

ONITA R. KING
Tariffs and Regulatory Compliance
Tel: 503.721.2452
Fax: 503.721.2516
email: ork@nwnatural.com



August 7, 2017

NWN OPUC Advice No. 17-13 / ADV _____

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attention: Filing Center
201 High Street SE Suite 100
Post Office Box 1088
Salem, Oregon 97308-1088

Re: Revisions to Schedule T “Customer-Owned Natural Gas Transportation Service”

Northwest Natural Gas Company, dba NW Natural (“NW Natural” or “Company”), files herewith revisions to its Tariff P.U.C. Or. 25¹, as listed below and stated to become effective with service on and after **September 13, 2017**:

Second Revision of Sheet T-1
Schedule T,
“Customer-Owned Natural Gas Transportation Service;” and

Second Revision of Sheet T-4,
Schedule T,
“Customer-Owned Natural Gas Transportation Service (continued).”

This filing is made in accordance with OAR 860-022-0015 and OAR 860-022-0025.

The purpose of this filing is to propose clarifying revisions to portions of Schedule T “Customer-Owned Natural Gas Transportation Service” (“Schedule T”) of the Company’s Tariff as follows:

1. Revisions are proposed at Sheet T-1 to clarify when the authorized supplier/agent form must be received by the Company following a Customer’s election for Transportation Service. The timing for receipt of this information is different when a request for Transportation Service is submitted during the annual service election period than when it is submitted as an out-of-cycle request. Unfortunately, the existing language does not make this distinction. The proposed revision does not represent a change in business practice.
2. Revisions are proposed at Sheet T-4 to clarify how imbalance charges are calculated under Option 1 of the two options available to a customer when an imbalance is not

¹ Tariff P.U.C. Or. 25 was filed pursuant to ORS 757.205 and OAR 860-022-0005 and originated November 1, 2012 with Docket UG 221; OPUC Order No. 12-408 as supplemented by Order No. 12-437.

brought within allowed tolerances by the end of a balancing period. The proposed change will bring the tariff language in line with long-standing billing practices.

Editorial changes are also proposed to the paragraph leading into the Option 1 provision to remove the misleading language "to clear the imbalance" as Option 1 does not result in the clearing of the imbalance terms.

Because none of the revisions discussed above result in a change from current policy or business practice, the Company views these changes as housekeeping clarifications.

There is no effect on Company revenues as a result of the changes proposed herein.

The Company respectfully requests that the tariff sheets filed herein be approved by the Commission to become effective with service on and after September 13, 2017, and if deemed necessary by the Commission that a hearing be scheduled, in accordance with ORS 757.210.

In accordance with ORS 757.205, copies of this letter and the filing made herewith are available in the Company's main office in Portland, Oregon and on its website at www.nwnatural.com.

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

eFiling
Rates & Regulatory Affairs
NW Natural
220 NW Second Avenue
Portland, Oregon 97209
Telecopier: (503) 721-2516
Telephone: (503) 226-4211, ext. 3589
eFiling@nwnatural.com

Sincerely,

/s/ Onita King

Onita R. King
NW NATURAL

Attachments:

Schedule T, Sheet T-1
Schedule T, Sheet T-4

**SCHEDULE T
CUSTOMER-OWNED
NATURAL GAS TRANSPORTATION SERVICE**

SERVICE AVAILABILITY:

Service under this Schedule is available on the Company's Distribution System to Non-Residential Customers in all territory served by the Company under the Tariff of which this Schedule is a part, provided that Customer has an approved Service Election for Transportation Service under one of the following Rate Schedules:

Rate Schedule 31
Rate Schedule 32

Rate Schedule 33
Rate Schedule 60

TERM OF SERVICE:

The minimum term for the Transportation of Customer-Owned Gas supplies is as set forth in the applicable Rate Schedule under which the Customer shall pay for Transportation Service. Upon termination of Transportation Service, any Imbalances in gas receipts and deliveries will be cleared in accordance with the Imbalance buy-out provisions of this Schedule.

