

October 6, 2022

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Post Office Box 1088
Salem, Oregon 97308

Re: UM 1631 – NW Natural’s Petition for Partial Waiver of OAR 860-021-0215(6), OAR 860-021-0405(3) and (5), and OAR 860-021-0009(1)(b)

Northwest Natural Gas Company, dba NW Natural, encloses for filing with the Public Utility Commission of Oregon (Commission) its Petition for Partial Waiver of the above-referenced OARs.

Please address correspondence on this matter to me, with copies to the following:

eFiling
NW Natural - Rates & Regulatory Affairs
250 SW Taylor Street
Portland, Oregon 97204
Telephone: (503) 610-7330
Fax: (503) 220-2579
eFiling@nwnatural.com

If you have any questions, please contact me at (503) 610-7074 or natasha.siores@nwnatural.com.

Respectfully submitted,

/s/ Natasha Siores

Natasha Siores
NW Natural
Manager, Regulatory Affairs

Enclosure

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UM 1631**

In the Matter of

NORTHWEST NATURAL GAS
COMPANY, dba NW NATURAL,

Petition for Partial Waiver of
OAR 860-021-0215(6),
OAR 860-021-0405(3) and (5), and
OAR 860-021-0009(1)(b).

PETITION OF NORTHWEST
NATURAL GAS COMPANY dba
NW NATURAL

1 **I. INTRODUCTION**

2 Northwest Natural Gas Company, dba NW Natural (NW Natural or Company), files
3 this petition under the provisions of ORS 756.040 and in accordance with OAR 860-021-
4 0005. NW Natural respectfully petitions the Public Utility Commission of Oregon
5 (Commission) to issue an order granting a temporary, partial waiver of the OAR 860
6 Division 21 rules listed below. This request is made following the rulemaking investigation
7 in docket AR 653, which just recently concluded on September 29, 2022, with the
8 Commission approving rule changes in Order No. 22-353 that take effect immediately upon
9 filing with the Secretary of State. NW Natural respectfully requests that the temporary,
10 partial waivers of the rules listed below be approved effective immediately, and remain in
11 effect through January 31, 2023, with the exception of item three, which the Company
12 respectfully requests remain in effect until the appropriate change is reflected in these rules.

13 1. OAR 860-021-0215 Refund of Deposits for Residential and Non-Residential Utility
14 Service, which provides, in (6), for the return of deposits for low-income residential
15 customers within two billing cycles.

- 1 2. OAR 860-021-0405 Notice of Pending Disconnection of Residential Electric or Gas
2 Utility Service, which provides, in (3) and (5), in relevant part, that disconnection
3 notices must be served to customers at least 20 days before the scheduled
4 disconnection.
- 5 3. OAR 860-021-0009 – Applications for Utility Service, which requires in (1)(b), in
6 relevant part, that application for utility service must be made when service has been
7 involuntarily disconnected and the person later seeks to have service restored.

8 **II. GOVERNING AUTHORITY**

9 OAR 860-021-0005 allows the Commission to grant waivers of any of the Division
10 21 rules for good cause shown.

11 **III. COMMUNICATIONS**

12 Communications regarding this petition should be addressed to:

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13 **IV. BACKGROUND**

14 The AR 653 rulemaking proceeding followed the implementation of the COVID-19
15 stipulation in docket UM 2114. Informal rulemaking discussions among Commission Staff,

1 utilities and interested stakeholders were held throughout 2021 and into 2022, with the
2 formal rulemaking proceeding in AR 653 beginning on June 10, 2022. The rulemaking
3 focused on strengthening customer protections in the Division 21 rules. The formal
4 rulemaking included two rulemaking hearings and an adoption hearing, as well as several
5 rounds of written comments, with the comment period ending on September 7, 2022. The
6 Commission issued its final order, Order No. 22-353, adopting revisions to the Division 21
7 rules on September 29, 2022, stating the rule changes become effective upon filing of the
8 rules with the Secretary of State.

9 **V. DISCUSSION**

10 The revisions to Division 21 rules approved in docket AR 653 provide a
11 comprehensive set of changes that impact several of NW Natural's business processes and
12 Customer Information System (CIS) programming. NW Natural has identified the first two
13 items listed above as requiring additional time to implement. In addition, NW Natural
14 requests a waiver of item three in order to adopt a proposal made by the AR 653 Joint
15 Advocates and supported by NW Natural regarding an additional protection for low-income
16 customers seeking to reconnect service after a disconnection for non-payment with an energy
17 assistance pledge.

