

ORDER NO. 12-1110

ENTERED MAR 27 2012

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1568

*Docket No. corrected
to UM 1586 by
Order No 12-122*

In the Matter of

PACIFICORP,

Request for Approval of Multi-State Process
Intervenor Funding Agreement between
PacifiCorp, the Citizens' Utility Board and the
Industrial Customers of Northwest Utilities.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its Public Meeting on March 27, 2012, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter, attached as Appendix A.

BY THE COMMISSION:



[Handwritten Signature]
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. CA8

**PUBLIC UTILITY COMMISSION OF OREGON
ADMINISTRATIVE HEARINGS DIVISION REPORT
PUBLIC MEETING DATE: MARCH 27, 2012**

REGULAR _____ CONSENT X EFFECTIVE DATE _____ N/A _____

DATE: March 12, 2012

TO: Public Utility Commission

FROM: Michael Grant, Chief Administrative Law Judge *MG*

SUBJECT: PACIFICORP: (Docket No. UM 1568) Requests Approval of Multi-State Process Intervenor Funding Agreement between PacifiCorp, the Citizens' Utility Board, and the Industrial Customers of Northwest Utilities.

ADMINISTRATIVE LAW JUDGE RECOMMENDATION:

The Commission should approve the Multi-State Process (MSP) Intervenor Funding Agreement set forth in Attachment A.

DISCUSSION:

PacifiCorp, the Citizens' Utility Board (CUB), and the Industrial Customers of Northwest Utilities (ICNU) have entered into a written agreement to provide funding for CUB's and ICNU's participation in on-going efforts to address how system costs are apportioned among PacifiCorp's six-state territory.

In Order No. 11-244, the Commission approved revisions to the Inter-Jurisdictional Cost Allocation Protocol developed to address PacifiCorp's multi-jurisdictional issues. As part of that order, the Commission supported the creation of a new intervenor funding agreement to allow CUB and ICNU to fully participate in on-going efforts to address these cost allocation matters. The current protocol is scheduled to expire at the end of 2016, and PacifiCorp and its stakeholders will soon start examining appropriate allocation options for 2017 and beyond.

The MSP Intervenor Funding Agreement includes two funds, a CUB MSP Fund and an ICNU MSP Fund, each which provides \$40,000 annually. CUB and ICNU may apply for a MSP Fund Grant from their respective MSP Fund to pay for eligible expenses. "Eligible Expenses" are defined as fees and expenses directly attributable to MSP activities, such as attorney and consultant fees, and travel expenses.

UM 1586 Intervenor Funding
March 12, 2012
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The MSP Intervenor Funding Agreement allows PacifiCorp to recover in rates all amounts paid for MSP Grants authorized by the Commission. The parties to the agreement agree that CUB MSP Fund Grants should be allocated to and paid by the residential customer class, and ICNU MSP Fund Grants should be allocated to and paid by the industrial customer class.

The agreement takes effect upon Commission approval, and shall continue in effect until December 31, 2016, unless terminated earlier under the terms of the agreement.

I recommend the Commission find that the MSP Intervenor Funding Agreement serves customers and is in the public interest. The agreement is authorized by ORS 757.072, which allows energy utilities to enter into agreements for the financial assistance to organizations representing broad customer interests. The Commission should approve the agreement under ORS 757.072 to allow the provision of financial assistance agreed to by the signatories.

PROPOSED COMMISSION MOTION:

The Commission approve the MSP Intervenor Funding Agreement set forth in Attachment A.

**MULTI-STATE PROCESS
INTERVENOR FUNDING AGREEMENT**

BY AND AMONG

**PACIFICORP
CITIZENS' UTILITY BOARD OF OREGON
INDUSTRIAL CUSTOMERS OF NORTHWEST UTILITIES**

FEBRUARY 29, 2012

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**MULTI-STATE PROCESS
INTERVENOR FUNDING AGREEMENT**

This Multi-State Process ("MSP") Intervenor Funding Agreement (the "Agreement"), effective as of February 29, 2012 (the "Effective Date"), is by and among PacifiCorp ("PacifiCorp"), an Oregon corporation; the Citizens' Utility Board of Oregon ("CUB"), an Oregon nonprofit corporation; and the Industrial Customers of Northwest Utilities ("ICNU"), an Oregon nonprofit corporation; (collectively, the "Parties").

