

e-FILING REPORT COVER SHEET

REPORT NAME: 2011 Annual Report for B1 Service Quality Measure for Billing

COMPANY NAME: NW Natural

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes

If yes, please submit only the cover letter electronically. Submit confidential information as directed OAR 860-001-0070 or the terms of an applicable protective order.

If known, please select designation: RE (Electric) RG (Gas) RW (Water)
 RO (Other)

Report is required by: OAR
 Statute
 Order
 Other

Is this report associated with a specific docket/case? No Yes
If Yes, enter docket number: UM 1218

Key words: B1 Service Quality Measure for Billing, B1 SQM, 2011 Annual Report

If known, please select the PUC Section to which the report should be directed:

- Corporate Analysis and Water Regulation
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March 1, 2012

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
550 Capitol Street, NE, Suite 215
Post Office Box 2148
Salem, Oregon 97308-2148

Attn: Filing Center

Re: RG ____: 2011 Annual Report for B1 Service Quality Measure for Billing Accuracy (B1 SQM) - Docket No. UM 1218

Northwest Natural Gas Company, dba NW Natural (NW Natural or Company), submits herewith the annual report of the B1 SQM results for the calendar year 2011.

Reported Bill Errors during the Measure Year

There were two Bill Errors¹ during the Measure Year (Year). Each of the reportable Bill Errors are described below.

1. **Standby Charge Calculation – June 2011.** The Company submitted its initial and final report on this Bill Error on June 16, 2011. The cause of this Bill Error was a computer program code change that caused the standby charge program code to include the June lump sum interstate storage credit amounts in the calculation. The total number of customers impacted by this billing error was 1,604 for bills issued June 1 through June 3, 2011. The code was corrected on June 6, 2011 and all affected bills were rebilled on June 7, 2011.

2. **Public Purposes Charge – October 2011.** The Company submitted its initial and final report on this Bill Error on September 30, 2011 and revised its report on October 4, 2011 to correct some typographical errors. The cause of this Bill Error was an incorrect tax code set up for customers within the City of Myrtle Point, the City of Coquille and unincorporated Coos County which caused the public purposes charges to not be assessed on customer bills issued in these tax codes. The Company verified that the tax code error existed back to 2006. The Company did not issue corrected bills. The code correction was completed and effective with October 2011 bills.

¹ A billing error by the Company due to the Same Cause that affects a total of five hundred (500) or more bills issued to Oregon customers.

The error affected about 253 residential and customer customers, and 13,550 bills between 2006 and 2011, of which 2,285 bills were issued in 2011.

Non-Reportable Bill Corrections

The attached report additionally shows the number and types of non-reportable bill corrections that occurred during the Year. These bill corrections are specifically excluded from the definition of a Bill Error. There were a total of 15,987 non-reportable bill corrections during the Year. As in previous years, the largest number of bill corrections occurred due to a change in service start or end date, which result primarily because of incorrect or untimely customer-provided information.

The Company experienced an overall bill accuracy ratio for the Year, including the reportable and non-reportable Bill Errors, of 99.73%.

Conclusion

The Company exceeded the monthly billing accuracy ratio target of greater than or equal to 99.4% in every month.

Please address correspondence on this matter to me with copies to the following:

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Please do not hesitate to call if you have questions or desire further information.

Sincerely,

/s/ Onita R. King

Onita R. King
Rates & Regulatory Affairs

attachment:

cc: C. Alex Miller
Dave Williams
Mark Thompson
Chuck Muehleck

Program: CNNSQMSR
 Bill Accuracy Report
 Revenue Month Period: 01/2011 - 12/2011
 as of 2/09/2012 7:51 AM

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total Bills Issued - Oregon	612,441	612,290	613,514	615,454	612,754	613,785	611,224	609,348	609,141	610,527	612,954	616,287	7,349,719
BSQM Corrections - Oregon													
Public Purpose Chrg Sept 2011	253	253	257	251	251	255	257	255	253	0	0	0	2,285
Standby Charge Error-June 2011	0	0	0	0	0	1,604	0	0	0	0	0	0	1,604
SubTotal BSQM	253	253	257	251	251	1,859	257	255	253	0	0	0	3,889
% of Total Bills Issued	0.04%	0.04%	0.04%	0.04%	0.04%	0.30%	0.04%	0.04%	0.04%	0.00%	0.00%	0.00%	0.05%
% of Total Bills Issued Correctly	99.96%	99.96%	99.96%	99.96%	99.96%	99.70%	99.96%	99.96%	99.96%	100.00%	100.00%	100.00%	99.95%
Other Bill Corrections - Oregon													
Crossed Meter Correction	19	63	0	24	24	32	17	16	23	9	36	8	271
Bill Clerk Processing Error	16	10	16	9	9	13	11	12	23	48	10	17	194
Bill Undr/Ovr Registrd Mtr Use	114	122	107	80	93	106	77	36	27	28	27	23	840
Cancel of Correct (Good) Bill	10	12	30	41	15	24	5	4	11	7	5	5	169
Cancl/Bill Agn to Start PmtPln	7	4	2	1	0	0	1	1	0	0	2	7	25
Change Customer Rate Schedule	0	1	1	0	0	1	0	0	0	2	1	3	9
Change Service Start/End Date	651	644	821	900	654	728	1,027	974	905	842	805	695	9,646
Corrects for Meter Pressure	4	3	3	3	4	4	3	2	2	1	2	0	31
Corrects CIS Program Code Error	27	10	29	2,561	355	75	56	63	23	34	21	26	3,280
Corrects ERT Install Pgm Error	10	9	5	5	4	6	6	10	10	7	4	2	78
Corrects Info from Field Tech	14	10	20	13	20	11	15	9	2	1	9	5	129
Corrects Meter Read Data	2	2	1	1	0	0	1	0	0	0	1	1	9
Corrects Meter Read Error	1	0	0	0	0	0	1	0	1	0	1	0	4
Corrects Order Info From CSR	29	40	21	24	27	26	27	23	27	27	33	25	329
Corrects Payment Plan	0	0	0	0	0	0	0	0	0	0	0	1	1
Corrects Prior Estimated Read	9	11	10	6	5	5	11	12	6	8	7	4	94
Corrects Prorated Meter Read	2	1	1	0	3	0	0	0	0	0	0	3	10
Customer Provided Incorr Read	0	0	0	0	0	1	0	0	0	0	0	0	1
Deposit Proc'd Incorrectly	64	41	44	25	37	32	31	23	26	23	51	49	446
Other	10	21	10	15	17	12	47	12	11	7	9	10	181
Prior High Est Read (Auto)	5	2	4	4	8	7	5	0	4	3	12	5	59
Reverse Deposit - Credit Estab	5	7	13	9	12	8	3	16	21	23	29	22	168
WARM Opt-Out;Not Proc'd Timely	4	5	3	0	0	0	0	0	0	0	0	1	13
SubTotal Other	1,003	1,018	1,141	3,721	1,287	1,091	1,344	1,213	1,122	1,070	1,065	912	15,987
BSQM & Other Bill Corrections													
Total Bill Corrections - Oregon	1,256	1,271	1,398	3,972	1,538	2,950	1,601	1,468	1,375	1,070	1,065	912	19,876
% of Total Bills Issued	0.21%	0.21%	0.23%	0.65%	0.25%	0.48%	0.26%	0.24%	0.23%	0.18%	0.17%	0.15%	0.27%
% of Total Bills Issued Correctly	99.79%	99.79%	99.77%	99.35%	99.75%	99.52%	99.74%	99.76%	99.77%	99.82%	99.83%	99.85%	99.73%