

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: November 12, 2014

REGULAR _____ CONSENT X EFFECTIVE DATE November 26, 2014

DATE: November 5, 2014

TO: Public Utility Commission

FROM: Robert Fonner ^{MRG RF}
_{JE}

THROUGH: Jason Eisdorfer and Marc Hellman _{JE}

SUBJECT: NORTHWEST NATURAL: (Advice No. 14-22) Request to Modify Schedule X to Require the Installation of Conduit in the Utility Pathway for New Construction and Planned Development Service Line Extensions.

STAFF RECOMMENDATION:

Staff recommends the Commission approve Northwest Natural's (NWN or Company) request to modify Schedule X to require the installation of conduit in the utility pathway for new construction and planned development service line extensions effective for service on and after November 26, 2014.

DISCUSSION:

The Company is requesting that Tariff P.U.C. Or. 25, Schedule X (Tariff) be revised to require the installation of conduit in the utility pathway for new construction and planned development service line connections. This revision would eliminate the option to leave the utility pathway open for the Company to complete the installation.

Staff Analysis

Staff investigated the impacts of the proposed conduit policy through formal data requests to the Company and a review of the Tariff.

Approximately 90 percent of all Oregon builders already choose the option to install conduit. If the Company's proposal is approved by the Commission, the remaining builders would be required to install conduit as well. The conduit is provided by the Company and is distributed to builders at NWN service centers.

Some parties have objected to the proposed conduit policy, most notably excavators who perform excavation work for builders. These excavators are specifically concerned about the availability of the conduit provided by the company. In response to this concern, the Company extended conduit pick-up hours at the Company's Sherwood facility in Oregon from 7:00 a.m. to 3:00 p.m. Monday through Friday. Conduit pick-up hours at the Company's other service centers are from 7:00 a.m. to 9:00 a.m. Monday through Friday. The Company also offers conduit delivery for projects that use 2,800 feet of conduit or more.

Installation of conduit in open utility pathways is time sensitive as the pathways are susceptible to changes in the weather, changes in construction plans, and other unforeseen events. The Company anticipates that the proposed policy will improve the efficiency of its operations. Specifically, the Company expects that the proposed policy will make it easier for them to schedule new construction service installation work because they will not face the time constraints and uncertainty imposed by an open utility pathway. This will enable the Company to batch jobs by location or construction attributes, potentially reducing travel times and improving response times for Company service crews. Additionally, Company expects that the proposed policy will reduce installation delays because the builder won't need to notify the company until the service line conduit is installed.

Staff has reviewed the filing and supports NWN's filing given the expected efficiencies and because the Company has addressed concerns voiced by some excavators.

PROPOSED COMMISSION MOTION:

NWN's proposed revisions to Tariff P.U.C. Or. 25, Schedule X be allowed to go into effect with service on and after November 26, 2014.