RECITALS

WHEREAS, ORS 757.072 allows public utilities to enter into written agreements with an organization that represents broad customer interests in regulatory proceedings conducted by the Public Utility Commission of Oregon ("Commission") relating to public utilities that provide electricity or natural gas;

WHEREAS, the Parties previously entered into an Intervenor Funding Agreement ("2007 IFA") approved by the Commission in Order No. 07-564 issued on December 19, 2007 in Docket UM 1357;

WHEREAS, the Commission adopted a Stipulation between PacifiCorp, Commission Staff, CUB, and ICNU ("2011 Stipulation") on July 5, 2011, in Order No. 11-244 issued in Docket UM 1050, setting forth amendments to the Revised Protocol ("2010 Protocol") that previously governed PacifiCorp's inter-jurisdictional cost allocation;

WHEREAS, Paragraph 17 of the 2011 Stipulation provides that the Parties and Commission Staff support a separate agreement to allow for full participation by CUB and ICNU in the ongoing MSP Standing Committee workgroup efforts, as well as the comprehensive multi-state effort outlined in Paragraph 15 of the 2011 Stipulation;

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

Article 1
Definitions

Except as otherwise defined herein, capitalized terms used in this Agreement have the meanings assigned to them as follows:

- (a) "Participating Intervenor" or "Participating Intervenors" means CUB or ICNU.
- (b) "Eligible Expense" has the meaning set forth in Section 6.2 of this Agreement.
- (c) "CUB MSP Fund" has the meaning set forth in Section 4.2 of this Agreement.
- (d) "CUB MSP Fund Grant" means an MSP Fund Grant from the CUB MSP Fund account.
- (e) "ICNU MSP Fund" has the meaning set forth in Section 4.2 of this Agreement.
- (f) "ICNU MSP Fund Grant" means an MSP Fund Grant from the ICNU MSP Fund account.
- (g) "MSP Activities" means participation during the Term of this Agreement in (1) the MSP Standing Committee workgroup and (2) the comprehensive multi-state effort outlined in Paragraph 15 of the 2011 Stipulation. For the purposes of this Agreement, MSP Activities do not include participation in any dockets or other formal proceedings before the Commission, including issues addressed in docket UM 1050 related to PacifiCorp's inter-jurisdictional cost allocation.
- (h) "MSP Funds" has the meaning set forth in Section 4.2 of this Agreement.

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- (i) "MSP Fund Grant" means a CUB or ICNU intervenor funding grant from the CUB MSP Fund or ICNU MSP Fund.
- (j) "Annual MSP Grant Amounts" has the meaning set forth in Section 4.2 of this Agreement.
- (k) "Confidential Information" shall have the meaning ascribed to it in the General Protective Order adopted in UM 1050 pursuant to Order No. 10-365.

Article 2**Term**

The Agreement shall be effective beginning on the Effective Date of this Agreement and shall continue in effect until December 31, 2016, unless terminated earlier under the terms of Article 8 of this Agreement (the "Term").

Article 3**Condition Precedent**

The obligations and rights of the Parties under this Agreement are subject to the condition precedent that the Commission issue an order (i) approving this Agreement without material modifications and (ii) finding that the intervenor funding program implemented through the Agreement serves customers and is in the public interest.

Article 4**Scope**

4.1 General. CUB MSP Fund Grants and ICNU MSP Fund Grants will be made available under the terms of this Agreement ("MSP Funding Grants") as a supplement to each organization's own funding of MSP Activities. The terms and conditions of this Agreement are separate and distinct, and do not otherwise impact, the 2007 IFA approved in Order No. 07-564. The Parties expressly agree that the terms and conditions of this Agreement shall not be relied

upon as precedent in any manner as relating to other Intervenor Funding Agreements and shall be binding only as to this Agreement.

