

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 197

In the Matter of)	
PORTLAND GENERAL ELECTRIC)	LEAGUE OF OREGON CITIES'
COMPANY)	PROPOSED BUDGET FOR
)	AN ISSUE FUND GRANT
Request for a General Rate Revision.)	
(UE 197).)	
)	

Pursuant to Section 6.3 of the First Amended and Restated Intervenor Funding Agreement (“IFA”),¹ the League of Oregon Cities (the “League”) hereby submits a proposed budget for an Issue Fund Grant to be used in connection with the League’s participation in this proceeding. As set forth herein, the League requests an Issue Fund Grant in the amount of \$39,720.00 (“League's Grant Request”) or approximately 80% of its proposed budget for this proceeding. The League intends to use in-house resources or outside funding to account for or pay for the difference in costs between the amount of the League Grant Request and the total amount of Eligible Expenses the League incurs for this proceeding.

As detailed below, the League intends to use these requested grant funds to actively represent the collective interests of a broad group of Portland General Electric (“PGE”) customers

¹ The IFA was approved by the Commission in Order No. 07-564 (Dec. 19, 2007).

constituting the municipal customer class. The fifty two (52) cities that are members of the League and whom the League will represent as a group provide a wide variety of services and otherwise consume energy in a manner that causes them to take service under a number of schedules PGE seeks to revise in these proceedings. The League's active representation and advocacy on behalf of all municipalities served by PGE will afford these customers, PGE and the Commission a better understanding of how PGE's proposed rate increases could impact the cost and quality of the service this class receives.

In addition to the direct benefits to be had by the broad range of cities served by PGE, the League believes its representation should also benefit a number of other classes of customers with similar usage patterns. Other customers likely to benefit from the League's active representation include, for example: (1) general small business and medium to large commercial consumers; (2) consumers purchasing energy for outdoor lighting, street lighting, traffic signals and recreational facilities; and, (3) customers purchasing energy for use in water supply, wastewater treatment and other activities involving water pumping.

The following information is provided in accordance with Section 6.3 of the IFA:

(1) Statement of Work to be Performed :

The League intends to participate in every aspect of UE 197 that could have a substantive impact on the issues the League intends to address. The League anticipates that its participation will involve activities such as: (a) having representatives attend clarifying sessions, workshops, settlement conferences, oral presentations and discovery related hearings; (b) conducting discovery, sponsoring expert witness testimony (either independently or jointly with other

parties); and, (c) preparing briefs and participating in hearings and oral arguments if needed. Conversely, the League will also be reviewing testimony, briefs and other materials filed or otherwise offered by PGE and other parties.

(2) **Description of Areas to be Investigated:**

PGE's application in UE 197 raises a number of issues that the League believes warrant further investigation. In representing the interests of its member cities, the League intends to investigate the following:

A. *Lighting Service.* PGE's proposes to increase the rates charged for outdoor lighting, street lighting, traffic signals and recreational facility lighting. The League intends to investigate the basis for PGE's proposal and suggest methods to mitigate or reduce these increases. In addition, the League proposes to investigate other terms and conditions of service being proposed by PGE in connection with service to these facilities.

B. *General Impact on Municipal Energy Costs and Risks.* As part of its participation in this proceeding, the League intends to update previous work it has done in connection with assessing the practical application of PGE's proposed rate increase on a sample of cities served by PGE. The League believes that its assessment will provide insight into the impact PGE's proposal will likely have on customers who's usage spans multiple rate schedules.

C. *Issues Potentially Impacting Service Restoration and other Public Service Commitments.* PGE currently has in place a number of policies and procedures related to the manner in which it restores service following weather-related or other events causing service interruptions. The League intends to investigate the staff reductions and similar components that

could result from PGE's proposal or other parties' responses to it in order to ensure that PGE can continue to maintain its existing public service commitments.

(3) Description of the Customer class Benefiting from the League's participation:

The League's participation will directly benefit the fifty two (52) cities that receive retail service from PGE. The League has participated in previous PGE rate cases and proceedings and has retained experienced legal counsel and expert witnesses so that it will be able to provide thorough and capable analyses and representation. The Commission has previously recognized the League's ability to provide representation to the class of customers composed of PGE's municipal customers. *See* Order No. 07-183.

