

# Davison Van Cleve PC

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November 28, 2016

***Via Electronic Filing***

Public Utility Commission of Oregon  
Attn: Filing Center  
201 High St. SE, Suite 100  
Salem OR 97301

Re: In the Matter of PACIFICORP  
Multi-State Process (“MSP”) Intervenor Funding Agreement  
**Docket No. UM 1586**

Dear Filing Center:

Enclosed for filing in the above-referenced docket, please find the Request for MSP Issue Fund Grant and Proposed Budget of the Industrial Customers of Northwest Utilities.

Thank you for your assistance. If you have any questions, please do not hesitate to contact our office.

Sincerely,

/s/ Teresa D. Slominski  
Teresa D. Slominski

Enclosure

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UM 1586**

In the Matter of	)	
	)	
PACIFICORP, dba PACIFIC POWER	)	REQUEST FOR MSP ISSUE FUND
	)	GRANT AND PROPOSED BUDGET
Multi-State Process Intervenor Funding	)	OF THE INDUSTRIAL CUSTOMERS
Agreement.	)	OF NORTHWEST UTILITIES
_____	)	

Pursuant to Section 5.1 of the Multi-State Process (“MSP”) Intervenor Funding Agreement (“IFA”) approved by the Oregon Public Utility Commission (“Commission”) via Order Nos. 12-110 and 12-122, the Industrial Customers of Northwest Utilities (“ICNU”) files this Proposed Budget seeking an MSP Issue Fund Grant in the amount of \$4,080 for 2016. ICNU proposes that this grant be funded from the PacifiCorp MSP Issue Fund Account. The following information is provided in accordance with Section 5.1 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 the MSP Broad Review Workgroup (“BRWG”), which will be convening again on December 14, 2016. The IFA defines eligible MSP Activities as participating in an MSP Standing Committee workgroup and the comprehensive MSP efforts outlined in the 2011 Stipulation approved by the Commission. IFA, Article 1(g). MSP Activities do not include participation in any dockets or formal proceedings before the Commission.

(2) **Statement of the Breadth and Complexity of MSP Activities:**

ICNU's MSP Activities will include attendance at the BRWG meeting on December 14, 2016, in addition to associated communications with BRWG participants, review of BRWG materials distributed by PacifiCorp or other MSP stakeholders, and any follow-up activity. The upcoming BRWG meeting is expected to address emerging inter-jurisdictional cost allocation issues, including Clean Air Act rule development and efforts to potentially create a regional independent system operator ("ISO"). ICNU expects to contribute to BRWG discussion that will, in turn, inform discussion at the next Commissioner Forum in January 2017.

(3) **Significance of Any Policy Issues Directly Attributable to MSP Activities:**

PacifiCorp's inter-jurisdictional cost allocation methodology is used to allocate the costs of its generation, transmission, distribution and wholesale activities among its various service territories. All of PacifiCorp's states, except Washington, currently use, in part, the 2010 Protocol to allocate the Company's costs. To the best of ICNU's understanding, all of PacifiCorp's states, except Washington, will also use the 2017 Protocol, beginning January 1, 2017. The MSP Activities may result in the identification of emerging issues which affect current cost allocation methodology, or which will be instructive toward preliminary discussion of appropriate inter-jurisdictional cost allocation when the 2017 Protocol expires on December 31, 2018.

(4) **MSP Activities Schedule:**

For the remainder of 2016, the only scheduled event is a BRWG meeting on December 14, 2016, in Portland. Follow-up activity before the end of 2016 is also possible.

(5) **Participation of Other Parties that Adequately Represent the Interests of Customers:**

ICNU represents the interests of industrial customers that purchase electricity directly from PacifiCorp. ICNU's participation will directly benefit industrial customers, as well as other large non-residential customers who purchase service from PacifiCorp. No other organization represents the interests of Oregon industrial customers in the MSP Activities.

(6) **Statement of Activities to be performed by ICNU for which ICNU is seeking an MSP Fund Grant:**

ICNU will participate in all aspects of the BRWG meeting scheduled to address emerging inter-jurisdictional cost allocation issues, including attending any associated or follow-up clarifying sessions, workshops, settlement conferences, meetings, and oral presentations. ICNU may conduct discovery related to these MSP Activities. ICNU's attorney and/or consultant will review, analyze and comment on issues related to emerging cost allocation matters for PacifiCorp.

(7) **Description of Areas to Be Investigated by ICNU Relating to MSP Activities:**

ICNU will investigate potential impacts to Oregon ratepayers of Clean Air Act rules and the formation of a regional ISO, especially as PacifiCorp is presently considering becoming a new participating transmission owner in a regional ISO. More specifically, ICNU will investigate whether Oregon will be paying its fair share of PacifiCorp's generation, transmission, distribution and wholesale costs and revenues relative to emerging issues discussed at the BRWG meeting. Depending on the BRWG agenda, ICNU might investigate a wide array of issues, including those related to cost allocation of load growth, hydro resources, conservation, renewable portfolio standards, thermal generation, and inconsistent state policies.

**(8) A Budget of MSP Activities**

ICNU is seeking an MSP Issue Fund Grant in the amount of \$4,080, allocated from the PacifiCorp MSP Fund Account. ICNU estimates that the uncommitted amount available in the 2016 ICNU PacifiCorp MSP Fund Account is \$40,000. Attached as Exhibit A is ICNU's proposed budget detailing the expected hours and hourly rates of ICNU's attorney and expert.

**(9) Matching Funds:**

As required by Section 5.1 of the MSP 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 MSP Issue Fund Grant.

Therefore, ICNU respectfully requests that the Commission issue an order granting an MSP Issue Fund Grant in the amount of \$4,080.

Dated this 28th day of November, 2016.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

*/s/ Jesse E. Cowell*

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Of Attorneys for Industrial Customers

of Northwest Utilities

# **Exhibit A**

## **Proposed Budget of ICNU**

PAGE 5 – REQUEST FOR MSP ISSUE FUND GRANT AND PROPOSED BUDGET  
OF ICNU

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UM 1586

Exhibit A

ICNU Proposed Budget for Issue Fund Grant

Personnel	Hours	Rate	Cost
<i>Attorney Fees</i>			
Attorney	12	\$265	\$3,180
<i>Expert Witness Fees</i>			
Expert 1	12	\$160	\$1,920
<i>Other Expenses</i>			
Travel			
Printing and Postage			
Subtotal			\$5,100
20% of Eligible Expenses			\$1,020
<b>ICNU MSP Issue Fund Grant Eligibility</b>			<b>\$4,080</b>
<b>Total ICNU MSP Issue Fund Grant Request</b>			<b>\$4,080</b>