ITEM NO. CA5

PUBLIC UTILITY COMMISSION OF OREGON STAFF REPORT PUBLIC MEETING DATE: July 11, 2017

 REGULAR
 CONSENT
 X
 EFFECTIVE DATE
 July 12, 2017

DATE: June 29, 2017

TO: Public Utility Commission

FROM: Rose Anderson

THROUGH: Jason Eisdorfer and Marc Hellman

SUBJECT: <u>CASCADE NATURAL GAS</u>: (Docket No. ADV 584/Advice No. 017-06-01) Requests an update to Tariff P.U.C. OR. No. 10 to fix errors and add clarifying language.

STAFF RECOMMENDATION:

Staff recommends that Cascade Natural Gas Corporation's (Cascade or Company) Advice No. CNG O17-06-01 (Advice Filing) be approved and the replacement tariff sheet revisions be allowed to go into effect for service rendered on and after July 12, 2017.

DISCUSSION:

lssue

Whether the Public Utility Commission (Commission) should approve the Company's application to fix errors and add clarifying language to sheets as described in its Tariff P.U.C. OR. No. 10, for service rendered on and after July 12, 2017.

Applicable Rule or Law

OAR 860-022-0025 provides that utilities may make tariff changes by filing an entirely new tariff or by filing revised sheets which shall refer to the tariff sheets on file. OAR 860-022-0030 provides that if the revision results in a rate increase, the filing shall include additional details and list the reasons for the increase.

The Commission may approve tariff changes if they are deemed to be fair, just and reasonable. ORS 757.205 and 757.210.

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Filings that make any change in rates, tolls, or charges must be filed with the Commission at least 30 days before the effective date of the changes.

<u>Analysis</u>

The Advice Filing makes changes to the tariff language, and corrects errors and omissions in Cascade's current Tariff. Staff has reviewed the changes to the tariff language and finds no issue.

Changes to Schedule 800 – Biomethane Receipt Services

The Advice Filing also corrects the applicable charges for Schedule 800, Biomethane Receipt Services. First, the filing corrects an error to the stated charge for Schedule 192, Intervenor Funding. As corrected, the Schedule 192 rate for Schedule 800 service matches the rate approved in Cascades' Compliance Filing in Docket No.UG 320. The filing also adds Schedule 197, Environmental Remediation Cost Adjustment, to the Schedule 800 billing rate.

Staff has verified that the Company's filing calculates the rate changes in Schedule 800 correctly. Rate design and rate spread are in agreement with the implementation of Commission Orders corresponding to Schedule 192 and Schedule 197.

The Company explained in phone conversations with Staff that there are currently no Schedule 800 customers, although the Company has received several inquiries. Because there are no Schedule 800 customers, the rate change will have no immediate impact on the Company's revenue or on any current customers. Staff appreciates the Company's responsiveness to Staff's inquiries by phone and email.

The Company has reviewed a draft of this memo and voiced no concerns.

Conclusion

The language changes in the Company's filing are reasonable and do not harm customers. The rate updates bring the tariff into agreement with the implementation of the most recent Commission Orders regarding Schedule 192 and Schedule 197.

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PROPOSED COMMISSION MOTION:

Approve Cascade's Advice Filing CNG O17-06-01, requesting corrections and language updates to the Company's Tariff, to be effective for service rendered on and after July 12, 2017.

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