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BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

RECEIVED

MAY 28 2008

UE 197

Public Utility Commission of Oregon
Administrative Hearing Division

In the Matter of)
PORTLAND GENERAL ELECTRIC)
COMPANY)
Request for a General Rate Revision.)
(UE 197),)

LEAGUE OF OREGON CITIES'
APPLICATION FOR
CASE CERTIFICATION TO BE
ELIGIBLE TO REQUEST AN
ISSUE FUND GRANT

Pursuant to OAR 860-12-0100(4) and Sections 5.1 and 5.3 of the First Amended and Restated Intervenor Funding Agreement dated December 5, 2007 ("IFA"),¹ the League of Oregon Cities ("League") hereby submits its application for case certification and related request that the Public Utility Commission of Oregon ("Commission"): (1) confirm that the League meets all applicable case certification criteria; and, (2) designate the League case-certified and therefore eligible to receive an Issue Fund Grant in connection with this proceeding. In support of its application, the League provides the following evidence that it satisfies all applicable case-certification criteria.

I. General Overview of the IFA Certification Requirement

Section 5.1 of the IFA states that "[o]nly parties that are precertified, or parties who become case certified for a particular proceeding, will be eligible to receive Issue Fund Grants." To be case-certified, an intervenor must be meet the requirements set forth in Section 5.3 of the IFA and its companion administrative rule, OAR 860-12-0100(4), which states:

¹ The IFA was subsequently approved by the Commission pursuant to Order 07-564 (Dec. 19, 2007).

1 Organizations meeting the following criteria may be case-certified by the Commission to
2 be eligible to receive a grant:

3 (a) The organization:

4 (A) Is a not-for-profit organization; or

5 (B) Demonstrates that it is in the process of becoming a nonprofit
6 corporation; or

7 (C) Is comprised of multiple customers of one or more of the utilities that are
8 parties to the agreement and demonstrates that a primary purpose of the
9 organization is to represent broad utility customer interests.

10 (b) The organization represents the interests of a broad group or class of
11 customers and its participation in the proceeding will be primarily directed at
12 public utility rates and terms and conditions of service affecting that broad
13 group or class of customers, and not narrow interests or issues that are
14 ancillary to the impact of the rates and terms and conditions of service to the
15 customer group;

16 (c) The organization demonstrates that it is able to effectively represent the
17 particular class of customers it seeks to represent;

18 (d) The organization's members who are customers of one or more of the
19 utilities affected by the proceeding that are parties to the agreement
20 contribute a significant percentage of the overall support and funding of the
21 organization;

22 (e) The organization demonstrates, or has demonstrated in past Commission
23 proceedings, the ability to substantively contribute to the record on behalf of
24 customer interests related to rates and the terms and conditions of service,
25 including in any proceeding in which the organization was case-certified and
26 received a grant;

(f) The organization demonstrates that:

(A) No precertified intervenor participating in the proceeding adequately
represents the specific interests of the class of customers represented by
the organization related to rates and terms and conditions of service; or

(B) The specific interests of a class of customers will benefit from the
organization's participation; and

(g) The organization demonstrates that its request for case-certification will not
unduly delay the schedule of the proceeding.

20 **II. Overview of the League and the Services It Provides Its Members.**

21 Founded in 1925, the League is an intergovernmental organization formed under state
22 law and pursuant to an intergovernmental agreement adopted and maintained by League
23 members with full membership rights ("League Intergovernmental Agreement"). Full
24 membership in the League is open to any Oregon city that agrees to adopt the League
25

1 Intergovernmental Agreement and pay an associated membership fee.² Currently, two hundred
2 forty two (242) individually-incorporated municipalities maintain a full membership in the
3 League. Of these 242 cities, fifty two (52) receive all or substantially all of their electric service
4 from Portland General Electric Company ("PGE"). A listing of the Leagues' 52 member-cities
5 that are served by PGE is set out in Exhibit 1 to this Application.
6

7 The League provides a wide range of services to its members, including policy and other
8 forms of advocacy before a wide spectrum of federal and state legislative bodies and
9 administrative agencies, including the Commission. In addition, the League assists its
10 membership with research, education and training on topics that bear on municipal business
11 operations and the practicalities involved in day-to-day operation of local governments. The
12 League has participated in a wide range of Commission proceedings, ranging from rulemakings,
13 merger approvals, direct access implementation dockets and general rate cases such as the one at
14 hand.
15

