

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 219

In the Matter of

PACIFICORP, dba PACIFIC POWER

Application to Implement the Provisions of
Senate Bill 76.

ORDER

**DISPOSITION: PROPOSED BUDGET FOR ISSUE FUND GRANT AND
ISSUE FUND GRANT REQUEST APPROVED**

On September 7, 2010, the Industrial Customers of Northwest Utilities (ICNU) filed a proposed budget for and request for payment of an Issue Fund Grant in this proceeding. ICNU's proposed budget shows eligible expenses in the amount of \$56,000; ICNU seeks an Issue Fund Grant in the amount of \$19,003.14; and ICNU asks for a final payment of \$19,003.14 from the PacifiCorp, dba Pacific Power (Pacific Power) Issue Fund.

The First Amended and Restated Intervenor Funding Agreement (Agreement), 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.

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. 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 and should be approved.

Section 7.3 of the Agreement, adopted by the Commission in Order No. 07-564, governs the procedures for payment of Issue Fund Grants.

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 percent 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 Pacific Power's industrial customers.

We find that ICNU has met the requirements of the Agreement, and its payment 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

ORDER NO 10-362


IT IS ORDERED that:

1. The Industrial Customers of Northwest Utilities' proposed budget for an Issue Fund Grant is approved; and an Issue Fund Grant is approved up to \$19,003.14.
2. The Industrial Customers of Northwest Utilities has met the requirements of the First Amended and Restated Intervenor Funding Agreement, and its payment request is approved.
3. PacifiCorp, dba Pacific Power shall pay \$19,003.14 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.


Made, entered, and effective SEP 16 2010.



Ray Baum
Chairman



John Savage
Commissioner



Susan K. Ackerman
Commissioner

