

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 180/ UE 181/ UE 184

In the Matters of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Request for a General Rate Revision,)
(UE 180))
)
Annual Adjustments to Schedule 125 (2007)
RVM Filing), (UE 181))
)
and)
)
Request for a General Rate Revision relating)
to the Port Westward plant. (UE 184)

ORDER

DISPOSITION: PROPOSED BUDGETS APPROVED

In these dockets, three parties, the Citizens’ Utility Board of Oregon (CUB) Industrial Customers of Northwest Utilities (ICNU), and the League of Oregon Cities (League) seek funding 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 CUB have been prequalified as eligible to receive an Issue Fund Grant. See Orders No. 03-502 and No. 04-055. The League became case-certified in Order No. 06-267. Moreover, this 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[.]”

Proposed Budgets

The IFA requires that precertified and case-certified intervenors must submit a proposed issue fund budget to the Commission that contains, at a minimum, the following information:

- 1) A statement of the work to be performed;
- 2) A description of the areas to be investigated;
- 3) A description of the particular customer class(es) that will benefit from the intervenor's participation;
- 4) Identification of the specific fund accounts from which the intervenor is seeking monies; and
- 5) A budget showing estimated attorney, consultant and expert witness fees, which may include the cost for appropriate support staff and operations support.

On May 30, 2006, ICNU, CUB, and the League each filed a proposed budget containing the required information. ICNU seeks \$100,000, CUB seeks \$95,000, and the League seeks \$14,025 to be funded by the Portland General Electric Issue Fund Account. Copies of the proposed budgets are attached as Appendices A, B, and C.

Commission Approval

Once a proposed budget is received, the Commission must decide whether Issue Fund Grants are available for use. We have the authority to accept, deny or partially deny the request, and may place reasonable conditions on the grant. We make these determinations based on the following factors:

- 1) Breadth and complexity of the issues;
- 2) Significance of policy issues;
- 3) Procedural schedule;
- 4) Dollar magnitude of the issues at stake;
- 5) Participation of other parties that adequately represent the interests of customers;
- 6) Amount of funds being provided by the applicant intervenor;
- 7) Qualifications and experience before the Commission;
- 8) Level of available funds; and
- 9) Other Eligible Proceedings in which intervenors may seek additional Issue Fund Grants from the same Fund account(s).

No party filed comments on any other party's proposed budget. All proposed budgets include the requisite information and reflect the current schedule adopted in this docket. Moreover, ICNU and CUB have agreed to split the costs of an expert witness in this proceeding, and have made other efforts to share resources. In light

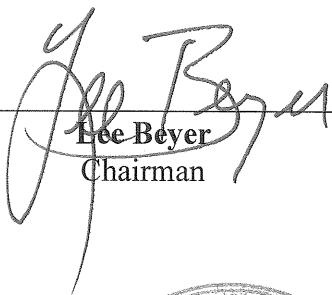
of the issues being addressed, the complexity of the issues and the significant policy decisions to be made, the CUB, ICNU and League proposed budgets should be approved.

ORDER


IT IS ORDERED that:

- 1) The Industrial Customers of Northwest Utilities' proposed budget for an Issue Fund Grant is granted. The budget is approved up to \$100,000.
- 2) The Citizen's Utility Board of Oregon's proposed budget for an Issue Fund Grant is granted. The budget is approved up to \$95,000.
- 3) The League of Oregon Cities' proposed budget for an Issue Fund Grant is granted. The budget is approved up to \$14,025.


Made, entered, and effective JUN 08 2006.



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 by filing a petition for review with the Court of Appeals in compliance with ORS 183.480-183.484.

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UE 180

In the Matter of)	
)	CUB Request for PGE Issue Fund
Portland General Electric,)	Grant & Proposed Budget
)	
Request for a General Rate Increase in the)	
Company's Oregon Annual Revenues.)	
_____)	

The Citizens' Utility Board of Oregon (CUB) requests a grant of \$95,000 from the PGE Issue Fund.

CUB is precertified as per OAR 860-012-0100(3)(a). UE 180 is an eligible proceeding under the Intervenor Funding Agreement, adopted by the Commission in Order No. 03-388 (July 2, 2003), because the proceeding directly affects PGE, a participating public utility. Agreement, 1(c). CUB filed its Notice of Intent to Request a PGE Issue Fund Grant concurrent with its Notice of Intervention on March 20, 2006, as required by the Intervenor Funding Agreement. Agreement 6.2.

