

May 23, 2008

VIA ELECTRONIC FILING AND OVERNIGHT DELIVERY

Oregon Public Utility Commission 550 Capitol Street NE, Ste 215 Salem, OR 97301-2551

Attention: Vikie Bailey-Goggins, Administrator

Regulatory and Technical Support

RE: Application of PacifiCorp

Docket No. UM 1102(5)

Enclosed is a replacement Application for Reauthorization of Deferred Accounting Regarding Intervenor Funding Grants. Section F had an error regarding the total amount.

Enclosed for filing by PacifiCorp dba, Pacific Power is an Application for Reauthorization of Deferred Accounting Regarding Intervenor Funding Grants. Also attached is the Notice of Application by PacifiCorp, pursuant to OAR 860-027-0300(3)(e). An original and five (5) copies will be provided via overnight delivery.

A copy of the Notice of Application will be sent to the service list for PacifiCorp's most recent general rate case, Docket No. UE 179, pursuant to OAR 860-027-0300(6).

The company respectfully requests that data requests regarding this matter be addressed to:

By E-mail (preferred): datarequest@pacificorp.com.

By regular mail: Data Request Response Center

PacifiCorp

825 NE Multnomah, Suite 2000

Portland, OR 97232

Other questions with respect to this filing may be directed to Joelle Steward at (503) 813-5542.

Very truly yours,

Andrea L. Kelly

Vice President, Regulation

Drarea L. Kelly / ca

Enclosures

cc: Service list for Docket No. UE-179

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1102(5)

In the Matter of the Application of PACIFICORP for Reauthorization of Deferred Accounting Regarding Intervenor Funding Grants.

APPLICATION OF PACIFICORP

1 Pursuant to ORS 757,259 and OAR 860-027-0300, PacifiCorp, d.b.a. Pacific Power 2 (or "Company"), files this application ("Application") with the Public Utility Commission of Oregon ("Commission") for an order reauthorizing the Company to record and defer, on an 3 ongoing basis, the cost of intervenor funding grants under ORS 757.259(3). The Company 4 5 respectfully requests reauthorization for a 12 month period commencing July 1, 2008. 6 In support of this Application, PacifiCorp states: 7 A. **PacifiCorp** 8 PacifiCorp is a public utility in the state of Oregon and is subject to the jurisdiction of 9 the Commission with regard to rates, service, and accounting practices. PacifiCorp also provides retail electricity service in the states of California, Idaho, Utah, Washington, and 10 11 Wyoming. 12 В. **Statutory Authority** This Application is filed pursuant to ORS 757.259, which authorizes the deferral of 13 14 expenses or revenues of a public utility for later incorporation in rates. 15 C. **Communications**

Communications regarding this Application should be addressed to:

Application for Reauthorization of Intervenor Funding Deferral

16

PacifiCorp Oregon Dockets Legal Counsel **PacifiCorp** 825 NE Multnomah, Suite 1800 825 NE Multnomah, Suite 2000 Portland, OR 97232 Portland, OR 97232 Telephone: (503) 813-5977 Telephone: (503) 813-5542 Facsimile: (503) 813-7252 Facsimile: (503) 813-6060 E-mail: michelle.mishoe@pacificorp.com E-mail: oregondockets@pacificorp.com In addition, PacifiCorp requests that all data requests regarding this Application be 1 2 sent to the following: 3 By email (preferred): datarequest@pacificorp.com 4 By regular mail: Data Request Response Center 5 PacifiCorp 825 NE Multnomah, Suite 2000 6 Portland, Oregon 97232 7 8 Informal questions may be directed to Joelle Steward, Oregon Regulatory Affairs 9 Manager at (503) 813-5542. 10 D. **Basis for Application** 11 **Statutory Authority** 1. 12 ORS 757.072 authorizes the Commission to approve an agreement between an energy utility and a customer organization for intervenor funding. ORS 757.259(3) allows a utility 13 14 to recover intervenor funding in rates through deferred accounting: 15 "Upon request of the public utility, the commission by order 16 shall allow deferral of amounts provided as financial assistance 17 under an agreement entered into under ORS 757.072 for later incorporation in rates." 18 Deferred amounts under ORS 757.259(3) are not subject to the percentage of gross revenues 19 20 limitation on amortization or other provisions of subsections (5), (6), (7), and (8) of ORS 21 757.259. 22 2. **Commission Approval of the Intervenor Funding Agreement** 23 On July 2, 2003, pursuant to section 2 of the Intervenor Funding Act, the Commission

issued Order No. 03-388 in Docket No. AR 462, which, among other things, approved the

Michelle Mishoe

24

- 1 Intervenor Funding Agreement among PacifiCorp, Portland General Electric Company,
- 2 Northwest Natural Gas Company, Northwest Industrial Gas Users, Citizens' Utility Board of
- 3 Oregon ("CUB"), and Industrial Customers of Northwest Utilities, dated February 5, 2003
- 4 (the "Intervenor Funding Agreement"). On December 19, 2007, the Commission issued
- 5 Order No. 07-564 in Docket No. UM 1357 approving the amended and restated Intervenor
- 6 Funding Agreement that extends intervenor funding until December 31, 2012. The
- 7 Intervenor Funding Agreement sets forth the amount of funding to be contributed by each
- 8 utility and the procedures for budget submittals by intervenors, Commission approval of
- 9 budgets, and the payment of grants by utilities.

10 E. Request for Reauthorization of Deferred Accounting

- The Commission originally authorized deferral of the Intervenor Funding Agreement
- 12 costs beginning September 17, 2003, in Order 03-560. The Commission has reauthorized
- this deferral annually in Order 05-862 (entered July 18, 2005), in Order No. 06-251 (entered
- May 25, 2006) and most recently, in Order No. 07-268 (entered June 11, 2007). Order No.
- 15 07-268 reauthorized deferral until June 30, 2008. The Company seeks reauthorization of this
- deferral for a 12-month period beginning July 1, 2008.

17 F. Amounts Subject to Deferral

The Company anticipates that the maximum amounts to be deferred during the 12-

month period beginning July 1, 2008 will be:

Fund

CUB Fund \$ 57,500

Preauthorized Matching Fund \$ 57,500

Issue Fund \$125,000

Total \$240,000

Application for Reauthorization of Intervenor Funding Deferral

G. Accounting

- 2 The Company proposes to record payment of Intervenor Funding Grants in Account
- 3 182.3—Miscellaneous Deferred Debits. In the absence of the Commission's approval of this
- 4 Application, the Company would not incur the cost of Intervenor Funding Grants. Were such
- 5 costs incurred, however, they would be recorded in Account 930—Miscellaneous General
- 6 Expenses.

1

- WHEREFORE, PacifiCorp respectfully requests that in accordance with ORS
- 8 757.259(3), the Commission reauthorize the Company to record and defer, on an ongoing
- 9 basis and commencing as of July 1, 2008, Intervenor Funding Grants incurred by the
- 10 Company pursuant to the Intervenor Funding Agreement, as described in this Application.

DATED: May 21, 2008.

Michelle R. Mishoe

Legal Counsel Pacific Power

Counsel for PacifiCorp