PREREQUISITES TO SERVICE:

1. A Customer must have an approved Service Election Form for service under the Rate Schedule under which Customer shall pay for Transportation Service.
2. A Customer must have the capability to receive notices via automatic electronic means acceptable by the Company. Customer must provide any utility, telephone, cellular, or other services or devices that the Company deems necessary to support Advanced Automated Meter Metering (AAMR) technology for the transmission of metered data to the Company for billing purposes. All installations must comply with the Company's specifications, must be in place and activated not less than five (5) Business Days prior to the effective date of service, and must remain continuously active at all times. The Company may require the installation of telemetry equipment at the Customer's Premise, subject to charges set forth in **Schedule 15**.
3. Customer must have secured the purchase and delivery of gas supplies, which may include supplies secured from an Authorized Supplier/Agent of their choosing. An authorized supplier of Biomethane is one that has an approved Interconnection Agreement in effect with the Company. For Transportation Service elections made during the Annual Election Period to be effective November 1, Customer must complete and return the Company's Transportation Service: Supplier/Agent Authorization Form ("Authorized Agent Form") and name such Authorized Supplier/Agent by October 1. For out-of-cycle transfers to Transportation Service, or where there is a change in an Authorized Supplier/Agent, Customer must complete and return the Authorized Agent Form not less than five (5) Business Days prior to the effective date of the change.
4. The Company must receive the completed Transportation Service: Supplier/Agent Authorization Form before the Company will accept any nominations on behalf of the Customer.

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(continue to Sheet T-2)

Issued August 7, 2017
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NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25

Second Revision of Sheet T-4
Cancels First Revision of Sheet T-4

SCHEDULE T CUSTOMER-OWNED NATURAL GAS TRANSPORTATION SERVICE (continued)

BALANCING OF RECEIPTS AND DELIVERIES:

Balancing of receipts and deliveries shall be accomplished on a daily basis to the extent possible. Cumulative Imbalances in receipts and deliveries will be carried over to the next Billing Month. If a Customer's cumulative Imbalance in any Billing Month during the period August through February is more than three percent (3%) above or below total Confirmed Nominations for that Billing Month, or if a Customer's cumulative imbalance in any Billing Month during the period March through July is more than five percent (5%) above or below total Confirmed Nominations for that Billing Month, such Customer will be notified by the fifteenth (15th) day of the following Billing Month that the Imbalance exceeds the allowed tolerance, and such Customer will receive a minimum of forty-five (45) non-restricted days ("Balancing Period"), which may or may not be consecutive, from the date of notification by the Company to eliminate the Imbalance. A non-restricted day is any day where there is no Entitlement, Curtailment, or Pre-emption Order in effect.

If a Customer's cumulative Imbalance comes within the applicable tolerance range as stated above, or if the balance is less than ten (10) therms, or the Imbalance has moved from negative to positive, or from positive to negative at the end of a Billing Month within a Balancing Period, that Balancing Period will end.

If by the end of the Balancing Period an Imbalance is not eliminated in a manner described above, Customer will be required to choose one of the two options below:

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Option 1. Pay a Balancing charge of \$1.00 per Therm on all Imbalance Therms in excess of the applicable tolerance range identified above, with all Imbalance Therms to carry over to the next Balancing Period. The Imbalance charge will be billed on the Customer's next monthly bill and will be due and payable in addition to Customer's normal charges.

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Option 2. Buy out the Imbalance. If the Imbalance is negative, Customer may buy out the entire negative Imbalance volume by paying the Company a price per Therm that is the greater of: (a) the highest Monthly Incremental Cost of Gas calculated in accordance with **Schedule 150** over the previous three (3) month period, or (b) 150% of the Company's current Annual Sales WACOG. If the Imbalance is positive, the Company will pay the Customer on all positive Imbalance volumes a price per Therm that is the lesser of: (a) the lowest Monthly Incremental Cost of Gas calculated in accordance with **Schedule 150** over the previous three (3) month period, or (b) 50% of the Company's current Annual Sales WACOG. Following a buyout, Customer's cumulative Imbalance will be eliminated and that Balancing Period will end.

Customer must notify the Company in writing of its intent to exercise Option 2 not later than the fifteenth (15th) day of the Billing Month in which imbalance charges would be assessed. If a Customer exercises Option 2 in the month following the end of a Balancing Period, such Customer's cumulative Imbalance will be eliminated, but such Customer will be responsible for the payment of any Balancing charge assessed for the prior period.

Balancing gas is not available when Entitlement, Curtailment or Pre-emption has been ordered, except, during an Entitlement, to the extent of the Threshold Percentage tolerance levels.

Imbalances incurred as a direct result of a meter error or malfunction shall be resolved on a case-by-case basis between the Company and the Customer. In such an event, Customer shall notify the Company prior to purchasing Imbalance volumes from third party suppliers. The Company shall not be responsible to Customer for any costs incurred should Customer fail to make such appropriate notification.

(continue to Sheet T-5)

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