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December 5, 2008

*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 PUBLIC UTILITY COMMISSION OF OREGON Investigation  
into Forecasting Forced Outage Rates for Electric Generating Units  
**Docket No. UM 1355**

Dear Filing Center:

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

Thank you for your assistance.

Sincerely yours,

/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 for Issue Fund Grant of the Industrial Customers of Northwest Utilities upon the parties on the service list, shown below, by causing the same to be sent by electronic mail to all parties, as well as, deposited in the U.S. Mail, postage-prepaid, to parties which have not waived paper service.

Dated at Portland, Oregon, this 5th day of December, 2008.

/s/ Brendan E. Levenick

Brendan E. Levenick

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**(W) = Waive Paper Service**

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UM 1355**

In the Matter of	)	
	)	
THE PUBLIC UTILITY COMMISSION OF	)	PROPOSED BUDGET FOR
OREGON	)	ISSUE FUND GRANT OF THE
	)	INDUSTRIAL CUSTOMERS OF
Investigation into Forecasting Forced Outage	)	NORTHWEST UTILITIES
<u>Rates for Electric Generating Units</u>	)	

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 1355 (the “Proceeding”) for an Issue Fund Grant in the amount of \$23,040. ICNU will bear all of its costs in this proceeding that exceed \$23,040 in order to leave additional Issue Funds available for other parties and future proceedings. ICNU proposes that this grant be split evenly between the Portland General Electric Company (“PGE”) Issue Fund Account and the PacifiCorp Issue Fund Account. ICNU understands that there is currently limited funds available in the 2008 PGE Issue Fund, and asks that this proposed budget be considered for the intervenor fiscal year 2009 for PGE only to the extent that there are not enough 2008 funds. 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 UM 1355. In UM 1355, the Commission filed a request to investigate forecasting forced outage rates for electric generating units. 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 1355 directly affects both PGE and PacifiCorp, which fall under the definition of “Participating Public Utility” in Section 1(k) of the IFA. Therefore, UM 1355 is an Eligible Proceeding and an Issue Fund Grant may be made for this proceeding under Section 6.1 of the IFA.

ICNU will attend all clarifying sessions, workshops, public meetings, oral presentations and hearings in UM 1355. ICNU plans to conduct discovery in this proceeding. In addition, ICNU will submit expert witness 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 forced outage proposals PGE and PacifiCorp on behalf of its members. ICNU represents the interests of many large industrial ratepayers that may be affected by the Commission’s investigation into the appropriate method for forecasting forced outage rates for electric generating plants.

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

ICNU’s participation will directly benefit industrial customers, as well as all other large non-residential customers who purchase service from PGE or PacifiCorp.

**(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 \$11,520 from the PGE Issue Fund, and \$11,520 from the 2009 PacifiCorp Issue Fund. ICNU will bear the cost of its participation to the extent that its costs exceed the amount requested. ICNU estimates that the amount available in the PGE Issue Fund Account is \$14,491.37 and \$139,020.44 is available in the PacifiCorp Issue Fund Account.

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

Attached as Exhibit A is ICNU's proposed budget in UM 1355.

**(6) Matching Funds**

ICNU represents that it will use matching funds resources to pay at least 20% of the Eligible Expenses for which ICNU is seeking an Issue Fund Grant. As such, ICNU seeks an issue fund grant for 80% of its proposed budget in this proceeding.

**Basis for Request**

ICNU respectfully requests that the Commission grant its request for this Issue Fund Grant in the amount of \$23,040 based on the following considerations:

1. ICNU represents the interests of industrial customers and has significant experience participating in Commission proceedings involving the Commission, PacifiCorp, and PGE. ICNU's participation will benefit all PGE and PacifiCorp industrial and large non-residential customers. In addition, ICNU has participated in numerous previous rate cases of PGE and PacifiCorp. Thus, ICNU possesses significant interest and expertise with respect to this proceeding.

2. 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.

3. ICNU represents the interests of industrial customers and has significant experience participating in Commission proceedings involving rates and forced outage mechanisms. ICNU's participation will benefit all PacifiCorp and 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 5th day of December, 2008.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ Irion A. Sanger

S. Bradley Van Cleve

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Of Attorneys for Industrial Customers  
of Northwest Utilities

UM 1355

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	30	\$185.00	\$5,550
Paralegal	15	\$125.00	\$1,875
<i>Expert Witness Fees</i>			
Witness 1 (Forced Outage)			\$15,000
<i>Other Expenses</i>			
Travel			\$250
Printing and Postage			\$500
Total			\$28,800
<hr/>			
20% of ICNU Funded Expenditures			\$5,760
<hr/>			
		Total	\$23,040

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