4.2 CUB MSP Fund and ICNU MSP Fund. PacifiCorp shall establish a separate CUB MSP Fund and ICNU MSP Fund, from which PacifiCorp can make MSP Fund Grants to each organization under this Agreement (collectively, the "MSP Funds"). For each calendar year during the Term of this Agreement, \$40,000 shall be made available in the CUB MSP Fund and \$40,000 shall be made available in the ICNU MSP Fund (the "Annual MSP Grant Amounts").

CUB MSP FUND	\$40,000
ICNU MSP FUND	\$40,000

During the Term, the Annual MSP Grant Amounts shown above may be supplemented under the terms of Sections 4.4 and 4.5 below.

4.3 MSP Fund Grants. CUB and ICNU are eligible to apply for MSP Fund Grants from their respective MSP Funds. Receipt of grants from the MSP Funds shall be subject to the matching fund requirements specified in Section 6.1 below. The Commission will authorize MSP Fund Grants under the criteria and process set forth in Article 5 and Article 6 below. MSP Fund Grants shall be limited to the amount available in the MSP Funds. An MSP Fund Grant may be used solely to pay Eligible Expenses for MSP Activities.

4.4 Rollover. A balance in the CUB MSP Fund and ICNU MSP Fund that is unused in any year during the Term of the Agreement will be carried over at the end of the calendar year and made available for use in succeeding years, subject to the limitations identified in this Section 4.4 (the "Rollover"). The amount of the Rollover that may be used in any calendar year during the Term of this Agreement shall not exceed 50% of the Annual MSP Grant Amounts in

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the CUB MSP Fund or ICNU MSP Fund set forth in Section 4.2 of this Agreement; provided however, the Commission may authorize the Rollover to exceed 50% of the Annual MSP Grant Amounts in the CUB MSP Fund or ICNU MSP Fund to the extent CUB or ICNU, as applicable, provide substantial evidence to justify the need for the Rollover to exceed 50 percent.

4.5 Advance. CUB and ICNU may request to use in any calendar year during the Term of this Agreement amounts that would otherwise be available in the MSP Funds in the next year, subject to the limitations identified in Section 6.1 of the Agreement (an "Advance"). An Advance may not be used in the last year of the Term of this Agreement. An Advance shall have the effect of reducing by the amount of the Advance the Annual MSP Grant Amount that would otherwise be made available in the next year. The amount of the Advance that may be used in any calendar year during the Term of this Agreement shall not exceed 50% of the Annual MSP Grant Amounts in the CUB MSP Fund or ICNU MSP Fund set forth in Section 4.2 of this Agreement. In addition to the information required by Section 5.1, a request for an Advance must include a statement of anticipated MSP Activities for the next year and the potential impact an Advance would have on the Participating Intervenor's ability to participate in those activities.

4.6 Unused Balances. The unused balances in the MSP Funds shall be eliminated upon the termination of this Agreement (whether as a result of a termination under Section 8.1 below or at the end of the Term of this Agreement), except that certain expenditures incurred under a Commission-authorized MSP Fund Grant awarded before termination may be reimbursed according to the terms specified in Section 8.3 below.

4.7 Applicability of General Protective Order in UM 1050. The Parties agree and consent to be bound by the General Protective Order in UM 1050, adopted pursuant to Order No. 10-365 (the "General Protective Order"), to govern the acquisition and use of Confidential Information

related directly to the MSP Activities under this Agreement. The General Protective Order is hereby incorporated by reference in this Agreement.

