

# Davison Van Cleve PC

Attorneys at Law

TEL (503) 241-7242 • FAX (503) 241-8160 • mail@dvclaw.com  
Suite 400  
333 SW Taylor  
Portland, OR 97204

January 10, 2011

***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 OREGON PUBLIC UTILITY STAFF Requesting the  
Commission direct PACIFICORP, dba PACIFIC POWER & LIGHT  
COMPANY, to file tariffs establishing automatic adjustment clauses under the  
terms of SB 408  
**Docket No. UE 177(4)**

Dear Filing Center:

Enclosed please find the original Revised Budget on behalf of the Industrial  
Customers of Northwest Utilities in the above-referenced matter.

Thank you for your assistance, and please do not hesitate to contact our office if  
you have any additional questions.

Sincerely yours,

/s/ Sarah A. Kohler  
Sarah A. Kohler

Enclosures

cc: Service List

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I have this day served the foregoing Revised Budget on behalf of the Industrial Customers of Northwest Utilities upon the parties, shown below, on the official service list by causing the foregoing document to be deposited, postage-prepaid, in the U.S. Mail, or by service via electronic mail to those parties who waived paper service.

Dated at Portland, Oregon, this 10th day of January, 2011.

/s/ Sarah A. Kohler  
Sarah A. Kohler

CITIZENS' UTILITY BOARD OF OREGON (W) ROBERT JENKS G. CATRIONA MCCrackEN GORDON FEIGHNER 610 SW BROADWAY STE 308 PORTLAND OR 97205 catriona@oregoncub.org gordon@oregoncub.org bob@oregoncub.org	DANIEL W MEEK 10949 SW 4TH AVE PORTLAND OR 97219 dan@meek.net
DEPARTMENT OF JUSTICE JASON W JONES REGULATED UTILITY & BUSINESS SECTION 1162 COURT ST NE SALEM OR 97301-4096 jason.w.jones@state.or.us	KAFOURY & MCDUGAL LINDA K WILLIAMS 10266 SW LANCASTER RD PORTLAND OR 97219-6305 linda@lindawilliams.net
MCDOWELL RACKNER & GIBSON PC AMIE JAMIESON KATHERINE A MCDOWELL LISA RACKNER PORTLAND SAFE ROOM 520 SW SIXTH AVE STE 830 PORTLAND OR 97204 amie@mcd-law.com katherine@mcd-law.com lisa@mcd-law.com	PACIFICORP dba PACIFIC POWER (W) OREGON DOCKETS 825 NE MULTNOMAH ST STE 2000 PORTLAND OR 97232 oregondockets@pacificorp.com
OREGON PUBLIC UTILITY COMMISSION (W) CARLA BIRD REVENUE REQUIREMENTS ANALYST PO BOX 2148 SALEM OR 97308-2148 carla.bird@state.or.us	PACIFIC POWER & LIGHT (W) JOELLE STEWARD 825 NE MULTNOMAH ST STE 2000 PORTLAND OR 97232 joelle.steward@pacificorp.com

PUBLIC UTILITY COMMISSION OF OREGON (W)  
DEBORAH GARCIA  
PO BOX 2148  
SALEM OR 97308-2148  
deborah.garcia@state.or.us

**BEFORE THE PUBLIC UTILITY COMMISSION**

**OF OREGON**

**UE 177(4)**

In the Matter of	)	
	)	
OREGON PUBLIC UTILITY STAFF	)	
	)	
Requesting the Commission Direct	)	
	)	
PACIFICORP, dba PACIFIC POWER & LIGHT COMPANY,	)	REVISED BUDGET FOR ISSUE FUND GRANT OF THE INDUSTRIAL CUSTOMERS OF NORTHWEST UTILITIES
	)	
To File Tariffs Establishing Automatic Adjustment Clauses Under the Terms of SB 408.	)	

On November 30, 2010, the Industrial Customers of Northwest Utilities (“ICNU”) filed a Proposed Budget for an Issue Fund Grant in UE 177(4). On January 5, 2011, the Public Utility Commission of Oregon (“Commission”) denied the Proposed Budget on the grounds that the proposed work was outside the scope of the proceedings in this docket. Order No. 11-002. Pursuant to the Commission’s order, ICNU files this Revised Budget in UE 177(4) for an Issue Fund Grant in the amount of \$33,960. ICNU proposes that this grant be funded from the 2011 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 177(4). These proceedings deal with the review of PacifiCorp’s 2009 tax report for the automatic

adjustment clause pursuant to Senate Bill (“SB”) 408. 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 177(4) directly affects PacifiCorp, which falls under the definition of “Participating Public Utility” in Section 1(k) of the IFA. Therefore, UE 177(4) is an Eligible Proceeding and an Issue Fund Grant may be made for this proceeding under Section 6.1 of the IFA.

Much of the work identified in the Revised Budget has already been completed. ICNU has attended extensive workshops and settlement conferences in this proceeding. In addition, ICNU and its outside expert have conducted extensive discovery, including multiple visits to the safe room. All of the work performed to date is consistent with the scope of the proceeding set out in Order 11-002. On January 7, 2011, Staff filed a Motion to Modify the Schedule in this docket to consider a settlement. On January 10, 2011, the ALJ granted the motion.

