

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

AR 499

In the Matter of	)	
	)	ORDER
The Adoption of Permanent Rules to	)	
Implement SB 408, Relating to Matching	)	
Utility Taxes Paid with Taxes Collected.	)	

**DISPOSITION: ISSUE FUND GRANT REQUEST APPROVED**

On October 2, 2006, the Industrial Customers of Northwest Utilities (ICNU) 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. ICNU became precertified in Order No. 03-502.

On October 21, 2005, ICNU filed a Notice of Intent to Request an Issue Fund Grant. On November 11, 2005, ICNU filed a proposed budget in the amount of \$36,050, to be split evenly between the PacifiCorp Issue Fund Account and the Portland General Electric Company (PGE) Issue Fund Account. However, because of the lack of funds in the PacifiCorp account, ICNU stated that it would bear the PacifiCorp half of the amount and would only seek to recover the half of the budget that is allocated to PGE’s account. The Commission approved ICNU’s proposed budget in Order No. 05-1224.

ICNU asks for \$18,025 from the PGE Issue Fund. Under Article 7.3 of the IFA, the Request for Payment must:

- 1) Itemize the expenses, payees, and hourly rates of amounts to be reimbursed;
- 2) 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 ICNU 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 the Commission directive.

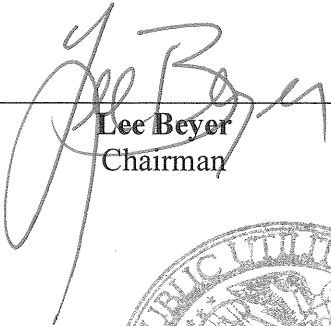
The IFA also provides that the Commission shall make a determination in each proceeding as to how the participating utilities are to recover the funding grants from the various customer classes. Pursuant to Section 7.7(b), Issue Fund Grants should be allocated so as to fairly align the costs of the advocacy 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 PGE's industrial customers. Pursuant to Article 7.2 of the Agreement, PGE shall pay the Issue Fund Grant to ICNU within 30 days after receipt of this order.

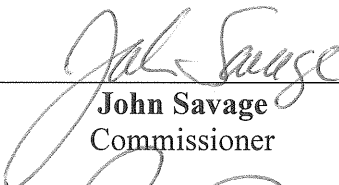
**ORDER**


IT IS ORDERED that:

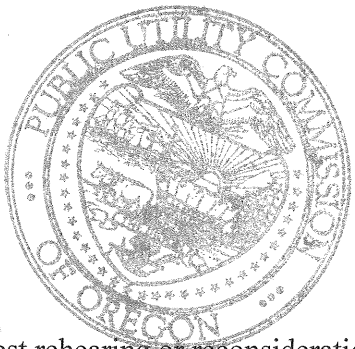
1. The Industrial Customers of Northwest Utilities has met the requirements of the Intervenor Funding Agreement, and its request is approved.
2. The Portland General Electric Company shall pay \$18,025 from the Portland General Electric Company Issue Fund to the Industrial Customers of Northwest Utilities within 30 days after receipt of this Order, and the grant shall be assessed to the Portland General Electric Company's industrial customers.

Made, entered, and effective OCT 09 2006.

  
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**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.