Article 5
MSP Fund Grant Request Procedures

5.1 Proposed Budgets. Participating Intervenor seeking an MSP Fund Grant in a given calendar year must submit a proposed budget to the Commission along with such other information as the Commission may require to consider the request. A proposed budget must include: (a) a statement of the breadth and complexity of the MSP Activities; (b) the significance of any policy issues directly attributable to MSP Activities; (c) the MSP Activities schedule; (d) the participation of other parties in MSP Activities that adequately represent the interests of customers; (e) a statement of MSP Activities to be performed by the applicant for which the applicant is seeking an MSP Fund Grant; (f) a description of the areas to be investigated by the Participating Intervenor relating to MSP Activities; (g) a budget of MSP Activities showing estimated attorney and consultant fees, which may include the cost for appropriate support staff and operational support; and (h) a representation that the Participating Intervenor will use matching funds in the form of either in-house resources or outside funding to account for or pay at least 20% of the Eligible Expenses for the MSP Activities to be performed for which the Participating Intervenor is seeking an MSP Fund Grant. For the Term of the Agreement, the deadline for submitting proposed budgets is (1) January 1 of each calendar year to the extent MSP Activities have been identified and (2) in the event additional MSP Activities are identified after January 1 of each calendar year, within 30 calendar days thereafter. Proposed budgets shall be served on the Commission, PacifiCorp, Commission Staff, and the other Participating Intervenor.

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5.2 Additional Information. The Commission may seek additional information concerning proposed budgets. The Commission will act upon proposed funding budgets within 14 days of receiving the proposed budgets or, if applicable, any supplemental information provided in response to the Commission's request.

5.3 Commission Decision. The Commission may make its budget authorization decisions based upon the following factors: (a) the breadth and complexity of the MSP Activities; (b) the significance of any policy issues directly attributable to MSP Activities; (c) the MSP Activities schedule; (d) the participation of other parties in MSP Activities that adequately represent the interests of customers; (e) the amount of funds being provided by the Participating Intervenor; and (f) the level of available funds in the MSP Funds. The Commission shall condition MSP Fund Grants on the Participating Intervenor providing evidence that the Participating Intervenor has used in-house resources or outside funding to account for or pay at least 20% of the Eligible Expenses for the work to be performed in the proceeding for which the Participating Intervenor is seeking an MSP Fund Grant. The Commission may deny, in whole or in part, a request for an MSP Fund Grant based on the above criteria and requirements. The Commission may place reasonable conditions on MSP Fund Grants, including but not limited to requiring that the Participating Intervenor uses in-house resources or outside funding to account for or pay more than 20% of the Eligible Expenses for the work to be performed in the MSP Activities. The Commission will authorize reimbursement of Eligible Expenses upon satisfaction of any conditions imposed on the MSP Fund Grant and the requirements set forth in Article 6 and Article 7 below. The Commission may amend an MSP Fund Grant if it finds that there has been a material change in the breadth and complexity of the MSP Activities or the significance of the policy issues directly attributable to MSP Activities, such that the initial MSP

Fund Grant is no longer warranted. If the Commission amends an MSP Fund Grant, it will provide notice to the affected recipient(s) of such MSP Fund Grant and afford an opportunity to comment and provide a revised budget. A Commission amendment of an MSP Fund Grant shall take effect on a prospective basis only. Notwithstanding the Commission amendment of the MSP Fund Grant, Eligible Expenses incurred or accrued before the Commission amendment are eligible for reimbursement under the terms set forth in Article 6 below.

5.4 Amendment of Proposed Budget. At any time prior to disbursement of an MSP Fund Grant for a calendar year, a Participating Intervenor may seek to amend its budget for that year upon a showing of good cause and request additional funding. A request for an Amendment of Proposed Budget must include a statement of the unforeseen changes in the scope or complexity of MSP Activities, unanticipated positions taken by other parties in MSP Activities, changes in the schedule for MSP Activities, or other information to establish good cause. The Commission may seek additional information concerning a proposed budget amendment. The Commission will act upon the request within 14 days of receiving the proposed amendment or, if applicable, any supplemental information provided in response to the Commission's request.

