

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1286

In the Matter of)	
)	
THE PUBLIC UTILITY COMMISSION OF)	ORDER
OREGON)	
)	
Investigation into the Purchased Gas)	
Adjustment (PGA) Mechanism Used by)	
Oregon's Three Local Distribution)	
Companies.)	

DISPOSITION: PROPOSED BUDGETS APPROVED

The Northwest Industrial Gas Users (NWIGU) and the Citizens' Utility Board of Oregon (CUB) each filed a Notice of Intent to Request an Issue Fund Grant and Proposed Budget for the above identified proceeding. Notices were filed 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 NWIGU and CUB have been prequalified as eligible to receive an Issue Fund Grant. See Orders No. 03-502 and 04-055. 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.

NWIGU and CUB each filed a proposed budget containing the required information for a grant from the Northwest Natural Issue Fund Account. NWIGU seeks \$10,725; CUB seeks \$41,630.

Commission Approval

Once the 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. In light of the issues being addressed, the complexity of the issues and the significant policy decisions to be made, proposed budgets filed by NWIGU and CUB should be approved.

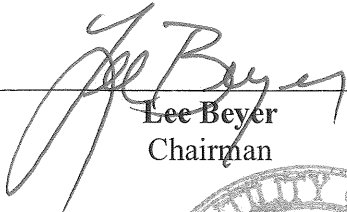
ORDER

IT IS ORDERED that:

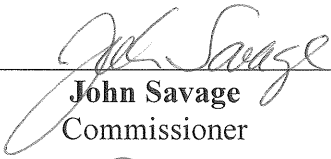
- 1) The Northwest Industrial Gas Users' proposed budget for an Issue Fund Grant is granted. The budget is approved up to \$10,725

- 2) The Citizen's Utility Board of Oregon's proposed budget for an Issue Fund Grant is granted. The budget is approved up to \$41,630.

Made, entered, and effective FEB 27 2007.



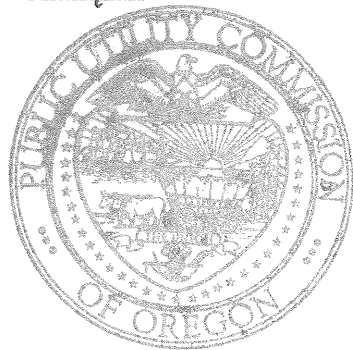
Lee Beyer
Chairman



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.