

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 PETITION OF	)	
AVISTA CORPORATION FOR AN ORDER	)	
REVISING AVISTA CORPORATION'S	)	CASE NO. AVU-E-07-02
OBLIGATIONS TO ENTER INTO CONTRACTS	)	
TO PURCHASE ENERGY GENERATED BY	)	(Reference related cases nos.
WIND-POWERED SMALL POWER	)	PAC-E-07-07 and IPC-E-07-
GENERATION FACILITIES	)	03)
	)	

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**APPLICATION FOR INTERVENOR FUNDING**

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Pursuant to Idaho Code § 61-617A and Rules of Procedure 161 through 165, Renewable Northwest Project and NW Energy Coalition (the "Renewable Coalition") hereby apply for intervenor funding in this matter in the amount of \$2,876.55. 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. Both organizations composing the Renewable Coalition are non-profit organizations whose ability to participate in Commission proceedings in a meaningful way is limited by their modest staff and financial resources.

The Renewable Coalition's involvement in this case contributed materially to the resolution of this matter, including by resulting in the Settlement Stipulation now on file

with the Commission. The issues addressed in this case by the Renewable Coalition were of general concern to Avista customers. A grant of intervenor funding in this case is consistent with the intent of Idaho Code § 61-617A(1), which states: "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."

**A. 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 in the amount of \$1,335.00. This amount reflects 8.9 hours at \$150 per hour. Mr. Eddie's itemized hourly records are attached hereto as Exhibit 1.

Intervenors incurred expert costs for Ken Dragoon of Renewable Northwest Project. Mr. Dragoon is an employee of Renewable Northwest Project, but acted as technical expert for both parties composing the Renewable Coalition. Mr. Dragoon's time is billed based on the estimated actual cost of his time (including apportioned amount of overhead costs) as a staff member of Renewable Northwest Project, for a final hourly rate of \$83.33. The total requested recovery for Mr. Dragoon's time is \$1,333.28. Mr. Dragoon's itemized hourly records are attached hereto as Exhibit 2.

In addition, the Coalition incurred the following costs for participation in this case and the related Idaho Power matter (IPC-E-07-03):

- Airfare and other travel costs for Mr. Eddie: \$572.20
- Airfare, hotel, other travel costs for Mr. Dragoon: \$1,302.73
- Shipping and postage: \$147.26
- Copying charges: \$60.48

Total Costs = \$2,082.67<sup>1</sup>

Renewable Coalition requests recovery of 90% of these costs within the Idaho Power docket (\$1874.40), and 10% of costs (\$208.27) within this docket. Such sharing of costs between cases is roughly proportional to the hours incurred by Messrs. Eddie and Dragoon in the two cases. 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: \$2,876.55.**

2. Statement of proposed findings.

Intervenors propose the Commission adopt the following findings with respect to this case and this Application:

“The Commission grants the Motion for Approval of Settlement Stipulation. The Commission adopts the adjustments to the contracting terms and avoided costs available to qualifying facilities less than 10aMW in size as set forth in the Stipulation.

In regard to the Application for Intervenor Funding, the Commission finds that the Renewable Coalition’s participation in this case materially contributed to Commission’s decision in this matter. We find that the Renewable Coalition’s requested award is reasonable in

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<sup>1</sup> An itemized listing of costs can be provided on request.

amount, and that the costs of intervention constituted a significant hardship for intervenors. Renewable Coalition addressed issues of concern to the general body of Avista customers. Intervenor funding in the amount \$2,876.55 is awarded to Renewable Coalition, and shall be paid to Advocates for the West as counsel for both parties composing Renewable Coalition.”

3. Statement showing costs are reasonable.

The costs for which recovery is requested are reasonable. This case involved complex and novel technical issues, and the proceedings included one public workshop and two settlement conferences. The modest amount requested for Intervenor Funding partly reflects that the related Idaho Power docket (IPC-E-07-03) was the “lead” case, and the overwhelming majority of expert and attorney time was expended for that case. For example, the public workshop discussions focused almost exclusively on Idaho Power’s wind integration study.

