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December 21, 2006

Jean Jewell, Commission Secretary
Idaho Public Utilities Commission
427 W. Washington St.
Boise, ID 83702-5983

RECEIVED
2006 DEC 26 PM 3:45
IDAHO PUBLIC
UTILITIES COMMISSION

Re: **IPC-E-04-15**

Dear Ms. Jewell:

Please find enclosed for filing the original and seven (7) copies of the NW Energy Coalition's APPLICATION FOR INTERVENOR FUNDING. I have included a cover page of this document to be conformed and returned to me. Thank you for your attention to this matter.

Sincerely,



William M. Eddie

William M. Eddie (ISB# 5800)
ADVOCATES FOR THE WEST
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IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE INVESTIGATION) CASE NO. IPC-E-04-15
OF FINANCIAL DISINCENTIVES TO)
INVESTMENT IN ENERGY EFFICIENCY BY)
IDAHO POWER COMPANY)
)
)
)
)
_____)

APPLICATION FOR INTERVENOR FUNDING

Pursuant to Idaho Code § 61-617A and Rules of Procedure 161 through 165, NW Energy Coalition hereby applies for intervenor funding in this matter in the amount of \$8,342.10. This application is supported by the following Supporting Points and Authorities.

SUPPORTING POINTS AND AUTHORITIES

An award of intervenor funding in this matter is warranted under the criteria in Rule of Procedure 165. The NW Energy Coalition (or “the Coalition”) is a non-profit organization whose ability to participate in Commission proceedings in a meaningful way is limited by its modest staff and financial resources.

NW Energy Coalition’s involvement in this case contributed materially to the resolution of this matter, and to the initiation of a separate application by Idaho Power Company. The Coalition’s involvement was a multi-year effort culminating in a Stipulation now pending before

the Commission to initiate a pilot decoupling program for Idaho Power Company, as well as a pending application by the Company to adopt a performance incentive program for one demand-side management program (IPC-E-06-32).

The issues addressed this case were of general concern to Idaho Power customers, but NW Energy Coalition's members primarily take service under Schedules 1 and 7 (residential and small commercial).

A. COALITION'S PARTY STATUS IN THIS CASE

Before addressing the requirements of Rule of Procedure 162, the Coalition notes the somewhat unusual procedural posture of this case. The origins of this case are in Idaho Power Company's 2003-04 general rate case (IPC-E-03-13). The Coalition intervened in that case, and presented testimony of Ralph Cavanagh urging the adoption of a fixed-cost adjustment (or "decoupling") mechanism to better align the interests of Idaho Power's customers and shareholders. Mr. Cavanagh also recommended an exploration of performance incentives to encourage strong performance in demand-side management ("DSM") by Idaho Power Company. Following hearings in that case, NW Energy Coalition, Idaho Power Company, Commission Staff, and the Industrial Customers of Idaho Power entered a "Joint Proposal" committing to work together to resolve issues raised by Mr. Cavanagh's testimony in a workshop setting.

The Commission decided in Order No. 29505 that such an investigation should go forward, and specifically ordered: "The parties to the [Joint Proposal] are directed to propose a workshop schedule and initiate a proceeding." Because the Coalition was responsible for raising the decoupling and DSM performance incentive issues in the rate case, and because it wished to initiate the workshops as soon as possible, the Coalition made the compliance filing required by Order 29505 on June 18, 2004, thereby initiating this docket. Thus, as a technical

matter, the Coalition's party status in this docket in 2004 and 2005 initially was as the petitioner. The Coalition participated fully in the first round of workshop proceedings, which primarily were held in late 2004.

Following the Final Report on workshop proceedings filed on February 15, 2006, Idaho Power simulated the impact of decoupling and then filed an Application to establish a fixed-cost adjustment mechanism on January 30, 2006. The Commission issued a Notice of Application and Notice of Intervention Deadline on March 6, 2006. The Coalition was granted intervenor status on March 28, 2006, and participated in further workshops leading to the Stipulation now before the Commission. See Order 30004 (granting the Coalition intervention in this docket).