16
17 The League has previously applied for and received case-certification for purposes of
18 participating in a PGE general rate proceeding. Specifically, in UE180, the League applied for
19 and received case-certification under criteria virtually identical to that contained in IFA Section
20 5.23 and OAR 860-012-0100(4). See Order 06-267 (granting case-certification). The
21 Commission subsequently approved an Issue Fund Grant for the League in the amount of
22 \$14,025.00. See Order 06-289. Moreover, in its order authorizing final disbursement of grant
23 monies to the League, the Commission found that the League had demonstrated that the
24

25 ² Eligibility for membership in the League is open to any Oregon city. The League's Constitution and corporate
26 bylaws are available for review and download at:

<http://www.orcities.org/AboutUs/GoverningPolicies/tabid/835/Default.aspx>

1 expenses were reasonable and directly attributable to issues and positions pursued on behalf of a
2 particular customer class (PGE's municipal customers) and consistent with the League's proposed
3 budget. Order 07-183.

4
5 **II. The League Satisfies the Criteria for Case-Certification In this Proceeding.**

6 The League meets each of the criteria for grant eligibility set forth in OAR
7 860-012-0100(4)(a-f) and Articles 5.3(a-f) of the IFA, as follows:

8 1. 860-012-0100(4)(a):

9 The organization represents the interests of a broad group or class of customers

10 (a) The organization:

- 11 (A) Is a not-for-profit organization; or
12 (B) Demonstrates that it is in the process of becoming a nonprofit
13 corporation; or
14 (C) Is comprised of multiple customers of one or more of the
15 utilities that are parties to the agreement and demonstrates that
16 a primary purpose of the organization is to represent broad
17 utility customer interests.

18 The League is an intergovernmental organization that generally operates on a not-for-
19 profit basis, as evidenced by the fact that it has applied for and received a determination that it is
20 exempt from Federal income tax pursuant to Section 501(c)(4) of the Internal Revenue Code.

21 In addition to being a not-for-profit organization, the League also meets the requirements
22 of OAR 860-012-0100(4)(a) by virtue of the fact that the League's membership contains 52
23 separate municipal corporations (i.e., "multiple customers") that are served by PGE (a party to
24 the IFA). As it did in UE180, the League intends in this proceeding to represent the broad
25 interests of cities in terms of the impact of PGE's proposal on the tariffs affecting municipalities
26 (e.g., street lights) and similarly-situated loads.

2. 860-012-0100(4)(b):

1 The organization represents the interests of a broad group or class of customers
2 and its participation in the proceeding will be primarily directed at public utility
3 rates and terms and conditions of service affecting that broad group or class of
4 customers, and not narrow interests or issues that are ancillary to the impact of
5 the rates and terms and conditions of service to the customer group;

6 The League's participation in this proceeding will focus on representing any issues that
7 affect any one its 52 members that are served by PGE. Because these 52 members in essence
8 comprise PGE's municipal customer class, the League will be representing the broad group
9 intended by OAR 860-012-0100(4)(b). To the best of the League's knowledge and belief, no
10 other party has to date intervened in these proceedings with the intention of providing a majority
11 of their focus on these customer groups.

12 3. 860-012-0100(4)(c):

13 The organization demonstrates that it is able to effectively represent the
14 particular class of customers it seeks to represent;

15 The League has a proven ability to effectively represent PGE's municipal customers on
16 issues specific to cities. In UE180, the League actively engaged PGE on cost and service issues
17 relating to streetlight and outdoor lighting service. Similarly, the League evaluated and
18 responded to PGE proposals relating to service restoration priorities, ultimately fostering a
19 settlement and stipulation that ensures that all of PGE's municipal customers, not just the largest
20 cities, may identify accounts they deem necessary to protect public safety, health and welfare and
21 which should be given priority during times of emergency. These and other issues advocated by
22 the League were included in the settlement and stipulation that was approved by the
23 Commission.
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1 The League will continue to employ a team of professionals with substantial experience
2 in matters of this nature. The League's legal counsel, professional consultants, and authorized
3 representative have extensive experience practicing before the Commission will be effective
4 advocates for the municipal customer class.

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6 4. OAR 860-012-0100(4)(d):
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8 The organization's members who are customers of one or more of the utilities
9 affected by the proceeding that are parties to the agreement contribute a
significant percentage of the overall support and funding of the organization;

10 The League's overall funding is contributed by its member cities in proportion to their
11 total population. Due to this methodology and the fact that PGE serves the most populated
12 portions of the state, when measured by dues alone the League's fifty two (52) cities served by
13 PGE contribute slightly over fifty percent of the overall support and funding of the organization.
14

15 5. OAR 860-012-0100(4)(e):
16

17 The organization demonstrates, or has demonstrated in past Commission
18 proceedings, the ability to substantively contribute to the record on behalf of
19 customer interests related to rates and the terms and conditions of service,
and received a grant;

20 The League has actively participated in many complex proceedings before the
21 Commission, including numerous rate cases, contested cases, rulemakings and policy
22 proceedings.³ The League has sponsored testimony on matters involving rate setting and
23 franchise issues, among other things. In past Commission proceedings the League has
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26 ³including the following which are either ongoing or recently concluded: AR 394, AR 421, AR 498, AR 499, AR 506, UE 115, UE 116, UE 118, UE 119, UM 1121 and UM 1209.

