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December 21, 2017

NWN OPUC Advice No. 17-21 / 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

Attn: Filing Center

Re: Schedule H, Large Volume Non-Residential High Pressure Gas Service (HPGS) Rider

Northwest Natural Gas Company, dba NW Natural (“NW Natural” or the “Company”), files herewith the following revisions to its Tariff P.U.C. Or. 25, stated to become effective with service on and after **February 1, 2018**:

Second Revision of Sheet H-1
Schedule H,
“Large Volume Non-Residential High Pressure Gas Service (HPGS)
Rider,”

and

Third Revision of Sheet H-7
Schedule H,
“Large Volume Non-Residential High Pressure Gas Service (HPGS)
Rider.”

The purpose of this filing is to request a five-year extension of the term of the Company’s Schedule H “Large Volume Non-Residential High Pressure Gas Service (HPGS) Rider, which if approved will continue the program through January 31, 2023.

Commission Order 14-014 in Docket UG 266 and the Program Term provision set forth in the Schedule H HPGS tariff, originally stated that the program would be available through January 31, 2016 or until such other time as the Commission may approve¹. On January 12, 2016, the Commission approved² NW Natural’s Advice No. 15-19 requesting to extend the program for a two year term through January, 31, 2018.

¹ See Commission Order No. 14-014

² See Commission Order No. 16-013

As directed in Order 14-014, Commission Staff issued its report on the CNG fueling market (the “market”), which was attached to the Staff Report for Advice No. 15-19. Staff’s report of the market showed that NW Natural’s participation in the market through the Schedule H HPGS tariff had not been disruptive to the growth of a competitive CNG market and that the market had not changed significantly since 2014.

This year NW Natural executed the first HPGS Agreement with the City of Portland. The Company also has two signed feasibility agreements with customers interested in participating in the Schedule H program. The current CNG market continues to be impacted by market spreads and changes in tax credits. The requested five-year extension will enable the Company to continue to work with potential customers as NW Natural’s continues its ongoing efforts to support the growth of the CNG market.

The Company respectfully requests that the tariff sheets filed herein be approved to become effective with service on and after February 1, 2018.

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.

The Company waives paper service in this proceeding. Please address correspondence on this matter to me with copies to the following:

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

Sincerely,

/s/ Gail A. Hammer

Gail A. Hammer
NW Natural

attachment

**RATE SCHEDULE H
LARGE VOLUME NON-RESIDENTIAL
HIGH PRESSURE GAS SERVICE (HPGS) RIDER**

PURPOSE:

To provide Company-owned and maintained high pressure gas infrastructure sited on a Customer’s Premise where the Company’s standard Distribution System operating pressures are insufficient to meet Customer’s requirements for fueling motor vehicles.

SERVICE APPLICABILITY:

Service under this Rate Schedule Rider is available to a Customer who:
(1) has an approved Service Election under Rate Schedule 3, Rate Schedule 31, or Rate Schedule 32 for service to the High Pressure Gas facilities (“HPGS Facilities”); (2) has entered into a High Pressure Gas Service Agreement (“HPGS Agreement”) under this Rate Schedule Rider for a minimum initial term of ten years; and (3) has satisfied the prerequisites for service commencement set forth in the Customer’s HPGS Agreement.

PROGRAM TERM:

HPGS shall remain in effect until January 31, 2023 or until such other time as the Commission may approve. (C)

SERVICES PROVIDED:

Service under this Rate Schedule Rider includes High Pressure Gas Service (“HPGS”), Scheduled Maintenance, Unscheduled Maintenance, and Back-Up Service.

HPGS Facilities - The Company will design, plan, engineer, permit, construct, install, inspect, test, and maintain all Standard HPGS Facilities installed in accordance with this rider. NW Natural reserves the right to designate the location of all Distribution Facilities and HPGS Facilities required for such service.

Standard HPGS Facilities – Standard HPGS Facilities include the following:

- Compression system, which includes remote monitoring equipment
- Main distribution panel
- Remote feeder panel
- Transformer pad
- Compressor pad
- Remote Power Panel Pad
- Dispenser pad
- Transformer pad
- Trenches
- Compressor skid
- Dryers
- Regeneration pad
- Storage vessel(s)
- Priority panel
- Protective traffic bollards
- Fast fill meter/dispenser(s) (does not include hanging hardware)
- ASME Cascade Buffer – one three pack installed on the roof
- Control System and remote power panel

(continue to Sheet H-2)

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**RATE SCHEDULE H
LARGE VOLUME NON-RESIDENTIAL
HIGH PRESSURE GAS SERVICE (HPGS) RIDER**
(continued)

Special Conditions (continued)

4. The Company will not use rate-payer funded direct marketing channels to communicate the availability of HPGS to Customers.
5. The Company will track all costs associated with providing HPGS to ensure the administrative charge of \$10,087 included in the Scheduled Maintenance Charge is appropriately priced. (C)
|
(C)
6. If the Company makes any material revisions to cost of service terms and conditions in the Site Design and Permit Evaluation Agreement or the HPGS Agreements as filed in Commission Docket No.UG-266, the Company will provide a copy of the revised agreement(s) to Commission Staff, Citizens' Utility Board (CUB), and Northwest Industrial Gas Users (NWIGU).
7. The Company or Customer may terminate service under this Rate Schedule Rider for the reasons and in the manner set forth in the HPGS Agreement. In the event of termination prior to the end of the ten-year initial term, Customer must pay any amounts due for the early termination of service to the Company in accordance with the terms and conditions of the HPGS Agreement. Upon termination of service, NW Natural will safely cap utilities used at the HPGS Facilities and remove the HPGS Facilities, except for all cement concrete pads.
8. With the sole exception of the use of the fueling apparatus, the Customer may not access or modify, or allow another party to access or modify, the HPGS Facilities without the express written permission of NW Natural.
9. The Customer shall operate the fueling apparatus in accordance with all applicable regulations and laws.
10. The Customer shall maintain the minimum clearances around the HPGS Facilities as directed by NW Natural.

(continue to Sheet H-8)

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