The Coalition requests that the Commission allow recovery of the full amount of intervenor funding requested herein because (a) the Coalition is an Intervenor in this docket; and (b) the Coalition's efforts in this docket in 2004 and 2005 were necessary for the achievement of the Stipulation filed with the Commission on December 18, 2006, and contributed materially to the Company's application now pending in IPC-E-06-32. A grant of intervenor funding in this case is fully consistent with the intent of Idaho Code § 61-617A(1): "It is hereby declared the policy of this state to encourage participation at all stages of all proceedings before the commission so that all affected customers receive full and fair representation in those proceedings."

B. REQUIREMENTS OF RULES 162 AND 165 ARE MET

The following information and statements fulfill the requirements of Rule of Procedure 162, and demonstrate that an award of intervenor funding is warranted under Rule 165:

1. Itemized list of expenses.

Intervenors incurred attorney fees for William M. Eddie (the undersigned) in the amount of \$8,090.00. This amount reflects 31.6 hours in 2004 and 2005 at \$125 per hour (\$3,950.00); and 27.6 hours in 2006 at \$150 per hour (\$4140.00). Mr. Eddie's itemized hourly records are attached hereto as Exhibit 1.

In addition, the Coalition incurred the following travel costs for travel on November 18, 2006:

-- Airfare for Mr. Eddie: \$224.60

-- Ground transport: \$27.50

Costs related to the time expended by Coalition employees Nancy Hirsh, Ken Miller, and Steven Weiss for participating in and preparing workshops and (for Mr. Weiss) in preparing his testimony and working with counsel are waived for purposes of this application. In addition, the Coalition incurred other minor copying, postal, and telecommunication expenses which are waived for purposes of this application.

Total Fees and Costs Requested: \$ 8,342.10.

2. Statement of proposed findings.

Intervenor proposes the Commission adopt the following finding with respect to this Application:

“NW Energy Coalition’s participation in this case materially contributed to Commission’s decision in this matter. We find that NW Energy Coalition’s requested award is reasonable in amount, and that the costs of intervention constituted a significant hardship for intervenors. NW Energy Coalition addressed issues of concern to the

general body of Idaho Power customers. Intervenor funding in the amount \$8,342.10 is awarded to NW Energy Coalition.”

3. Statement showing costs are reasonable.

The costs for which recovery is requested are reasonable. For attorney fees, NW Energy Coalition seeks recovery at hourly rates of \$125 and \$150 per hour for Mr. Eddie’s time. The Coalition submits this rate is commensurate with or below rates charged by other attorneys of similar experience practicing in a specialized area of law. The Commission has previously granted intervenor funding for Mr. Eddie’s time at somewhat lower rates. See Order Nos. 28894, 28756, and 29505. In Order No. 30035, the Commission recently approved rates of \$175 and \$185 per hour for more senior counsel than Mr. Eddie, as part of an intervenor funding request by the Idaho Irrigation Pumpers Association. In other litigation matters, Mr. Eddie typically bills his time at \$200 per hour and higher.

Mr. Eddie reviewed his time sheets in this case and redacted hours that were arguably duplicative or otherwise unnecessary. The Coalition is seeking compensation for 59.2 hours of his time, for a total attorney fee amount of \$8090.00. These hours and the other costs incurred by the Coalition were reasonably necessary for the Coalition’s participation in this matter.

4. Explanation of cost statement.

Payment of the requested costs would constitute a financial hardship for NW Energy Coalition. The Coalition is a non-profit (IRS 501(c)(3)) organization with an annual budget of slightly more than \$600,000. With these limited resources to pay the salaries of eleven (11) staff members, plus overhead, the Coalition seeks to influence energy policy decisions in the four (4)

northwest states through participation at state, regional (*e.g.* Bonneville Power Administration) and national venues. NW Energy Coalition would not be able to pay the attorney fees and other costs incurred in this matter without suffering financial hardship.

