


PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: December 16, 2014

REGULAR \_\_\_\_\_ CONSENT  X  EFFECTIVE DATE  January 1, 2015

DATE: December 8, 2014

TO: Public Utility Commission

FROM: Juliet Johnson 

THROUGH: Jason Eisdorfer and Aster Adams 

SUBJECT: NORTHWEST NATURAL: (Advice No. 14-24) Adjustments to Schedule 301, Public Purpose Funding Surcharge.

**STAFF RECOMMENDATION:**

Staff recommends the Commission approve changes to Northwest Natural Gas Company's (NW Natural or Company) Schedule 301, effective January 1, 2015.

**DISCUSSION:**

NW Natural is proposing to decrease the public purpose funding surcharge that funds residential and commercial energy efficiency programs through Energy Trust of Oregon (Energy Trust or ETO) from 3.07 percent to 2.24 percent for both residential and commercial customers. This funding level was developed through discussions with Energy Trust as the level needed to achieve NW Natural's Integrated Resource Plan savings targets and begin to reduce carryover of unspent funds.

Per Schedule 301, this proposed change will result in the following allocation of the funds collected from the public purposes surcharge:

**Residential**

2.24 percent will support public purpose funding for Schedule 350 energy efficiency programs delivered and administered by the ETO. This is reduced from 3.07 percent.

0.75 percent will support public purpose funding for Schedule 310 low-income bill payment assistance activities. There is no change in this percentage.

0.25 percent will support public purpose funding for Schedule 320 low-income energy efficiency activities. There is no change in this percentage.

**Commercial:**

2.24 percent will support public purpose funding for Schedule 350 energy efficiency programs delivered and administered by the ETO. This is reduced from 3.07 percent.

0.25 percent will support public purpose funding for Schedule 320 low-income energy efficiency activities. There is no change in this percentage.

The result of this filing will be to reduce the average residential bill by about \$0.51 per month and the average commercial bill by about \$1.97 per month.

In this filing, revisions are also made to the language on Sheet 301-2 that requires the Company to determine by October 1<sup>st</sup> of each year if the public purpose charge is sufficient to fund the Company's therm savings goal for the next calendar year. Energy Trust requested that the Company wait to revise the public purpose charge so that changes are effective January 1<sup>st</sup> in order to better align with Energy Trust's budgeting cycle. While the tariff continues to require an annual review of public purpose charge funding, a specific date by when this review must take place is removed to allow the Company to adjust to Energy Trust's budgeting cycle again, if necessary.

Staff has reviewed this filing and supports the reduction in collections and the changes to tariff language.

**PROPOSED COMMISSION MOTION:**

NW Natural's tariff changes to Schedule 301 be approved and go into effect January 1, 2015.