

# Davison Van Cleve PC

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January 16, 2018

## *Via Electronic Filing*

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

Re: PACIFICORP, dba PACIFIC POWER,  
Multi-State Process Second Amended and Restated Intervenor Funding  
Agreement.  
**Docket No. UM 1586**

Dear Filing Center:

Enclosed for filing in the above-reference docket, please find the Request for  
MSP 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 call.

Sincerely,

/s/ Jesse O. Gorsuch  
Jesse O. Gorsuch

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UM 1586**

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

Pursuant to Section 5.1 of the Multi-State Process (“MSP”) Second Amended and Restated Intervenor Funding Agreement (“IFA”) approved by the Public Utility Commission of Oregon (“Commission”) via Order No. 17-028, the Industrial Customers of Northwest Utilities (“ICNU”) files this Proposed Budget seeking an MSP Issue Fund Grant in the amount of \$48,287.59 for 2018. ICNU proposes that this grant be funded from the ICNU MSP Fund Account. The following information is provided in accordance with Article 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 MSP Activities throughout the course of 2018. The IFA defines eligible MSP Activities as MSP-related activities apart from participation in any dockets or other formal proceedings before the Commission. MSP Activities include, but are not limited to, activities described in Section XIII of the 2017 PacifiCorp Inter-Jurisdictional Allocation Protocol (“2017 Protocol”).

MSP Activities do not include participation in Docket No. UM 1050 related to PacifiCorp’s inter-jurisdictional cost allocation. IFA, Article 1(g).

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

ICNU's MSP Activities include attendance at MSP Workgroup meetings, teleconferences, and the annual Commissioner Forum, as well as associated communications with MSP participants, review of materials distributed by PacifiCorp or other MSP stakeholders, and any follow-up activity. MSP Activities to date have primarily focused upon structural separation and Company-developed alternatives to future system-wide cost allocation methods.

ICNU expects to contribute to discussion during scheduled MSP Activities in 2018. Moreover, based on indications from the Company and stakeholders, ICNU expects that MSP Activities will continue throughout the entirety of 2018.

(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 the 2017 Protocol to allocate the Company's costs. MSP Activities may result in the identification of emerging issues which affect current cost allocation methodology.

(4) **MSP Activities Schedule:**

An MSP Workgroup teleconference has been scheduled for January 17, 2018. In addition, MSP workgroup meetings are scheduled for January 25 and 26, 2018, and a Commissioner Forum also is scheduled for January 26, 2018. Additional MSP workgroup meetings are expected in subsequent months.

(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 2018 MSP Activities 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 attorneys and/or consultants will review, analyze and comment on issues related to emerging cost allocation matters for PacifiCorp, including issues identified through discovery initiated by other parties.

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

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 MSP Workgroup meetings and teleconferences, as well as at the Commissioner Forum. ICNU will also investigate any potential impacts to Oregon ratepayers of the state's Clean Electricity and Coal Transition Plan, Clean Air Act rules, and the formation of a regional ISO, relative to how such issues develop on state and federal political levels in 2018, in addition to any other legal mandates that may arise. Depending on the development of ongoing MSP Activities, 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 state policies.

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

ICNU is seeking an MSP Issue Fund Grant in the amount of \$48,287.59, to be drawn from the ICNU MSP Fund Account. This amount includes the \$45,000 available in ICNU's 2018 MSP Fund, plus a rollover of \$3,287.59 in unused funds from ICNU's 2017 MSP Fund. ICNU estimates that the uncommitted amount available in the 2018 ICNU MSP Fund Account is \$48,287.59. Attached as Exhibit A is ICNU's proposed budget detailing the expected hours and hourly rates of ICNU's attorneys and experts.

**(9) Matching Funds:**

As required by Article 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 \$48,287.59.

Dated this 16th day of January, 2018.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ Tyler C. Pepple

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Of Attorneys for Industrial Customers  
of Northwest Utilities

# **Exhibit A**

## **Proposed Budget of ICNU**

UM 1586

Exhibit A

ICNU Proposed Budget for Issue Fund Grant

Personnel	Hours	Rate	Cost
<i>Attorney Fees</i>			
Attorney	108	\$280	\$30,240
Paralegal	30	\$170	\$5,100
<i>Expert Witness Fees</i>			
Expert	114	\$200	\$22,800
<i>Other Expenses</i>			
Travel			\$2,160
Printing and Postage			\$59.49
Subtotal			\$60,359.49
20% of ICNU Funded Expenditures			\$12,071.90
<b>Total ICNU MSP Fund Request</b>			<b>\$48,287.59</b>