5. Statement of difference.

NW Energy Coalition's participation in this matter differed materially from all other parties. The Coalition is largely responsible for this docket's initiation. The Coalition participated in this docket as a strong proponent for the adoption of an appropriate and balanced decoupling mechanism, and for a DSM performance incentive for Idaho Power. This is a unique perspective among the parties, grounded on the Coalition's belief that such measures will help ensure that least-cost and least-risk resources are acquired for the benefit of customers. The Coalition also believes that Idaho Power Company should be rewarded for providing excellent energy service to customers, including by offering robust and successful conservation programs. Thus, the Coalition's involvement touched on all issues at stake in this docket. As evidence of the Coalition's central role in the workshops, the Coalition took the lead role in drafting and achieving consensus on the joint Final Report on Workshop Proceedings, filed February 15, 2005. Although a stipulated decoupling proposal and a thoroughly-vetted DSM performance incentive are now pending before the Commission, there was considerable debate among the parties on the merits, design, and details of each. Both the Stipulation presented to the Commission in this docket, and Idaho Power's application for a DSM performance incentive in case IPC-E-06-32, include specific provisions for which the Coalition advocated.

The Commission has previously authorized recovery of intervenor funding in cases resolved via workshops and settlement conferences. See Order 30035 (authorizing \$32,742 in intervenor funding in Idaho Power's 2005 rate case, which was resolved through the Commission's approval

of a stipulated settlement); and Order 29868 (authorizing \$17,500 in intervenor funding for workshop proceedings cost of service docket).

6 & 7. Statements of recommendation and class.

NW Energy Coalition's recommendations and positions focused on matters which impact all utility customers. NW Energy Coalition's membership includes individuals, organizations such as Idaho Rivers United and Idaho Rural Council, and thus the Coalition most directly represents the interests of residential and small commercial customers.

CONCLUSION

The Coalition respectfully requests that the foregoing Application for Award of Intervenor Funding be granted, and that Idaho Power pay \$8,342.10 directly to Advocates for the West as counsel for the Coalition for proper distribution.

Dated: December 21, 2006

Respectfully submitted,



William M. Eddie

On behalf of NW Energy Coalition

CERTIFICATE OF SERVICE

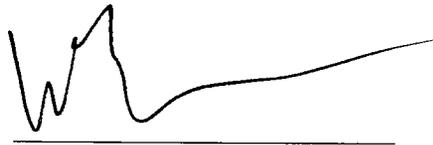
I hereby certify that on this 21st day of December 2006, true and correct copies of the foregoing APPLICATION FOR INTERVENOR FUNDING were delivered to the following persons via U.S. Mail:

Jean Jewell (original + seven copies)
Idaho Public Utilities Commission
472 W. Washington St.
Boise, ID 83702

Barton Kline
Idaho Power Company
P.O. Box 70
Boise, ID 83707-0070

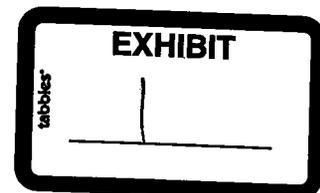
Scott Woodbury
Deputy Attorney General
Idaho Public Utilities Commission
472 W. Washington St.
Boise, ID 83702

Peter Richardson
Richardson & O'Leary
515 N. 27th St.
Boise, ID 83702

A handwritten signature in black ink, appearing to be 'W', written over a horizontal line.

