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July 19, 2022

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, Oregon 97301

**RE: LC 71—NW Natural's 2020 Integrated Resource Plan (IRP) - Petition for
Temporary Exemption from OAR 860-027-0400(3)**

Northwest Natural Gas, dba NW Natural, encloses for filing its petition for a temporary exemption from OAR 860-027-0400(3). The purpose of this temporary exemption is to change the filing date of its upcoming Integrated Resource Plan (IRP) from July 29, 2022 to September 23, 2022.

If you have any questions, please contact Rebecca Trujillo at (503) 610-7326.

Sincerely,

/s/ Natasha Siores

Natasha Siores
Manager, Regulatory Compliance
NW Natural
250 SW Taylor Street
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(503) 610-7074
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Attachment

cc: Bob Jenks, CUB
Chad Stokes, AWEC

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
LC 71**

In the Matter of

NORTHWEST NATURAL GAS
COMPANY, DBA NW NATURAL,

2020 Integrated Resource Plan.

NW NATURAL GAS COMPANY

PETITION FOR TEMPORARY
EXEMPTION FROM OAR 860-027-
0400(3), INTEGRATED RESOURCE
PLAN FILING

I. INTRODUCTION

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2 Northwest Natural Gas Company, dba NW Natural (NW Natural or Company),
3 respectfully requests that the Commission allow it to change the filing date of its
4 upcoming Integrated Resource Plan (IRP) from July 29, 2022 to September 23,
5 2022. Under OAR 860-027-0400(3), NW Natural is required to submit an IRP
6 within two years of its previous IRP acknowledgement order, or as otherwise
7 directed by the Commission (in this case, by July 29, 2022). Based on conditions
8 that have materially impacted the Company's ability to complete its final IRP on this
9 schedule, NW Natural respectfully requests that the Commission allow it to file its
10 final IRP no later than September 23, 2022. OAR 860-027-0400(1) provides that
11 the Commission may relieve the Company of any obligation in OAR 860-027-0400,
12 including OAR 860-027-0400(3), for good cause shown. This petition describes
13 why good cause exists for the Commission to allow the Company to move the filing
14 date of its IRP from July 29, 2022 to September 23, 2022. NW Natural also
15 commits to working to resolve the issues that are preventing it from completing its
16 IRP as expeditiously as possible.

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II. BACKGROUND

NW Natural is a natural gas utility subject to the jurisdiction of the Commission regarding rates and terms of natural gas service in Oregon. The Company’s principal place of business is 250 SW Taylor Street, Portland, Oregon 97204. Communications regarding this petition should be addressed to:

NW Natural	Rebecca Trujillo
eFiling for Regulatory Affairs	Rates & Regulatory Affairs
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Portland, Oregon 97204	Portland, Oregon 97204
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III. DISCUSSION

On December 1, 2020, NW Natural filed a petition for a temporary exemption from OAR 860-027-0400(3) to change the filing date of its IRP from March 4, 2021 to July 2022. On January 13, 2021, the Commission entered Order No. 21-013 in this docket, granting NW Natural’s request and changing the filing date of the IRP to July 29, 2022.¹

The Company is now seeking to change the filing date of its IRP to September 23, 2022. The Company has been unable to resolve modeling software

¹ *In the Matter of Northwest Natural Gas Company, dba NW Natural, 2018 Integrated Resource Plan, Docket No. LC 71, Order No. 21-013 (Jan. 13, 2021).*

1 issues that are preventing it from completing analysis that is necessary to finalize a
2 comprehensive IRP inclusive of a thoroughly described resource action plan by July
3 29, 2022. These issues concern the PLEXOS model, which is the new IRP
4 modeling software that the Company has acquired from Energy Exemplar, the
5 organization that also owns AURORA. NW Natural needed to acquire new IRP
6 modeling software because the previous standard model for conducting analysis in
7 gas IRPs – SENDOUT – is no longer being supported by updates or comprehensive
8 technical support. Furthermore, SENDOUT does not have capability to model
9 emissions planning in a manner that is needed for long-term resource planning
10 under transformative legislation and administrative rulemakings that haven been
11 adopted since NW Natural filed its last IRP, such as Oregon’s Climate Protection
12 Program and Washington’s Climate Commitment Act.

13 Due to these transformative policies, NW Natural has developed a new model
14 in PLEXOS that can conduct detailed and technically challenging emissions
15 modeling, along with the more traditional functions of gas supply and storage that
16 have been conducted in natural gas IRPs for quite some time. This is the first gas
17 utility IRP that has this level of complexity that is being modeled in the PLEXOS
18 software, and NW Natural has been able to construct a model that works for the
19 reference case (the pre-policy trend) case and has results for this case.

20 However, given the current uncertainty around a number of issues, risk
21 analysis is an even more critical component of planning in this IRP than in the past.
22 To conduct this risk analysis, NW Natural uses stochastic simulation of multiple
23 draws to test the robustness of decisions under different key input assumptions.

1 Unfortunately, the PLEXOS software is currently unable to solve the approximately
2 500 simulations through a batching and queuing process, which automates the
3 solver and can run several simulations simultaneously (a capability that is intended
4 to be part of the service). Sequentially running the simulations would take roughly
5 80 minutes per simulation or approximately one month for all 500 simulations, plus a
6 significant amount of manual replacement of data. If simultaneous model runs can
7 be performed, NW Natural anticipates that results can be obtained in roughly two
8 days of run time, after which interpretation and results compilation can begin.

9 Since the batching and queuing simulation process was not solving, NW
10 Natural was unable to complete its draft IRP by June 30, 2022 ahead of the required
11 final IRP due date of July 29, 2022. NW Natural recognizes the value of a draft IRP
12 to stakeholders and values stakeholder feedback on the draft in advance of the final
13 IRP filing and has received direction from the Washington Utilities and
14 Transportation Commission to provide the draft IRP by July 29, 2022.

15 NW Natural has been working to resolve the issue as quickly as possible.
16 The Company has escalated this problem to PLEXOS developers. While these
17 issues were unanticipated and are delaying the results of the IRP, the Company is
18 still convinced that moving to the PLEXOS model is both appropriate and necessary
19 in order to analyze how to best serve customers in this fast-changing landscape.

20 Due to this unanticipated software modeling issue, NW Natural believes that
21 good cause exists for the Commission to issue an order that requires the Company
22 to file a final IRP no later than September 23rd, 2022. Working with PLEXOS, NW

1 Natural believes it now has a solution to this issue and is confident it can meet this
2 new draft submission date.

3 **IV. CONCLUSION**

4 NW Natural respectfully requests that the Commission issue an order
5 allowing for a temporary exemption from OAR 860-027-0400(3) and authorizing the
6 Company to file its IRP by September 23, 2022. For the reasons provided above,
7 good cause exists to grant this exemption.

8 Respectfully submitted this 19th day of July 2022.

NW NATURAL

/s/ Ryan Sigurdson

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