customer class and consistent with the intervenor's proposed budget;
- 3. Provide information sufficient to show that the intervenor has complied with any conditions imposed on the Issue Fund Grant; and
- 4. Specify whether the request for payment is for a progress payment or a final payment and indicate whether any approved budget amount may be released back to the applicable Issue Fund.

¹ Order No. 12-452 was subsequently supplemented by Order No. 13-317 to include Exhibits A, B, and C.

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Further, under the terms of the Agreement, CUB must establish that it has used in-house resources or outside funding for at least 20 percent of the Eligible Expenses for an Eligible Proceeding. Agreement at 19. CUB provided the required documentation in its request.

The Agreement provides that the Commission determine in each proceeding how the participating utilities are to recover the funding grants from the various customer classes. Under Section 7.7(b), Issue Fund Grants should be allocated to align the costs of the advocacy with the intended potential beneficiaries of the advocacy. Agreement at 21. We considered the intended beneficiaries, and find that the issue fund expenditures should be allocated to NW Natural's residential customers.

We find that CUB's request meets the requirements of the Agreement, and its request should be approved. Section 7.8 of the Agreement provides that the utility must pay the Issue Fund Grant to the requesting intervenor within 30 days after receipt of Commission directive. The balance of the approved budget should be made available to the NW Natural Issue Fund.

ORDER

IT IS ORDERED that:

- 1. The Citizens' Utility Board of Oregon's request meets the requirements of the Second Amended and Restated Intervenor Funding Agreement, and its request is approved.
- 2. Northwest Natural Gas Company, dba NW Natural shall pay \$15,000 from the NW Natural Issue Fund to the Citizens' Utility Board of Oregon within 30 days after receipt of this order, and the grant shall be assessed to NW Natural's residential customers.

Made, entered, and effective

AUG 072014

Susan K. Ackerman Chair



John Savage Commissioner

Stephen M. Bloom Commissioner

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