PUBLIC UTILITY COMMISSION OF OREGON STAFF REPORT

PUBLIC MEETING DATE: December 17, 2019

REGULAR ____ CONSENT X EFFECTIVE DATE ____ January 1, 2020

DATE: December 9, 2019

TO: Public Utility Commission

FROM: Sabrinna Soldavini

THROUGH: Michael Dougherty and Marianne Gardner SIGNED

SUBJECT: NORTHWEST NATURAL:

(Docket No. ADV 1043/Advice No. 19-18)

Updates Schedule M, Meter Testing Procedures.

STAFF RECOMMENDATION:

Staff recommends the Oregon Public Utility Commission (Commission) approve Northwest Natural's (NW Natural or Company) Advice No. 19-18 making housekeeping changes to Schedule M, Meter Testing Procedures, effective with service rendered on and after January 1, 2020.

DISCUSSION:

Issue

Whether the Commission should approve NW Natural's Advice No. 19-18, which updates its Schedule M, Meter Testing Procedures.

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. Pursuant to ORS 757.210, the Commission may approve tariff changes if they are deemed to be fair, just and reasonable. 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. ORS 757.220.

Docket No. ADV 1043/Advice No. 19-18 December 9, 2019 Page 2

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.

Analysis

Background

NW Natural's Schedule M, Meter Testing Procedures, describes the Company's meter testing processes and procedures, which reflect the Company's internal Engineering Procedure Z-1. One component of the meter testing procedures outlined in Engineering Procedure Z-1 pertains to the Company's Meter Sampling Program. The last paragraph of the Meter Sampling Program states the threshold at which the number of meters required for change-out, where the Company may extend the meter change-out schedule, is five percent. However the same threshold in its Schedule M, is listed at three percent.

NW Natural states that it has recently become aware of the discrepancy between what is included in Engineering Procedure Z-1 and Schedule M. Accordingly, on November 13, 2019, NW Natural filed Advice No. 19-18 with the Commission, requesting to remedy the typographical error on Schedule M, Meter Testing Procedures.

The Company attests that while this typographical error has been in place for Schedule M, the Company has remained in compliance with both the internal Engineering Procedure Z-1 and Schedule M threshold as the number of meters required for change-out has approached neither three nor five percent.

Effects of Filing

NW Natural's Advice No. 19-18 updates the threshold at which the number of meters required for change-out, the Company may extend the meter change-out schedule, from five to three percent, to align with its Engineering Procedure Z-1.

Staff reviewed the Company's internal Engineering Procedure Z-1 to confirm that the proposed change will, in fact, align the Company's Schedule M with its Engineering Procedure Z-1.

The Company's proposed changes will have no impact to customer rates. Staff therefore finds the proposed change will not harm customers.

Docket No. ADV 1043/Advice No. 19-18 December 9, 2019 Page 3

Conclusion

Based on Staff's analysis of NW Natural's advice filing, Staff finds the housekeeping change associated with the filing to be accurate and consistent with Commission Order. Staff recommends NW Natural's updated Schedule M go into effect.

PROPOSED COMMISSION MOTION:

Approve Northwest Natural's Advice No. 19-18, which updates its Schedule M, Meter Testing Procedures, effective with service rendered on and after January 1, 2020.

NWN ADV 1043