

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1286

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

DISPOSITION: ISSUE FUND GRANT REQUEST APPROVED

On August 2, 2007, the Citizens' Utility of Oregon (CUB) filed a Request for Partial Payment of NW Natural Gas Company, dba NW Natural (NW Natural) Issue Fund Grant with the Public Utility Commission of Oregon (Commission). Section 7.3 of the Intervenor Funding Agreement (Agreement), which the Commission adopted in Order No. 03-388, governs the procedures for payment of Issue Fund Grants.

On January 25, 2007, CUB submitted a proposed budget of \$41,630, assuming a fully litigated case. The Commission approved CUB's proposed budget in Order No. 07-068.

CUB now seeks payment of costs incurred through June 30, 2007, amounting to \$6,157.75. Under Section 7.3 of the Agreement, the Request for Payment must:

- 1) Itemize the expenses, payees and hourly rates of amount 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.

The Agreement 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.

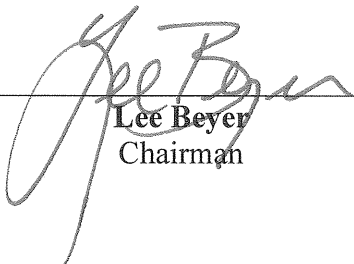
We find that CUB has met the requirements of the Agreement, and its request should be approved. We have considered the intended beneficiaries, and find that the issue fund expenditures should be allocated to PGE's residential customers. Section 7.2 of the Agreement provides that the utility shall pay the Issue Fund Grant to the requesting intervenor within 30 days after receipt of Commission directive.

ORDER

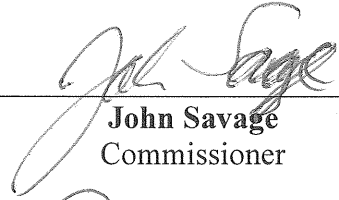
IT IS ORDERED that:

1. The Citizens' Utility Board of Oregon has met the requirements of the Intervenor Funding Agreement, and its request is approved.
2. NW Natural Gas Company shall pay \$6,157.75 from the NW Natural Issue Fund to the Citizens' Utility Board of Oregon within 30 days after receipt of this Order, and the grant shall be assessed to PGE's residential customers.

Made, entered, and effective AUG 08 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.