18 Regarding the requested waiver of OAR 860-021-0215, the Company notes that
19 deposits have not been collected since the start of the COVID-19 pandemic in spring 2020,
20 and that a great number of deposits were applied to accounts to assist customers struggling
21 with the economic impacts of COVID-19. Therefore, there are fewer accounts with deposits
22 impacted by this rule change. However, the Company must manually locate those accounts
23 in its CIS and apply those deposits consistent with OAR 860-021-0215, which is a time-
24 consuming process. Due to the work needed to implement other Division 21 rule change

1 revisions coming from AR 653 and the prioritization of the CIS programming and testing
2 being done to implement the new Low-Income Bill Discount Program this fall, NW Natural
3 requires additional time to properly identify all remaining low-income deposits to be applied
4 to customer accounts. The deposits accrue interest at the Commission prescribed interest rate
5 while kept on file. NW Natural respectfully requests the waiver for the additional time to
6 identify any deposits of low-income customers, which will then be processed by customer
7 service representatives to apply to customer accounts.

8 The revision in OAR 860-021-0405 (3) and (5) changes the required disconnection
9 notice from a 15-day notice to a 20-day notice. Although this is a fairly minor change in CIS
10 programming, it will require a significant amount of testing to ensure the change works
11 properly and has no unintended consequences across a variety of customer billing scenarios.
12 NW Natural respectfully requests the waiver for the additional time to complete the
13 programming and testing.

14 Finally, OAR 860-021-0009(1)(b) requires customers to submit a new application for
15 utility service when their service has been involuntarily disconnected and they later seek to
16 have it restored. NW Natural seeks a waiver of this rule to address an issue identified by
17 Community Action Partnerships of Oregon (CAPO) and the Company. Specifically, since
18 these disconnected customers must re-apply for service and activate an account, the rule
19 inadvertently prevents utilities from directly applying an energy assistance pledge and future
20 payment from a community action agency to a customer account without a three-way call
21 between the customer seeking reconnection, agency staff, and the Company to facilitate the
22 reactivation process. NW Natural's requested waiver would allow account reactivation based
23 on the customer's request for energy assistance. As part of the AR 653 Joint Advocates July

1 15, 2022 comments, CAPO and other community stakeholders suggested revising the rule to
2 read, in part: “An energy utility may activate/open a service account with an energy
3 assistance pledge from an authorized energy assistance agency, allowing the applicant up to
4 30 days to contact the utility for reconnection.”¹ Such a change would ease the
5 administrative burden for the community action agencies and allow NW Natural to reactivate
6 these customers and apply energy assistance pledges and payments to their accounts until
7 they contact the utility for reconnection. This proposal was raised in the July 21, 2022
8 rulemaking hearing and appeared to have support from the Commission.² This proposed
9 language, however, was not included in the final rules in Order No. 22-353. NW Natural,
10 therefore, seeks a waiver of the requirement in OAR 860-021-0009(1)(b) to allow for the
11 reactivation or opening of a customer’s account with an energy assistance pledge. Further,
12 the Company seeks this waiver going forward until language incorporating a permanent
13 allowance of this practice can be added to the rule. The Company believes this is reasonable,
14 given the additional protection provided for customers, the ease in administrative burden for
15 agencies, the support of CAPO and Joint Advocates and the apparent support from the
16 Commission for this process.

17 Good cause exists to grant NW Natural’s request for temporary, partial waivers of
18 OAR 860-021-0215(6), and OAR 860-021-0405(3) and (5) to allow additional time to
19 perform the CIS programming and testing required to implement the revisions resulting from
20 the AR 653 rulemaking. As discussed above, good cause also exists for a temporary, partial
21 waiver of OAR 860-021-0009(1)(b) to provide an additional protection for low-income

¹ *In the Matter of Revisions to Division 21 Rules to Strengthen Customer Protections Concerning Disconnection*, Docket AR 653, Joint Advocates Comments (July 15, 2022), pages 2-3 available at: <https://edocs.puc.state.or.us/efdocs/HAC/ar653hac135523.pdf>.

² See AR 653 Rulemaking Hearing July 21, 2022, video recording at 11:56:05.

1 customers and ease administrative burden for energy assistance agencies and the Company.
2 Lastly, the Company requests expedited consideration of this petition because the rules are
3 effective immediately upon filing with the Secretary of State.

4 **VI. CONCLUSION**

5 NW Natural respectfully requests that the Commission issue an order approving the
6 Company's request for temporary, partial waiver of OAR 860-021-0215(6), OAR 860-021-
7 0405(3) and (5) through January 31, 2023, and temporary, partial waiver of OAR 860-021-
8 0009(1)(b) until such time as the change discussed herein can be included in the rule,
9 effective immediately upon Commission approval.

10 Respectfully submitted this 6th day of October 2022.

NW NATURAL

/s/ Ryan Sigurdson

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