

ORDER NO. 20-281

ENTERED Aug 28 2020

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1614(2)

In the Matter of

NORTHWEST NATURAL GAS
COMPANY, dba NW NATURAL,

Request to Extend Waiver of OAR 860-021-
0326(1), Disconnection Notices.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on August 25, 2020, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:



Nolan Moser
Chief Administrative Law Judge



A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Circuit Court for Marion County in compliance with ORS 183.484.

ITEM NO. CA1

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: August 25, 2020**

REGULAR ____ **CONSENT** X **EFFECTIVE DATE** _____ **N/A** _____

DATE: August 17, 2020

TO: Public Utility Commission

FROM: Kathy Zarate

THROUGH: Bryan Conway, John Crider, and Matthew Muldoon **SIGNED**

SUBJECT: NORTHWEST NATURAL:
(Docket No. UM 1614 (2))
Request for an Extended Waiver of OAR 860-021-0326(1), duplicate disconnect notice requirement, when the billing address differs from the service address.

STAFF RECOMMENDATION:

Approve Northwest Natural's (NW Natural, NWN, or Company) request for an extension of its previously Commission-authorized waiver of specific provisions of Oregon Administrative Rule (OAR) 860-021-0326(1)'s duplicate disconnect notice requirement when the billing address differs from the services address, as previously approved in Order No. 17-302, and allow the waiver to remain in effect until August 8, 2023, or until OAR 860-021-0326(1) is amended, whichever first occurs.

DISCUSSION:

Issue

Whether the Commission should approve NW Natural's request for extension of its waiver of OAR 860-021-0326(1), duplicate disconnect notice requirement, when the billing address differs from the service address.

Applicable Rule or Law

Commission rules governing disconnection of residential gas or electric service to tenants apply to this filing. Specifically, OAR 860-021-0326(1) requires that when an energy utility's records show that a residential billing address is different from the

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service address, the utility must provide a duplicate of the five-day disconnect notice required under OAR 860-021-0405(6) to the occupants of the premises in the manner described in 860-021-0405(6) unless the utility has reason to believe that the service address is occupied by the customer.

This requirement is satisfied by serving a notice addressed to "Tenants" in the same manner provided for in OAR 860-021-0405. The notice to occupants need not include the dollar amount owing.

Under OAR 860-021-0005, the Commission may waive any of the Division 21 rules upon receipt of a written request for waiver from a utility or its own motion and upon good cause shown.

Analysis

Background

A prior waiver of OAR 860-021-0326(1)'s duplicate notice requirement was granted in Order No. 14-235 and subsequently extended by Commission Order No. 17-302 through August 8, 2020, or until the relevant rule is amended, whichever occurs first.

The position of the Company as described in its original June 29, 2012 motion and June 24, 2017, renewal has not changed. As stated in the Staff Reports for both Order Nos. 14- 235 and 17-302, "billing addresses may differ from service addresses for reasons other than landlord-tenant situations. For example, a utility's customer of record may receive mail at a post office box rather than the service address. It is also possible that a utility's customer of record has service at both a primary residence and a vacation home.¹"

On July 7, 2020, NW Natural submitted a request for extension of the waiver to comply with OAR 860-021-0326(1). This regulation requires utilities to send duplicate five-day disconnection notices to tenants when the customer of record does not reside at the service address. However, NW Natural is not currently performing service disconnections for non-payment due to the pandemic, COVID-19. NW Natural is seeking to extend this waiver to ensure that it does not lapse.

¹ See Page 2 NW Natural application request referrer to; Northwest Natural Gas Company, dba NW Natural, Petition for Waiver of OAR 860-021-0326(1), Docket No. UM 1614, Order No. 14-235, Appendix A at 3 (2014); In the Matter of Northwest Natural Gas Company, dba NW Natural, Petition for Waiver of OAR 860-021-0326(1), UM 1614, Order No. 17-302, Appendix A at 2 (2017).

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Current Practice

The Company completed the following, as explained in the Company's June 24, 2017, renewal request Order No. 14-235 and 17-302:

- The Company programmed its Customer Information System ("CIS") to include a field for tracking accounts where the customer-of-record's billing address differs from the service address and the customer has indicated that the service address is tenant occupied.
- The Company made modifications to CIS to ensure that five-day disconnect notices will be sent to these flagged accounts when appropriate; and,
- The Company's Customer Service Representatives (CSRs) are trained to ask if a residence is tenant-occupied when the applicant requests a billing address that is different from the service address.

Waiver Request

In June 22, 2017, NWN filed a request for extension of its waiver of OAR 860-021- 0326(1), duplicate disconnect notice requirement when the billing address differs from the service address. At the time the waiver was granted in 2014, it was believed that a Division 21 Rulemaking would be opened during the waiver period to consider and address potential amendments to this rule. However, a Division 36 rulemaking for Water Utilities Administrative Rules necessitated a delay in opening a Division 21 Utility Regulation rulemaking.

Staff understands how involved rulemakings can be and for this reason believes that, the extended waiver should be for a period of three years or until the rule is amended, whichever comes first, allowing adequate time for the rulemaking process.

Staff Recommendations

Staff understands the important changes that NWN has implemented to help address existing concerns regarding customers receiving disconnect notices when the billing address differs from the service address, based on knowledge of whether or not there is a landlord-tenant situation. Nevertheless, Staff would like to emphasize again that NW Natural temporarily suspended disconnections and late fees for residential and small business customers since March 2020 until further notice.

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Conclusion

Staff concludes that the Company's waiver request is warranted and should be granted.

PROPOSED COMMISSION MOTION:

Approve NW Natural's request for waiver of OAR 860-021-0326(1)'s duplicate disconnect notice requirement when the billing address differs from the service address, and allow it to remain in effect until August 8, 2023, or until OAR 860-021-0326(1) is amended, whichever occurs first.

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