

July 11, 2022

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attention: Filing Center
201 High Street SE, Suite 100
P.O. Box 1088
Salem, OR 97308-1088

RE: ADV 576 / NWN OPUC Advice No. 17-03 Compliance Filing – Schedule 405 – Five-Year Status Report

Northwest Natural Gas Company, dba NW Natural (“NW Natural” or “Company”), files this report in compliance with NW Natural’s tariff Schedule 405 – Optional Builder/Developer Program Multi-Story Multi-Family, Special Condition 6.

Purpose

The purpose of this filing is to report on the status of the Optional Builder/Developer Multi-Story Multi-Family Program described in tariff Schedule 405 in compliance with Special Condition 6:

Special Condition 6

NW Natural will submit a report on the status of this program not later than five (5) years from the date that the program first becomes effective.

Schedule 405 became effective on July 12, 2017. The cost recovery for this program is detailed in Schedule 4 “Residential Multi-Family Service.” These two schedules together comprise an optional program designed to improve residential customer access to end-use natural gas appliances in the multi-story, multifamily residential market.

Background

Beginning in 2014, urban areas of Oregon, including much of NW Natural’s service territory, began to see a dramatic increase in new construction multi-story, multi-family buildings. This increasing trend was a result of regional planning efforts and was expected to continue.

On June 2, 2017, NW Natural filed Advice No. 17-03, ADV 576, to meet this customer need. The tariff was tailored to the specific circumstances of multi-family, multi-story residential units.

Schedule 405 is available to building developers and tenants that desire to have access to natural gas for low-use gas appliances within multi-family, multi-story buildings. In Advice No. 17-03 the Commission authorized NW Natural’s request to implement tariffs that do this by 1) providing a means by which ready access to natural gas is available to individual tenants in multi-family, multi-story buildings, and 2) containing all of the costs of such tariff within the class of customers that choose to take service under it.

Together, Schedules 4 and 405 make access to natural gas in individual tenant units in multi-story, multi-family developments an affordable endeavor for both the developer and for the end-use tenant, and in a manner that does not affect the rates or services of other NW Natural customers.

Program Status Report

1. *The account balance information for the Schedule 405 and Schedule 4 program expenses and collections.*

The table below summarized the account balance for Schedule 405 and Schedule 4, including program expenses and collections.

Rate Schedule 4			
Program Costs & Customer Collections			
For life of program thru April 2022			
Builder Offset			
Project	Investment	Valves	Total
Ella Marie Apartment	\$29,250.00	\$5,542.00	\$34,792.00
MLK West	84,000.00	17,926.00	101,926.00
Alamo Manhattan	261,000.00	9,108.24	270,108.24
Art Tower	234,750.00	16,594.97	251,344.97
Total Costs			\$ 658,171.21
Collections From Customers			
11/2018 - 4/2022			
			\$ 23,046.45

2. *The date that the first participant building was approved, the total number of participant buildings under Schedule 405 to date.*

The first Schedule 405 multi-family building received occupancy on December 14, 2018. Since that date, a total of four buildings under Schedule 4 have achieved occupancy.

3. The number of qualified tenant units for each participant building identified in item 2.

Ella Marie (1205 SE Morrison St) = 39
MLK West (4111 NE Martin Luther King Jr. Blvd) = 112
Alamo Manhattan (140 SW Columbia) = 346
Art Tower (1510 SW Alder) = 313
TOTAL: 810

4. The total number of active customers taking service on Schedule 4 to date.

Ella Marie (1205 SE Morrison St) = 38
MLK West (4111 NE Martin Luther King Jr. Blvd) = 98
Alamo Manhattan (140 SW Columbia) = 184
Art Tower (1510 SW Alder) = 308
TOTAL: 628

5. A discussion of forecasted program participation, including a statement as to the total potential in this market segment.

We anticipate one to two multi-family projects a year to participate in Schedule 405. In the next two years, we are anticipating one Schedule 405 project per year. These projects include 341 and 121 units, respectively, per building.

6. The type of appliance(s) installed in each tenant unit for each participant building.

Gas cooktops are installed in each unit.

7. An overall discussion of the program from implementation to current state.

The program was developed in 2017 to provide an option for multi-family projects that could otherwise not support house piping to every unit. The program provides shut-off valves for every unit. This enables NW Natural to isolate flow at the unit or floor level, improve system operation and safety, and allow shut-off for nonpayment, thus, providing much greater control of gas flow than in most centrally metered multi-story buildings. NW Natural continues to promote and offer this program along with the individualized meter incentive program to multi-family developers. There are committed Schedule 405 projects in the pipeline and future opportunities as well.

8. A discussion of identified program improvement and/or intent to end Schedule 405 program to new participants.

NW Natural continues to find opportunities to lower costs of the program and views Schedule 405 as a safe and a viable option for many future projects. There is no intent to end the program to new participants.

9. *Any other information deemed pertinent to the 5-year program review.*

NW Natural continues to seek out lower cost options for the shut-off valves. We will continue to obtain multiple bids from third parties and provide adequate timelines to ensure the proper evaluation and vendor selection. Whenever possible we opt to use in-house labor and supplies rather than turning to a contractor.

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

eFiling
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250 SW Taylor Street
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Sincerely,

/s/ Rebecca M. Trujillo

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