

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UG 274

In the Matter of

NORTHWEST NATURAL GAS
COMPANY, dba NW NATURAL,

Purchased Gas Cost Adjustment relating to
Deferred Accounts Relating to Sale of
Properties.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on September 22, 2014, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:



Becky L. Beier
Becky L. Beier
Commission Secretary

A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.

ORDER NO. 14 323

ITEM NO. CA10

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: September 22, 2013**

REGULAR _____ CONSENT X EFFECTIVE DATE November 1, 2014

DATE: September 12, 2014

TO: Public Utility Commission

FROM: Linnea Wittekind *W*

THROUGH: Jason Eisdorfer *E* and Marc Hellman *A*

SUBJECT: NORTHWEST NATURAL: (Docket No. UG 274/Advice No. 14-12)
Requests amortization of property sales net gains related to Docket Nos.
UP 280, UP 287 and UP 290.

STAFF RECOMMENDATION:

I recommend that Northwest Natural's (NWN, NW Natural or Company) application be approved.

DISCUSSION:

In this application filed on August 1, 2014, Northwest Natural (NWN or Company) is requesting amortization of the amounts under Docket Nos. UP 280, UP 287, and UP 290 with rates effective for service on and after November 1, 2014.

The Company last adjusted rates for amortizing gains on property sales November 1, 2013. The net effect of removing the previous temporary adjustment for amortizing gains from previously-approved property sales and applying the new temporary adjustment for amortizing gains from the above referenced property sales, is an increase in rates. The rate increments are calculated on an equal-percentage-of-margin basis. Staff has reviewed these rates and agrees.

The number of customers affected by the proposed change is 563,128 residential customers, 59,508 commercial customers, and 825 industrial customers. The net effect of the amortization is to increase the Company's annual revenues by \$3,901,563.

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Staff Analysis

According to the Company, the monthly bill of the average residential customer served under Rate Schedule 2 using 53 therms will increase about \$0.39. The monthly increase for the average commercial Rate Schedule 3 customer using 232 therms per month is about \$1.20, and the average monthly increase for the average industrial Schedule 32 firm sales customer using 19,285 therms is about \$30.66.

Staff reviewed supporting materials and agrees with the Company's assessment.

Staff Recommendation

As NW Natural's request is made pursuant to ORS 469A.120, and the filing meets the requirements of ORS 757.259 and OAR 860-027-0300, I recommend Commission approval.

PROPOSED COMMISSION MOTION:

Northwest Natural's filing be approved.

UG 274 PMM