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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
Comments on Proposed Rule 860-021-0170**

Northwest Natural Gas Company, dba NW Natural (“NW Natural” or the “Company”), files herewith comments in the above-referenced docket regarding the addition to Division 21 of a Billing Error Reporting rule, proposed as OAR 860-021-0170. The Company thanks Commission Staff for their efforts in the development of this proposed rule, and appreciates this opportunity to comment on the proposed rule prior to the October 4, 2012 hearing.

NW Natural supports the addition of a billing error reporting rule to Division 21. We do, however, suggest some clarifying changes, as discussed in more detail below.

Section 2 (a) and (b). As currently proposed, this section of the rule could be read to require that the utility notify the Consumer Services Division in two instances: (1) when a billing error affecting 1.5 percent or more of customer bills occurred, and (2) when any error affecting a single customer bill by \$25 or more occurred.

NW Natural’s understands that section (2) parts (a) and (b) are intended to be interdependent conditions, such that both conditions must exist in order for the billing error to be reportable. Based on the Company’s assumption that this is in fact the intent, and to eliminate any potential future misinterpretation of the rule, the Company proposes the following changes to this section:

(2) Each energy utility must send an electronic mail message notifying the Consumer Services Section of the Commission within 10 business days of the date the energy utility first becomes aware of:

- (a) A single billing error that the utility estimates may affect affected 1.5 percent or more of its customer bills issued in any billing month by an average of \$25.00 or more., and**
- ~~(b) Any error, in a single billing month, affecting a single customer by \$25.00 or more.~~**

If the intent of this section is to require utilities to report any single bill correction of \$25.00 or more, then the Company opposes this requirement on the basis that such reporting appears inconsistent with the stated purpose for the creation of a billing error reporting rule, and could be unduly burdensome to the utility.

Section 3. This section requires a final report be submitted by the earlier of the date the billing error was first discovered or the date that the error was first reported. We believe that this could create some unnecessary confusion in the future as to the appropriate timing of a given report, and we suggest that it be simplified as follows:

(3) An energy utility must submit a final written report of any the billing error noticed under section (2) above to the Consumer Services Section of the Commission no later than 60 calendar days from the date of the initial notice. ~~that the billing error was first reported to the Commission or was first discovered by the energy utility, whichever date is earlier.~~ 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.**

Section 4. The Company proposes a clarification to this section as follows:

(4) Each energy utility must file an annual report to the Commission, through the filing center, summarizing all billing errors reported under section (3) above that occurred during the prior calendar year. The annual report must be submitted within 60 calendar days following the end of the calendar year.

The Company includes with these comments a complete redline version of the proposed rule reflecting the items discussed above.

NW Natural appreciates the opportunity to comment 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

Attachment

cc: Phil Boyle, OPUC
Lisa Gorsuch, OPUC

860-021-0170

Billing Error Reporting

(1) As used in this rule, “billing error” means an error in the calculation of amounts billed to customers of energy utilities that:

- (a) Is due to a single, specific event, reason, or condition, and**
- (b) Resulted in the issuance of a corrected bill.**

(2) Each energy utility must send an electronic mail message notifying the Consumer Services Section of the Commission within 10 business days of the date the energy utility first becomes aware of:

- (a) A single billing error that the utility estimates may affect 1.5 percent or more of its customer bills issued in any billing month by an average of \$25.00 or more.**

(3) An energy utility must submit a final written report of any billing error noticed under section (2) above to the Consumer Services Section of the Commission 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.**

(4) Each energy utility must file an annual report to the Commission, through the filing center, summarizing all billing errors reported under section (3) above that occurred during the prior calendar year. The annual report must be submitted within 60 calendar days following the end of the calendar year.

Statutory Authority: ORS Ch. 183, 756 & 757

Statutes Implemented: ORS 756.040 & 757.020.

History: NEW