Pursuant to paragraph 6.3 of the Intervenor Funding Agreement, the proposed budget must identify certain points of information. We provide the information below.

1) *Statement of Work to be Performed:* CUB intends to participate in every procedural aspect of this case. We participated in the pre-hearing conference. We will attend and participate in all or most workshops, hearings and settlement meetings. We will review and analyze opening

testimony, supplemental testimony, rebuttal testimony, surrebuttal testimony, and briefs filed by PGE as well as testimony, surrebuttal testimony, and briefs filed by other parties. We will pursue extensive discovery of PGE through data requests, and we will respond to data requests asked of us. We will file testimony, surrebuttal testimony and briefs. We will develop positions on many, if not most, major issues related to revenue requirement, marginal cost allocation, rate spread, and rate design.

2) *Description of Areas to be Investigated:* CUB intends to investigate many issues related to this application, including, but not limited to the following:

- A. The overall revenue requirement proposed by PGE, including the cost of capital, net power costs, taxes, and medical and pension costs.
- B. The proposed Power Cost Adjustment, its allocation of risks and its overall reasonableness.
- C. The costs and benefits associated with the Company's proposed AMR metering system.
- D. The prudence and cost projections for PGE's Port Westward power plant.
- E. The timing of the Company's Port Westward power plant, whether it is used and useful in the forecasted test year, and what impacts any delays in its construction might have on this rate case.
- G. The rate spread and rate design, including the value of inverted rates and price signals.

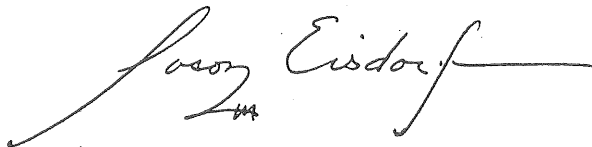
3) *Description of the Class or Classes Benefiting from CUB's Participation:* CUB represents the interests of PGE's residential customers, though other customer classes may benefit from many aspects of our participation.

4) *The Specific Fund from which CUB Seeks an Issue Fund Grant:* CUB is seeking an Issue Fund Grant from the PGE Issue Fund.

5) *The Budget Showing Estimated Fees and Costs:* CUB's budget is included as Attachment 1.

CUB's budget includes half the cost associated with a cost-of-capital expert witness that CUB intends to hire in conjunction with ICNU. CUB and ICNU intend to share the cost of this witness as envisioned in section 6.6 of the Intervenor Funding Agreement. The total budget is more than \$112,000; however, CUB is only requesting a grant of \$95,000. We believe that the PGE Issue Fund will accommodate this request, along with reasonable budgets for ICNU and the League of Cities. This request assumes a fully litigated case; settlement of some or all issues could reduce the ultimate request for reimbursement. CUB staff will keep track of its participation by hours and activity.

Dated this 30th day of May, 2006.
Respectfully submitted,



Jason Eisdorfer #92292
Attorney for Citizens' Utility Board of Oregon

Attachment 1**UE 180 Intervenor Funding Budget**

CUB Internal Expenses	Rate	Hours	Cost
<i>Staff:</i>			
Bob Jenks, Executive Director	\$115.00	275	\$31,625
Jason Eisdorfer, Attorney	\$150.00	250	\$37,500
Lowrey Brown, Utility Analyst	\$75.00	325	\$24,375
Shannon Floyd, Business and Projects Mgr	\$40.00	40	\$1,600

<i>Other Expenses:</i>			
Printing & Mailing			\$950
Travel			\$1,500

CUB Consultant Expenses	Rate	Hours	Cost
CUB Share of ROE Consultant			\$13,750

<i>Other Expenses:</i>			
Airfare			\$500
Airport Mileage			\$75
Lodging			\$300
Local Transportation			\$100
Per Diem			\$150
Shipping			\$150

Total **\$112,575**

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UE 180/UE 181/UE 184

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Request for a General Rate Revision)
(UE 180),)
_____)

PROPOSED BUDGET FOR ISSUE
FUND GRANT OF THE INDUSTRIAL
CUSTOMERS OF NORTHWEST
UTILITIES

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Annual Adjustments to Schedule 125 (2007)
RVM Filing) (UE 181),)
_____)

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY)
)
Request for a General Rate Revision relating)
to the Port Westward plant (UE 184).)
_____)