(4) Specific Fund From Which the League Seeks An Issue Fund Grant:

The League seeks an Issue Fund Grant in the amount of \$39,720.00 to be allocated from the PGE Issue Fund Account established under IFA Section 4.2.3. The League understands that as of date of filing of this proposed budget, the PGE Issue Fund Account has an uncommitted balance of approximately \$227,000.00.

(5) Budget showing estimated attorney and consultant fees and expert witness fees:

Attached as Exhibit A is the League's estimate of its attorney and consultant fees for UE 197. The amount of funds being requested as an Issue Fund Grant represents approximately eighty percent (80%) of the League's anticipated total budget for this proceeding. The League developed this budget based upon the estimates of potential consultants and expert witnesses it

contacted regarding this proceeding and the experience of the League's counsel in providing legal representation in similar proceedings. The League's total was developed in anticipation of a proceeding that does not settle but instead proceeds through briefing and to a final order.

(6) Matching Funds:

The League represents that it will use matching funds in the form of in-house resources or outside funding to account for or pay at least 20% of the Eligible Expenses for which the League is seeking an Issue Fund Grant. The budget attached as Exhibit A demonstrates the League's estimate of its budget and proposed use of matching funds.

Therefore, the League respectfully requests that the Commission issue an order granting an Issue Fund Grant from the PGE Issue Fund in the amount of \$39,720.00.

Dated this 29th day of May, 2008.

Respectfully submitted,

/s/ Jim Deason
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Attorney for the League of Oregon Cities

**Exhibit A:
League of Oregon Cities' Proposed Budget**

<u>Activity</u>		<u>Hours</u>	<u>Rate</u>	<u>Cost</u>
<i>Case Preparation</i>				
Review filings and testimony, legal research, develop case strategy, prepare testimony, communications with expert witnesses, prepare issue statements	Sr. Attorney	40	195.00	7800.00
	Paralegal	30	95.00	2850.00
<i>Discovery and Case Processing</i>				
Prepare draft data requests; respond to data requests; review discovery responses and resolve discovery disputes; take and/or defend depositions; draft and review procedure and discovery related pleadings; attend hearings regarding procedural and discovery issues; attend meetings and communications with clients and third parties	Sr. Attorney	35	195.00	6825.00
	Paralegal	30	95.00	22850.00
<i>Settlement Discussions; Hearings; Workshops</i>				
Preparation for and attendance at settlement meetings; review and respond to settlement proposals; prepare for and attend workshops and Commission-sponsored hearings and meetings	Sr. Attorney	17	195.00	3315.00
	Paralegal	3	95.00	285.00
<i>Post-Hearing Briefing/Oral Argument</i>				
Prepare for and attend oral argument, draft briefs, legal research related to briefs	Sr. Attorney	40	195.00	7800.00
	Paralegal	15	95.00	1425.00
		<u> </u>		<u> </u>
Total Hours	Sr. Attorney	<u>132</u>	195.00	<u>25740.00</u>
Total Hours	Paralegal	<u>78</u>	95.00	<u>7410.00</u>
			Sub-Total	\$33,150.00

Expert Analyst/Witness Fees

Review of PGE's case, preparation of discovery and direct case, responding to rebuttal, hearing and post-hearing briefing assistance; primary focus on municipal customer schedules such as street lighting and signals; supporting other parties' on issues impacting large commercial rate schedules used by municipal customers	\$15,000.00
	Sub-Total <u>\$15,000.00</u>

Expenses

Travel Expenses (both Attorney and Consultant)	\$1,000.00
Printing and Reproduction; Postage	\$500.00
	Sub-Total <u>\$1,500.00</u>

LOC Total Budget \$49,650.00


LOC Issue Fund Grant Request (80% of total budget) \$39,720.00

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CERTIFICATE OF SERVICE

I hereby certify that on the 29th day of May, 2008, I served the foregoing LEAGUE OF OREGON CITIES' PROPOSED BUDGET FOR AN ISSUE FUND GRANT: (a) by electronic mail upon all parties listed on the service list for this proceeding; and, (b) by causing a full, true and correct copy to be deposited in the U.S. Mail, postage prepaid, addressed to all Parties on the attached service list.

DATED this 29th day of May, 2008.


/s/ Jim Deason
Jim Deason, OSB No. 95497

*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 29, 2008