5.5 Participating Intervenor's Report. On or before each April 1 during the Term of this Agreement, each Participating Intervenor who had, during the prior calendar year, a continuing or newly approved MSP Fund Grant or pending proposed budget for an MSP Fund Grant request shall file a report with the Commission showing, as of December 31 of the prior calendar year, their budget request pending approval, approved budget amounts, requested payments, payments received, and a statement indicating whether any of their approved budget amounts for an MSP Fund Grant may be released back to the applicable MSP Fund because the Participating Intervenor does not intend to use the full approved amount.

Article 6
Payment of MSP Grants

6.1 Payment of MSP Grants. Subject to the limitations identified in Sections 4.4 and 4.5, CUB or ICNU may file a request for payment of the MSP Fund Grants; provided however, a request must be filed on or before April 1 of each year for expenses incurred in the prior calendar year. Such a request must be filed with the Commission and served on PacifiCorp and must include documentation sufficient to show that the Participating Intervenor has used in-house resources or outside funding for at least 20% of the Eligible Expenses. A request for payment under this Section 6.1 must show that the MSP Fund Grant will be used to pay Eligible Expenses for MSP Activities. The Request for Payment must:

- (a) Itemize the expenses, payees and hourly rates for amounts to be reimbursed;
- (b) Demonstrate that the expenses are reasonable and are directly attributable to MSP Activities pursued on behalf of a particular customer class; and
- (c) Provide information sufficient to show that the Participating Intervenor has complied with any condition or requirement of the MSP Fund Grant, including, but not limited to, documentation sufficient to show that the Participating Intervenor has satisfied the matching fund requirement (i) set forth in this Section or (ii) as the Commission may require as a reasonable condition on MSP Fund Grants, whichever applies.

Details of requests for payment under this Section may be designated as confidential and protected from public disclosure to the maximum extent possible under the Oregon Public Records Law (ORS 192.410 et. seq.). Such a confidential designation shall not excuse service of the request on PacifiCorp or prevent PacifiCorp from reviewing the request. A form for requests for payment under this Section 6.1 is attached as Exhibit A.

6.2 Eligible Expenses. Expenses eligible for funding under an MSP Fund Grant

("Eligible Expenses") will include:

- (a) Actual attorney and consultant fees, whether in-house or for outside services, directly attributable to MSP Activities;
- (b) Apportioned wages for in-house staff (professional and clerical) directly attributable to MSP Activities;
- (c) The cost of preparing and copying studies, information request responses and other materials directly attributable to MSP Activities;
- (d) Travel costs directly attributable to MSP Activities including necessary consultant travel;
- (e) Costs of acquiring studies or supplies directly attributable to MSP Activities; and
- (f) Costs of participation in meetings, telephone conferences, workshops of the MSP Standing Committee workgroups and/or other informal Commission activities directly attributable to MSP Activities.

6.3 General Operation Expenses Excluded. Expenses for general operations, overhead, membership recruitment, fundraising, or communication with members, even if directly attributable to MSP Activities for which the MSP Fund Grant was approved, will not be eligible for funding under an MSP Fund Grant.

6.4 Commission Review and Action. Within 30 days of receiving a Request for Payment of an MSP Fund Grant, the Commission will review the sufficiency of the request and act upon it. The Commission may disallow a request for payment, in whole or in part, if it determines that the request seeks reimbursement for expenses that are not Eligible Expenses, or is otherwise inconsistent with the terms and conditions of this Agreement. The Commission shall not award a

Request for Payment if the Participating Intervenor fails to show that it has satisfied the matching fund requirements set forth in Section 6.1. The Commission will notify the Participating Intervenor submitting a Request for Payment and PacifiCorp, of the amount of payment approved and the allocation of the payment amount between the classes of customers. The Commission may not award a Request for Payment in excess of the amount of the applicable MSP Fund Grant.

6.5 Customer Class Allocation. The Commission will make a determination as to how to recover authorized MSP Fund Grants from the various customer classes of PacifiCorp. The Parties agree that the Commission should allocate costs as follows:

- (a) CUB MSP Fund Grants paid to CUB should be allocated and charged to residential customers.
- (b) ICNU MSP Fund Grants paid to ICNU should be allocated and charged to industrial customers.