Pursuant to Section 6.3 of the Intervenor Funding Agreement (“IFA”) approved by the Public Utility Commission of Oregon (“OPUC” or the “Commission”) in Order No. 03-388 (July 2, 2003), the Industrial Customers of Northwest Utilities (“ICNU”) files this Proposed Budget in consolidated Docket Nos. UE 180/UE 181/UE 184 (“UE 180”) for an Issue Fund Grant in the amount of \$100,000. ICNU proposes that this grant be funded from the Portland General Electric Company (“PGE”) Issue Fund Account, which has approximately

\$211,920 available for funding PGE proceedings in 2006.^{1/} ICNU and the Citizens' Utility Board ("CUB") have agreed to jointly sponsor an expert witness to address cost of capital, capital structure, and return on equity ("ROE"). 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 180. The consolidated UE 180 docket seeks an overall rate increase of \$143,000,000, which includes the impacts of a general rate case, the 2007 RVM, and the addition of the Port Westward generating plant. 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 180 directly affects PGE, which falls under the definition of "Participating Public Utility" in Section 1(k) of the IFA. Therefore, UE 180 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 attend all clarifying sessions, workshops, settlement conferences, oral presentations, oral arguments, and hearings in UE 180. In addition, ICNU intends to conduct discovery and sponsor expert witness testimony, as well as prepare briefs as called for by the procedural schedule in this Docket.

^{1/} The PGE Issue Fund Account has a current balance of \$250,000; however, the Commission approved a proposed issue fund budget for CUB of \$38,080 in UM 1234. Order No. 06-049.

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

UE 180 is PGE's first general rate case in more than five years. In addition, issues related to the 2007 RVM and the addition of Port Westward have been consolidated with the rate case. As a result, UE 180 raises a multitude of complex issues that have substantial policy and economic implications. ICNU intends to investigate PGE's proposed production and non-production costs, as well as cost of capital, ROE, cost of service, rate spread, and rate design. In addition, there are several components of PGE's proposal that are unique and that will add to the complexity of this proceeding. These include issues concerning the prudence of Port Westward, a substantially revised Resource Valuation Mechanism ("RVM"), a new power adjustment mechanism, revisions to PGE's Direct Access program, PGE's new corporate structure without Enron, changes to the partial requirements tariff (Schedule 75), and the implementation of Senate Bill ("SB") 408.

(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 PGE. Significantly, PGE proposes to split the existing Schedule 83 large customer class and create a new large industrial rate schedule (Schedule 89). In addition, ICNU's investigation regarding many issues, including ROE, revenue requirement, income taxes, Port Westward, the RVM, and SB 408 implementation should benefit all of PGE's customers. ICNU has participated in all of PGE's rate cases and major proceedings for the last ten years. Thus, ICNU and its members possess significant interest and expertise with respect to issues regarding PGE'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 \$100,000. ICNU proposes that the grant amount be allocated from the PGE 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 are ICNU’s estimated attorney fees, consultant fees, and costs in UE 180. As noted on the proposed budget, ICNU’s requested issue fund grant of \$100,000 is less than half of ICNU’s expected costs of participating in UE 180. ICNU proposes to offer expert testimony from witnesses on the following topics:

Witness 1	Power costs, RVM, PGE’s proposed power cost variance mechanism, and inclusion of Port Westward in rates.
Witness 2	PGE’s proposed direct access tariffs, partial requirements tariff, and line loss study.
Witness 3	Cost of service, rate spread, and rate design issues.
Witness 4	SB 408 and revenue requirement issues.
Witness 5	Cost of capital, capital structure, and ROE.

In order to minimize costs, and in accordance with Section 6.6 of the IFA, ICNU and CUB are jointly sponsoring and sharing the costs associated with the fifth expert witness.

Basis for Request

ICNU respectfully requests that the Commission grant its request for this Issue Fund Grant in the amount of \$100,000 based on the following considerations:

1. In this Docket, PGE proposes to raise its rates by an average of 8.8% for large non-residential customers. As a result, UE 180 will have a significant and direct impact on

PGE's industrial customers. There are a multitude of unique issues to address, as listed below, that require intensive analysis, discussion, and resolution.

2. UE 180 is PGE's first general rate case since 2001. The filing requires parties to look at a vast range of issues and analyze many facets of PGE's proposed increase, including the Company's proposed cost of capital, capital structure, ROE, revenue requirement, cost of service, rate spread, and rate design. The amount and allocation of these costs require extensive discovery and analysis, especially since PGE is proposing a new methodology for rate spread and rate design, and the creation of a new industrial rate class.

