

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: May 7, 2019

REGULAR _____ CONSENT X EFFECTIVE DATE May 8, 2019

DATE: April 26, 2019

TO: Public Utility Commission

FROM: Brian Fjeldheim *BF*

THROUGH: Jason Eisdorfer *EPM* and Marianne Gardner *MG*

SUBJECT: NORTHWEST NATURAL: (Docket ADV No. 947/Advice No. 19-03) Changes Winter sales weighted-average cost of gas (WACOG) election date and updates pipeline definition in the tariff.

STAFF RECOMMENDATION:

Approve Northwest Natural's (NWN or Company) Advice No. 19-03, which proposes to change the annual Winter sales weighted-average cost of gas (WACOG) election date and the definition of pipeline in the tariff, effective for service on and after May 8, 2019.

DISCUSSION:

Issue

Whether the Public Utility Commission of Oregon (Commission) should approve NWN's request to update the Winter sales WACOG election date and pipeline definition, including applicable Schedules.

Applicable Law

ORS 757.205(1) states that a public utility must file schedules showing all rates, tolls, and charges for service that have been established and are in force at the time.

OAR 860-022-0025 requires that new tariff filings include statements showing the new rates, the number of customers affected, the impact on annual revenue, and the reasons supporting the proposed tariff. Filings that make any change in rates, tolls, charges, rules or regulations must be filed with the Commission at least 30 days before the effective date of the changes.

The Commission also reviews tariffs filed under ORS 757.205 and 757.210 to determine whether they are fair, just and reasonable.

Analysis

Background

NWN submitted this filing to the Commission on April 3, 2019, pursuant to ORS 757.205, ORS 757.210, and OAR 860-022-0025, with a requested effective date of May 8, 2019. In its filing, the Company proposes to revise the annual Winter WACOG election date from September 15 (current) to August 15 (proposed) for Schedule 31 and Schedule 32 customers. Additionally, the Company is making a housekeeping change to update the definition of “pipeline” in the definitions sections of the Company’s tariff.

Winter WACOG

Non-residential customers on Schedules 31 and 32 must provide required electric service to an Advanced Automated Meter Reading (AAMR) before November 1 in order for the Company to obtain the necessary data needed for a calendar-month billing cycle. Based on Company experience, the current 45 day window to provide electric power to an AAMR device associated with the September 15 Winter WACOG election date has proven difficult for some customers, resulting in delays to customer election effective dates or delays in the Company’s billings. Adoption of the proposed August 15 Winter WACOG election date will provide customers that wish to elect Winter WACOG gas rates an additional 30 days to provide the necessary electric service to their AAMR.

Staff reviewed the proposed date changes in rate Schedule 31 and Rate Schedule 32 and finds them to be accurate and supportable.

Pipeline Definition

Regarding the proposed update to the definition of “pipeline” in the tariff, the Company is adding language to identify third party pipelines that are not part of the affiliated distribution system, Northwest Pipeline Corporation (NPC), but otherwise interconnect with NPC. The Company specifically identifies Coos County Pipeline and Kelso-Beaver Pipeline in the revised definition. The Company states this change is intended to enhance transparency and alleviate potential customer confusion when discussing “pipeline” throughout the tariff.

Staff reviewed the affected tariff sheet and finds the proposed language to be accurate and supportable.

Other Affected Schedules

This filing does not affect any other schedules, but does add language to the pipeline definition in the General Rules and Regulations portion of the tariff.

Effects of Filing

The Company is not proposing a change in rates, only a change in the Winter WACOG election date and the inclusion of additional language to add clarity to the definition of "pipeline" within the tariff. It is unknown how many customers will make a Winter WACOG election, therefore the effect on the Company's revenue is unknown at the time of filing.

Conclusion

Based on analysis of NWN's application, the workpapers associated with the filing, and phone conversations with the Company, Staff finds the proposed revisions to the tariff language to be accurate, consistent, and will not impact customer rates. Staff recommends the Commission approve NWN's application.

PROPOSED COMMISSION MOTION:

Approve NWN's application to change the annual Winter WACOG election date to August 15 and expand the "pipeline" definition in the Company's tariff, effective for service on and after May 8, 2019.