

ITEM NO. CA3

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 1, 2015

REGULAR _____ CONSENT X EFFECTIVE DATE December 7, 2015

DATE: November 19, 2015

TO: Public Utility Commission

FROM: Suparna Bhattacharya

THROUGH: Jason Eisdorfer and Marc Hellman

SUBJECT: CASCADE NATURAL GAS: (Docket No. ADV 129/Advice No. O15-11-01) Extending Termination Date of Rule 19 and Schedule 31.

STAFF RECOMMENDATION:

Staff recommends the Commission extend the expiration dates of the Cascade Natural Gas's (Cascade or Company) Rule 19 and Schedule 31 tariff sheets from December 31, 2015, to February 1, 2016, effective on and after December 7, 2015.

ISSUE:

Whether the Commission should temporarily extend tariffs implementing Cascade's "Conservation Alliance Plan" (CAP) that are scheduled to expire on December 31, 2015, to allow the Commission opportunity to consider whether to approve a stipulation in Docket No. UG 287, extending the CAP until September 30, 2019.

APPLICABLE LAW:

Utilities must file proposed tariff changes under ORS 757.205. The Commission reviews tariffs to determine whether they result in fair and reasonable rates. (See ORS 757.040, ORS 757.210.)

ANALYSIS:

In Order No. 06-191, the Public Utility Commission of Oregon approved the CAP for Cascade, which includes a decoupling mechanism, deferral accounting, a public purpose charge, company funding for conservation, and provisions governing the use of the Energy Trust of Oregon (ETO). Since its adoption, the Commission has made adjustments to the CAP and its various components and conditions over time, including extending its expiration date to December 15, 2015.

In UG 224, the Commission established a termination date of December 31, 2015, for the CAP with the understanding that the Commission would consider extending the CAP in the context of a rate case filing, filed no later than March 31, 2015. The Company filed a general rate case on March 25, 2015, docketed as UG 287, wherein it asked to extend the CAP. On November 2, 2015, all parties to the rate case filed a signed stipulation and joint testimony that included agreement to extend the CAP through September 30, 2019.

In this filing, the Company proposes to extend the termination date of the tariffs implementing the CAP's decoupling mechanism and public purpose charge until February 1, 2016, so that these tariffs remain in effect until the Commission rules on the stipulation and joint testimony submitted in UG 287.

RECOMMENDATION:

Extending the tariffs implementing Cascade's decoupling mechanism and public purpose charge for one month will avoid any interruption of these programs while the Commission considers whether to continue the CAP until September 2019. Staff thinks an extension to avoid the potential interruption in these programs is just and reasonable. Accordingly, Staff recommends that the Commission approve Cascade's tariffs.

PROPOSED COMMISSION MOTION:

Cascade Natural Gas's revised Rule 19 and Schedule 31 tariff sheets extending the expiration date from December 31, 2015, to February 1, 2016, effective on and after December 7, 2015, be approved.