ISSUED: February 28, 2024

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UG 490

In the Matter of

NORTHWEST NATURAL GAS COMPANY, dba NW Natural,

Request for a General Rate Revision.

MEMORANDUM REGARDING FULLY REMOTE OR HYBRID EVENTS

On February 5, 2024, I issued a prehearing conference memorandum establishing the procedural schedule in this docket and requesting that the parties provide comment on whether any hearings and oral arguments in these proceedings should be fully remote or hybrid remote and in-person events. Northwest Natural Gas Company, dba NW Natural, the Alliance of Western Energy Consumers (AWEC), and the Coalition of Communities of Color, Climate Solutions, Verde, Columbia Riverkeeper, Oregon Environmental Council, Community Energy Project, and Sierra Club along with the Oregon Citizens' Utility Board (Joint Commenters) filed comments in response to this request.

NW Natural argues that the virtual format is not a substitute for in-person engagement in litigated contested cases and that in-person proceedings allow parties to better understand each other's questions and verbal and non-verbal cues. NW Natural argues that factfinders can draw important evidence of credibility from the overall demeanor, reactions, and body language of witnesses subject to cross-examination and that these dynamics cannot be fully replicated through purely on-screen witness presentations and arguments. NW Natural maintains that in-person hearings allow for immediate reactions without having to first unmute and that technological difficulties may make the proceeding more halting and stilted and potentially impair the company's advocacy. NW Natural maintains that parties have the choice to use witnesses or counsel based outside of Oregon but that should not lower the standard of participation for all nor prejudice NW Natural's right to effective advocacy.

The Joint Commenters argue that any hearings or oral arguments should be fully remote. The Joint Commenters argue that fully remote proceedings promote access for environmental justice community members who want to meaningfully engage with the ratemaking process and have traditionally been excluded. The Joint Commenters maintain that holding fully remote proceedings is supported by the Commission's efforts to eliminate procedural barriers and encourage public participation in ratemaking proceedings. The Joint Commenters argue that fully remote proceedings offer community members opportunities for meaningful engagement that may be absent in a hybrid format and that hybrid technology risks disruptions that may be unknown until the time of the proceeding. The Joint Commenters argue that hybrid hearings may exacerbate the sense of exclusion and removal from a proceeding that directly impacts ratepayers. The Joint Commenters also contend that fully remote proceedings preserve resources and cut costs for parties and expert witnesses who are out of state. The Joint Commenters argue that hybrid hearings can compromise effective advocacy and participants in the room with decisionmakers can more easily interact with the decisionmakers, responding to body language and other subtle non-verbal cues.

AWEC states that it does not object to NW Natural's request for a hybrid evidentiary hearing and oral argument as long as parties and witnesses have the option to appear remotely.

After reviewing the comments submitted by NW Natural, the Joint Commenters, and AWEC, I find that the evidentiary hearing scheduled in these proceedings shall be held fully remote. Any oral argument session held, however, will be conducted via a hybrid format at the Commission's offices in Portland or Salem.

The hearings and oral arguments in these proceedings will be happening in the larger context of several overlapping contested case proceedings with hearings and oral arguments, and hybrid events require significant additional internal resources and time to organize and conduct. Both NW Natural and the Joint Commenters raised concerns around access to the decisionmakers and evaluation of witnesses by the factfinders in a hybrid hearing context. However, it is not routine for all Commissioners to attend evidentiary hearings, particularly when they are held on limited factual issues with a narrow bearing on the overall case. Given the number of simultaneous rate cases pending, the Commissioners will in all likelihood be viewing a recording of the hearing after the fact or reading the transcripts. Therefore, whether the hearing is fully remote or hybrid does not impact that issue. On balance, given the additional strain on the Commission's support unit and the additional resources required to organize and conduct the hearing, I find that efficiency warrants conducting the evidentiary hearing fully remote. As this docket and the Commission's overall dockets of rate cases develop, I may consider a renewed request for in-person treatment of specific evidentiary issues.

Regarding oral arguments, however, I find that a hybrid format is appropriate. In the case of oral arguments, the Commissioners do anticipate attending the live event. I do, however, appreciate the concerns raised by the Joint Commenters that hybrid technology may cause disruptions that cause more issues for remote participants and viewers. If during any hybrid proceeding a technical issue occurs that disrupts participation for any parties participating remotely, I will immediately stop the oral argument until we rectify the issue and all parties are able to participate fully.

Dated this 28th day of February, 2024, at Salem, Oregon.

Sarah Spruce Administrative Law Judge