

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 177, UE 207 and UE 210

In the Matters of

PACIFICORP, dba PACIFIC POWER
SB 408 Tax Report for Calendar Year 2007
(UE 177),

PACIFICORP, dba PACIFIC POWER
2010 Transition Adjustment Mechanism
(UE 207), and

PACIFICORP, dba PACIFIC POWER
Request for a General Rate Revision
(UE 210).

ORDER

**DISPOSITION: PROPOSED BUDGETS FOR ISSUE FUND
GRANTS APPROVED IN PART**

Recently, precertified intervenors filed proposed budgets for Issue Fund Grants from the PacifiCorp, dba Pacific Power (Pacific Power) Issue Fund in the above captioned dockets. These proposed budgets are those filed by the Industrial Customers of Northwest Utilities (ICNU) in UE 177, UE 207, and UE 210; by the Citizens' Utility Board of Oregon (CUB) in UE 207 and UE 210; and by the Klamath Water Users Association (KWUA) in UE 210. In this consolidated order, we grant all proposed budgets in part.

Intervenor Funding

The First Amended and Restated Intervenor Funding Agreement (IFA), approved by the Commission in Order No. 07-564, 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 an estimate of the amount of available funds in that account;
- 5) A budget showing estimated attorney, consultant and expert witness fees, which may include the cost for appropriate support staff and operations support; and
- 6) A representation that the intervenor will use matching funds in the form of either in-house resources or outside funding to account for or pay at least 20 percent of the eligible expenses for which the intervenor is seeking an Issue Fund Grant.

CUB was automatically precertified to receive Issue Fund Grants under Section 5.2(a) of the IFA and OAR 860-012-0100(3)(a). ICNU became precertified on August 21, 2003, in Order No. 03-502. KWUA became case-certified for docket UE 210 on May 14, 2009, in Order No. 09-173. All of the proposed budgets filed by ICNU, CUB and KWUA include the requisite information and reflect the current schedule adopted in these dockets.

Proposed Budgets

On April 21, 2009, the ICNU filed in UE 177 a proposed budget seeking an Issue Fund Grant in the amount of \$10,500. On May 15, 2009, CUB filed in UE 207 a proposed budget seeking an Issue Fund Grant in the amount of \$15,136. Also on May 15, 2009, ICNU filed in UE 207 a proposed budget seeking an Issue Fund Grant in the amount of \$60,780. On May 22, 2009, ICNU filed in UE 210 a proposed budget seeking an Issue Fund Grant in the amount of \$89,720. On June 1, 2009, in UE 210, KWUA filed in UE 210 a proposed budget seeking an Issue Fund Grant in the amount of \$40,000. The total amount available in the Pacific Power Issue Fund on April 21, 2009, was \$208,440.¹ The above-listed requests for Issue Fund Grants total \$216,136, exceeding the amount available by more than \$7,000. At this point, CUB had not yet submitted its request for an Issue Fund Grant in UE 210 although it had filed a notice of intent to do so.

The Commission contacted the intervenors concerning their proposed budgets and requested that the intervenors in UE 207 and UE 210 coordinate their requests. The intervenors met informally and subsequently submitted revised proposed budgets and issue fund grant requests for dockets UE 207 and UE 210. On June 11, 2009, ICNU filed revised proposed budgets requesting a \$35,256 issue fund grant in UE 207 and a \$72,244 issue fund grant in UE 210. Also on June 11, CUB filed a revised proposed budget for UE 207 requesting a \$10,136 issue fund grant. CUB also filed its proposed budget and issue fund

¹ The maximum available Issue Funds for any given year does not exceed \$250,000 and depends on the amount of unused issue funds rolled over from the previous year. According to the IFA, a maximum of \$125,000 can rollover. The Commission previously approved Issue Fund Grants from the 2009 Pacific Power Issues Fund in the amounts of \$7,550 and \$34,010 for ICNU's participation in other dockets.

grant request in the amount of \$61,000 for UE 210. On June 12, 2009, KWUA filed a revised proposed budget requesting a \$28,000 issue fund grant for UE 210. Despite the coordinated efforts of the intervenors, the above-listed requests (still pending unrevised, revised and new requests) total \$217,136, which still exceeds the \$208,440 available in the Pacific Power Issue Fund.