1 demonstrated the ability to substantively contribute to the record on behalf of customer interests
2 related to rates and the terms and conditions of service.

3
4 6. OAR 860-012-0100(4)(f):

The organization demonstrates that:

- 5 (A) No precertified intervenor participating in the proceeding adequately represents
6 the specific interests of the class of customers represented by the organization
7 related to rates and terms and conditions of service; or
(B) The specific interests of a class of customers will benefit from the
8 organization's participation; and

9 No other party or pre-certified intervenor adequately represents the specific interests of
10 cities. Currently, there are two pre-certified intervenors engaged in this proceeding, the Citizen's
11 Utility Board ("CUB"), and the Industrial Customers of Northwest Utilities ("ICNU").
12 Historically, CUB and ICNU have focused their advocacy on issues of general concern to
13 residential and large commercial customers, not the specific interests of PGE's municipal
14 customers. As it did in UE180, the League intends to actively participate in this proceeding and
15 advocate for the general benefit of PGE's municipal customers.

16
17 5. OAR 860-012-0100(4)(g):


The organization demonstrates that its request for case-certification will
18 not unduly delay the schedule of the proceeding.

19 The League's request for case-certification will not unduly delay the schedule of this
20 proceeding. On May 12, 2008, the League filed a Petition to Intervene in this proceeding and a
21 Notice of Intent to Request an Issue Fund Grant as required by Section 6.2 of the IFA and the
22 administrative rules governing this proceeding. The League petition was granted and it was
23 designated a party to this proceeding by Order issued May 16, 2008. This Application for Case-
24 Certification is being filed in compliance with the procedural schedule agreed to by the parties,
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1 and adopted by Orders issued March 25, 2008 and May 16, 2008. Granting the League
2 application as contained herein will not unduly the schedule in this proceeding.

3 WHEREFORE, the League respectfully requests that the Commission grant this
4 Application for Case-Certification to be Eligible to Request an Issue Fund Grant.
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6
7 DATED this 27th day of May, 2008.
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10 
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17 jimdeason@comcast.net

18 Attorney for the League of Oregon Cities
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Exhibit 1

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City:	Population	City:	Population
	(Portland State Univ., 2007):		(Portland State Univ., 2007):
Amity	1,480	Milwaukie	20,920
Aurora	995	Molalla	7,195
Banks	1,435	Mt. Angel	3,755
Barlow	140	Newberg	21,675
Beaverton	85,560	North Plains	1,890
Carlton	1,755	Oregon City	30,060
Cornelius	10,895	Portland	568,380
Damascus	9,775	Rivergrove	350
Dayton	2,495	St. Helens	12,075
Donald	995	St. Paul	410
Dundee	3,040	Salem	152,290
Durham	1,395	Sandy	7,595
Estacada	2,695	Scotts Mills	300
Fairview	9,695	Sheridan	5,865
Gaston	650	Sherwood	16,365
Gervais	2,250	Silverton	9,205
Gladstone	12,200	Tigard	46,715
Gresham	99,225	Troutdale	15,430
Happy Valley	10,380	Tualatin	26,025
Hillsboro	88,300	Turner	1,690
Hubbard	3,095	West Linn	24,180
Johnson City	675	Willamina	1,880
Keizer	35,435	Wilsonville	17,405
King City	2,700	Wood Village	3,100
Lafayette	3,730	Woodburn	22,875
Lake Oswego	36,345	Yamhill	820

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that I have this day served the foregoing LEAGUE OF OREGON
3 CITIES' APPLICATION FOR CASE-CERTIFICATION ELIGIBILITY TO RECEIVE AN
4 ISSUE FUND GRANT:

5 (a) by electronic mail upon all parties included on the service list for this proceeding
6 maintained in the Commission's *edockets* system; and,

7 (b) by causing a full, true and correct copy to be deposited in the U.S. Mail, postage-
8 prepaid. addressed to all Parties named on the enclosed service list.

9 DATED this 27th day of May, 2008.

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14 /s/ Jim Deason
15 Jim Deason, OSB No. 95497
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*In the Matter of Portland General Electric Company's
Request for a General Rate Increase
Docket No. UE 197*

Parties Receiving Service Via First Class Mail

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May 27, 2008