



TOMMY A. BROOKS
ADMITTED IN OREGON AND WASHINGTON

tbrooks@cablehuston.com

August 13, 2018

Oregon Public Utility Commission
Attn: Filing Center
550 Capitol Street, N.E., #215
P.O. Box 2148
Salem, Oregon 97308-2148

Re: In the Matter of Cascade Natural Gas Corporation, dba Cascade, Request for a General Rate Revision (Docket UG 347)
Proposed Issue Fund Budget of the Alliance of Western Energy Consumers

Dear Filing Center:

Pursuant to OAR 860-012-0100(4) and the Fourth Amended and Restated Intervenor Funding Agreement (“IFA”), approved by the Oregon Public Utility Commission (“Commission”) in Order No. 18-017 (January 17, 2018), Alliance of Western Energy Consumers (“AWEC”) hereby respectfully submits an issue fund budget of \$62,625, which after 20% match by AWEC (\$12,525), would result in a maximum net requested issue fund grant of \$50,100. However, the current uncommitted balance in Cascade’s Issue Fund Account is only \$34,500, resulting in a maximum issue fund grant in that amount. To the extent AWEC’s actual costs exceed the maximum grant amount, AWEC will seek matching funds. AWEC has coordinated this request with the request made by CUB.

Article 6.3 of the IFA provides that precertified intervenors seeking an issue fund grant must submit a proposed budget to the Commission. Accordingly, AWEC has attached a detailed budget as Appendix A. AWEC’s proposed budget is based on AWEC’s full participation in this proceeding, including expenses that have already been incurred to date.

The IFA also requires the following information:

1. A Statement of the Work to be Performed.

AWEC has already participated in initial proceedings in this docket and will continue to participate in all stages of the review of Cascade’s general rate case. This includes review of and comment on the scope of the proceeding, participation in workshops and settlement conferences,

conducting discovery, drafting testimony and briefs, and participation at hearing. AWEC will sponsor witnesses for this proceeding who will assist in AWEC's analysis of Cascade's request.

2. A Description of the Areas to be Investigated.

AWEC has and will focus on all aspects of Cascade's general rate request, with a specific focus on Cascade's proposed revenue requirement, cost of equity, cost of service, rate spread, and rate design.

3. A Description of the Particular Customer Class(es) That Will Benefit from the Intervenor's Participation.

AWEC is a nonprofit association of end users of natural gas with major facilities in the states of Oregon, Washington, and Idaho. AWEC's gas members include diverse industrial and commercial interests, including food processing, pulp and paper, wood products, electric generation, aluminum, steel, chemicals, electronics, aerospace, and healthcare providers. AWEC members take service from local distribution companies under industrial rate schedules. Accordingly, AWEC's advocacy will benefit the industrial rate class. AWEC's focus on cost of capital and revenue requirement, however, benefits all customers, including residential customers.

4. Identification of the Specific Fund Accounts from Which the Intervenor is Seeking Monies.

AWEC identifies the Cascade Issue Fund Account as the account from which AWEC is seeking monies. As of the date of this submittal, the uncommitted balance of that fund is \$34,500. AWEC's requested Issue Fund Budget would result in a maximum grant of \$50,100, which is more than the amount of the available funds. To the extent AWEC incurs costs that exceed this request, it will either seek to modify this request or seek Matching Funds.

5. A Budget Showing Estimated Attorney, Consultant and Expert Witness Fees, Which May Include the Cost for Appropriate Support Staff and Operations Support.

AWEC has attached a detailed budget for AWEC's participation in this proceeding as Appendix A.

6. Representation that Intervenor will use matching funds in the form of either in-house resources or outside funding to account for or pay at least 20 percent of the Eligible Expenses.

AWEC 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 percent of the Eligible Expenses.

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CONCLUSION

AWEC respectfully requests that the Commission approve its Issue Fund Budget in the amount of \$62,625, 20% of which (\$12,525) will be matched by AWEC, and that the budget be approved as expeditiously as possible. AWEC further requests approval of an Issue Fund Grant in an amount of \$34,500 from 2018 funds in the Cascade Issue Fund account.

Should you have any questions regarding this filing, please call.

Very truly yours,



Tommy A. Brooks

APPENDIX A

**UG 347
AWEC PROPOSED BUDGET FOR ISSUE FUND**

Legal Counsel

<u>Work to be Performed</u>	<u>Personnel</u>	<u>Hours</u>	<u>Rate</u>	<u>Cost</u>
Review of Proceeding Scope and Discovery	Partner	30	\$275	\$8,250
Settlement Conferences	Partner	25	\$275	\$6,875
Testimony	Partner	30	\$275	\$8,250
Briefs	Partner	35	\$275	\$9,625
Hearings	Partner	35	\$275	\$9,625
Total AWEC Budget for Legal Services				\$42,625
Less 20% Match Using In-house Resources				\$8,525
Total AWEC Request for Legal Services				\$34,100

Estimated Expert Witness Budget for Issue Fund Grant

AWEC has retained Brad Mullins to assist with AWEC's analysis in this matter. AWEC may also use other expert witnesses in this proceeding to address other issues.

<u>Personnel</u>	<u>Title</u>	<u>Rate</u>
Bradley Mullins	Consultant	\$208/hour

Review filing, testimony, exhibits, workpapers, assistance with the preparation of data requests; review of the utility's books, records and other relevant materials; analysis of responses to discovery requests and assistance with preparation of additional discovery, preparation of testimony; review and analysis of direct and rebuttal testimony; preparation of final testimony and assistance with preparation for cross-examination; attendance at hearings to testify and assist with cross-examination; assist with preparing the briefs.

Estimated Expert Witness Fees	\$20,000
20 Percent In-House Resources	\$4,000
Total AWEC Request for Expert Witness Fees	\$16,000

Total AWEC Issue Fund Budget Request (Legal + Expert)	\$62,625
Total AWEC 20% Match	\$12,525
Total AWEC Issue Fund Grant Possible (Budget – 20% in-house)	\$50,100
<u>Total Amount of Issue Fund Grant Request based on available funds</u>	<u>\$34,500</u>