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May 15, 2009

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 PACIFICORP 2010 Transition Adjustment Mechanism
Docket No. UE 207

Dear Filing Center:

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

Thank you for your assistance.

Sincerely,

/s/ Brendan E. Levenick
Brendan E. Levenick

Enclosures
cc: Service List

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Proposed Budget on behalf of the of the Industrial Customers of Northwest Utilities upon the parties, on the service list, by causing the same to be deposited in the U.S. Mail, postage-prepaid, and via electronic mail where paper service has been waived.

Dated at Portland, Oregon, this 15th day of May, 2009.

Sincerely,

/s/ Brendan E. Levenick

Brendan E. Levenick

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**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 207

In the Matter of)	
)	PROPOSED BUDGET FOR
PACIFICORP)	ISSUE FUND GRANT OF THE
)	INDUSTRIAL CUSTOMERS OF
<u>2010 Transition Adjustment Mechanism</u>)	NORTHWEST UTILITIES

Pursuant to Section 6.3 of the First Amended and Restated Intervenor Funding Agreement (“IFA”) approved by the Oregon Public Utility Commission (“Commission”) by Order No. 07-564 (December 19, 2007), the Industrial Customers of Northwest Utilities (“ICNU”) files this Proposed Budget in UE 207 (the “Proceeding”) for an Issue Fund Grant in the amount of \$60,780. ICNU proposes that this grant be funded from the PacifiCorp Issue Fund Account. ICNU respectfully requests that the Commission act on this Proposed Budget within fourteen days of receipt, as provided by 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 207. In UE 207, PacifiCorp filed an application for its 2010 Transition Adjustment Mechanism. 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 207 directly affects PacifiCorp, which falls under the definition of “Participating Public Utility” in Section 1(k) of

the IFA. Therefore, UE 207 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 conduct discovery, and attend all clarifying sessions, workshops, settlement conferences and hearings in UE 207. In addition, ICNU intends to sponsor expert witness testimony and prepare 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 PacifiCorp's proposed 2010 Transition Adjustment Mechanism, including but not limited to its model and assumptions, its power cost figures, scope of the mechanism and the prudence of resource acquisitions.

(3) Description of the particular customer class or classes that will benefit from ICNU's participation:

ICNU's participation will directly benefit industrial customers who take service from PacifiCorp. ICNU's investigation regarding the Transition Adjustment Mechanism should benefit all of PacifiCorp's customers. ICNU has participated in previous PacifiCorp Transition Adjustment Mechanism proceedings, including UE 199 (PacifiCorp 2009 Transition Adjustment Mechanism proceeding). Thus, ICNU and its members possess significant interest and expertise with respect to issues regarding PacifiCorp's rates and services.

(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 \$60,780. ICNU proposes that the grant amount be allocated from the PacifiCorp Issue Fund Account established under IFA Section 4.2.3. ICNU has been informed that the amount available in the PacifiCorp Issue Fund Account is \$208,440.

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

Attached as Exhibit A are ICNU's estimated attorney and consultant fees in UE

207. ICNU's witness(es) will address PacifiCorp's Transition Adjustment Mechanism.

(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 request for this Issue Fund Grant in the amount of \$60,780 based on the following considerations:

1. In this Docket, PacifiCorp proposes to increase industrial rates by 2.9%. As a result, UE 207 may have a significant and direct impact on PacifiCorp's industrial customers.

2. This is the third recent proceeding regarding PacifiCorp's Transition Adjustment Mechanism. ICNU needs to thoroughly analyze whether PacifiCorp is proposing to over recover its net power costs.

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

4. ICNU has been pre-certified under Section 5.1 of the IFA and OAR § 860-017-0050(3) as eligible to receive an Issue Fund Grant by Order No. 03-502, which was entered on August 21, 2003.

Therefore, ICNU respectfully requests that the Commission issue an order granting an Issue Fund Grant in the amount of \$60,780. ICNU prepared the attached budget on the basis of the schedule adopted in the prehearing conference report issued in this Docket on April 27, 2009.

Dated this 15th day of May, 2009.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ Irion A. Sanger

Melinda J. Davison

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Of Attorneys for Industrial Customers
of Northwest Utilities

Exhibit A

Proposed Budget of ICNU

UE 207

Exhibit A

ICNU Proposed Budget for Issue Fund Grant

Personnel	Hours	Rate	Cost
<i>Attorney Fees</i>			
Senior Attorney	30	\$225.00	\$6,750
Associate Attorney	110	\$185.00	\$20,350
Paralegal	25	\$125.00	\$3,125
<i>Expert Witness Fees</i>			
Witness 1 (Discovery, Travel, Testimony, and Hearing regarding Net Power Costs)		\$40,000.00	\$40,000.00
Witness 2 (Discovery, Travel, Testimony, and Hearing regarding accounting issues)		\$5,000.00	\$5,000.00
<i>Other Expenses</i>			
Travel			\$500.00
Printing and Postage			\$250.00
		Subtotal	\$75,975
		Less 20% In-House Resources	\$15,195
		Total	\$60,780