3. The 2007 RVM proceeding, Docket No. UE 181, has been consolidated with this case. PGE is proposing a new power cost adjustment mechanism and a substantially revised RVM. ICNU intends to thoroughly review and file testimony on RVM and power costs as it has done in all previous RVM dockets (UE 149, UE 161, and UE 172).

4. The proceeding regarding Port Westward, Docket No. UE 184, also has been consolidated with this case. The proposed inclusion of Port Westward costs requires an investigation of whether the facility is a prudent investment.

5. PGE is proposing substantial revisions to the Direct Access program. ICNU has participated in the long process of developing a workable Direct Access methodology, which was required by Senate Bill 1149. There are still many issues to be resolved in order to create a viable competitive energy market, and implementing changes to PGE's Direct Access program is a key step in this process.

6. PGE is proposing substantial changes to its partial requirement tariff (Schedule 75). Several of ICNU's members may be affected by these proposed changes.

7. This case presents PGE's first rate case since the enactment of SB 408, which was passed to ensure that utilities only include taxes in rates that will actually be paid to units of government. The implementation of SB 408 will ensure that no phantom taxes will be included in rates.

8. PGE is no longer owned by Enron. This is a fundamental change in PGE's corporate structure, the impacts of which require analysis and consideration in this proceeding with regards to PGE's capital structure. In addition, ICNU intends to investigate whether PGE's proposed rate changes are consistent with the Stipulation adopted in Docket No. UM 1206.

9. ICNU represents the interests of industrial customers and has significant experience participating in Commission proceedings involving rate cases. ICNU's participation will benefit all PGE industrial customers. ICNU's sponsoring of witnesses on ROE, revenue requirement, SB 408, Port Westward, the RVM, and power costs will benefit all PGE ratepayers.

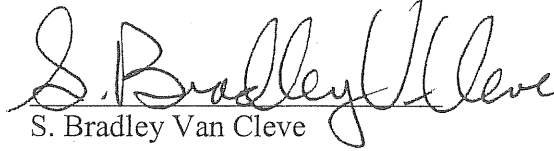
10. ICNU has been pre-certified under Section 5.1 of the IFA and OAR § 860-017-0050(3) as eligible to receive an Issue Fund Grant by Order No. 03-502, which was entered on August 21, 2003.

Therefore, ICNU respectfully requests that the Commission issue an order granting an Issue Fund Grant in the amount of \$100,000. ICNU prepared the attached budget on the basis of the schedule adopted in the prehearing conference report issued in this Docket on April 5, 2006. As stated above, ICNU expects that its actual costs of participating in this proceeding will greatly exceed the proposed issue fund grant.

Dated this 30th day of May, 2006.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.



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Of Attorneys for Industrial Customers
of Northwest Utilities

Exhibit A

Proposed Budget of ICNU

Exhibit AICNU Proposed Budget for Issue Fund Grant

<u>Category</u>	<u>Personnel</u>	<u>Hours</u>	<u>Rate</u>	<u>Cost</u>
<i>Discovery</i>	Sr. Attorney	30	195.00	5,850.00
Draft data requests, respond to data requests, organize discovery, review discovery responses, discovery disputes, depositions	Assoc. Attorney	40	145.00	5,800.00
	Law Clerk/Paralegal	90	95.00	8,550.00
<i>Case Preparation</i>	Sr. Attorney	60	195.00	11,700.00
Review filings and testimony, legal research, develop case strategy, prepare testimony, communications with expert witnesses, prepare issue statements	Assoc. Attorney	100	145.00	14,500.00
	Law Clerk/Paralegal	60	95.00	5,700.00
<i>Procedural Matters</i>	Sr. Attorney	20	195.00	3,900.00
Draft and review pleadings, hearings regarding procedural issues	Assoc. Attorney	25	145.00	3,625.00
<i>Settlement</i>	Sr. Attorney	90	195.00	17,550.00
Prepare for and attend settlement meetings, draft settlement documents	Assoc. Attorney	50	145.00	7,250.00
<i>Communication</i>	Sr. Attorney	15	195.00	2,925.00
Meetings and communications with clients and third parties	Assoc. Attorney	15	145.00	2,175.00
<i>Hearings/Workshops</i>	Sr. Attorney	60	195.00	11,700.00
Preparation and attendance at hearings, workshops and other Commission sponsored meetings	Assoc. Attorney	75	145.00	10,875.00
	Law Clerk/Paralegal	30	95.00	2,850.00
<i>Briefing/Oral Argument</i>	Sr. Attorney	60	195.00	11,700.00
Prepare for and attend oral argument, draft briefs, legal research related to briefs	Assoc. Attorney	90	145.00	13,050.00
	Law Clerk/Paralegal	25	95.00	2,375.00
	Total Hours	935	Sub-Total	142,075.00

