

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 263

In the Matter of)	
)	
PACIFICORP)	PROPOSED BUDGET FOR
)	ISSUE FUND GRANT OF THE
2013 Request for a General Rate Revision)	INDUSTRIAL CUSTOMERS OF
)	NORTHWEST UTILITIES
)	
_____)	

Pursuant to Section 6.3 of the Second Amended and Restated Intervenor Funding Agreement (“IFA”) approved by the Oregon Public Utility Commission (“Commission”) by Order No. 12-452 (November 7, 2012), the Industrial Customers of Northwest Utilities (“ICNU”) files this Proposed Budget in UE 263 (the “Proceeding”) seeking an Issue Fund Grant in the amount of \$30,000. Unless ICNU make another request pursuant to the IFA, ICNU will bear its costs in this Proceeding that exceed \$30,000. ICNU proposes that this grant be funded from the PacifiCorp Issue Fund Account. 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 UE 263, which is a proceeding to consider PacifiCorp’s 2013 General Rate Case (“GRC”). 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). UE 263 directly affects PacifiCorp, which falls under the definition of “Participating Public Utility” in Section 1(k) of the IFA. Therefore,

UE 263 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 aspects of UE 263, including attending clarifying sessions, workshops, settlement conferences, public meetings, oral presentations, and hearings. ICNU plans to conduct extensive discovery in this proceeding. In addition, ICNU will submit expert witness testimony and briefs, as called for by the procedural schedule in this Docket.

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

ICNU intends to investigate numerous aspects of PacifiCorp's 2013 GRC, including PacifiCorp's revenue requirement, rate spread/rate design, cost of capital, prudence of capital additions, power costs, appropriate levels of taxes, and other issues raised by PacifiCorp's filing or by other parties.

(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 other large non-residential customers who purchase service from PacifiCorp.

(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. Unless ICNU makes another request pursuant to the IFA, ICNU will bear the cost of its participation to the extent that its costs exceed the amount of the Proposed Budget. ICNU proposes that the grant amount be allocated from the PacifiCorp Issue Fund Account established under IFA Section 4.2.3. ICNU estimates that the uncommitted amount available in the 2013 PacifiCorp Issue Fund Account is \$103,570. ICNU and CUB have coordinated their activities in UE 263 and UE 264 to

maximize the efficient use of the amounts available in the 2013 PacifiCorp Issue Fund. ICNU and CUB have agreed to split the remaining issue fund amounts with \$44,969 for CUB and \$58,601 for ICNU. ICNU plans to use \$30,000 of its remaining uncommitted issue fund amounts for this proceeding (Docket No. UE 263) and \$28,601 for the PacifiCorp transition adjustment mechanism proceeding (Docket No. UE 264).

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

Attached as Exhibit A is ICNU's Proposed Budget in UE 263. The Proposed Budget details the expected hours and hourly rates of ICNU's attorneys and experts. The Proposed Budget was developed based on the costs ICNU incurred in previous PacifiCorp rate cases.

(6) Matching Funds:

As required by Section 6.3(g) 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 a fully litigated case. If the case is settled prior to 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 \$30,000 based on the following considerations:

1. In this proceeding, PacifiCorp has proposed a \$44.8 million or 3.7% average general rate increase on January 1, 2014, and a \$22.7 million or 1.8% average general

rate increase in April 2014. Proposed rate increases for industrial customers are higher, and the case raises important questions of policy and fact.

2. ICNU represents the interests of industrial customers and has significant experience participating in Commission proceedings involving PacifiCorp's power costs. ICNU has participated in all of PacifiCorp's recent general rate cases, including its last general rate case (Docket No. UE 246). In addition, ICNU has participated in numerous previous power cost and other cases of PacifiCorp. Thus, ICNU possesses significant interest and expertise with respect to the subject matter of this proceeding. ICNU's participation will benefit PacifiCorp's industrial, as well as other PacifiCorp 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 15th day of May, 2013.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.



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Of Attorneys for Industrial Customers
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Exhibit A

Proposed Budget of ICNU

UE 263

Exhibit A

ICNU Proposed Budget for Issue Fund Grant

Personnel	Hours	Rate	Cost
<i>Attorney Fees</i>			
Senior Attorney	75	\$250.00	\$18,750
Associate Attorney	150	\$205.00	\$30,750
Law Clerk	20	\$125.00	\$2,500
Paralegal	50	\$125.00	\$6,250
<i>Expert Witness Fees</i>			
Expert 1	20	\$205.00	\$4,100
Expert 2	150	\$150	\$22,500
Expert 3	130	\$215	\$27,950
<i>Other Expenses</i>			
Travel			\$3,000
Printing and Postage			\$500
Subtotal			\$116,300
20% of Eligible Expenses			\$23,260
ICNU PacifiCorp Issue Fund Grant Eligibility			\$93,040
Total ICNU PacifiCorp Issue Fund Grant Proposed Budget			\$30,000

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May 15, 2013

Via Electronic and U.S. Mail

Public Utility Commission
Attn: Filing Center
550 Capitol St. NE #215
P.O. Box 2148
Salem OR 97308-2148

Re: In the Matter of PACIFICORP 2013 Request for a General Rate Revision
Docket No. UE 263

Dear Filing Center:

Enclosed please find the original and one (1) copy of the Proposed Budget for Issue Fund Grant of the Industrial Customers of Northwest Utilities in the above-referenced docket.

Thank you for your assistance.

Sincerely,

/s/ Jesse Gorsuch
Jesse Gorsuch

Enclosures
cc: Service List

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Proposed Budget for Issue Fund Grant of the Industrial Customers of Northwest Utilities upon all parties in this proceeding by causing the same to be sent via electronic mail to each individual's last-known email address, as listed below.

Dated at Portland, Oregon, this 15th day of May, 2013.

Sincerely,

/s/ Jesse Gorsuch
Jesse Gorsuch

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