For attorney fees, Renewable Coalition seeks recovery at an hourly rate of \$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 this requested rate. See Order Nos. 30215 and 30267. 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. As reflected in the time sheets, Mr. Eddie 10.5 hours of time in this matter. For purposes of this Application, Renewable Coalition has reduced the number of hours for which recovery is requested by 15%. No recovery is requested for Mr. Eddie's time in preparing this Application. These hours and the other costs incurred by the Coalition were reasonably necessary for the Coalition's participation in this matter.

Likewise, the hourly rate and total requested grant of Intervenor Funding for Mr. Dragoon's time is very reasonable. Mr. Dragoon's background was described in the Direct Testimony of Ken Dragoon, which was filed in support of the Joint Motion for Approval of Settlement Stipulation in this matter. Mr. Dragoon is a highly experienced technical expert in utility planning and system operations, and in particular has significant expertise in wind integration. Renewable Coalition believes his market rate as a technical consultant would be approximately \$250 per hour. The requested rate for recovery of \$83.33 is significantly below the market value of his services. Exhibit 3 (letter of Rachel Shimshak, executive director of RNP) is provided herewith in support of this Application.

The Commission has previously authorized recovery of intervenor funding in cases resolved via workshops and settlement conferences. See Order 30267 (authorizing \$8,342.10 in intervenor funding in fixed-cost adjustment docket); 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 in cost of service docket).

4. Explanation of cost statement.

Payment of the requested costs would constitute a financial hardship for both organizations composing the Renewable Coalition. The NW Energy 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 NW Energy 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.

Renewable Northwest Project is a non-profit (IRS 501(c)(3)) organization with a budget of approximately \$680,000. As further described in Exhibit 3, Renewable Northwest Project's commitment of resources to participate in this case constitutes a significant financial hardship for the organization.

5. Statement of difference.

The Renewable Coalition's participation in this matter differed materially from all other parties. Of all parties involved in this case, the Renewable Coalition was the most active non-utility party in seeking to identify and resolve core contested issues. The Renewable Coalition participated in this docket as a strong proponent for renewable energy, but not as a proponent for any particular renewable energy project. The Renewable Coalition's diverse combined membership required that the Coalition bring a unique and balanced perspective.

As described in the Direct Testimony of Ken Dragoon filed in support of the Settlement Stipulation in this case, the Renewable Coalition's perspective on the issue of wind integration was to recognize that the most accurate wind integration cost estimate

was to the advantage of all parties. Wind energy is a competitively priced resource with zero fuel costs that can be built with relatively short lead time at large scales. Wind energy will play a major role in utility resource portfolios over the next few decades. The Renewable Coalition advocated for a reasonable outcome that would balance the risks facing the wind industry, ratepayers, and utilities, while also setting a path forward to continue refining wind integration analyses.

The Renewable Coalition was the primary non-utility negotiator of the Settlement Stipulation now on the file with the Commission. As the Commission is aware, this was a relatively controversial docket with many contested issues.

6 & 7. Statements of recommendation and class.

NW Energy Coalition's membership includes individuals residing in Idaho and organizations such as the Kootenai Environmental Alliance, and therefore the organization most directly represents the interests of residential and small commercial customers. However, in this case the Renewable Coalition's recommendations and positions focused on matters which impact all utility customers.

**CONCLUSION**

The Renewable Coalition respectfully requests that the foregoing Application for Award of Intervenor Funding be granted, and that Avista pay \$2,876.55 to Advocates for the West as counsel for the Renewable Coalition for proper distribution.