6.6 PacifiCorp's Payment of MSP Fund Grants. PacifiCorp will pay Participating Intervenors the MSP Fund Grants as directed by the Commission under Section 6.4 above. Such payment(s) will be made within 30 days of receiving the notice of approval from the Commission.

6.7 Recovery of MSP Fund Grants. The Commission shall allow PacifiCorp to recover in rates all amounts authorized by the Commission and paid for MSP Fund Grants under this Agreement. If PacifiCorp seeks rate recovery through a deferred account, the account and amortization of the account shall be exempt from the amortization caps and earnings test set forth in subsections 5, 6, 7, 8 and 10 of ORS 757.259, as such subsections may be amended from time to time, and shall not be included in any calculation of the amortization cap for other

deferred accounts. Amounts in any deferred account under this Section will include carrying costs at PacifiCorp's authorized cost of capital. The timing and amortization period for recovering of such MSP Fund Grants will be left to the discretion of PacifiCorp, subject to Commission approval.

6.8 Audits. The Commission may audit the relevant, not privileged, records of each Participating Intervenor submitting a Request for Payment or submitting a request for payment under Section 6.1 above as necessary to verify the accuracy of the information provided in the Request for Payment or to confirm the accuracy of a Participating Intervenor's report filed under Section 5.5.

Article 7
Termination of Eligibility

7.1 Termination of Eligibility. Upon the filing of a complaint under ORS 756.500 or upon a Commission investigation or motion under ORS 756.515, the Commission may terminate the precertification of a Participating Intervenor if it finds that:

- (a) The organization has committed fraud, misrepresentation, or misappropriation related to an MSP Fund Grant or Intervenor Funding Grant authorized under the 2007 IFA;
- (b) In MSP Activities, the organization has failed to represent the interests of the broad class of customers that the organization purported to represent in its application for precertification;
- (c) The organization has failed to comply with Commission orders or rules in a material way;
- (d) For CUB, there has been a substantial change in or repeal of ORS 774.101 to 774.990; or

- (e) ICNU no longer meets the criteria of OAR 860-001-0120(3)(b).

7.2 Effect of Termination of Eligibility. A Participating Intervenor that has been decertified may not receive MSP Fund Grants except as provided in this Section 7.2. A Participating Intervenor that has been decertified may recover Eligible Expenses incurred under a Commission authorized MSP Fund Grant and incurred before decertification, subject to satisfaction of the requirements set forth in Article 6 of this Agreement.

Article 8 **Termination**

8.1 Termination. A Party may terminate this Agreement if any one or more of the following events occur:

- (a) In an order, the Commission rejects all or a material part of this Agreement or adds a condition that has a material effect on the terms and conditions of this Agreement;
- (b) The Commission repeals or amends a material part of the rules implementing this Agreement;
- (c) There is a repeal or material change in the statutory provision enabling intervenor funding;
- (d) Any of the following are enacted through legislation, ballot measure or formal action of the Commission:
 - (1) An alternative intervenor funding program affecting PacifiCorp;
 - (2) Changes in the method by which PacifiCorp recovers expenses incurred in regulatory proceedings if such changes prohibit or limit PacifiCorp's ability to recover such expenses through rates;
 - (3) The creation of an elected Commission;

- (4) Any action that makes intervenor funding unnecessary, including:
- a. The creation of a consumer advocate staff or agency;
 - b. A change in the role of Commission Staff that is materially different from the statement adopted in the Commission's current Internal Operating Policy Guidelines; or
 - c. Any change similar to a. and b. above.
- (e) The composition or purpose of the MSP Standing Committee workgroup is materially modified or changed.

8.2 Notice. A Party terminating this Agreement shall give the other Parties and the Commission 30 days advance written notice. Such termination will become effective only upon a determination by the Commission that the Party has a valid basis under Section 8.1 above to terminate the Agreement. A notice under this Section shall not terminate the rights and obligations among the remaining Parties under this Agreement.

