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October 1, 2012

VIA ELECTRONIC FILING & FIRST CLASS MAIL

Oregon Public Utility Commission Attn: Filing Center 550 Capitol Street N.E., #215 P.O. Box 2148 Salem, Oregon 97308-2148

Re:

In the Matter of Northwest Natural Gas Company –

Application for a General Rate Revision

Docket No. UG-221

Dear Filing Center:

Enclosed are an original and one copy of Northwest Industrial Gas Users' and Citizens Utility Board of Oregon's Joint Motion to Strike Portions of NW Natural's Response to Second Bench Request.

The motion is being filed electronically and served accordingly. Please do not hesitate to contact our office with any questions.

Very truly yours,

Tommy A. Brooks

TAB:tjb Enclosures

1 BEFORE THE PUBLIC UTILITY COMMISSION 2 OF OREGON 3 UG 221 4 In the Matter of 5 NORTHWEST INDUSTRIAL GAS NORTHWEST NATURAL GAS USERS' AND CITIZENS' UTILITY 6 **COMPANY BOARD OF OREGON'S JOINT** MOTION TO STRIKE PORTIONS OF 7 Application for a General Rate Revision) NW NATURAL'S RESPONSE TO 8 SECOND BENCH REQUEST 9 MOTION The Northwest Industrial Gas Users ("NWIGU") and the Citizens' Utility Board 10 of Oregon ("CUB") hereby move the Commission to strike portions of NW Natural's 11 12 Response to Second Bench Request ("Response") from the record in this matter. As explained below, portions of the Response go beyond the scope of the questions in the 13 Second Bench Request ("Bench Request") by both including information not sought in 14 15 the Bench Request and making additional arguments in support of the superfluous 16 information provided. 17 **ARGUMENT** 18 The record in this matter is closed with the exception of some very limited matters 19 that Administrative Law Judge Hardie (the "ALJ") expressly allowed the parties to 20 continue to address after the hearing. That is, at the conclusion of the hearing live testimony was concluded, 1 objections to the admission of cross exhibits were resolved,2 21 22 and the ALJ set a time frame for parties to clarify any answers that were "subject to check" by a witness.³ The only remaining evidentiary issues left related to questions the 23 Commission had surrounding environmental remediation insurance,⁴ NW Natural Exhibit 24 25 ¹ Transcript 228:17. 26 ² Transcript 258:25 through 259:20. ³ Transcript 257:6. ⁴ Transcript 155:16. NWIGU'S AND CUB'S JOINT MOTION TO STRIKE

4315,⁵ and the Commission's anticipation that it would issue a bench request relating to pension contributions, which is the subject of the Second Bench Request and this Motion.

The Commission initially identified the purpose of the Bench Request during the hearing. Specifically, the ALJ inquired from NW Natural witness Mr. Phelps about the "dates that the Company made each of those [pension] contributions in 2008, 2009, 2010 and '11." Because Mr. Phelps did not know those dates from memory, the ALJ then stated "I think we will probably send a bench request that just asks for the dates and the amounts of the contributions for that time period." Consistent with those statements, the Bench Request then sought information about the Company's pension contributions from 2008 through 2011 and some of the impacts from those specific contributions. Nothing in the ALJ's discussion at the hearing or in the Bench Request indicates that the ALJ was leaving the record open for information outside of the 2008 to 2011 time period identified during the hearing.

Notwithstanding the clear time period encompassed by the Bench Request, NW Natural went beyond the scope of that request and provided evidence not sought by the Commission. Moreover, NW Natural made specific arguments for why the information included in its response should be taken into consideration by the Commission. NWIGU and CUB request that the Commission strike the following information included in NW Natural's response:

1. <u>Bench Request No. 1</u> – Page 2, lines 20 through 22, of NW Natural's response identifies pension contributions the Company made in 2012. The Bench Request did not seek the date for any contributions made in 2012.

2. Bench Request No. 2 – Page 3, line 15, 3 of NW Natural's response estimates an impact on the Test Period for FAS Expense in 2012. Page 3, line 17 through page 4, line 6, also report contributions in 2004 and 2005, well before the 2008 timeframe for which the Commission was seeking information. That portion of the response also goes beyond merely providing data and instead presents NW

⁵ Transcript 244:11 et seq.

⁶ Transcript 153:16-19.

⁷ Transcript 155:5-7.

⁸ Second Bench Request, UG 221 (Sep. 14, 2012).

Natural's argument for why the Company believes those "amounts should be considered in this proceeding."

3. Bench Request No. 3 – Page 4, lines 14-17 (beginning after the first sentence in that portion of the response) contain NW Natural's view of the combined impact of pension contributions made during calendar years 2004, 2005 and 2012, all of which are outside of the 2008-2011 timeframe described in the Bench Request.

It is clear from NW Natural's response that the information identified above for 2004, 2005, and 2012 was not necessary to provide because, for each response, the Company first provided information relating only to the time period described in the Bench Request (2008-2011) and then tacked on the additional information in the hope of filling gaps in the record after each of the requested answers.

NWIGU and CUB will take the opportunity to make *arguments* relating to the Commission requested information in the Bench Request as part of a supplemental brief. CUB and NWIGU are concerned, however, that no party was provided the opportunity to add additional testimony to the record as NW Natural has done. If the Commission allows this additional evidence to be included in the record at this late stage when three rounds of briefing have already been filed, it will set poor precedent for parties in the future who may seize on opportunities to stack the record even after the hearing when the record is supposed to be closed. NWIGU and CUB do not seek to limit the Commission's authority to issue bench requests, which aid in the Commission's ability to understand the record. However, the Commission should have a clear policy for not allowing parties to take advantage of those requests by using them as a vector for getting more information in front of the Commission that other parties have no ability to contradict through their own testimony.

CONCLUSION

In summary, NWIGU and CUB request that the Commission strike all of the information contained in NW Natural's Response to Second Bench Request relating to

⁹ Corrected Prehearing Conference Memorandum, UG 221 (Sep. 21, 2012).

1	the years 2004, 2005 and 2012. In the alternative, NWIGU and CUB ask that the		
2	Commission conclude that the information cannot be admitted into the record because it		
3	was submitted after the record was closed and exceeded the scope of the Second Bench		
4	Request.		
5			
6	Respectfully submitted this 1st day of October, 2012		
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16	/s/ G. Catriona McCracken		
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CERTIFICATE OF SERVICE

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2	I hereby certify that I caused to be served the foregoing NWIGU'S AND CUB'S		
3	JOINT MOTION TO STRIKE via electronic mail and, where paper service is not		
4	waived, via postage-paid first class mail upon the following parties of record:		
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6	Dated in Portland, Oregon, this 1st day of October 2012.	
7		
8		/s/ Tommy A. Brooks
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