

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UF 4218 / UM 1206

In the Matter of the Application of)
PORTLAND GENERAL ELECTRIC)
COMPANY for an Order Authorizing the)
Issuance of 62,500,000 Shares of New)
Common Stock Pursuant to ORS 757.410)
et seq. (UF 4218))
and)

In the Matter of the Application of)
STEPHEN FORBES COOPER, LLC, as)
Disbursing Agent, on behalf of the)
RESERVE FOR DISPUTED CLAIMS, for)
an Order Allowing the Reserve for)
Disputed Claims to Acquire the Power to)
Exercise Substantial Influence over the)
Affairs and Policies of Portland General)
Electric Company Pursuant to)
ORS 757.511 (UM 1206))
)

ORDER

DISPOSITION: ISSUE FUND GRANT REQUEST APPROVED

On October 11, 2005, the Industrial Customers of Northwest Utilities (ICNU) filed a Request for Payment of Portland General Electric’s Issue Fund Grant with the Public Utility Commission of Oregon (Commission). In Order No. 05-989, the Commission previously approved ICNU’s budget for \$25,000. ICNU now seeks payment of \$14,388.97 for eligible expenses it incurred in this proceeding. ICNU explains that the requested amount is lower than the proposed budget due to the settlement that was reached in the case.

Section 7.3 of the Intervenor Funding Agreement (IFA), which the Commission adopted in Order No. 03-388, governs the procedures for payment of Issue Fund Grants. To be eligible to receive intervenor funding under the Agreement, an intervenor must become either precertified under section 5.2 of the Agreement or case certified under section 5.3 of the Agreement. ICNU became precertified on August 21, 2003, in Order No. 03-502.

Under section 7.3 of the IFA, 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; and
- (3) Provide information sufficient to show that the intervenor has complied with any conditions imposed on the Issue Fund Grant.

We find that ICNU has met the requirements of the IFA, and its request should be approved. Section 7.2 of the IFA provides that the utility shall pay the Issue Fund Grant to the requesting intervenor within 30 days after receipt of Commission directive.

The IFA also 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. We have considered the intended beneficiaries, and find that the issue fund expenditures should be allocated to PGE's industrial customers.

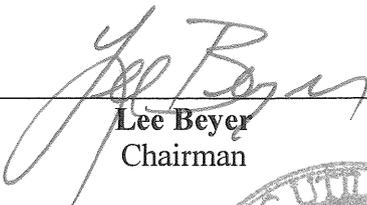
ORDER

IT IS ORDERED that:

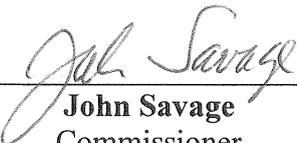
1. Industrial Customers of Northwest Utilities has met the requirements of the Intervenor Funding Agreement, and its request is approved.

2. Portland General Electric shall pay \$14,388.97 from its Issue Fund to Industrial Customers of Northwest Utilities within 30 days after receipt of this Order, and the grant shall be assessed to Portland General Electric's industrial customers.

Made, entered, and effective OCT 18 2005.



Lee Beyer
Chairman



John Savage
Commissioner





Ray Baum
Commissioner

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order to a court pursuant to applicable law.

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UF 4218/UM 1206

In the Matter of)
)
PORTLAND GENERAL ELECTRIC)
COMPANY,)
)
Application for an Order Authorizing the)
Issuance of 62,500,000 Shares of New Common)
Stock Pursuant to ORS 757.410 et seq.)
(UF 4218).)

REQUEST FOR PAYMENT OF ISSUE
FUND GRANT OF THE INDUSTRIAL
CUSTOMERS OF NORTHWEST
UTILITIES

In the Matter of)
)
STEPHEN FORBES COOPER, LLC, as)
Disbursing Agent, on behalf of the RESERVE)
FOR DISPUTED CLAIMS,)
)
Application for an Order Allowing the Reserve)
for Disputed Claims to Acquire the Power to)
Exercise Substantial Influence over the Affairs)
and Policies of Portland General Electric)
Company Pursuant to ORS 757.511)
(UM 1206).)

Pursuant to Section 7.3 of the Intervenor Funding Agreement (“IFA”) adopted by the Oregon Public Utility Commission (“Commission”) on July 2, 2003 (Order No. 03-388), the Industrial Customers of Northwest Utilities (“ICNU”) hereby requests payment of ICNU’s Issue Fund Grant in Docket Nos. UF 4218 and UM 1206 in the amount of \$14,388.97.

On July 6, 2005, ICNU filed a Notice of Intent to Request an Issue Fund Grant in this docket. On July 29, 2005, ICNU filed a proposed budget in the amount of

\$25,000.00. The Commission approved the Issue Fund Grant and ICNU's proposed budget on September 13, 2005. Re PGE, OPUC Docket Nos. UF 4218/UM 1206, Order No. 05-989 (Sept. 13, 2005).

ICNU requests that the Commission authorize payment of a portion of the budget in the amount of \$14,388.97, the amount that ICNU has expended in this proceeding. The total amount of costs and fees expended by ICNU in UF 4218/UM 1206 to date is shown in Confidential Attachment A. The amount is lower than the proposed budget due to the settlement that was reached in this case.

This Request for Payment satisfies the requirements of the IFA as follows:

Section 7.3(a) – The itemized expenses, payees, and hourly rates are attached as Confidential Exhibit A.

Section 7.3(b) – ICNU is a full and active participant in these Dockets. ICNU participated in settlement workshops and discussions and drafted provisions for a stipulation to resolve all issues in these Dockets. The expenses included in Confidential Exhibit A are reasonable and directly attributable to ICNU's participation in UF 4218/UM 1206.

Section 7.3(c) – ICNU's Issue Fund Grant was not subject to any conditions.

Section 7.4 – All of the expenses included in Exhibit A are Eligible Expenses as defined in Section 7.4 of the IFA because they relate to services provided or expenses incurred by ICNU's outside legal counsel and expert witnesses. Relevant non-privileged documents substantiating the Eligible Expenses in Confidential Exhibit A are available for Commission audit, if requested, pursuant to Section 7.10 of the IFA.

The IFA provides that the granting of "an Issue Fund Grant shall constitute a binding obligation on the Commission to order reimbursement of Eligible Expenses." IFA § 6.5. Likewise, the intervenor funding rules adopted by the Commission provide that "the terms of an [intervenor funding] agreement will be binding

PAGE 2 – ICNU'S REQUEST FOR PAYMENT OF ISSUE FUND GRANT

on all organizations seeking a grant under that agreement and will be followed by the Commission in administering the agreement.” OAR § 860-012-0100(2). ICNU has satisfied the terms of the IFA and respectfully requests that the Commission approve partial payment of ICNU’s Issue Fund Grant in the amount of \$14,388.97 within 30 days of receiving this Request for Payment as provided in Section 7.6 of the IFA.

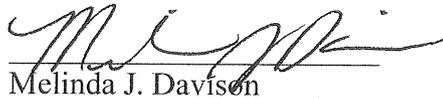
Payment should be sent to:

Michael Early
Industrial Customers of Northwest Utilities
333 S.W. Taylor, Suite 400
Portland, Oregon 97204

Dated this 7th day of October, 2005.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.



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Of Attorneys for Industrial Customers
of Northwest Utilities

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CONFIDENTIAL

Attachment A

CONFIDENTIAL ATTACHMENT A IS
AVAILABLE PURSUANT TO THE
TERMS OF THE PROTECTIVE
ORDER (ORDER NO. 05-971) ISSUED
IN THIS PROCEEDING.