

# Davison Van Cleve PC

Attorneys at Law

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November 30, 2010

*Via Electronic and US 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 PORTLAND GENERAL ELECTRIC COMPANY to file  
tariffs establishing automatic adjustment clauses under the terms of SB 408.  
**Docket No. UE 178(4)**

Dear Filing Center:

Enclosed please find the original Proposed 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 Proposed 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 30th day of November, 2010.

/s/ Sarah A. Kohler  
Sarah A. Kohler

<p>CITIZENS' UTILITY BOARD OF OREGON (W) ROBERT JENKS G. CATRIONA MCCrackEN GORDON FEIGHNER JOHN STURM 610 SW BROADWAY STE 308 PORTLAND OR 97205 catriona@oregoncub.org gordon@oregoncub.org bob@oregoncub.org john@oregoncub.org</p>	<p>DANIEL W MEEK 10949 SW 4TH AVE PORTLAND OR 97219 dan@meeek.net</p>
<p><b>DEPARTMENT OF JUSTICE</b> JASON W JONES REGULATED UTILITY &amp; BUSINESS SECTION 1162 COURT ST NE SALEM OR 97301-4096 jason.w.jones@state.or.us</p>	<p><b>KAFOURY &amp; MCDOUGAL</b> LINDA K WILLIAMS 10266 SW LANCASTER RD PORTLAND OR 97219-6305 linda@lindawilliams.net</p>
<p><b>PORTLAND GENERAL ELECTRIC</b> DOUG TINGEY 121 SW SALMON ST 1WTC13 PORTLAND OR 97204 doug.tingey@pgn.com</p>	<p><b>PORTLAND GENERAL ELECTRIC</b> RATES &amp; REGULATORY AFFAIRS 121 SW SALMON ST 1WTC0702 PORTLAND OR 97204 pge.opuc.filings@pgn.com</p>
<p><b>NORTHWEST INDUSTRIAL GAS USERS</b> PAULA PYRON 4113 Wolf Berry Court LAKE OSWEGO OR 97035-1827 ppyron@nwigu.org</p>	<p><b>GDS ASSOCIATES, INC.</b> ELLEN BLUMENTHAL 13517 QUEEN JOHANNA CT CORPUS CHRISTI TX 78418 ellen.blumenthal@gdsassociates.com</p>
<p><b>MCDOWELL RACKNER &amp; GIBSON PC</b> AMIE JAMIESON KATHERINE A MCDOWELL PORTLAND SAFE ROOM 520 SW SIXTH AVE STE 830 PORTLAND OR 97204 amie@mcd-law.com katherine@mcd-law.com</p>	<p><b>OREGON PUBLIC UTILITY COMMISSION (W)</b> CARLA BIRD PO BOX 2148 SALEM OR 97308-2148 carla.bird@state.or.us</p>

**PUBLIC UTILITY COMMISSION OF OREGON  
(W)**

DEBORAH GARCIA  
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SALEM OR 97308-2148  
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**BEFORE THE PUBLIC UTILITY COMMISSION**

**OF OREGON**

**UE 178(4)**

In the Matter of	)	
	)	
OREGON PUBLIC UTILITY STAFF	)	
	)	
Requesting the Commission Direct	)	
	)	
PORTLAND GENERAL ELECTRIC	)	PROPOSED BUDGET FOR ISSUE
COMPANY,	)	FUND GRANT OF THE INDUSTRIAL
	)	CUSTOMERS OF NORTHWEST
	)	UTILITIES
To File Tariffs Establishing Automatic	)	
Adjustment Clauses Under the Terms of	)	
SB 408.	)	

Pursuant to Section 6.3 of the First Amended and Restated Intervenor Funding Agreement (“IFA”) approved by the Public Utility Commission of Oregon (“Commission”) by Order No. 07-564 (December 19, 2007), the Industrial Customers of Northwest Utilities (“ICNU”) files this Proposed Budget in UE 178(4) for an Issue Fund Grant in the amount of \$35,738. ICNU proposes that this grant be funded from the 2011 Portland General Electric Company (“PGE”) 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 178(4). These proceedings deal with the review of PGE’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 178(4) directly affects PGE, which falls under the definition of “Participating Public Utility” in Section 1(k) of the IFA. Therefore, UE 178(4) is an Eligible Proceeding and an Issue Fund Grant may be made for this proceeding under Section 6.1 of the IFA.

