

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1050

In the Matter of)	
)	
PACIFICORP)	PROPOSED BUDGET FOR
)	ISSUE FUND GRANT OF THE
Requesting to Initiate an Investigation of)	INDUSTRIAL CUSTOMERS OF
Multi-Jurisdictional Issues.)	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 UM 1050 and requests an Issue Fund Grant in the amount of \$40,784. ICNU prepared this Proposed Budget on this basis of the procedural schedule adopted in the prehearing conference report issued in this Docket on October 26, 2010. ICNU proposes that this grant be funded from the PacifiCorp Issue Fund Account. ICNU will provide matching funds at an appropriate level in relation to the Issue Fund Grant requested in this proceeding. 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 retained Davison Van Cleve, P.C. to represent ICNU in UM 1050. UM 1050 is an investigation of multi-jurisdictional issues facing PacifiCorp and its customers. PacifiCorp operates in six different retail jurisdictions. 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). UM 1050 directly affects PacifiCorp, which falls under the definition of “Participating Public Utility” in Section 1(k) of the IFA. Therefore, UM 1050 is an Eligible Proceeding and an Issue Fund Grant may be made for this proceeding under Section 6.1 of the IFA.

ICNU will conduct discovery, attend all workshops, settlement conferences and hearings in UM 1050. In addition, ICNU will submit expert witness testimony and prepare briefs as called for by the procedural schedule in this Docket. The purpose of ICNU’s participation will be to ensure that PacifiCorp’s Oregon customers do not bear a disproportionate share of the Company’s generation, transmission, and distribution costs under the inter-jurisdictional allocation of those costs proposed in this proceeding.

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

ICNU intends to investigate the “Petition of PacifiCorp Requesting Approval of Amendments to the Revised Protocol Allocation Methodology” (“Petition”) that the Company filed on September 15, 2010. On January 12, 2005, the Commission approved PacifiCorp’s Revised Protocol Allocation Methodology (“Protocol”) in Order 05-021 in this proceeding. PacifiCorp is requesting that the Commission now approve amendments to the Protocol. According to PacifiCorp, the Revised Protocol “seeks to allocate PacifiCorp’s costs among its jurisdictional states...and provides PacifiCorp with the opportunity to recover 100 percent of its prudently-incurred costs.” ICNU will continue to advocate for an inter-jurisdictional allocation of costs under which the customers in each jurisdiction will be responsible for paying the costs that benefit those customers. ICNU will also continue to advocate for means by which PacifiCorp

and other interested parties can establish procedures for resolving disputes regarding inter-jurisdictional cost allocation issues that may arise in the future.

(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. In addition, ICNU has participated in MSP meetings among the state commissions of PacifiCorp's operating jurisdictions over the years. Thus, ICNU possesses a great deal of expertise surrounding PacifiCorp's multi-state jurisdictional allocation issues.

(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 \$40,784. ICNU proposes that the grant amount be allocated from the PacifiCorp Issue Fund Account established under IFA Section 4.2.3.

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

Attached as Exhibit A is ICNU's proposed budget in UM 1050.

Basis for Request

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

1. UM 1050 involves consideration of the appropriate allocation of PacifiCorp's generation, transmission and distribution costs to the Company's six retail jurisdictions. As a result, UM 1050 will have a direct impact on PacifiCorp's Oregon customers.

2. UM 1050 involves very significant policy issues, and the Commission should solicit as much input as possible from PacifiCorp customers.

3. UM 1050 is a complex proceeding involving unique issues that the Commission and the parties have not examined on a regular basis. Investigation of PacifiCorp's inter-jurisdictional allocation has required, and continues to require, analysis and identification of issues throughout the PacifiCorp system, rather than being limited to the state specific concerns often at issue in OPUC proceedings. This broader examination of PacifiCorp system issues is particularly model-intensive, and requires significant effort on the part of all parties in order to achieve an appropriate outcome.

4. UM 1050 involves issues that could have large dollar impacts on customer rates. If PacifiCorp's current inter-jurisdictional allocation is modified in an inequitable manner, Oregon customers could bear a disproportionate share of PacifiCorp's system costs.

5. ICNU represents the interests of industrial customers, and has significant experience participating in Commission proceedings involving PacifiCorp and its inter-jurisdictional issues. ICNU's continued participation will benefit all PacifiCorp industrial customers.

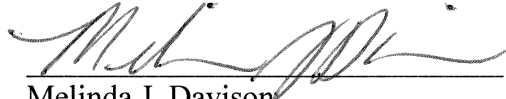
6. ICNU has been pre-certified under Section 5.1 of the IFA and OAR § 860-017-0050(3) as eligible to receive an Issue Fund Grant by Order No. 03-502, which was entered on August 21, 2003.

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

on the basis of the schedule adopted in the prehearing conference report issued in this Docket on October 26, 2010.

Dated this 3rd day of December, 2010.

Respectfully submitted,



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Of Attorneys for Industrial Customers
of Northwest Utilities

UM 1050

Exhibit A

ICNU Proposed Budget for Issue Fund Grant

<u>Task</u>	<u>Assigned Personnel</u>	<u>Hours</u>	<u>Rate</u>	<u>Cost</u>
Attend Prehearing Conference, Work on Scheduling, Attend Filing Meetings, Review Filing	Sr. Attorney	5	225.00	1,125.00
	Assoc. Attorney	10	185.00	1,850.00
Analyze Case and Prepare Issue Statement, work on issues with other Parties	Sr. Attorney	5	225.00	1,125.00
Prepare for and Participate in Workshops and Public Meetings	Sr. Attorney	16	225.00	3,600.00
	Assoc. Attorney	8	185.00	1,480.00
Conduct Discovery	Sr. Attorney	5	225.00	1,125.00
	Assoc. Attorney	15	185.00	2,775.00
Participate in Settlement Conferences	Sr. Attorney	16	225.00	3,600.00
Prepare Opening Testimony	Sr. Attorney	5	225.00	1,125.00
	Assoc. Attorney	10	185.00	1,850.00
Prepare Reply Testimony	Sr. Attorney	5	225.00	1,125.00
	Assoc. Attorney	25	185.00	4,625.00
Legal Research	Assoc. Attorney	5	185.00	925.00
Draft Opening Brief and Reply Brief	Sr. Attorney	10	225.00	2,250.00
	Assoc. Attorney	20	185.00	3,700.00
Prepare for and Attend Oral Argument	Sr. Attorney	8	225.00	1,800.00
Expert Witness Fees		90	175.00	15,750.00
	Total Hours	258	Sub-Total	49,830.00
Travel Expenses (Mileage)				350.00
Printing and Reproduction				500.00
Telephone and Postage				300.00
			Grand Total	50,980.00
20% of Eligible Expenses				10,196.00
ICNU PacifiCorp Issue Fund Grant Budget Eligibility:				\$ 40,784.00
Total ICNU PacifiCorp Issue Fund Grant Proposed Budget:				40,784.00

Davison Van Cleve PC

Attorneys at Law

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December 3, 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 Requesting to Initiate an Investigation of
Multi-Jurisdictional Issues
Docket No. UM 1050

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, and please do not hesitate to contact our office if you have any 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, on the service list, by causing the same to be deposited in the U.S. Mail, postage-prepaid, where paper service has not been waived.

Dated at Portland, Oregon, this 3rd day of December, 2010.

/s/ Sarah A. Kohler
Sarah A. Kohler

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