

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UG 171(3)

In the Matter of

AVISTA CORPORATION, dba AVISTA
UTILITIES

Filing of Tariffs Establishing Automatic
Adjustment Clauses under the Terms of
SB 408.

ORDER

DISPOSITION: ISSUE FUND GRANT REQUEST APPROVED

On March 26, 2010, the Northwest Industrial Gas Users (NWIGU) filed with the Public Utility Commission of Oregon (Commission) a Request for Payment of an Issue Fund Grant from Avista Corporation, dba Avista Utilities (Avista Utilities). 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. NWIGU was precertified to receive Issue Fund Grants on February 3, 2004, in Order No. 04-055.

NWIGU asks for a final payment of \$1,006.40 from Avista Utilities' Issue Fund and states that the remaining balance of the approved budget may be released back to 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, NWIGU must establish that it has "used in-house resources or outside funding for at least 20% of the Eligible Expenses for an Eligible Proceeding." Agreement at 15. NWIGU 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 Avista Utilities' industrial customers.

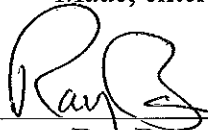
We find that NWIGU has met the requirements of the Agreement, and its request should be approved. Section 7.8 of the Agreement provides that the utility shall pay the Issue Fund Grant to the requesting intervenor within 30 days after receipt of Commission directive. The balance of the approved budget should be made available to Avista Utilities' Issue Fund.

ORDER

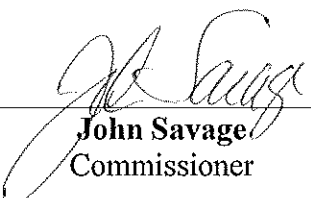
IT IS ORDERED that:

1. The Northwest Industrial Gas Users have met the requirements of the First Amended and Restated Intervenor Funding Agreement, and its request is approved.
2. Avista Corporation, dba Avista Utilities shall pay \$1,006.40 from Avista Utilities' Issue Fund to the Northwest Industrial Gas Users within 30 days after receipt of this Order, and the grant shall be assessed to the industrial customers of Avista Utilities.

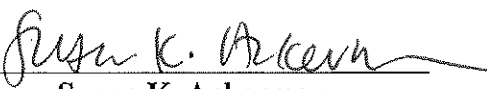
Made, entered, and effective APR 02 2010.



Ray Baum
Chairman



John Savage
Commissioner



Susan K. Ackerman
Commissioner