Dated: October 25, 2007

Respectfully submitted,



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William M. Eddie  
On behalf of RNP and NW Energy Coalition

## CERTIFICATE OF SERVICE

I hereby certify that on this 25<sup>TH</sup> day of October 2007, true and correct copies of the foregoing APPLICATION FOR INTERVENOR FUNDING were delivered to the following persons via overnight delivery (for the Commission) and U.S. Mail for all other recipients. Electronic copies also were provided on this date to all parties of record.

Jean Jewell (Original and 7 copies)  
Idaho Public Utilities Commission  
472 W. Washington St.  
Boise, ID 83702

515 N. 27<sup>th</sup> St.  
Boise, ID 83702

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

Don Reading  
6070 Hill Road  
Boise, ID 83703

Michael G. Andrea  
Staff Attorney  
Avista Corporation  
PO Box 3727  
Spokane, WA 99220-3727

Glenn Ikemoto  
Idaho Windfarms, LLC  
672 Blair Avenue  
Piedmont, CA 94611

Peter Richardson  
Richardson & O'Leary

Gary Seifert  
Kurt Myers  
INL Biofuels & Renewable Energy  
Technologies  
PO Box 1625, MS 3810  
Idaho Falls, ID 83415-3810



William M. Eddie



**AVU-E-07-02**

**APPLICATION FOR INTERVENOR FUNDING**

**EXHIBIT 1**

**Hours Expended by William M. Eddie**  
**AVU-E-07-02**

<u>Date</u>	<u>Service</u>	<u>Hours</u>
4/24/07	tc w/ K.Dragoon re: Avista study; email re: same to staff	0.2
6/22/07	prepare motion to intervene	0.4
6/28/07	tc w/ N.Hirsh; revise and attn re: filing motion to intervene	0.8
7/3/07	tcs and emails w/ K.Dragoon re: tech issues on Avista study and set tech discussion call; tcs w/ M.Andrea re: same; email to parties re: same; review integration study	1.1
7/10/07	prep for and attend technical conf call	2.2
7/12/07	review study; revise settlement proposal re: same	0.7
9/14/07	draft and send term sheet to Mike Andrea	0.7
9/29/07	draft stip and joint motion; email to Avista re: same; email to K.Dragoon re: revisions to testimony	1
10/2/07	finalize settlement documents; multiple tcs, emails w/ K.Dragoon, M.Andrea, C.Kalich re: same	2.6
10/21/07	review Exergy answer; begin drafting reply on same	0.4
10/24/07	draft and edit reply to Exergy answer; email to M.Andrea re: same	0.4
<b>Total=</b>		<b>10.5</b>
<b>Total less 15%=</b>		<b>8.9</b>

**AVU-E-07-02**

**APPLICATION FOR INTERVENOR FUNDING**

**EXHIBIT 2**

Hourly Rate:  
\$ 83.33

	Idaho	Avista
Total Expense:	\$ 11,270.38	\$ 1,333.28

Item	Date	Time (hrs)	Idaho	Avista
Draft Letter to IPUC	2/7/07	2.00	\$ 166.66	
Bokenkamp Call re RNP letter to IPUC	2/8/07	0.50	\$ 41.67	
RNP internal briefing on Idaho Study	2/9/07	0.50	\$ 41.67	
Correspondence re study	2/9/07	0.50	\$ 41.67	
Correspondence re study	2/11/07	0.50	\$ 41.67	
Consultation w/ Kirby on IPC methodology.	2/14/07	1.00	\$ 83.33	
Correspondence re IPC Methods	2/21/07	0.75	\$ 62.50	
Conf Call with IPC	2/26/07	1.00	\$ 83.33	
NWIAP Peer Rvw Gp Discussion w/ Zavadiil, DeVoi, & Bokenkamp re IPCo Study methods	3/5/07	2.00	\$ 166.66	
Coordination mtg w/ Hardy	3/13/07	1.00	\$ 83.33	
Travel to IPC Wkshp	3/14/07	4.00	\$ 333.32	
IPC Wkshp & travel	3/15/07	8.00	\$ 666.64	
Meet w/ Bill Eddie re Idaho Process	3/23/07	1.00	\$ 83.33	
Meet w/ Kalich re Avista Methodology	3/20/07	2.00		\$ 166.66
Correspondence re 3/15 Wkshp	3/13/07	0.50	\$ 41.67	
Draft Wind/Hydro Operations Paper	3/18/07	3.00	\$ 249.99	
Rvw Draft Wind/Hydro paper w/ Lab guys	3/19/07	1.00	\$ 83.33	
Correspondence on Idaho study	3/24/07	1.00	\$ 83.33	
Conf call with IPC Staff on study	4/4/07	2.00	\$ 166.66	
Correspondence w/ Eddie re process	4/24/07	0.50	\$ 41.67	

