

This is an electronic copy. Attachments may not appear.

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1029

In the Matter of the Application of)	
NORTHWEST NATURAL for Deferred)	ORDER
Accounting of Excess Statutory Weatherization)	
Program Expenses.)	

DISPOSITION: APPLICATION APPROVED

On July 10, 2001, Northwest Natural (NW Natural) filed with the Public Utility Commission of Oregon (Commission), pursuant to ORS 757.259 and OAR 860-027-0300, an application for authorization of deferred accounting treatment for statutory weatherization program expenses in excess of those amounts approved in the UG 132 rates, for a 12-month period beginning July 10, 2001.

Based on a review of the application and the Commission’s records, the Commission finds that the application satisfies applicable statutes and administrative rules. At its Public Meeting on August 21, 2001, the Commission adopted Staff’s recommendation, which is attached as Appendix A and is incorporated by reference.

ORDER

IT IS ORDERED THAT Northwest Natural’s application for deferred accounting related to excess weatherization program expenses, as described in Appendix A, is granted.

Made, entered and effective _____.

BY THE COMMISSION:

Vikie Bailey-Goggins
Commission Secretary

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A party may appeal this order to a court pursuant to ORS 756.580.

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: August 21, 2001**

REGULAR AGENDA__ CONSENT AGENDA X EFFECTIVE DATE July 10, 2001

DATE: August 7, 2001

TO: Phil Nyegaard through Lee Sparling and Ed Busch

FROM: Judy Johnson

SUBJECT: Docket No. UM 1029
NW Natural's Deferred Accounting Application for Excess Statutory Weatherization Program Expenses

SUMMARY RECOMMENDATION:

I recommend the Commission approve NW Natural's application for deferred accounting treatment for statutory weatherization program expenses in excess of those amounts approved in UG 132 rates, for a 12-month period beginning July 10, 2001.

DISCUSSION:

NW Natural filed an application on July 10, 2001, requesting deferred accounting treatment for excess statutory weatherization expenses. The account is subject to ORS 757.259 and OAR 860-027-0300, and the Commission may authorize deferred accounts for periods of 12 months or less.

Description

NW Natural states that its Residential and Commercial customers are seeking an "unprecedented" level of conservation and weatherization assistance from the company. The general rates approved by the Commission in the company's last general rate case, Docket No. UG 132, included funding for its Residential and Commercial statutory weatherization programs of approximately \$780,000. NW Natural estimates that its year 2001 actual expenses for these services will be about \$1,800,000.

The company requests deferred accounting plus interest for the amount by which actual statutory weatherization program expense exceeds expenses included in rates in UG 132. Attached to this memo is a worksheet prepared by the company showing how 2001 forecast expenses will compare to expenses approved in rates.

Reason for Deferral

Adoption of this deferred account is authorized by ORS 757.259 in order to better match the costs borne and benefits received by the ratepayer.

Proposed Accounting

The proposed continued deferrals would be recorded in a subaccount of Account 186, "Miscellaneous Deferred Debits."

Estimated New Deferrals in Next Authorization Period

The estimated amount to be recorded in the 186 subaccount over the 12-month period subsequent to this application is \$1.0 million.

STAFF RECOMMENDATION:

I recommend the Commission approve NW Natural's application for deferred accounting treatment for statutory weatherization program expenses in excess of those amounts approved in UG 132 rates, for a 12-month period beginning July 10, 2001.

Attachment