

ORDER NO. 12 337

ENTERED SEP 06 2012

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

LC 54

In the Matter of

CASCADE NATURAL GAS
CORPORATION

2011 Integrated Resource Plan.

ORDER

DISPOSITION: ISSUE FUND GRANT REQUEST APPROVED

On August 30, 2012, the Citizens' Utility Board of Oregon (CUB) filed a Request for Payment of a Cascade Natural Gas Corporation Issue Fund Grant. The procedures for payment of Issue Fund Grants are governed by Section 7.3 of the First Amended and Restated Intervenor Funding Agreement (Agreement), adopted by the Commission in Order No. 07-564. CUB is automatically precertified to receive Issue Fund Grants under OAR 860-001-0120(3)(a) and under Section 5.2(a) of the Agreement.

CUB asks for a final payment of \$5,094 from the Cascade Natural Gas Issue Fund and states that the remaining balance of its \$11,320 approved budget may be released back to that 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 determine in each proceeding how the participating utilities are to recover the funding grants from the various customer classes. Under Section 7.7(b), Issue Fund Grants should be allocated to 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 the residential customers of Cascade Natural Gas.

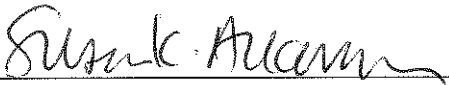
We find that CUB's request meets the requirements of the Agreement, and its request should be approved. Section 7.8 of the Agreement provides that the utility must pay the Issue Fund Grant to the requesting intervenor within 30 days after receipt of Commission directive. The balance of the approved budget should be released back to the Cascade Natural Gas Issue Fund.

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. Cascade Natural Gas Corporation shall pay \$5,094 from the Cascade Natural Gas Issue Fund to the Citizens' Utility Board of Oregon within 30 days after receipt of this order, and the grant shall be assessed to the residential customers of Cascade Natural Gas.

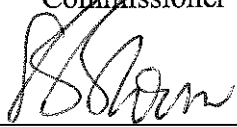
Made, entered, and effective SEP 06 2012.



Susan K. Ackerman
 Chair

COMMISSIONER SAVAGE WAS
 UNAVAILABLE FOR SIGNATURE

John Savage
 Commissioner



Stephen M. Bloom
 Commissioner