Idaho Wind Study filing review	2/8-2/10/07	10.00	\$	833.30	
Correspondence w/ Kalich re hydro ops	3/19/07	1.00	\$	83.33	
Correspondence w/ IPC re hydro ops optimization	4/3/07	1.00	\$	83.33	
Rvw of IPC proposed method change	4/27/07	2.00	\$	166.66	
Consulting w/ Avista	5/5/07	1.00	\$	83.33	
Rvw IPC Dynamic Reserves method	5/8/07	2.00	\$	166.66	
Rvw IPC Dynamic Reserves method	5/11/07	0.50	\$	41.67	
Rvw IPC Dynamic Reserves method	5/14/07	0.50	\$	41.67	
Rvw IPC Dynamic Reserves method	5/15/07	2.00	\$	166.66	
Rvw IPC Dynamic Reserves method	5/16/07	2.00	\$	166.66	
Rvw IPC Dynamic Reserves method	5/17/07	3.00	\$	249.99	
Rvw IPC Dynamic Reserves method	5/18/07	3.00	\$	249.99	
Rvw IPC Dynamic Reserves method	5/22/07	3.00	\$	249.99	
Rvw WindLogics Presentation	6/14/07	4.00	\$	333.32	
Rvw Kalich Spdsht	6/15/07	4.00	\$	333.32	
IPC Wkshp & travel	6/19-20/2007	12.00	\$	999.96	
Settlement Mtg	7/31/07	12.00	\$	999.96	
Settlement Mtg	8/10/07	8.00	\$	666.64	
Kalich Consult Variability Analysis	6/29/07	4.00	\$	333.32	
IPC Consultation with R Hardy	6/27/07	1.00	\$	83.33	
Avista Mtg w/ Bill Eddie	7/10/07	2.00	\$	166.66	
Settlement Mtg	8/9/06	1.00	\$	83.33	
Draft Settlement Letter to IOUs	7/19/07	3.00	\$	249.99	
Draft Settlement Letter to IOUs	7/24/07	2.50	\$	208.33	
Settlement Consultation w/ Eddie	7/24/07	0.50	\$	41.67	
Settlement Consultation w/ Eddie	8/1/07	0.50	\$	41.67	
Settlement Talks pre-mtg	8/9/07	2.50	\$	208.33	
Data Request Preparation Consult	8/22/07	2.00	\$	166.66	
Data Request Preparation	8/23/07	4.00	\$	333.32	
Settlement Talks	9/7/07	1.00	\$	83.33	
Internal Settlement Coordination	Various	5.00	\$	416.65	
Bill Eddie Consultation	9/20/07	1.00	\$	83.33	
Drafting Testimony (AVU)	10/2/07	2.00	\$	166.66	

Drafting Testimony	9/24/07	4.00	\$	333.32
Consultation w/ Eddie	8/20/07	0.50	\$	41.67
Settlement Mtg w/ IPCo	9/5/07	2.00	\$	166.66
Bill Eddie Consultation	9/10/07	1.00	\$	83.33
Consultation w/ Ikemoto et al	9/24/07	1.00	\$	83.33
Testimony Preparation	9/25/07	2.00	\$	166.66
Testimony Preparation	9/28/07	2.00	\$	166.66
Consultation w/ Eddie	10/1/07	1.00	\$	83.33
Expense Report Preparation	10/10/07	2.00	\$	166.66

