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August 18, 2006

# VIA ELECTRONIC FILING & U.S. MAIL

Oregon Public Utility Commission PO Box 2148 Salem, OR 97308-2148 Attn: PUC Filing Center

Re:

Docket No. AR 499

Dear Filing Center:

Enclosed for filing is an original and one copy of the Northwest Industrial Gas Users' Request for Payment Issue Fund Grant in the above-referenced docket.

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

Respectfully submitted,

Edward A. Finklea Counsel for

Northwest Industrial Gas Users

EAF/tr

cc:

Service List

#### BEFORE THE PUBLIC UTILITY COMMISSION

### **OF OREGON**

#### **AR 499**

	)
In the Matter of the Adoption of Permanent Rules Implementing SB 408 Relating to Utility Taxes	<ul><li>) THE NORTHWEST INDUSTRIAL</li><li>) GAS USERS' REQUEST FOR</li><li>) PAYMENT OF ISSUE FUND GRANT</li></ul>
	)
	)
	<i>)</i>

Pursuant to Section 7.3 of the Intervenor Funding Agreement ("IFA") adopted by the Oregon Public Utility Commission ("Commission") on July 2, 2003, in Order No. 03-388, the Northwest Industrial Gas Users ("NWIGU") hereby requests payment of \$19,630.00 of NWIGU's Issue Fund grant in Docket No. AR 499.

On October 24, 2005, NWIGU filed a Notice of Intent to Request an Issue Fund Grant in this docket. On November 10, 2005, NWIGU submitted a proposed budget in the amount of \$19,630.00. The Commission approved the Issue Fund Grant and NWIGU's proposed budget on November 21, 2005. Order No. 05-1224.

NWIGU now requests that the Commission authorize payment of \$19,629.00. The fees expended by NWIGU are shown in Confidential Exhibit A. This request for Payment satisfies the requirement of IFA Section 7.4 because:

- Itemized expenses, payees and hourly rates are provided in Exhibit A. IFA § 7.3(a).
- NWIGU is an active participant in this Docket. NWIGU submitted multiple rounds of comments on the rules proposed by the Commission and submitted straw proposals that attempted to provide a method by which the Commission could determine the amount of taxes paid that are

properly attributable to a utilities regulated operations. Additionally, NWIGU counsel participated in numerous Commission workshops. Expenses related to these activities were reasonably incurred and are directly attributable to the issues and positions pursued on NWIGU's behalf. IFA § 7.3(b).

• No conditions were placed on NWIGU's Issue Fund Grant in Order No. 05-1224. IFA §7.4(c).

At the time that NWIGU submitted its application for an Issue Fund Grant, it was anticipated that NWIGU would jointly employ, along with the Industrial Customers of Northwest Utilities (ICNU), the services of an outside consultant in this proceedings and thus included a request \$5,000 for expert witness fees in addition to the estimated \$14,630 for legal fees and expenses. As the Commission is aware, the focus of AR 499 has been on developing a rule to implement SB 408 that is consistent with the language of the statute. The Commission has held more workshops and has required more written rounds of comments than was initially anticipated at the time that this proceeding commenced and NWIGU submitted its proposed budget. NWIGU has worked closely with other consumer groups, including the Citizens Utilities Board and ICNU. These coordinating efforts have held down the costs to NWIGU of participating in this docket. The length of the proceeding and number of workshops, however, caused NWIGU to incur higher legal fees than anticipated. To offset that reality, NWIGU choose not to also employ the services of the outside expert it anticipated working with at the time that it submitted its proposed budget for this proceeding. Thus, NWIGU requests payment of the higher legal fees, but no reimbursement for an outside technical consultant. NWIGU's law firm has also absorbed some out of pocket expenses and written off some fees to stay within the budget.

Fees included in Exhibit A are directly related to services provided by NWIGU's outside legal counsel. NWIGU requests payment of the \$19,629.00, as the funds were spent on NWIGU's active participation in the case.

Because the Commission has an obligation to order reimbursement of Eligible Expenses and because NWIGU has satisfied the terms of the IFA, NWIGU respectfully requests that the Commission approve payment of NWIGU's Issue Fund Grant in the amount of \$19,629.00 within 30 days of receipt of this Request for Payment. IFA § 7.6.

Payment should be sent to:

Paula E. Pyron Executive Director Northwest Industrial Gas Users 4113 Wolf Berry Court Lake Oswego, OR 97035-1827

DATED August 18, 2006.

Respectfully submitted,

Edward A. Finklea, OSB # 84216

Chad M. Stokes, OSB # 00400

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Of Attorneys for the Northwest Industrial Gas Users

#### CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I caused to be served the foregoing NORTHWEST

## INDUSTRIAL GAS USERS' REQUEST FOR PAYMENT OF ISSUE FUND GRANT on

the attached Service List obtained on August 18, 2006 from the Oregon Public Utility Commission's Website as follows:

by **MAILING** a full, true and correct copy thereof in a sealed, postage-paid envelope, addressed as shown on the attached Service List, and deposited with the U.S. Postal Service at Portland, Oregon, on the date set forth below;

<u>and</u> by electronic mail ("e-mail") to those parties on the Oregon Public Utility Commission's Website Service List who listed an e-mail address.

#### SERVICE LIST

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DATED: August 18, 2006.

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