Commission Resolution

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

In light of the issues being addressed, the complexity of the issues and the significant policy decisions to be made, we believe that the proposed budgets presented for consideration may be reasonable; however, the total of the requested amounts exceeds the amount available in the Pacific Power Issue Fund. Therefore, the Commission partially denies each of the Issue Fund Grant Requests at issue in this order. In doing so, the Commission is granting each intervenor a portion of the available Issue Funds as set forth below.

ICNU's UE 210 revised proposed budget and Issue Fund Grant request are approved in part. The Commission grants ICNU a \$71,114 Issue Fund Grant for UE 210. ICNU's UE 207 revised proposed budget and Issue Fund Grant request are approved in part. The Commission grants ICNU a \$33,516 Issue Fund Grant for UE 207. ICNU's UE 177 proposed budget and Issue Fund Grant request are approved in part. The Commission grants ICNU an \$8,674 Issue Fund Grant for UE 177.

CUB's UE 210 proposed budget and Issue Fund Grant request are approved in part. The Commission grants CUB a \$59,870 Issue Fund Grant for UE 210. CUB's UE 207 revised proposed budget and Issue Fund Grant request are approved in part. The Commission grants CUB an \$8,396 Issue Fund Grant for UE 207.

KWUA's UE 210 proposed budget and Issue Fund Grant request are approved in part. The Commission grants KWUA a \$26,870 Issue Fund Grant.

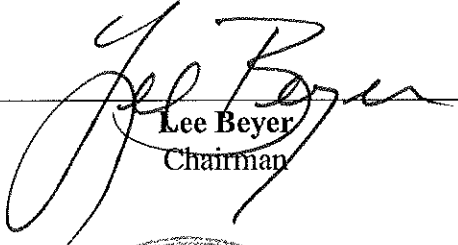
Granting these Issue Fund Grants requests depletes the Pacific Power 2009 Issue Fund. The Commission is concerned by this, given that we are not even half way through 2009. It also concerns the Commission that during the processing of these requests, it became evident that contrary to the provisions of Section 6.6 of the IFA, precertified and case-certified intervenors are not making all reasonable efforts to coordinate with one another and combine their efforts and resources in a case prior to submitting their proposed budgets. The Commission further notes that while ICNU's requests for Issue Fund Grants account for over half of the grants requested from the Pacific Power Issue Fund, ICNU has not yet requested any of the Matching Funds available to it.

ORDER

IT IS ORDERED that:

1. The Industrial Customers of Northwest Utilities', the Citizens' Utility Board of Oregon's and the Klamath Water Users Association's proposed budgets for an Issue Fund Grants for docket UE 210 are approved in part.
2. In docket UE 210, an Issue Fund Grant is approved up to \$71,114 for the Industrial Customers of Northwest Utilities; an Issue Fund Grant is approved up to \$59,870 for the Citizens' Utility Board of Oregon, and an Issue Fund Grant is approved up to \$26,870 for the Klamath Water Users Association.
3. The Industrial Customers of Northwest Utilities' and the Citizens' Utility Board of Oregon's proposed budgets for an Issue Fund Grants for docket UE 207 are approved in part.
4. In docket UE 207, an Issue Fund Grant is approved up to \$33,516 for the Industrial Customers of Northwest Utilities; and an Issue Fund Grant is approved up to \$8,396 for the Citizens' Utility Board of Oregon.
5. The Industrial Customers of Northwest Utilities' proposed budget for an Issue Fund Grants for docket UE 177 is approved in part.
6. In docket UE 177, an Issue Fund Grant is approved up to \$8,674 for the Industrial Customers of Northwest Utilities.

Made, entered, and effective JUN 18 2009.



Lee Beyer
Chairman



John Savage
Commissioner



Ray Baum
Commissioner

