

ORDER NO. 12 298  
ENTERED JUL 30 2012

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UG 221

In the Matter of

NORTHWEST NATURAL GAS  
COMPANY, dba NW NATURAL

Request for General Rate Revision.

ORDER

**DISPOSITION: ISSUE FUND GRANT REQUEST APPROVED**

On July 26, 2012, the Citizens' Utility Board of Oregon (CUB) filed a Request for Payment of its Issue Fund Grant from Northwest Natural Gas Company, dba NW Natural (NW Natural). 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 Agreement and under OAR 860-001-0120(3)(a).

CUB asks for a progress payment of \$45,000 from the NW Natural Issue Fund. CUB notes that although it is requesting the total amount of its proposed budget approved by the Commission, CUB is requesting this payment as a progress payment because of the ongoing nature of this docket and because, at a later date, CUB may amend its budget and request additional funds. 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 will make a determination in each proceeding as to how the participating utilities are to recover the funding grants from the various customer classes. According 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 NW Natural's residential customers.

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

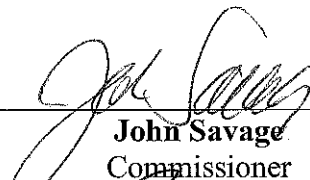
**ORDER**

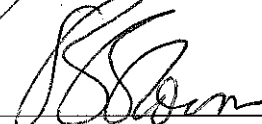
IT IS ORDERED that:

1. The Citizens' Utility Board of Oregon has met the requirements of the First Amended and Restated Intervenor Funding Agreement, and its request is approved.
2. NW Natural shall pay \$45,000 from the NW Natural Issue Fund to the Citizens' Utility Board of Oregon within 30 days after receipt of this Order, and the grant shall be assessed to NW Natural's residential customers.

Made, entered, and effective                     'JUL 30 2012                    .

  
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**Susan K. Ackerman**  
 Chair

  
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**John Savage**  
 Commissioner

  
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**Stephen M. Bloom**  
 Commissioner

