

ORDER NO. 11 185
ENTERED JUN 09 2011

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UG 201

In the Matter of

AVISTA CORPORATION, dba AVISTA
UTILITIES

Request for a General Rate Revision.

ORDER

DISPOSITION: ISSUE FUND GRANT REQUEST APPROVED

On May 31, 2011, the Citizens' Utility Board of Oregon (CUB) filed with the Public Utility Commission of Oregon (Commission) a Request for Payment of an Avista Corporation, dba Avista Utilities (Avista Utilities) Issue Fund Grant. 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. CUB was automatically precertified to receive Issue Fund Grants under Section 5.2(a) of the original Intervenor Funding Agreement adopted in Commission Order No. 03-388 and OAR 860-001-0120(3)(a).

CUB asks for a final payment of \$27,631 from the Avista Utilities Issue Fund and states that the remaining balance of the approved budget may be released back to the Avista Utilities Issue Fund. 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, CUB 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. CUB provided the required documentation in its request.

The Agreement provides that the Commission must 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 considered the intended beneficiaries, and find that the issue fund expenditures should be allocated to Avista Utilities' residential customers.

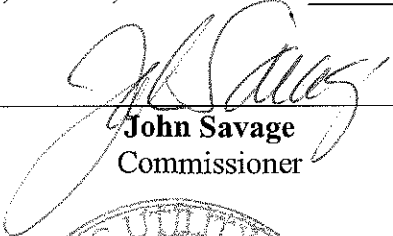
We find that CUB's request meets the requirements of the Agreement, and its request should be approved. Section 7.8 of the Agreement provides that the utility shall pay the Issue Fund Grant to the requesting intervenor within 30 days after receipt of Commission directive. The balance of the approved budget should be made available to the Avista Utilities Issue Fund provided no party request clarification or reconsideration of Order No. 11-080 within the appropriate timeframe.

ORDER

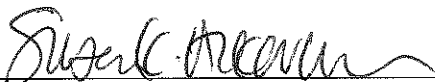
IT IS ORDERED that:

1. The Citizens' Utility Board of Oregon's request meets the requirements of the First Amended and Restated Intervenor Funding Agreement, and its request is approved.
2. Avista Corporation, dba Avista Utilities, shall pay \$27,631 from the Avista Utilities Issue Fund to the Citizens' Utility Board of Oregon within 30 days after receipt of this Order, and the grant shall be assessed to Avista Utilities' residential customers.

Made, entered, and effective JUN 09 2011



John Savage
 Commissioner



Susan K. Ackerman
 Commissioner