Expert Witness Fees

Witness 1 (power costs, RVM, PCA, Port Westward)	35,000.00
Witness 2 (direct access, partial requirements tariff, line loss study)	25,000.00
Witness 3 (cost of service, rate spread, rate design)	30,000.00
Witness 4 (SB 408, revenue requirement)	28,000.00
Witness 5* (cost of capital, capital structure, ROE)	13,750.00
	Sub-Total 131,750.00

* ICNU's 50% Share

Expenses

Travel Expenses (Mileage)	500.00
Consultant Travel Expenses	2,500.00
Printing and Reproduction	3,800.00
Transcripts	500.00
Telephone, Postage and Delivery Charges	1,500.00
	Sub-Total 8,800.00

Grand Total 282,625.00 *

ICNU PGE Issue Fund Grant Proposed Budget: \$100,000

* As ICNU conducts discovery, additional issues are likely to arise. ICNU expects to spend well over \$300,000 on these consolidated proceedings.

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UE 180 / UE 181 / UE 184

In the Matter of
PORTLAND GENERAL ELECTRIC
COMPANY
Request for a General Rate Revision (UE 180),

In the Matter of
PORTLAND GENERAL ELECTRIC
COMPANY
Annual Adjustments to Schedule 125 (2007
RVM Filing) (UE 181),

In the Matter of
PORTLAND GENERAL ELECTRIC
COMPANY
Request for a General Rate Revision relating to
the Port Westward plant (UE 184).

LEAGUE OF OREGON CITIES'
PROPOSED BUDGET FOR
AN ISSUE FUND GRANT

Pursuant to Section 6.3 of the Intervenor Funding Agreement (“IFA”),¹ the League of Oregon Cities (the “League”) hereby submits a proposed budget for an Issue Fund Grant to be used in connection with the League’s participation in the consolidated proceedings docketed as UE 180, UE 181 and UE 184 captioned above (collectively, “UE 180”). As set forth herein, the League requests an Issue Fund Grant in the amount of \$14,025.00. Along with an equal amount of its own monies budgeted for participation in UE 180, the League intends to use these requested grant funds to actively represent the collective interests of a broad group or class of retail customers comprised of all fifty two (52) cities served by Portland General Electric (“PGE”). These cities provide a wide variety of services

¹ The IFA was approved by the Oregon Public Utility Commission (“Commission”) in Order No. 03-388 (July 2, 2003).

and otherwise consume energy in a manner that causes them to take service under a number of schedules PGE seeks to revise in these proceedings. The League's active representation and advocacy on behalf of all municipalities served by PGE will afford them a better understanding of how PGE's proposed rate increases could impact the cost and quality of the service they receive.

In addition to the direct benefits to be had by the broad range of cities served by PGE, the League believes its representation should also benefit a number of other classes of customers with similar usage patterns. Other customers likely to benefit from the League's active representation include, for example: (1) general small business and medium to large commercial consumers; (2) consumers purchasing energy for outdoor lighting, street lighting, traffic signals and recreational facilities; and, (3) customers purchasing energy for use in water supply, wastewater treatment and other activities involving water pumping.

The following information is provided in accordance with Section 6.3 of the IFA:

(1) **Statement of the work to be performed by the League for which the League is seeking the Issue Fund Grant:**

The League intends to participate in every aspect of UE 180 that could have a substantive impact on the issues the League intends to address. The League anticipates that its participation will involve activities such as: (a) having representatives attend clarifying sessions, workshops, settlement conferences, oral presentations and discovery related hearings; (b) conducting discovery, sponsoring expert witness testimony (either independently or jointly with other parties); and, (c) preparing briefs and participating in hearings and oral arguments if needed. Conversely, the League will also be reviewing testimony, briefs and other materials filed or otherwise offered by PGE and other parties.

