ITEM NO. CA3

PUBLIC UTILITY COMMISSION OF OREGON STAFF REPORT PUBLIC MEETING DATE: October 28, 2014

REGULAR CONSENT X EFFECTIVE DATE November 1, 2014

DATE: September 17, 2014

TO: Public Utility Commission

FROM: Judy Johnson

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THROUGH: Jason Eisdorfer and Marc Hellman

SUBJECT: <u>NORTHWEST NATURAL</u>: (Docket No. UG 276/Advice No. 14-10) Requests amortization of Intervenor Funding.

STAFF RECOMMENDATION:

I recommend that the Commission approve Northwest Natural's (Company or NW Natural) filing to amortize deferred amounts related to Intervenor Funding to make rates effective November 1, 2014.

DISCUSSION:

The purpose of this filing is to request amortization of amounts deferred under Docket No. UM 1101, for inclusion in rates effective November 1, 2014. NW Natural last adjusted rates for this purpose effective November 1, 2013.

The net effect of the removal of the current temporary adjustments applied to rates effective November 1, 2013 and the application of the new temporary adjustments is to decrease the Company's annual revenues by \$91,313 or about 0.01 percent. The number of customers affected by the proposed change is 563,128 residential customers and 825 industrial customers.

This filing is in compliance with ORS 757.259(3) and ORS 757.072, which authorizes deferred utility expenses to be allowed (amortized) in rates to the extent authorized by the Commission in a proceeding to change rates. All of the deferrals included in this filing occurred with appropriate application by Commission authorization, as rate orders or under approved tariffs. In accordance with ORS 757.259(3) and ORS 757.072, the amortization of amounts deferred under Docket No. UM 1101 is not subject to an earnings test.

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Staff Analysis

After a review of this filing and workpapers, Staff believes that the proposed rates are correctly calculated and applied. The Company has reviewed this memo and has no issues.

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PROPOSED COMMISSION MOTION:

The Commission approve Northwest Natural's filing to amortize deferred amounts related to Intervenor Funding and the associated tariff sheets be allowed to take effect on November 1, 2014.

NWN Advice 14-10