

ORDER NO. 16 278
ENTERED JUL 26 2016

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1722

In the Matter of

PUBLIC UTILITY COMMISSION OF
OREGON,

Investigation into Recovery of Safety Costs
by Natural Gas Utilities.

ORDER

DISPOSITION: ISSUE FUND GRANT REQUEST APPROVED

On July 18, 2016, the Northwest Industrial Gas Users (NWIGU) filed a Request for Partial Payment of its Avista Corporation, dba Avista Utilities; Cascade Natural Gas Corporation; and Northwest Natural Gas Company, dba NW Natural's Issue Fund Grant. Section 7.3 of the Second Amended and Restated Intervenor Funding Agreement (Agreement), adopted by the Commission in Order No. 12-452¹, governs the procedures for payment of Issue Fund Grants. NWIGU was precertified to receive Issue Fund Grants on February 3, 2004, in Order No. 04-055.

NWIGU asks for a progress payment of \$16,744.38, or \$5,581.46 from the each of the Issue Funds for Avista, Cascade, and NW Natural. 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.

Further, under the terms of the Agreement, NWIGU 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. NWIGU provided the required documentation in its request.

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

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The Agreement provides that the Commission will make a determination in each proceeding as to 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 so as to fairly align the costs of the advocacy with the intended potential beneficiaries of the advocacy. Agreement at 21. The Commission has considered the intended beneficiaries, and finds that the issue fund expenditures should be allocated to (Utility's) industrial customers.

The Commission finds that NWIGU has met 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 the Commission directive.

ORDER

IT IS ORDERED that:

1. The Northwest Industrial Gas Users have met the requirements of the Second Amended and Restated Intervenor Funding Agreement, and its request is approved.
2. Avista Corporation, dba Avista Utilities pay \$5,581.46 from the Avista Issue Fund to the Northwest Industrial Gas Users within 30 days after receipt of this Order, and the grant be assessed to Avista's industrial customers.
3. Cascade Natural Gas Corporation pay \$5,581.46 from the Cascade Issue Fund to the Northwest Industrial Gas Users within 30 days after receipt of this Order, and the grant be assessed to Cascade's industrial customers.
4. Northwest Natural Gas Company, dba NW Natural pay \$5,581.46 from the NW Natural Issue Fund to the Northwest Industrial Gas Users within 30 days after receipt of this Order, and the grant be assessed to NW Natural's industrial customers.

JUL 26 2016

Made, entered, and effective _____



A handwritten signature in blue ink, appearing to read "Michael Grant", is written over a horizontal line.

Michael Grant
Chief Administrative Law Judge
Administrative Hearings Division