8.3 Discharge of Obligations Upon Termination. If this Agreement is terminated under this Article, the terminating Party shall be released and discharged from any obligations arising or accruing under this Agreement from and after the date of such termination. Termination of this Agreement (under this Section or at the end of the Term of this Agreement) shall not discharge or relieve any Party from any obligations or liabilities which may have accrued under the terms of this Agreement before such termination. In particular, the Commission shall require PacifiCorp to pay Eligible Expenses incurred under a Commission-authorized MSP Fund Grant that was awarded before the date of termination, subject to the requirements of Article 6, and the Commission shall allow PacifiCorp to recover in rates any such previously authorized intervenor expenditures. If PacifiCorp has not recovered all of its payments of MSP Fund Grants under this

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Agreement by the end of the Term of this Agreement or the date on which the Agreement is terminated, the Commission shall permit PacifiCorp to recover such amounts after the Term of this Agreement or after the termination date.

Article 9
Miscellaneous

9.1 Dispute Resolution. The Parties agree to confer and make a good faith effort to resolve any dispute arising under this Agreement before bringing an action or complaint to the Commission or any court with respect to such dispute.

9.2 Parties' Cooperation and Support. The Parties shall file this Agreement with the Commission. The Parties agree to support this Agreement before the Commission and before any court in which the Agreement is considered. The Parties agree to support the Commission's adoption and issuance of rules necessary to implement the terms of this Agreement.

9.3 Enforcement. The Parties agree that the Commission may enforce the terms of the Agreement in the same manner as the enforcement of a Commission order. To the extent the Commission lacks authority to enforce or compel performance of particular terms of this Agreement, the Parties may seek enforcement in a court of competent jurisdiction of the State of Oregon. The jurisdiction over this Agreement of the Commission and the courts in the State of Oregon shall be exclusive.

9.4 Counterparts. The Agreement may be signed in any number of counterparts, each of which will be an original for all purposes, but all of which taken together will constitute only one Agreement.

9.5 Entire Agreement. This Agreement supersedes any and all oral or written agreements and understandings made relating to MSP Activities and associated funding to be made available by PacifiCorp and constitutes the entire Agreement and understanding of the Parties; *provided*

however, this Agreement is not intended in any manner to replace, supersede, supplement, modify or terminate the 2007 IFA.

9.6 Successors. The terms and provisions of this Agreement and the respective rights and obligations of the Parties under this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors.

9.7 No Assignment. The benefits and obligations of this Agreement may not be assigned or transferred without the written consent of each of the other Parties and Commission approval.

9.8 Amendments. No amendment or modification of the terms of this Agreement shall be binding on any Party unless reduced to writing and signed by all Parties.

9.9 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Oregon, without regard to principles of choice of law.

[SIGNATURE PAGE TO FOLLOW]

EXECUTION VERSION

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the day and year first above written.

PACIFICORP

CITIZENS' UTILITY BOARD OF OREGON

By: Andrea Kelly
Its: Andrea Kelly
Vice President, Regulation

By:
Its:

INDUSTRIAL CUSTOMERS OF
NORTHWEST UTILITIES

By:
Its:

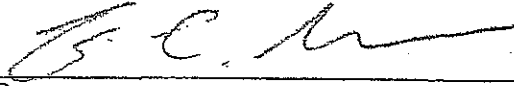
IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the day and year first above written.

PACIFICORP

CITIZENS' UTILITY BOARD OF OREGON

By:
Its:

By:
Its:


General Counsel
Regulatory Program Director

INDUSTRIAL CUSTOMERS OF
NORTHWEST UTILITIES

By:
Its:

EXECUTION VERSION

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the day and year first above written.

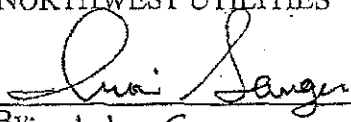
PACIFICORP

CITIZENS' UTILITY BOARD OF OREGON

By:
Its:

By:
Its:

INDUSTRIAL CUSTOMERS OF
NORTHWEST UTILITIES


By: Irion Sanger
Its: Attorney