

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 498 and AR 499

In the Matters of)	
)	
The Adoption of Temporary Rules to)	
Implement SB 408, Relating to Matching)	
Utility Taxes Paid with Taxes Collected,)	
(AR 498))	ORDER
)	
and)	
)	
The Adoption of Permanent Rules to)	
Implement SB 408 Relating to Matching)	
Utility Taxes Paid with Taxes Collected.)	
(AR 499))	

**DISPOSITION: PROPOSED BUDGETS AND COMMENTS DUE
NOVEMBER 10, 2005**

On October 24, 2003, the Industrial Customers of Northwest Utilities (ICNU) and the Northwest Industrial Gas Users (NWIGU) each filed a Notice of Intent to Request an Issue Fund Grant for one or both of the above identified rulemaking proceedings. ICNU and NWIGU filed the notices pursuant to OAR 860-017-0050 and the Intervenor Funding Agreement (IFA) approved in Order No. 03-388.

The IFA makes funds available to qualified intervenors to better enable them to advocate on behalf of broad customer interests in qualified proceedings before the Commission. Both ICNU and NWIGU have been prequalified as eligible to receive an Issue Fund Grant. *See* Orders No. 03-502 and 04-055. Moreover, the rulemaking proceeding is an “eligible proceeding” under Article 1(c) of the IFA. The IFA defines “eligible proceeding” as “any Commission proceeding that directly affects one or more of the Participating Public Utilities, including but not limited to rulemaking proceedings[.]”

Article 6.3 of the IFA requires precertified intervenors seeking an Issue Fund Grant to submit a proposed budget to the Commission. Such budgets shall be submitted by November 10, 2005. With their proposed budgets, we also ask ICNU and NWIGU to address the extent to which the groups are combining efforts and resources in their representation of apparently similar customer interests in the rulemaking proceeding. *See* Article 6.6.

Because this proceeding is unique in that it involves all three participating utilities subject to the IFA, we also request ICNU and NWIGU, as well as other interested persons, to address the following issues by November 10, 2005:

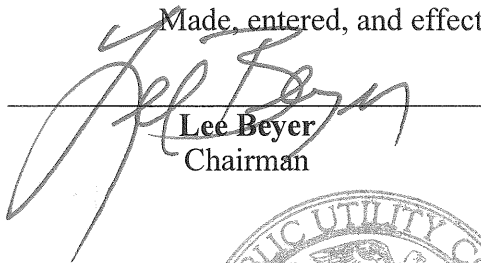
- The amount of available monies from these utilities' respective Issue Funds differs significantly. Given this fact, how should the Commission designate money from these funds to be paid to ICNU and NWIGU in this proceeding? We note that Article 7.7(a) requires the Commission to apportion payment among the affected utilities based on the relative gross revenue of the utilities, load, or other factors deemed relevant.
- Article 7.7 also requires the Commission to make a determination as to how the affected utilities should recover Intervenor Funding Grants from the various customer classes. In this proceeding, how should the Commission apply Article 7.7(b), which provides:

Issue Fund Grants used to advocate positions on behalf of a broad cross-section of customers may be assessed against all customers or multiple classes of customers, as determined by the Commission, so as to fairly align the costs of the advocacy with the intended potential beneficiaries of the advocacy, regardless of actual outcome of the case. The determination may result in a combination of both class-specific assessments and general assessment to all customer classes based on the expenses incurred for the benefit of various classes in a case, regardless of which intervenors incurred such expenses.

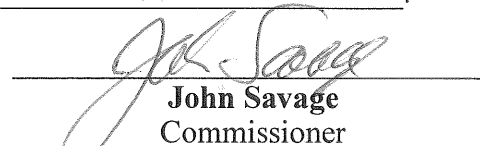
IT IS SO ORDERED.

NOV 04 2005

Made, entered, and effective _____



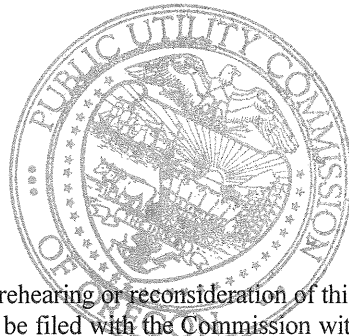
Lee Beyer
Chairman



John Savage
Commissioner



Ray Baum
Commissioner



A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order to a court pursuant to applicable law.