

ORDER NO. 16 394

ENTERED OCT 18 2016

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UG 309

In the Matter of

NORTHWEST NATURAL GAS
COMPANY, dba NW NATURAL,

Request for Amortization of Certain Non-Gas
Related Cost Deferred Accounts Relating to
the Oregon Regulatory Fee Increase,
Schedule 181.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

This order memorializes our decision, made and effective at the October 18, 2016 Special Public Meeting, to adopt Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

Dated this 18 day of October, 2016, at Salem, Oregon.

Lisa D. Hardie

Lisa D. Hardie
Chair



John Savage
John Savage
Commissioner

Stephen M. Bloom
Stephen M. Bloom
Commissioner

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 Circuit Court for Marion County in compliance with ORS 183.484.

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ITEM NO. CA7

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT

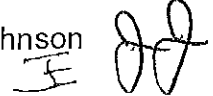

PUBLIC MEETING DATE: October 18, 2016

REGULAR _____ CONSENT X EFFECTIVE DATE November 1, 2016

DATE: September 20, 2016

TO: Public Utility Commission

FROM: Judy Johnson

THROUGH:  Jason Eisdorfer and  Marc Hellman

SUBJECT: NORTHWEST NATURAL: (Docket No. UG 309/Advice No. 16-13A)
Revises Schedule 181 Regulatory Fee Schedule.

STAFF RECOMMENDATION:

Staff recommends that the Commission approve Northwest Natural Gas Company's (NW Natural or Company) filing requesting amortization of the amount by which the Commission Regulatory Fee was increased for inclusion in rates effective November 1, 2016.

DISCUSSION:

Issue

Whether to allow NW Natural to amortize the amount by which the Commission Regulatory Fee was increased.

Applicable Law

Under ORS 757.259, the Commission may authorize utilities to defer actual costs for later amortization in rates. Deferred amounts are allowed in rates in a proceeding to change rates under ORS 757.210. ORS 756.310 establishes the Commission's authority to assess a regulatory fee against regulated utilities. The specifics of the fee assessed for gas utilities are set forth in OAR 860-021-0034. Commission Order No. 16-154 allowed the Company to defer costs associated with the incremental increase in the annual regulatory fee.

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Discussion

The purpose of the Company's filing is to request amortization of amounts deferred under Commission Order No. 16-154 (Docket No. UM 1766 which addressed the increase to the Commission Regulatory Fee).

The effect of the application of the new temporary rate adjustments is to increase the Company's annual revenues by \$178,043, or about 0.03 percent. The number of customers affected by the proposed change is 579,129 residential customers, 60,111 commercial customers, and 935 industrial customers.

Conclusion

After a review of this filing and workpapers, Staff concludes that the proposed rates are correctly calculated and applied. The Company has reviewed this memo and has no issues with it.

PROPOSED COMMISSION MOTION:

Approve Northwest Natural's filing requesting amortization of the amount by which the Commission Regulatory Fee was increased, for inclusion in rates effective November 1, 2016.

NWN Advice 16-13A