**AVU-E-07-02**

**APPLICATION FOR INTERVENOR FUNDING**

**EXHIBIT 3**

**Renewable  
Northwest  
Project**

917 SW Oak  
Suite 303  
Portland, OR 97205

Phone: 503.223.4544  
Fax: 503.223.4554  
www.RNP.org

**Members**

3Degrees  
3TIER

American Wind  
Energy Association

BP Alternative Energy  
Bonneville Environmental  
Foundation

Center for  
Energy Efficiency and  
Renewable Technologies

CH2M Hill

Citizens' Utility Board

Clipper Windpower

Columbia Energy Partners  
David Evans & Associates

enXco, Inc.

Eurus Energy America

FPL Energy, Inc.

Geothermal  
Resources Council

GE Energy

Green Mountain Energy

Horizon Wind Energy

Jones Stevedoring

Montana Environmental  
Information Center

Montana Public Interest  
Research Group

Natural Resources  
Defense Council

NW Energy Coalition

Northwest  
Environmental Advocates

Oregon State Public  
Interest Research Group

Port of Vancouver, USA

PPM Energy, Inc.

Portland Energy  
Conservation, Inc.

RES America  
Developments, Inc.

Stoel Rives, LLP

Vestas American  
Wind Technology, Inc.

Washington  
Environmental Council

Washington State Public  
Interest Research Group

Western Resource Advocates

Western Wind Power



Renewable Northwest Project

October 23, 2007

Bill Eddie  
610 SW Alder, Suite 910  
Portland, OR 97205

Dear Bill:

Here is an estimate of RNP's actual costs for staff time incurred to participate in the contested wind integration cases before the Idaho Public Utilities Commission. RNP has out-of-pocket travel and per diem costs, plus the cost of time spent working directly on issues related to the docket. RNP's costs of participation are accurately reflected in an hourly rate of \$83.33/hour for Ken Dragoon's time, which includes salary, benefits and administrative overhead.

That hourly rate does not reflect the full value of the services rendered. We contacted colleagues in the electric utility technical consulting field, and estimate that a consultant of Ken Dragoon's experience and expertise would bill out at approximately \$250 per hour.

RNP's participation in this docket required a very significant diversion of our limited resources at a time when many other important policy issues impacting renewable energy development are unfolding in the Northwest. RNP was not able to obtain any specific funding to support our participation in this case. Our commitment of resources for these cases constitutes a significant hardship for RNP.

RNP is a relatively small nonprofit (501(c)(3)) organization, with seven (7) employees and an annual budget of approximately \$680,000. While our membership includes many renewable energy companies, RNP is not a traditional industry organization. Our membership includes ratepayer advocates such as the Citizens Utility Board of Oregon and NW Energy Coalition, and conservation organizations such as the Natural Resources Defense Council. We rely on both membership dues, and donations and foundation grants to sustain our operations.

The tables below show time and expenses RNP provided in support of the Idaho Power and Avista PURPA wind dockets.

***Intervenor Expenses- IPCo***

Direct Expenditures	\$ 1,302.73
Time	\$ 11,270.38
Total	\$ 12,573.11



***Intervenor Expenses- Avista***

Direct Expenditures	\$	-
Time	\$	1,333.28
Total	\$	1,333.28

Due to the relatively small amount of time expended in the PacifiCorp matter, we do not request intervenor funding in that case. The total request amounts to \$12,573.11 for expenses related directly to the Idaho Power docket and \$1,338.28 relating directly to the Avista docket.

Sincerely,

A handwritten signature in black ink that reads "Rachel Shimshak". The signature is written in a cursive, flowing style.

Rachel Shimshak  
Director, Renewable Northwest Project