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November 20, 2012

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
550 Capitol Street, NE, Suite 215
Post Office Box 2148
Salem, Oregon 97308-2148

Attn: Filing Center

**Re: AR 567 – Billing Error Reporting
Supplemental Comments on Proposed Rule 860-021-0170**

Northwest Natural Gas Company, dba NW Natural (“NW Natural” or the “Company”), files herewith supplemental comments in the above-referenced docket regarding the addition to Division 21 of a Billing Error Reporting rule, proposed as OAR 860-021-0170.

NW Natural offers the following additional comments:

1. The intent of the new rule is not to create an additional general reporting requirement. The intent is to create a requirement to report significant billing events. As such, one would hope that a report would never be submitted under this rule. A lack of reporting is simply evidence that prudent business practices are in place.
2. Because the purpose of the rule is to provide a mechanism for reporting to the Commission significant billing events that have a material effect on customer bills, the rule should not require reporting of bill corrections that do not meet that criteria or are otherwise associated with situations normally encountered in the day-to-day business, such as bill corrections due to failed meters, crossed meters, or a corrected move-in or move-out date, to name just a few. Occurrences of this type are best addressed by the Commission through the consumer complaint process. This process has proven adequate and effective for many years. An overly broad reporting requirement such as was initially proposed at Section (4) serves no useful purpose and only adds additional administration and cost to the utility and to the Commission staff.
3. NW Natural believes that the reporting parameters originally proposed (1.5 percent of customers and an average bill impact of \$25.00) are reasonable and meet the intent described in the Company’s comments above. However, NW Natural can agree to

the lower reporting parameters suggested by Staff in their supplemental comments dated November 20, 2012.

4. If the lower reporting parameters are adopted, an annual report is no longer necessary as all of the pertinent information will be timely reported to the Commission under Section (3).
5. NW Natural respectfully suggests slight modifications to Staff's proposed rule revisions as follows:

860-021-0170

Billing Error Reporting

- (1) As used in this rule, "billing error" means a calculation an error made by an the energy utility in the calculation of in billing ~~tariffed amounts billed to customers of energy utilities for energy service~~ that:
 - (a) Is due to a single, specific event, reason, or condition, and
 - (b) Affected 0.5 percent or more customers by an average of \$5.00 or more in any billing month, and
 - (c) Resulted in the issuance of a corrected energy bill.
- (2) Each energy utility must send an electronic mail message to the Consumer Services Section of the Commission within 10 business days of the date the energy utility first becomes aware of a ~~single billing error the utility estimates affected 0.5 percent or more of customer bills issued in any billing month by an average of \$5.00 or more.~~
- (3) An energy utility must send by an ~~an~~ electronic mail message to the Consumer Services Section of the Commission a final report of the billing errors noticed under section (2) above no later than 60 calendar days from the date of the initial notice. This report must include the following information:
 - (a) A description and cause, if known, of the billing error;
 - (b) The number of bills affected by the billing error;
 - (c) The number of bills adjusted due to the billing error;
 - (d) The time period in which the billing error affected customer bills;
 - (e) The actions taken to correct the error; and
 - (f) The actions taken to prevent the same error from occurring in the future.

NW Natural appreciates the opportunity to submit supplemental comments in this rulemaking docket, and is available to discuss the issues identified in this letter at the Commission's convenience.

Please direct any questions to me as follows:

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Sincerely,

NW NATURAL

/s/ Onita R. King

Onita R. King
Rates & Regulatory Affairs

cc: Phil Boyle, OPUC
Lisa Gorsuch, OPUC
AR 567 Service List



CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing NW NATURAL'S SUPPLEMENTAL COMMENTS ON PROPOSED RULE 860-021-0170 upon each party listed on the service list in docket AR 567, by electronic mail only as all parties have waived paper service.

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DATED this 20th day of November, 2012

Respectfully submitted,

NW NATURAL

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