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

ICNU intends to investigate whether PGE’s 2009 tax report is consistent with OAR-860-022-041, and to respond to the settlement proposed by Staff and PacifiCorp.

**(3) Description of the particular customer class or classes that will benefit from the intervenor’s participation:**

ICNU’s participation will directly benefit industrial and all other large non-residential customers who purchase service from PacifiCorp in Oregon.

**(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 \$33,960. ICNU proposes that the grant amount be allocated from the 2011 PacifiCorp Issue Fund Account established under IFA Section 4.2.3. ICNU anticipates that the 2011 PacifiCorp Issue Fund will have approximately \$125,000. Based on actual expenses to date, ICNU expects that its expenses in this proceeding will exceed the amounts identified in the Revised Budget. Nevertheless, ICNU is only seeking the amount of its original request.

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

Attached as Exhibit A is ICNU's Revised Budget in UE 177(4). The proposed budget assumes that most of the issues in this case will be settled. In addition, the Revised Budget is primarily based on actual expenditures that have already been incurred.

**(6) Matching Funds**

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.

**Basis for Request**

ICNU respectfully requests that the Commission grant its full request for this Issue Fund Grant based on the following considerations:

1. UE 177(4) involves analysis of PacifiCorp's 2009 tax report filing pursuant to OAR-860-022-0041. As a result, UE 177(4) has a direct impact on all customers of PacifiCorp in Oregon.

2. UE 177(4) could have a significant impact on customer rates. The Commission should solicit as much input as possible from customers.

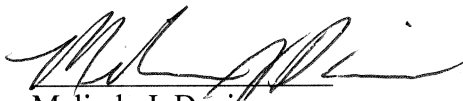
3. ICNU has been pre-certified under Section 5.2(b)(2) of the IFA and OAR § 860-012-0100(3) as eligible to receive an Issue Fund Grant by Order No. 03-502, which was entered on August 21, 2003.

4. ICNU represents the interests of industrial customers and has significant experience participating in Commission proceedings involving rates and adjustment mechanisms. ICNU's participation will benefit all PacifiCorp industrial customers.

Therefore, ICNU respectfully requests that the Commission issue an order granting an issue fund grant in the amount specified above.

Dated this 10th day of January, 2011.

Respectfully submitted,



Melinda J. Davison  
Irion A. Sanger  
333 S.W. Taylor, Suite 400  
Portland, Oregon 97204  
(503) 241-7242 phone  
(503) 241-8160 facsimile  
mjd@dvclaw.com  
ias@dvclaw.com  
Of Attorneys for the Industrial Customers  
of Northwest Utilities

Exhibit A

ICNU Revised Budget for Issue Fund Grant

<u>Category</u>	<u>Personnel</u>	<u>Hours</u>	<u>Rate</u>	<u>Cost</u>
<b><i>Discovery</i></b>	Sr. Attorney	4	225.00	900.00
Draft data requests, respond to data requests, organize discovery, review discovery responses, discovery disputes, depositions	Assoc. Attorney	5	185.00	925.00
	Paralegal	4	125.00	500.00
<b><i>Case Preparation</i></b>	Sr. Attorney	6	225.00	1,350.00
Review filings and testimony, legal research, develop case strategy, prepare testimony, communications with expert witnesses, prepare issue statements	Assoc. Attorney	5	185.00	925.00
	Paralegal	2	125.00	250.00
<b><i>Procedural Matters</i></b>	Sr. Attorney	5	225.00	1,125.00
Draft and review pleadings, hearings regarding procedural issues	Assoc. Attorney	4	185.00	740.00
	Paralegal	2	125.00	250.00
<b><i>Settlement</i></b>	Sr. Attorney	5	225.00	1,125.00
Prepare for and attend settlement meetings, draft settlement documents	Assoc. Attorney	2	185.00	370.00
	Paralegal	1	125.00	125.00
<b><i>Communication</i></b>	Sr. Attorney	2	225.00	450.00
Meetings and communications with clients and third parties				
<b><i>Hearings/Workshops</i></b>	Sr. Attorney	8	225.00	1,800.00
Preparation and attendance at hearings, workshops and other Commission sponsored meetings	Assoc. Attorney	6	185.00	1,110.00
<b><i>Briefing</i></b>	Sr. Attorney	5	225.00	1,125.00
Draft briefs, legal research related to briefs	Assoc. Attorney	8	185.00	1,480.00
	Paralegal	2	125.00	250.00
	<b>Total Hours</b>	<b>76</b>	<b>Sub-Total</b>	<b>14,800.00</b>
 <u>Expert Consultant and Witness Fees</u>				
Expert Consultant/Witness 1				25,000.00
			<b>Sub-Total</b>	<b>25,000.00</b>
 <u>Expenses</u>				
Expert/Consultant Expenses				2,500.00
Printing and Reproduction				150.00
			<b>Sub-Total</b>	<b>2,650.00</b>
			<b>Grand Total</b>	<b>42,450.00</b>
 <u>In-House Resources</u>				
20% of Eligible Expenses				8,490.00
			<b>ICNU PacifiCorp Issue Fund Grant Budget Eligibility: \$</b>	<b>33,960.00</b>
			<b>Total ICNU PacifiCorp Issue Fund Grant Proposed Budget: \$</b>	<b>33,960.00</b>

(ICNU is requesting less money than it expects to expend in this docket.)