ENTERED 09/14/06 BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

AR 499

In the Matter of the)	
)	ORDER
Adoption of Permanent Rules to Implement)	
SB 408 Relating to Utility Taxes.)	

DISPOSITION: ISSUE FUND GRANT REQUEST APPROVED

On August 18, 2006, the Northwest Industrial Gas Users (NWIGU) filed a Request for Payment of Northwest Natural's Issue Fund Grant with the Public Utility Commission of Oregon (Commission). Article 7.3 of the Intervenor Funding Agreement (IFA), which the Commission adopted in Order No. 03-388, governs the procedures for payment of Issue Fund Grants. To be eligible to receive intervenor funding under the agreement, an intervenor must become either precertified under Article 5.2 of the agreement or case-certified under Article 5.3. NWIGU became precertified in Order No. 04-055.

On October 24, 2005, NWIGU filed a Notice of Intent to Request an Issue Fund Grant, and on November 10, 2005, NWIGU filed a proposed budget in the amount of \$19,630. The Commission approved NWIGU's proposed budget in Order No. 05-1224.

NWIGU asks for \$19,630 from the Northwest Natural Issue Fund. Under Article 7.3 of the IFA, the Request for Payment must:

- 1) Itemize the expenses, payees, and hourly rates of amount to be reimbursed;
- Demonstrate that the expenses are reasonable and are directly attributable to issues and positions pursued on behalf of a particular customer class and consistent with the intervenor's proposed budget; and
- 3) Provide information sufficient to show that the intervenor has complied with any conditions imposed on the Issue Fund Grant.

We find that NWIGU has met the requirements of the IFA, and its request should be approved. Section 7.2 of the IFA provides that the utility shall pay the Issue Fund Grant to the requesting intervenor within 30 days after receipt of Commission directive. The IFA also provides that the Commission shall make a determination in each proceeding as to how the participating utilities are to recover the funding grants from the various customer classes. Pursuant to Section 7.7(b), Issue Fund Grants should be allocated so as to fairly align the costs of the advocacy with the intended potential beneficiaries of the advocacy. We have considered the intended beneficiaries, and find that the issue fund expenditures should be allocated to Northwest Natural's industrial customers. Pursuant to Article 7.2 of the Agreement, Northwest Natural shall pay the Issue Fund Grant to NWIGU within 30 days after receipt of this order.

ORDER

IT IS ORDERED that:

- 1. Northwest Industrial Gas Users has met the requirements of the Intervenor Funding Agreement, and its request is approved.
- 2. Northwest Natural shall pay \$19,630 from the Northwest Natural Issue Fund to Northwest Industrial Gas Users within 30 days after receipt of this Order, and the grant shall be assessed to Northwest Natural's industrial customers.

SEP 1 4 2006

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