

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1415

In the Matter of

THE PUBLIC UTILITY COMMISSION
OF OREGON

ORDER

Staff Investigation into Cost Methods for
Use in Developing Electric Rate Spreads.

DISPOSITION: ISSUE FUND GRANT REQUEST APPROVED

On November 25, 2009, the Industrial Customers of Northwest Utilities (ICNU) filed a Request for Partial Payment from the PacifiCorp dba Pacific Power (Pacific Power) and the Portland General Electric Company (PGE) Issue Fund Grants with the Public Utility Commission of Oregon (Commission). Section 7.3 of the First Amended and Restated Intervenor Funding Agreement (Agreement), adopted by the Commission in Order No. 07-564, governs the procedures for payment of Issue Fund Grants. ICNU was precertified to receive Issue Fund Grants on August 21, 2003, in Order No. 03-502.

ICNU asks for a progress payment of \$7,950.22 from the Pacific Power Issue Fund and for a progress payment of \$7,950.22 from the PGE Issue Fund. ICNU's payment request totals \$15,900.44. Under 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;
- 3) Provide information sufficient to show that the intervenor has complied with any conditions imposed on the Issue Fund Grant; and
- 4) Specify whether the request for payment is for a progress payment or a final payment and indicate whether any approved budget amount may be released back to the applicable Issue Fund.

Further, under the terms of the Agreement, ICNU must establish that it has "used in-house resources or outside funding for at least 20% of the Eligible Expenses for an Eligible Proceeding." Agreement at 15. ICNU provided the required documentation in its request.

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. Agreement at 23. We have considered the intended beneficiaries, and find that the issue fund expenditures should be allocated to the industrial customers of Pacific Power and PGE.

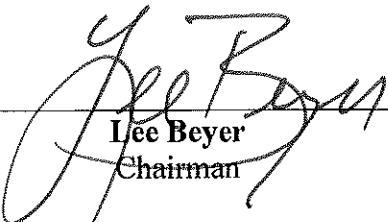
We find that ICNU has met the requirements of the Agreement, and its request should be approved. Section 7.8 of the Agreement provides that the utility shall pay the Issue Fund Grant to the requesting intervenor within 30 days after receipt of Commission directive.

ORDER

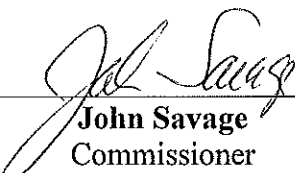
IT IS ORDERED that:

1. The Industrial Customers of Northwest Utilities has met the requirements of the First Amended and Restated Intervenor Funding Agreement, and its request is approved.
2. PacifiCorp dba Pacific Power shall pay \$7,950.22 from the Pacific Power Issue Fund to the Industrial Customers of Northwest Utilities within 30 days after receipt of this Order, and the grant shall be assessed to Pacific Power's industrial customers.
3. Portland General Electric Company shall pay \$7,950.22 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 Portland General Electric Company's industrial customers.

Made, entered, and effective DEC 03 2009.



Lee Beyer
Chairman



John Savage
Commissioner



Ray Baum
Commissioner

