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May 26, 2022

NWN OPUC Advice No. 22-03

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
P.O. Box 1088
Salem, OR 97308-1088

Re: Schedule M – Meter Testing Procedures

Northwest Natural Gas Company, dba NW Natural (NW Natural or Company), files herewith the following revisions to its Tariff P.U.C. Or. 25, stated to become effective on June 29, 2022.

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|------------------------------|------------|--------------------------|
| Second Revision of Sheet M-1 | Schedule M | Meter Testing Procedures |
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Purpose

The purpose of this filing is to clarify that Schedule M – Meter Testing Procedures (Schedule M) provides bill credits to customers whose meters are replaced as determined in the Company's meter sampling program.

Background

Schedule M generally describes Company's meter testing processes and procedures and reflects the Company's internal Engineering procedures, which are also consistent with national and industry standards. As indicated in Schedule M, NW Natural conducts a meter sampling program to determine if each meter family meets an acceptable standard of accuracy. If a meter family does not meet this standard of accuracy, NW Natural typically replaces those meters by December 31st of the year following determination of the need for replacement (i.e., by December of the second year following the year of sampling). However, Schedule M also states that, if in any given year, the number of meters requiring replacement exceeds three percent of the total number of meters in the meter sampling program, the Company may extend the replacement schedule so that the meter family is replaced within a maximum of four years from the date that the Company determined replacement was required (i.e., by December of the fourth year following the year of sampling). As indicated in our meter sampling program reports provided in docket RG 41, NW Natural expects to replace meters on a four-year schedule. All meters replaced under this program are tested and customers receive bill credits for any meters that test outside the acceptable accuracy range defined in the tariff of +/- 2%. In this tariff filing, the Company proposes to clarify that customers will receive bill credits when the replacement schedule is extended to up to four years. The bill credit calculation will reflect the extended time taken to remove and test the meter.

Proposed Updates

NW Natural proposes to clarify that, in instances where the meter replacement schedule has been extended to up to four years, customers will receive a bill credit for meters that are removed and

that tests determine are outside the acceptable accuracy range. The customers will receive bill credits from the date when the Company determined that the meter family must be replaced to the date the meter was replaced. Any credit will be based on the acceptable accuracy of each meter as tested at change out. This proposal enables the Company to provide any credits consistent with the extended time allowed for meter replacement.

In accordance with OAR 860-022-0025 NW Natural states that the proposed changes will have no impact on rates; the number of customers impacted by this proposed change is dependent on the number of meters testing outside of accuracy standards and cannot be determined.

Conclusion

NW Natural respectfully request the Commission approve this tariff change to become effective June 29, 2022.

In accordance with ORS 757.205, copies of this letter and the filing made herewith are available in the Company's main office in Portland, Oregon and on its website at www.nwnatural.com.

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

eFiling
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Respectfully submitted,

/s/ Natasha Siores

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NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25

Second Revision of Sheet M-1
Cancels First Revision of Sheet M-1

SCHEDULE M METER TESTING PROCEDURES

The Company shall test new meters and meters that are removed from service and intended for reuse in the manner set forth in this Schedule, as more completely described in the Company's Meter Testing Standards and Procedures.

Meter test equipment and methods used by the Company shall conform to the applicable standards of the American National Standards Institute (ANSI) and American Gas Association (AGA).

The minimum acceptable accuracy for all new and rebuilt meters is $100\% \pm 1\%$ at specified flow rates. New meter shipments may be sample-tested in accordance with the applicable standards of ANSI and the American Society for Quality Control, and the entire batch accepted or rejected on the basis of the sample test results.

The Company's performance control program allows diaphragm meters with a rated capacity of up to and including 1,000 cf per hour to remain in service outside of the periodic testing requirements of OAR 860-23-015, provided that the meters satisfy the program's performance requirements.

Each meter in the performance control program is initially assigned to a meter family according to manufacturer, size, type, and set year. At Company's option, meters in any family may be further subdivided according to location, age, or other factors which may be disclosed by test data to have an effect on the performance of the meters. Subsequently, meter families may be modified or combined as justified by the performance records.

Each meter family in the meter sampling program is subject to an annual statistical performance evaluation using a random sample of the family. A meter family is considered to be acceptable if the family sample indicates (a) a minimum proportion of .80 of the family measures between 98.0% and 102.0% accurate (an "accuracy" requirement), and (b) a minimum proportion of .90 of the family measures no more than 102.0% accurate (a "not fast" requirement). Based on the annual performance evaluation, each meter family determined to be acceptable is allowed to remain in service, subject to sample testing and review in succeeding years.

Meters in families determined to require change-out are changed by December 31st of the Year following determination of the need for change-out (*i.e.*, by December of the second year following the year of sampling).

However, if in any given Year, the number of meters required for change-out exceeds three (3) percent of the total number of meters in the Meter Sampling Program, the Company may, at its option, extend the change-out schedule so that the meter family is changed within a maximum of four (4) years from determination that change-out is required (*i.e.*, by December of the fourth year following the year of sampling). If the change-out schedule is extended, the rates collected by the Company from customers whose meters are subject to the extended schedule and are later found to not meet the accuracy requirement are deemed subject to refund to the extent that the company will provide appropriate credits to such customers based on the date when the meter family was determined to require change-out to the date the meter was replaced. Any credits will be based on the acceptable accuracy of each meter at change out.

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Effective with service on
and after June 29, 2022