



Oregon

Kate Brown, Governor

Public Utility Commission

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July 28, 2020



BY EMAIL

Cascade Natural Gas Corporation

Christopher Michelson

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RE: Advice No. O02-06-01

At the public meeting on July 28, 2020, the Commission adopted Staff's recommendation in this matter docketed as ADV 1140. The Staff Report and a receipted copy of the sheets in your advice filing are attached.

Nolan Moser

Chief Administrative Law Judge

Public Utility Commission of Oregon

(503) 378-3098

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: July 28, 2020**

REGULAR CONSENT EFFECTIVE DATE August 1, 2020

DATE: July 14, 2020

TO: Public Utility Commission

FROM: Kathy Zarate

THROUGH: Bryan Conway, Michael Dougherty, John Crider, and Matthew Muldoon **SIGNED**

SUBJECT: CASCADE NATURAL GAS:
(Docket No. ADV 1140/Advice No. O20-06-01)
Application to change the language regarding customer eligibility in the
Company's tariff Cascade's Rule 32.

STAFF RECOMMENDATION:

Approve Cascade Natural Gas's (Cascade or Company) Advice No. O20-06-01,
effective with service on and after August 1, 2020, as requested.

DISCUSSION:

Issue

Whether the Public Utility Commission of Oregon (Commission) should allow Cascade to modify Cascade's Rule 32, Oregon Low-Income Assistance Program (OLIBA) to incorporate modifications that mitigate the economic impact of the COVID-19 pandemic for Cascade's customers.

Applicable Law

The Commission may approve tariff changes if they are deemed to be fair, just, and reasonable per ORS 757.210. Tariff revisions or corrections may be made by filing revised sheets with the information required under the Commission's administrative rules, including OAR 860-022-0005 and OAR 860-022-0025. OAR 860-022-0025(2) specifically requires that each energy utility changing existing tariffs or schedules include in its filing a statement plainly indicating the increase, decrease, or other change

made with the filing, the number of customers affected by the proposed change and the resulting change in annual revenue; and the reasons or grounds relied upon in support of the proposed change.

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 change. ORS 757.220; OAR 860-022-0015.

Analysis

Cascade filed Advice No. O20-06-01 on June 29, 2020. The purpose of the filing is to make modifications to the language in the Cascade's Low-Income Assistance Program (OLIBA) Tariff to provide the Company and its partner Community Action Agencies more flexibility to determine customers' eligibility for assistance from OLIBA.

Cascade's OLIBA program is funded from revenue collected by its natural gas customers on schedules 101 (residential), 104 (firm commercial), 105 (general industrial), 111 (large volume), and 170 (interruptible service).

The revenue is included in the Company's Public Purpose Charge, which applies a charge to utility bills equal to a percentage of customers' total charges for gas service. The current charge is equal to 4.928 percent for the 2020 calendar year.¹

The low-income programs include the OLIBA program, the Oregon Low Income Energy Conservation (OLIEC) program, and the Conservation Achievement Tariff (CAT) program. OLIBA funds collected under the designated schedule rates are administered and delivered to qualifying residential customers through agreements established with Community Action Agencies (Agencies) that serve Oregon counties in Cascade's authorized service areas. The funds are distributed by Agencies in a manner similar to the Federal and State-sponsored Low Home Energy Assistance Program (LIHEAP).

The Company also states that it continuously strives to provide its Agencies with an open and adaptable low-income program as the impacts of the COVID-19 pandemic remain widespread. To address potential impacts, Cascade proposes to add the following language to its OLIBA Tariff to increase its and the agencies that implement the program more flexibility to ascertain eligibility for low-income assistance:

The Oregon Low-Income Bill Assistance Program (OLIBA) or agencies may separately choose to make eligible for assistance any household of which the account holder is a recipient of Temporary Assistance for Needy

¹ Filled Advice No. 020-06-01 page 2.

Families (TANF), Supplemental Security Income (SSI), benefits under the Supplemental Nutritional Assistance Program (SNAP, formerly Food Stamps), or other state or federal programs that meet the eligibility guidelines of OLIAP. Agencies will document enrollment into adjacent poverty programs in client files.²

Conclusion

Staff supports Commission action to approve the Company's filing.

PROPOSED COMMISSION MOTION:

Approve Cascade's ADV 1140/Advice No. O20-06-01 to go into effect for service rendered on and after August 1, 2020.

Cascade ADV. 1140

² Rule 32. Sheet 32.2. NO 4

RULE 32

OREGON LOW-INCOME ASSISTANCE PROGRAM

SPECIAL TERMS AND CONDITIONS (continued)

- 4. Each participating Agency will have sole responsibility to screen and approve applicants for eligibility. Each Agency shall follow the established protocols for the qualification of and disbursement to eligible participants in accordance with the guidelines promulgated by OHCS. The Oregon Low-Income Bill Assistance Program (OLIBA) or agencies may separately choose to make eligible for assistance any household of which the account holder is a recipient of Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), benefits under the Supplemental Nutritional Assistance Program (SNAP, formerly Food Stamps), or other state or federal programs that meet the eligibility guidelines of OLIAP. Agencies will document enrollment into adjacent poverty programs in client files. The amount of assistance for eligible participants shall be based on the LIHEAP/OEA Poverty Guidelines and Payment Matrix from the OHCS/OEA Manual for these programs. Any voucher authorization received by the Company that exceeds these guidelines will be appropriately adjusted. If a customer has a credit balance due to the receipt of low-income assistance and the customer's service is disconnected, the credit balance will be redirected to the Agency's allocation fund for distribution to other clients.
- 5. Each Agency will be reimbursed from the Oregon Low-Income Bill Assistance Program account for certain administrative costs and direct program costs incurred by them in the administration and delivery of the program to Cascade's customers. Total program administration and delivery costs shall not exceed 20 percent of the total low-income bill payment assistance funds applied to customers' utility accounts. Should actual administrative and program delivery costs be lower than the 20 percent, the remaining funds shall be allocated into the program fund to support direct services.
- 6. Each Agency will provide a summary report providing information on the prior month's program activities. The report must identify the number of families assisted and their location, as well as the amount of funds dispersed. The Company must receive all reports by the 20th business day of each month.
- 7. The Bill Payment Program year will extend from October 1 through September 30. Any amounts not disbursed in the program year will carry over to the next program year. The Company will provide an annual summary evaluation report on the progress of the program for review by the Commission by December 1 following the end of each program year.

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