

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: May 7, 2019

REGULAR CONSENT EFFECTIVE DATE May 8, 2019

DATE: April 29, 2019

TO: Public Utility Commission

FROM: Moya Enright *ME*

THROUGH: *JA* Jason Eisdorfer and *JFB f. JC* John Crider

SUBJECT: CASCADE NATURAL GAS CORPORATION: (Docket No. ADV 950/Advice No. O19-04-01) Revision to Rule 8 Meter Testing.

STAFF RECOMMENDATION:

Staff recommends the Commission approve Cascade Natural Gas Corporation's (Cascade) Advice No. O19-04-01 and allow the revised version of Rule 8 to become effective with less than statutory notice on or after May 8, 2019.

DISCUSSION:

Issue

Whether the Commission should approve Cascade's Advice No. O19-04-01, which revises the Rule 8 Meter Testing tariff, and allow the updated tariff to become effective with less than statutory notice on or after May 8, 2019.

Rule

OAR 860-023-0015 sets out service standards for testing gas and electricity meters, which, among other things, require energy utilities to adopt schedules for periodic tests and repairs of meters. The adopted schedules are subject to Commission approval. OAR 860-023-0015(3).

ORS 757.205(2) requires every public utility to file all rules and regulations that in any manner affect the rates charged or to be charged for any service.

While updates to tariffs must ordinarily be made with 30 days' notice to the Commission, ORS 757.220 also permits the Commission to allow tariff changes made on less than 30 days' notice for good cause shown.

Analysis

Cascade filed Advice No. O19-04-01 on April 5, 2019, and made supplementary filings on April 18, 2019. It proposes changes to Rule 8 Meter Testing.

Cascade's filing has an effective date of May 8, 2019. The supplementary filings were accompanied by a request to allow the changes to become effective on less than statutory notice.

Staff has analyzed the proposed change to Rule 8, and supports the change.

In reviewing the company's filing, Staff issued seven data requests and investigated industry standards for meter testing. Staff's analyzed the following:

1. Background

Rule 8 deals with meter testing. It details the company's meter sampling program, the accuracy standards that meters must meet, and procedures for customer initiated meter testing.

Cascade has applied to Washington Utilities and Transportation Commission to make equivalent changes to its meter testing rules¹.

2. Reason for change

The benefits of this change are twofold. Firstly, Cascade expects this one-time change to eliminate the need to update both the tariff and Statistical Sample Program each time one of the documents is edited. As both are Commission approved documents, this stands to benefit both Cascade and the Oregon Public Utilities Commission through increased efficiency in administrative oversight.

Secondly, this change will allow Cascade to use the same statistical sampling software as the other utility subsidiaries of MDU Resources Group Inc. (MDU), avoiding unnecessary duplication and increasing the efficiency of operations.

¹ See Docket No UG-190260, currently under review by Washington Utilities and Transportation Commission. This docket will be addressed at an Open Meeting on May 9, 2019 and has a proposed effective date of May 10, 2019.

3. Analysis of changes

Rule 8 prescribes that meters are tested in accordance with standards produced by the American National Standards Institute (ANSI). The ANSI B109 family of standards have been in place (with revisions) since the 1970s², and all three of Oregon's investor-owned gas utilities follow these standards for meter testing³. The ANSI/ASQ Z1.4 and Z1.9 standards are a set of sampling procedures and tables used to guide sampling methods. Staff is satisfied that Cascade is proposing to use accepted industry standards for testing.

In its cover letter, Cascade refers to "subtle changes" to the program as a result of the switch to using MDU software. Having discussed these changes with Cascade, Staff is satisfied that the change from "test date" to "install date" will have a negligible effect on the program.

Finally, Staff queried whether the proposed changes would result in additional costs to customers with meters selected to be removed from service for testing. Staff is satisfied that the affected customers will not incur additional costs.

4. Changes not affecting Oregon customers

Staff identified that the original filing omitted text relating to customers' rights to request meter testing. Upon querying this change with Cascade, it was discovered that the text was inadvertently omitted.

Cascade made supplemental filings on April 18, 2019, which restored the original text. Staff is satisfied that Cascade is not proposing a change to its customers' rights to request meter testing.

Conclusion

Staff supports the change to Rule 8, and recommends that it be allowed to go into effect without delay.

PROPOSED COMMISSION MOTION:

Approve Cascade's Advice No. 19-04-01 and allow the revised version of Rule 8 to become effective on less than statutory notice on or after May 8, 2019.

² See American Gas Association ANSI B109, www.aga.org/events-community/committees/ansi-b109.

³ See NW Natural PUC OR 25, Schedule M, and Avista Utilities PUC OR No. 5, Rule 18.