

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UE 250**

In the Matter of	)	
	)	
PORTLAND GENERAL ELECTRIC	)	PROPOSED BUDGET FOR
COMPANY	)	ISSUE FUND GRANT OF THE
	)	INDUSTRIAL CUSTOMERS OF
	)	NORTHWEST UTILITIES
2013 Annual Power Cost Update Tariff	)	
(Schedule 125)	)	

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Pursuant to Section 6.3 of the First Amended and Restated Intervenor Funding Agreement (“IFA”) approved by the Oregon Public Utility Commission (Commission) by Order No. 07-564 (December 19, 2007), the Industrial Customers of Northwest Utilities (“ICNU”) files this Proposed Budget in UE 250 (the “Proceeding”) seeking an Issue Fund Grant in the amount of \$37,600. ICNU will bear all its costs in this proceeding that exceed \$37,600, in order to leave additional Issue Funds available for other parties and future proceedings. ICNU proposes that this grant be funded from the Portland General Electric Company (“PGE”) Issue Fund Account. ICNU respectfully requests that the Commission act on this Proposed Budget within fourteen days of receipt, as provided in Section 6.4 of the IFA. The following information is provided in accordance with Section 6.3 of the IFA:

**(1) Statement of the work to be performed by ICNU for which ICNU is seeking the Issue Fund Grant:**

ICNU has retained Davison Van Cleve, P.C. to represent ICNU in UE 250, which is a proceeding to consider PGE’s 2013 Annual Power Cost Update Tariff (“AUT”). The IFA defines an Eligible Proceeding as “any Commission proceeding that directly affects one or more of the Participating Public Utilities . . . .” IFA, Section 1(c). UE 250 directly affects PGE, which

falls under the definition of “Participating Public Utility” in Section 1(k) of the IFA. Therefore, UE 250 is an Eligible Proceeding and an Issue Fund Grant may be made for this proceeding under Section 6.1 of the IFA.

ICNU will attend clarifying sessions, workshops, settlement conferences, public meetings, oral presentations, and hearings in UE 250. ICNU plans to conduct extensive discovery in this proceeding. In addition, ICNU will submit expert witness testimony and briefs, as called for by the procedural schedule in this Docket.

**(2) Description of the areas to be investigated by ICNU:**

ICNU intends to investigate numerous aspects of PGE’s 2013 AUT, including PGE’s power cost assumptions and MONET modeling, the prudence of its costs, and other issues raised by PGE’s filing.

**(3) Description of the particular customer class or classes that will benefit from the intervenor’s participation:**

ICNU’s participation will directly benefit industrial customers, as well as other large non-residential customers who purchase service from PGE.

**(4) Identification of the specific Fund account from which ICNU is seeking the Issue Fund Grant:**

ICNU is seeking an Issue Fund Grant in the amount of \$37,600. ICNU will bear the cost of its participation to the extent that its costs exceed the amount of the Proposed Budget. ICNU proposes that the grant amount be allocated from the PGE Issue Fund Account established under IFA Section 4.2.3. ICNU estimates that the amount available in the 2012 PGE Issue Fund Account is \$154,097.21.

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

Attached as Exhibit A is ICNU's Proposed Budget in UE 250. The Proposed Budget details the expected hours and hourly rates of ICNU's attorneys and experts. The Proposed Budget was developed based on the costs ICNU incurred in previous PGE AUT cases.

**(6) Matching Funds**

As required by Section 6.3(f) of the IFA, ICNU represents that it 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 which ICNU is seeking an Issue Fund Grant. In fact, ICNU's budget proposes to use outside funding to pay for approximately 50% of the Eligible Expenses. ICNU's proposed budget assumes a fully litigated case. If the case is settled prior to hearing, actual expenses could be lower.

**Basis for Request**

ICNU respectfully requests that the Commission grant its request for this Issue Fund Grant in the amount of \$37,600 based on the following considerations:

1. In this proceeding, PGE forecasts Net Variable Power Cost of \$674.8 million, which PGE states will reduce base rates by 1.6%. Even though PGE is proposing a rate decrease, it is still important to review PGE's power costs and modeling to ensure that its proposed power costs are just and reasonable. In addition, PGE's proposal is an estimate that is subject to adjustment during the case.

2. ICNU represents the interests of industrial customers and has significant experience participating in Commission proceedings involving PGE's power costs. ICNU filed power cost testimony in UE 228, PGE's most recent AUT case, and UE 215, PGE's most recent

general rate case. In addition, ICNU has participated in numerous previous rate cases of PGE. Thus, ICNU possesses significant interest and expertise with respect to the subject matter of this proceeding. ICNU's participation will benefit PGE industrial as well as other PGE customers.

4. ICNU has been precertified under Sections 5.1 and 5.2 of the IFA and OAR § 860-001-0120(3)(b), as eligible to receive an Issue Fund Grant, by Commission Order No. 07-576, which was entered on December 20, 2007.

Therefore, ICNU respectfully requests that the Commission issue an order granting an Issue Fund Grant in the amount specified above.

Dated this 29th day of May, 2012.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ S. Bradley Van Cleve

S. Bradley Van Cleve

Irion A. Sanger

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Of Attorneys for Industrial Customers  
of Northwest Utilities

# **Exhibit A**

## **Proposed Budget of ICNU**

UE 250

Exhibit A

ICNU Proposed Budget for Issue Fund Grant

Personnel	Hours	Rate	Cost
<i>Attorney Fees</i>			
Senior Attorney	125	\$240.00	\$30,000
Associate Attorney	35	\$195.00	\$6,825
Paralegal	25	\$125.00	\$3,125
<i>Expert Witness Fees</i>			
Witness 1 (Discovery, Travel, Testimony, and Hearing)	150	\$225.00	\$33,750
<i>Other Expenses</i>			
Travel			\$1,000
Copying and Postage			\$500
Subtotal			\$75,200
Less 50% In-House Resources			\$37,600
Amount of Request			\$37,600

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Respectfully submitted,

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/s/ S. Bradley Van Cleve

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UE 250

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Amount of Request			\$37,600

# Davison Van Cleve PC

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May 29, 2012

*Via Electronic and U.S. Mail*

Public Utility Commission  
Attn: Filing Center  
550 Capitol St. NE #215  
P.O. Box 2148  
Salem OR 97308-2148

Re: In the Matter of PORTLAND GENERAL ELECTRIC COMPANY 2013 Annual  
Power Cost Update Tariff (Schedule 125)  
**Docket No. UE 250**

Dear Filing Center:

Enclosed please find an original and one (1) copy of the Proposed Budget on behalf of the Industrial Customers of Northwest Utilities in the above-referenced docket. Thank you for your attention to this matter.

Sincerely yours,

/s/ Sarah A. Kohler  
Sarah A. Kohler

Enclosures  
cc: Service List

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Proposed Budget on behalf of the Industrial Customers of Northwest Utilities upon the parties, on the service list, by causing the same to be deposited in the U.S. Mail, postage-prepaid, where paper service has not been waived.

Dated at Portland, Oregon, this 29th day of May, 2012.

/s/ Sarah A. Kohler

Sarah A. Kohler

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