ICNU intends to attend all workshops, settlement conferences, hearings, and any oral argument in UE 178(4). In addition, ICNU intends to sponsor expert 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 whether PGE’s 2009 tax report is appropriate pursuant to SB 408, in a manner that is consistent with the legislature’s intent in enacting SB 408.

**(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 PGE 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 \$35,738. ICNU proposes that the grant amount be allocated from the 2011 PGE Issue Fund Account established under IFA Section 4.2.3. ICNU anticipates that the 2011 PGE Issue Fund will have approximately \$144,000, which includes a 2010 rollover of approximately \$19,092.88.

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

Attached as Exhibit A is ICNU's proposed budget in UE 178(4). The proposed budget assumes a fully litigated case. In the event some or all of the issues in the case are settled, ICNU's actual costs may be lower.

**(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**

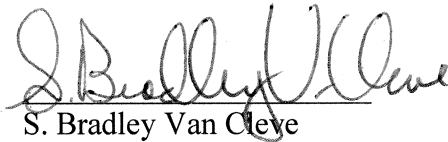
ICNU respectfully requests that the Commission grant its full request for this Issue Fund Grant based on the following considerations:

1. UE 178(4) involves analysis of PGE's 2009 tax report filing pursuant to SB 408. As a result, UE 178(4) has a direct impact on all customers of PGE in Oregon.
2. UE 178(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, adjustment mechanisms, and SB 408. ICNU's participation will benefit all PGE industrial customers.

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

Dated this 30th day of November, 2010.

Respectfully submitted,



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Of Attorneys for the Industrial Customers  
of Northwest Utilities

Exhibit AICNU Proposed 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	5	225.00	1,125.00
Draft data requests, respond to data requests, organize discovery, review discovery responses, discovery disputes, depositions	Assoc. Attorney	3	185.00	555.00
	Paralegal	3	125.00	375.00
<b><i>Case Preparation</i></b>	Sr. Attorney	10	225.00	2,250.00
Review filings and testimony, legal research, develop case strategy, prepare testimony, communications with expert witnesses, prepare issue statements	Assoc. Attorney			
	Paralegal	2.5	125.00	312.50
<b><i>Procedural Matters</i></b>	Sr. Attorney	2	225.00	450.00
Draft and review pleadings, hearings regarding procedural issues	Assoc. Attorney	4	185.00	740.00
	Paralegal	1.5	125.00	187.50
<b><i>Settlement</i></b>	Sr. Attorney	5	225.00	1,125.00
Prepare for and attend settlement meetings, draft settlement documents	Assoc. Attorney	1.5	185.00	277.50
	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	15	225.00	3,375.00
Preparation and attendance at hearings, workshops and other Commission sponsored meetings	Assoc. Attorney	7.5	185.00	1,387.50
<b><i>Briefing</i></b>	Sr. Attorney	10	225.00	2,250.00
Draft briefs, legal research related to briefs	Assoc. Attorney	10	185.00	1,850.00
	Paralegal	1.5	125.00	187.50
	Total Hours	84.5	Sub-Total	17,022.50
<u>Expert Consultant and Witness Fees</u>				
Expert Consultant/Witness 1				25,000.00
			Sub-Total	25,000.00
<u>Expenses</u>				
Expert/Consultant Expenses				2,500.00
Printing and Reproduction				150.00
			Sub-Total	2,650.00
			<b>Grand Total</b>	44,672.50
In-House Resources				
20% of Eligible Expenses				8,934.50
			<b>ICNU PGE Issue Fund Grant Budget Eligibility: \$</b>	<b>35,738.00</b>
			<b>Total ICNU PGE Issue Fund Grant Proposed Budget: \$</b>	<b>35,738.00</b>

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