

Rates and Regulatory Affairs
Facsimile: 503.721.2532



February 29, 2008

VIA ELECTRONIC MAIL

Public Utility Commission of Oregon
550 Capitol Street, N.E., Suite 215
P.O. Box 2148
Salem, Oregon 97308-2148

Attn: Vikie Bailey-Goggins

Re: Docket No. UM 1218
2007 Annual Report for B1 Service Quality Measure for Billing
Accuracy (B1 SQM)

Northwest Natural Gas Company, dba NW Natural (NW Natural or Company), submits herewith the annual report of the B1 SQM results for the calendar year 2007.

Reported Bill Errors during the Measure Year

There were no Bill Errors¹ during the Measure Year (Year). Therefore, the Monthly Billing Accuracy Ratio for each month, as defined by the Service Quality Measure, was 100%.

Non-Reportable Bill Corrections

The attached report shows the number and types of non-reportable bill corrections that occurred during the Year. These bill corrections are specifically excluded from the definition of a Bill Error. There were a total of 25,405 bill corrections during the Year. The largest number of bill corrections occurred due to a change in service start or end date, which result primarily because of incorrect or untimely customer provided information. The next largest number of bill corrections resulted from correcting meter reading errors that are normally encountered in meter reading operations².

¹ A billing error by the Company due to the Same Cause that affects a total of five hundred (500) or more bills issued to Oregon customers in a Bill Month.

² By way of example, but not of limitation, meter reading errors “normally encountered” include an inability to access a meter due to a dog, a locked gate, a cover over a meter, an unlocatable meter, or a hazardous condition, including but not limited to a confined space.

The Company experienced an overall bill accuracy ratio for the Year of 99.64%.

Conclusion

The Company exceeded the 99.4% Monthly Billing Accuracy Ratio in each month that a Bill Error was recorded. Therefore, there is no remedy determination required for the 2007 Measure Year.

Please address correspondence on this matter to me with copies to the following:

Kelley Miller
Staff Assistant
Rates & Regulatory Affairs
220 NW Second Avenue
Portland, Oregon 97209
Telecopier: (503) 721-2532
Telephone: (503) 226-4211, ext. 3589
E-mail: kelley.miller@nwnatural.com

Please do not hesitate to call if you have questions or desire further information.

Sincerely,

/s/ Onita R. King

Onita R. King, Manager
Tariffs & Regulatory Compliance

cc: Gregg Kantor
C. Alex Miller
Dave Williams
Inara Scott
Lori Russell
Chuck Muehleck

OPUC Staff:
Judy Johnson
Bonnie Tatom
Deborah Garcia

Program: CNNSQMSR
 Bill Accuracy Report
 Revenue Month Period: 01/2007 - 12/2007
 as of 2/15/2008 7:49 AM

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total Bills Issued - Oregon	580,636	584,059	585,351	580,601	584,159	583,936	582,901	582,254	581,827	586,140	589,317	593,545	7,014,726

BSQM Corrections - Oregon

(No BSQM events in 2007)

SubTotal BSQM	0	0	0	0	0	0	0	0	0	0	0	0	0
% of Total Bills Issued	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

% of Total Bills Issued Correctly	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
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Other Bill Corrections - Oregon

Crossed Meter Correction	40	42	41	33	42	18	24	34	20	0	16	4	314
Bill Clerk Processing Error	30	36	36	54	33	47	17	30	17	18	13	18	349
Bill Undr/Ovr Registrd Mtr Use	209	303	349	331	303	325	349	326	216	172	185	116	3,184
Cancel/Bill Agn to Start PmtPln	57	26	13	2	1	2	1	1	0	0	4	11	118
Change Customer Rate Schedule	5	6	3	5	4	4	6	3	1	4	2	3	46
Change Service Start/End Date	696	659	780	765	835	815	919	714	758	823	756	645	9,165
Corrects for Meter Pressure	17	21	11	9	7	6	6	5	5	6	4	3	100
Corrects CIS Progm Code Error	66	17	85	13	8	24	68	79	69	54	56	50	589
Corrects ERT Install Pgm Error	53	80	90	24	13	10	7	7	7	5	3	1	300
Corrects Info from Field Tech	30	28	35	38	42	29	16	14	5	2	9	18	266
Corrects Meter Read Error	725	886	698	594	694	668	706	663	264	227	223	371	6,719
Corrects Order Info From CSR	38	36	34	28	30	41	35	33	25	23	34	55	412
Corrects Payment Plan	1	2	0	0	0	0	0	0	0	0	1	1	5
Corrects Pmt Application	1	0	0	0	0	0	0	0	0	0	0	0	1
Corrects Prior Estimated Read	339	104	99	122	157	123	81	85	36	40	43	45	1,274
Corrects Prorated Meter Read	1	2	3	3	1	6	2	1	0	1	1	0	21
Customer Provided Incorr Read	10	3	12	7	14	10	7	5	9	5	2	5	89
Deposit Proc'd Incorrectly	28	20	27	31	15	25	19	24	51	58	46	12	356
Other	28	49	45	21	25	20	16	14	15	13	37	23	306
Prior High Est Read (Auto)	645	177	69	128	150	127	76	149	36	41	42	39	1,679
Reverse Deposit - Credit Estab	10	10	9	4	6	9	10	10	5	8	11	6	98
WARM Opt-Out;Not Proc'd Timely	3	1	3	1	0	0	0	0	0	0	0	2	10
WARM Tariff Apprvd Opt-Out Chg	2	1	0	1	0	0	0	0	0	0	0	0	4
SubTotal Other	3,034	2,509	2,442	2,214	2,380	2,309	2,365	2,197	1,539	1,500	1,488	1,428	25,405

BSQM & Other Bill Corrections

Total Bill Corrections - Oregon	3,034	2,509	2,442	2,214	2,380	2,309	2,365	2,197	1,539	1,500	1,488	1,428	25,405
% of Total Bills Issued	0.52%	0.43%	0.42%	0.38%	0.41%	0.40%	0.41%	0.38%	0.26%	0.26%	0.25%	0.24%	0.36%

% of Total Bills Issued Correctly	99.48%	99.57%	99.58%	99.62%	99.59%	99.60%	99.59%	99.62%	99.74%	99.74%	99.75%	99.76%	99.64%
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