Hours Expended by William M. Eddie
IPC-E-04-15
2004 and 2005

<u>Date</u>	<u>Service</u>	<u>Hours</u>
6/6/2004	email to parties re: schedule for wkshops	0.3
6/7/2004	tc w/ B.Kline re: schedule; draft petition to start proceeding	2
6/8/2004	revise petition	0.3
6/9/2004	revise petition; email corresp w/ interested parties	0.3
6/17/2004	mtg w/ R.Gale, D.Bachrach re; petition etc; tc w/ P.Richardson re: petition; finalize and attn re: filing petition	1.1
8/10/2004	tc w/ E.Hirst re: ppt presentation; review same	0.5
8/23/2004	tc w/ N.Hirsh, email w/ R.Gale re workshop; tc w/ B.Purdy re: same	0.3
9/22/2004	tc w/ S.Hayman re: next meeting	0.2
9/23/2004	tc w/ S.Hayman re: next meeting	0.3
9/27/2004	prep for and attend workshop	4
11/30/2004	prep for meeting 12/1; tc w/ N.Hirsh re: same	0.7
12/1/2004	prep for and attend mtgs w/ R.Cavanagh and R.Gale; attend decoupling workshop	5
12/6/2004	tc w/ R.Cavanagh re: simulation	0.2
12/8/2004	draft simulation strawman; mtg w/ R.Lobb re; next steps; email corresp w/ R.Cavanagh, N.Hirsh, S.Hayman re: same	1.8
12/11/2004	review IPC pilot proposal	0.2
12/13/2004	prep for and attend decoupling wkshop	3.8
1/7/2005	tc w/ R.Cavanagh re: report status	0.1
1/26/2005	tc and emails re: delay in report	0.2
1/30/2005	draft final report to Commission	1.6
1/31/2005	draft final report to Commission; email to R.Cavanagh, N.Hirsh re: same	2.2
2/1/2005	revise report; tc and email w/R.Cavanagh re: same re: revisions	1.8
2/7/2005	review IPC emails on pilot and simulation; email to R.Cavanagh re: same	1
2/8/2005	tc w/ R.Cavanagh re: report; review IPC changes and email re: same	0.4
2/9/2005	revise final report and misc emails re: same	1.5
2/10/2005	review recent IPC and staff edits; email re: same	0.2
2/11/2005	misc emails and edit report	0.3
2/14/2005	finalize report, conf w/ Eijckelhof re: filing	0.5
3/9/2005	conf call re: pilot program	0.8
	Total =	31.6



Hours Expended by William M. Eddie
IPC-E-04-15
2006

<u>Date</u>	<u>Service</u>	<u>Hours</u>
3/7/2006	review application package	1.3
3/17/2006	email and tc w NWECC; draft and attn re: file intervene petition	1.6
5/15/2006	tcs w/ R.Cavanagh, R. Gale, R.Lobb all re: decoupling vs PCA growth rate	0.7
5/16/2006	review filings in decoupling and load growth adjustment case; tc w/ R.Cavanagh, A.Chang; IPC re: same	2.1
5/17/2006	prep for and attend wkshop; lunch w/ A.Chang	3.9
8/31/2006	prep for and attend decoupling settlement conf	2.5
9/1/2006	draft update email to NWECC	0.4
9/18/2006	review T.Tatum email and draft email to B.Kline, S.Woodbury re: status	0.2
9/19/2006	draft change of address notice and attn re: file and serve	0.4
9/21/2006	review Staff FCA proposal; email to R.Cavanagh re: same; emails re: same to S.Weiss, K.Miller and draft propsed concepts to modify same	0.9
9/27/2006	tc w/ S.Weiss re: progress in case; draft NWECC response to Staff proposal and tc w/ K.Miller re: same; research on energy codes	1.7
9/28/2006	modify NWECC response to staff proposal and email to NWECC re: same; tc w/ N.Hirsh re: same	1.3
11/3/2006	misc email w/ NWECC re: IPC proposal and w/ staff re: next wkshop; arrange travel	0.5
11/6/2006	review T.Tatum and L.Anderson emails; email to NWECC re: same; email to T.Tatum, R.Gale re: status of incentive discussion	0.8
11/7/2006	tc w/ S.Weiss and N.Hirsh re: prep for wkshop; review file in prep for wkshop	1.4
11/8/2006	travel, prep for and attend decoupling wkshop; attend mtg at IPC re: performance incentive; draft email update to NWECC staff	4.8
11/20/2006	review draft stip and send to NWECC	0.6
12/4/2006	email w/ NWECC staff and IPC re: submission of testimony?	0.3
12/12/2006	review motion re: stip and R.Gale draft testimony; email to NWECC re: same and possible testimony	0.6

12/13/2006	review and sign motion for approval of stip; email w/ S.Weiss re: scope of testimony	0.4
12/18/2006	review draft testimony from S.Weiss; comment on same; email to S.Weiss re: same;	1.8
12/19/2006	email w/ S.Weiss re: final testimony; attn re: filing same;	0.7
	Total =	27.6