(2) **Description of the areas to be investigated by the League.**

PGE's application in UE 180 raises a number of issues that the League believes warrant further investigation. In representing the interests of its member cities, the League intends to investigate the following:

A. *Outdoor Lighting Service.* PGE's proposes to increase the rates charged for outdoor lighting, street lighting, traffic signals and recreational facility lighting by 6 – 24% (averaging 12.5%). The League intends to investigate the bases for PGE's proposal and suggest methods to mitigate or reduce this increase. In addition, the League proposes to investigate other terms and conditions of service being proposed by PGE in connection with service to these facilities.

B. *Direct Access Issues for Small Nonresidential and smaller Large Nonresidential consumers.* PGE proposes to divide the existing Schedule 83 customer class into smaller subsets that will be eligible for differing rates, terms and conditions for direct access service. The League intends to analyze PGE's proposal and assess its impact on select representative cities energy costs. In addition, the League intends to investigate PGE's proposal to expand the direct access election windows for some but not all of existing Schedule 83 consumers.

C. *General Impact on Municipal Energy Costs and Risks.* As part of its participation in this proceeding, the League intends to update previous work it has done in connection with assessing the practical application of PGE's proposed rate increase on a sample of cities served by PGE. The League believes that its assessment will provide insight into the impact PGE's proposal will likely have on customers who's usage spans multiple rate schedules.

D. *Issues Potentially Impacting Service Restoration and other Public Service Commitments.* PGE currently has in place a number of policies and procedures related to the manner in which it

restores service following weather-related or other events causing service interruptions. The League intends to investigate the staff reductions and similar components that are a part of PGE's proposal in order to ensure that PGE can continue to maintain its existing public service commitments.

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

The League's participation will directly benefit the fifty two (52) cities that receive retail service from PGE. The League has participated in previous PGE rate cases and proceedings and has retained experienced legal counsel and expert witnesses so that it will be able to provide thorough and capable analyses and representation. In addition to the large group of cities that will directly benefit, the League's efforts will also benefit members of other customer classes (listed above in the introductory portion of this submittal) whose usage patterns are similar to those of the cities.

(4) **Identification of the specific Fund account from which the League is seeking the Issue Fund Grant:**

The League seeks an Issue Fund Grant in the amount of \$14,025.00 to be allocated from the PGE 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 the League's estimate of its attorney and consultant fees for UE 180. The proposed budget amount of \$14,025.00 is only one half of the League's anticipated total budget and was developed in anticipation of a proceeding that does not settle but instead proceeds through briefing and to a final order. The League developed this budget based upon the estimates of potential consultants and expert witnesses it contacted regarding this proceeding and the experience of the

League's counsel in providing legal representation in similar proceedings.

Therefore, the League respectfully requests that the Commission issue an order granting an Issue Fund Grant from the PGE Issue Fund in the amount of \$14,025.00.

Dated this 30th day of May, 2006.

Respectfully submitted,



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Portland, Oregon 97201
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email: jimdeason@comcast.net

Attorney for the League of Oregon Cities

Exhibit A:
League of Oregon Cities' Proposed Budget

<u>Activity</u>		<u>Hours</u>	<u>Rate</u>	<u>Cost</u>
<i>Case Preparation</i>				
Review filings and testimony, legal research, develop case strategy, prepare testimony, communications with expert witnesses, prepare issue statements	Sr. Attorney	30	190.00	5,700.00
<i>Discovery and Case Processing</i>				
Prepare draft data requests; respond to data requests; review discovery responses and resolve discovery disputes; take and/or defend depositions; draft and review procedure and discovery related pleadings; attend hearings regarding procedural and discovery issues; attend meetings and communications with clients and third parties	Sr. Attorney	25	190.00	4,750.00
<i>Settlement Discussions; Hearings; Workshops</i>				
Preparation for and attendance at settlement meetings; review and respond to settlement proposals; prepare for and attend workshops and Commission-sponsored hearings and meetings	Sr. Attorney	15	190.00	2,850.00
<i>Post-Hearing Briefing/Oral Argument</i>				
Prepare for and attend oral argument, draft briefs, legal research related to briefs	Sr. Attorney	25	190.00	4,750.00
	Total Hours	95	Sub-Total	18,050.00
<i>Expert Witness Fees</i>				
LOC Witness (direct access, street lighting, franchise fee)				10,000.00
			Sub-Total	10,000.00
<u>Expenses</u>				
Travel Expenses (Mileage for both Attorney and Consultant)				200.00
Printing and Reproduction				100.00
			Sub-Total	300.00
LOC Total Budget				\$28,050.00
LOC Issue Fund Grant Request (50% of total budget)				\$14,025.00