

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: October 18, 2016**

REGULAR _____ CONSENT X EFFECTIVE DATE November 1, 2016

DATE: September 20, 2016

TO: Public Utility Commission

FROM: Judy Johnson 

THROUGH:  Jason Eisdorfer and  Marc Hellman

SUBJECT: NORTHWEST NATURAL: (Docket No. UG 309/Advice No. 16-13A)
Revises Schedule 181 Regulatory Fee Schedule.

STAFF RECOMMENDATION:

Staff recommends that the Commission approve Northwest Natural Gas Company's (NW Natural or Company) filing requesting amortization of the amount by which the Commission Regulatory Fee was increased for inclusion in rates effective November 1, 2016.

DISCUSSION:

Issue
Whether to allow NW Natural to amortize the amount by which the Commission Regulatory Fee was increased.

Applicable Law
Under ORS 757.259, the Commission may authorize utilities to defer actual costs for later amortization in rates. Deferred amounts are allowed in rates in a proceeding to change rates under ORS 757.210. ORS 756.310 establishes the Commission's authority to assess a regulatory fee against regulated utilities. The specifics of the fee assessed for gas utilities are set forth in OAR 860-021-0034. Commission Order No. 16-154 allowed the Company to defer costs associated with the incremental increase in the annual regulatory fee.

Discussion

The purpose of the Company's filing is to request amortization of amounts deferred under Commission Order No. 16-154 (Docket No. UM 1766 which addressed the increase to the Commission Regulatory Fee).

The effect of the application of the new temporary rate adjustments is to increase the Company's annual revenues by \$178,043, or about 0.03 percent. The number of customers affected by the proposed change is 579,129 residential customers, 60,111 commercial customers, and 935 industrial customers.

Conclusion

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

PROPOSED COMMISSION MOTION:

Approve Northwest Natural's filing requesting amortization of the amount by which the Commission Regulatory Fee was increased, for inclusion in rates effective November 1, 2016.