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ADMITTED IN OREGON AND WASHINGTON

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February 12, 2020

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

Re: In the Matter of NW Natural's Request for Rate Revision
(Docket No. UG 388)
Proposed Issue Fund Budget of the Alliance of Western Energy Consumers

Dear Filing Center:

Pursuant to OAR 860-001-0120 and the Fourth Amended and Restated Intervenor Funding Agreement ("IFA"), approved by the Public Utility Commission of Oregon ("Commission") in Order No. 18-017 (January 17, 2018), Alliance of Western Energy Consumers ("AWEC") hereby respectfully submits an issue fund budget of \$99,800.00, which after 20% match by AWEC (\$19,960.00), would result in a maximum net requested issue fund grant of \$79,840.00. To the extent AWEC's actual costs exceed the maximum issue fund grant amount, AWEC will either seek to amend this budget or seek matching funds. AWEC has coordinated this request with the request made by Oregon Citizens' Utility Board.

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 time and 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 participated and will continue to participate in all stages of this proceeding. This includes: (a) a review of the initial filing and testimony of Northwest Natural Gas Company, dba NW Natural ("NW Natural"); (b) drafting discovery and reviewing discovery responses; (c) drafting testimony and reviewing the testimony of other parties; (d) drafting briefs and reviewing briefs of other parties; (e) participating in the scheduled workshop; (f) participating in the five

settlement conferences; and (g) participating in the evidentiary hearing. AWEC has retained a consultant to assist legal counsel in this proceeding.

2. A Description of the Areas to be Investigated.

AWEC has and will focus on all aspects of NW Natural's requested increase to natural gas distribution rates. This includes a review and analysis of the requested revenue requirement, cost of service and 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 the overall revenue requirement will benefit all customers, including residential customers.

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

AWEC identifies the NW Natural 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 \$217,500.00, after taking into account CUB's budget and Issue fund Grant approved in Order No. 20-043. To the extent AWEC incurs costs that exceed this request, it will seek to either amend the budget 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 \$99,800.00. AWEC further requests approval of an Issue Fund Grant in an amount of \$79,840.00 from 2020 funds in the NW Natural Issue Fund account.

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

Very truly yours,



Chad M. Stokes

APPENDIX A

**UG 388
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 initial filing and preparation of and review of discovery, develop analysis of case and attend prehearing	Partner	40	\$275	\$11,000
Attend workshop and attend five settlement conferences	Partner	45	\$275	\$12,375
Assist with the preparation of opening and rebuttal testimony and review testimony from other parties	Partner	40	\$275	\$11,000
	Associate	20	\$245	\$4,900
Drafting prehearing and reply briefs and reviewing briefs of other parties	Partner	40	\$275	\$11,000
	Associate	20	\$245	\$4,900
Develop cross examination statement and exhibits and prepare for and attend hearing	Partner	35	\$275	\$9,625
Total AWEC Budget for Legal Services (Cable Huston)				\$64,800
Total AWEC Budget for UG 388 Expert Witness Fees (Bradley Mullins, Consultant, \$224/hr)				\$35,000
Total Budget				\$99,800
Less 20% Match Using In-house Resources				\$19,960
Total Issue Fund Grant Request				\$79,840

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	\$224/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 (Budget)	\$35,000
20 Percent In-House Resources	\$7,000
Total AWEC Request for Expert Witness Fees (Grant)	\$28,000
Total AWEC Budget for Legal Services (Cable Huston)	\$64,800
Total Budget (Legal + Expert)	\$99,800
Less 20% Match Using In-house Resources	\$19,960
Total Issue Fund Grant Request (Budget – 20% in-house)	\$79,840
Total Amount of Issue Fund Grant Request based on available funds and coordination with CUB.	\$79,840