

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 177

In the Matter of)	
)	
OREGON PUBLIC UTILITY STAFF)	ORDER
)	
Requesting the Commission direct)	
)	
PACIFICORP dba PACIFIC POWER)	
)	
to file tariffs establishing automatic)	
adjustment clauses under the terms of)	
SB 408.)	

**DISPOSITION: PROPOSED BUDGET FOR ISSUE FUND
GRANT APPROVED AS MODIFIED**

On December 5, 2007, the Industrial Customers of Northwest Utilities (ICNU) filed a proposed budget for an Issue Fund Grant in this proceeding. ICNU's proposed budget is in the amount of \$26,000. In its request, ICNU requested a \$52,000 grant to be split evenly between the PacifiCorp Issue Fund Account and the Portland General Electric Company (PGE) Issue Fund Account for expenses incurred in its participation in dockets UE 177 and UE 178. ICNU clarified for the Commission and for PGE that its request was for \$26,000 from each of the issue fund accounts and that ICNU will not charge PGE for any expenses incurred from ICNU's participation in UE 177. Furthermore, ICNU states that it expects to spend a significantly higher amount in the case than its proposed budget shows, but that it is voluntarily limiting its request.

The Intervenor Funding Agreement (IFA), approved by the Commission in Order No. 03-388, provides that precertified 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.

Once a proposed budget is received, we decide whether Issue Fund Grants are available for use based on factors identified in the agreement. We have the authority to accept, deny or partially deny the request, and may place reasonable conditions on the grant.

ICNU became precertified on August 21, 2003, in Order No. 03-502. ICNU's proposed budget includes the requisite information and reflects the current schedule adopted in this docket.

When considering the approval of a proposed budget, the Commission considers, among other factors, the amount of funds being provided by the applicant intervenor, the level of available funds in the Fund account involved, and other eligible proceedings in which intervenors may seek additional Issue Fund Grants from the same Fund account or account. *See* Section 6.5. The IFA further provides that the Commission may place reasonable conditions on the Issue Fund Grants. *Id.*

ICNU states that it will bear the costs of its participation to the extent that its costs exceed the \$26,000 amount requested. ICNU also notes that there are limited funds remaining in the PGE and PacifiCorp accounts, that the current IFA expires on December 31, 2007, and that it is proposing this budget based on the assumption that additional funds will be available under a new IFA, during whose term most of the expenses will be incurred. ICNU further states that it is prepared to file a revised budget under the terms of the new IFA at the Commission's request.

Under the terms of the IFA due to expire on December 31, 2007, there are no provisions for advances from the Issue Fund Accounts. ICNU's requested budget exceeds the amount available in the PacifiCorp Issue Fund. On December 19, 2007, the Commission issued Order No. 07-564 approving a new IFA.

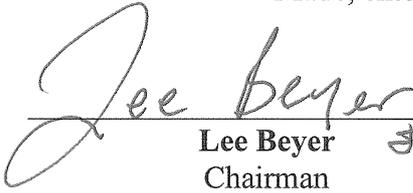
In light of the issues being addressed, the complexity of the issues and the significant policy decisions to be made, we believe that ICNU's proposed budget is reasonable. However, given consideration of the factors above, we find it necessary to grant ICNU's proposed budget with modifications. A proposed budget of \$18,200 under the IFA to expire on December 31, 2007, should be approved, and ICNU should file a proposed budget for \$7,800 under the terms of the IFA approved by Order No. 07-564.

ORDER

IT IS ORDERED that:

1. The Industrial Customers of Northwest Utilities' proposed budget for an Issue Fund Grant is granted as modified. The budget is approved up to \$18,200.
2. The Industrial Customers of Northwest Utilities file a revised budget under the terms of the Intervenor Funding Agreement approved in Order No. 07-564.

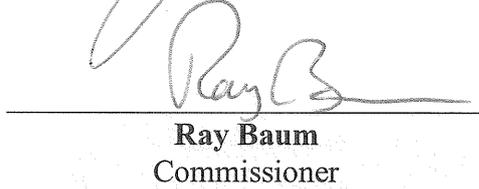
Made, entered, and effective DEC 20 2007.



Lee Beyer *JB*
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.