

ORDER NO. 11 282

ENTERED AUG 01 2011

**BEFORE THE PUBLIC UTILITY COMMISSION**

**OF OREGON**

UM 1103(8)

In the Matter of

PORTLAND GENERAL ELECTRIC  
COMPANY

Application for Reauthorization to Defer  
Intervenor Funding Costs.

ORDER

**DISPOSITION: REAUTHORIZATION FOR DEFERRAL APPROVED**

On June 22, 2011, Portland General Electric Company (PGE) requested reauthorization to defer costs related to Intervenor Funding Grants for later incorporation in rates. Current authorization for deferral extends through June 30, 2011, under Order No. 10-342. A description of the filing and its procedural history is contained in the Staff Report, attached as Appendix A, and incorporated by reference.

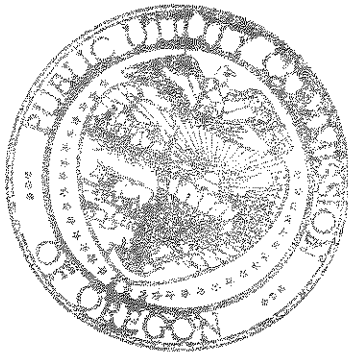
At its Public Meeting on July 26, 2011, the Commission adopted Staff's Recommendation and approved PGE's request for reauthorization to defer costs related to Intervenor Funding Grants.

**ORDER**

IT IS ORDERED that Portland General Electric Company's request for reauthorization to defer costs related to Intervenor Funding Grants beginning July 1, 2011 to June 30, 2012, is approved.

Made, entered and effective AUG 01 2011

BY THE COMMISSION:



*Becky L. Beier*  
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**Becky L. Beier**  
Commission Secretary

A party may request rehearing or reconsideration of this order under 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 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.

ITEM NO. CA2

PUBLIC UTILITY COMMISSION OF OREGON  
 STAFF REPORT  
 PUBLIC MEETING DATE: July 26, 2011

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE July 1, 2011

DATE: July 14, 2011

TO: Public Utility Commission

FROM: Carla Bird *CB*

THROUGH: Lee Sparling, Maury Galbraith and Judy Johnson *in for KJ*

SUBJECT: PORTLAND GENERAL ELECTRIC: (Docket No. UM 1103(8))  
 Reauthorizes deferral of costs associated with Intervenor Funding Grants.

**STAFF RECOMMENDATION:**

Staff recommends the Commission approve Portland General Electric's request to defer costs related to Intervenor Funding Grants for the 12-month period beginning July 1, 2011 to June 30, 2012.

**DISCUSSION:**

On June 22, 2011, Portland General Electric Company (PGE) filed a request for reauthorization to defer Intervenor Funding Costs. Current authorization for this deferral extends through June 30, 2011, pursuant to Order No. 10-342.

Commission issued Order No. 03-388, which, among other things, approved the Intervenor Funding Agreement among PacifiCorp, PGE, Northwest Natural Gas Company, Northwest Industrial Gas Users, Citizens' Utility Board of Oregon (CUB), and Industrial Customers of Northwest Utilities, dated February 5, 2003 (the Intervenor Funding Agreement). Pursuant to 757.072(2) "...any agreement entered into... must be approved by the Commission before any financial assistance is provided..." and (3) "...in administering an agreement...the Commission by rule or by order may determine...(c) the manner in which the financial assistance will be recovered in rates."

In 2007, the Commission approved the First Amended and Restated Intervenor Funding Agreement (IFA) which extended intervenor funding through December 12, 2012 (Commission Order No. 07-564). The IFA amends and clarifies the use of funds for dockets that extend two or more calendar years, modifies some of the original terms

PGE – UM 1103- Int Fund  
 July 14, 2011  
 Page 2

and conditions, adds new reporting requirements and changes the funding amounts to be contributed by each utility. Additionally, the IFA adds new accounts for additional participating utilities.<sup>1</sup>

The IFA sets forth the amounts to be contributed by each utility, the procedures for budget submittals by Intervenor, and the payment of grants by each utility. For PGE the agreement authorizes the utility to account for the grants in three separate funds:

- 1) CUB Fund of \$57,500;
- 2) Preauthorized Matching Fund of \$57,500; and
- 3) Issue Fund of \$125,000.

The Intervenor Funding Agreement required the costs of each fund be allocated to the appropriate customer class. CUB funds are generated from residential rates and industrial customers fund the amounts for the Preauthorized Matching Fund (Matching Fund). The Commission allocates requested amounts from the Issue Fund to align the costs of advocacy with the intended beneficiaries of the advocacy.

In its June 22, 2011 filing, PGE reports the following balances and accruals in its Intervenor funding accounts:

<b>Fund Description</b>	<b>Balance as of June 2011</b>	<b>2011 Accrual as of June 2011</b>	<b>Estimated Interest as of June 2011</b>
<b>CUB Fund</b>	\$ 59,649	\$ 57,500	\$ 2,149
<b>Matching Fund</b>	\$ 61,730	\$ 0	\$ 2,422
<b>Issue Fund</b>	\$ 72,023	\$ 69,496	\$ 2,526
<b>Balance</b>	<b>\$ 193,402</b>	<b>\$ 126,996</b>	<b>\$ 7,097</b>

<sup>1</sup> The Order adds new accounts for Cascade Natural Gas and Avista Utilities.

PGE – UM 1103- Int Fund  
July 14, 2011  
Page 3

Proposed Accounting:

The proposed deferrals would be recorded in separate subaccounts of FERC account 182.3 (Miscellaneous Deferred Debits). In the absence of deferral approval, the company would record the amounts in the subaccounts of FERC account 930 (Miscellaneous General Expenses).

Estimated Deferrals in Authorization Period:

The IFA permits Intervenor to request grants from the various funds at any time during the calendar year, though the deferral period generally runs from July 1 to June 30 of each year. Amounts will be debited to the deferral account as funds are actually dispersed and balances in the funds may rollover into the following year if intervenors do not use the entire amount available. In recent years, the Intervenor have been permitted to request advances from future-year accruals in the CUB and Matching Funds.

Staff Analysis:

Staff has reviewed PGE's balances and interest calculations and recommends Commission approval.

**PROPOSED COMMISSION MOTION:**

Portland General Electric's request to defer costs related to Intervenor Funding Grants for a 12-month period beginning July 1, 2011, to June 30, 2012, be approved.

PGE UM 1103(8) Defer Intervenor Funding