

April 15, 2010

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 PACIFICORP Regarding Proposed Budget for ICNU
Docket No. UE 216

Dear Filing Center:

Enclosed please find an original of the Proposed Budget on behalf of the Industrial Customers of Northwest Utilities in the above-referenced docket. Thank you for your attention to this matter.

Sincerely yours,

/s/Kelli R. Madden
Kelli R. Madden

Enclosures
cc: Service List

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing the Proposed Budget on behalf 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 April, 2010

/s/Kelli R. Madden
Kelli R. Madden

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**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 216

In the Matter of)	
)	PROPOSED BUDGET FOR
PACIFICORP)	ISSUE FUND GRANT OF THE
)	INDUSTRIAL CUSTOMERS OF
2011 Transition Adjustment Mechanism)	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 216 (the “Proceeding”) for an Issue Fund Grant in the amount of \$49,227.50. 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 216. In UE 216, PacifiCorp filed an application for its 2011 Transition Adjustment Mechanism (“TAM”). 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 216 directly affects PacifiCorp, which falls under the definition of “Participating Public Utility” in Section

1(k) of the IFA. Therefore, UE 216 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 216. 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 2011 TAM, including its model and assumptions, its power cost figures, the prudence of resource acquisitions, and other issues related to the filing.

(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 TAM should benefit all of PacifiCorp's customers. ICNU has participated in previous PacifiCorp TAM proceedings, including UE 191 and UE 199. 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 \$49,227.50. 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 \$106,305.41.

(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

216. ICNU's witness will address PacifiCorp's TAM.

(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 \$49,227.50 based on the following considerations:

1. PacifiCorp proposes to increase overall rates by 7.0% and industrial rates by 9.8%. As a result, UE 216 may have a significant and direct impact on PacifiCorp's industrial customers.
2. ICNU needs to thoroughly analyze PacifiCorp's rates and service pursuant to its 2011 TAM filing. ICNU has participated in other PacifiCorp TAM proceedings, including UE 191 and UE 199.
3. PacifiCorp is seeking total rate increase in the TAM of about \$69.2 million. The reasonableness and prudence of new resource acquisitions will be reviewed in this proceeding.
4. In addition, ICNU will review other issues including the proper accounting of PacifiCorp's cost associated with its TAM filing.

5. 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 of PacifiCorp's industrial customers.

6. 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 \$49,227.50. ICNU prepared the attached budget on the basis of the schedule adopted in the prehearing conference report issued in this Docket on March 16, 2010.

Dated this 15th April, 2010.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ Melinda J. Davison

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Of Attorneys for Industrial Customers
of Northwest Utilities

Exhibit A

Proposed Budget of ICNU

UE 216

Exhibit A

ICNU Proposed Budget for Issue Fund Grant

Personnel	Hours	Rate	Cost
<i>Attorney Fees</i>			
Senior Attorney	25	\$225.00	\$5,625
Associate Attorney	140	\$185.00	\$25,900
Paralegal	66	\$125.00	\$8,250
<i>Expert Witness Fees</i>			
Witness 1 (Power Costs)	150	\$195.00	\$29,250
<i>Other Expenses</i>			
Travel			\$800
Printing and Postage			\$500
Total			\$70,325
30% of ICNU Funded Expenditures			\$21,097.50
Total			\$49,227.50
(ICNU is requesting less money than it expects to expend in this docket; ICNU expects to fund approximately 30% of its expenditures)			