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VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
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Re: AR 679 – In the Matter of Rulemaking to Revise OAR 860-002-0000 Regarding Alternative Dispute Resolution

Northwest Natural Gas Company, dba NW Natural ("NW Natural" or "Company"), provides the following comments on the revised proposed rule amendments ("Revised Draft Proposed Rules")[1] to Oregon Administrative Rules ("OAR") Chapter 860, Division 2 (Alternative Dispute Resolution) ("Division 2 Rules") issued by Administrative Law Judge ("ALJ") Michael Grant in this docket on March 4, 2026, as invited by the Memorandum issued in this docket on the same date ("Second Memorandum"). NW Natural's comments herein support its verbal comments provided during the informal workshop held on September 29, 2025 ("Workshop"), and its written comments filed in this docket on October 6, 2025 ("NW Natural Comments").

The Second Memorandum provides very helpful additional background information and explains the reasons for the various changes reflected in the Revised Draft Proposed Rules. NW Natural appreciates the ALJ's consideration of the Company's verbal comments at the Workshop and its subsequently filed NW Natural Comments, including the incorporation of the concept of confidentiality in Revised Draft Proposed Rule 860-002-0000(1).[2]

The Company notes that the Revised Draft Proposed Rules would continue to apply to "any dispute or complaint filed under ORS 756.500,"[3] including consumer complaints. In the NW Natural Comments, the Company recommended that, as to consumer complaints, the Public Utility Commission of Oregon ("PUC" or "Commission") should consider addressing that process in the Commission's Division 21 rules (Utility Regulation), specifically OAR 860-021-0015 (Dispute Resolution), rather than including an informal mediation option in the Draft Proposed Rules.[4] The

[1] The initial proposed rule amendments to the Division 2 Rules were issued by the ALJ in this docket on September 11, 2025, together with the Memorandum Regarding Informal Workshop ("Workshop Memorandum").
[2] *See* Second Memorandum, p. 1 (noting the added clarification "that the ADR rules are intended to provide fair, timely, and *confidential* settlement of issues") (emphasis in original).
[3] Second Memorandum, p. 1.
[4] NW Natural Comments, p. 1.

Company noted that OAR 860-021-0015 already sets forth the process to be applied when a dispute occurs between a customer or applicant and a utility.[5]

The Second Memorandum appropriately notes that the consumer complaint rules are not only contained in Division 021 but also are found in Division 034 (Small Telecommunications Utilities), Division 036 (Water Utilities) and Division 037 (Wastewater Utilities).[6] The Company supports the general concept that the Revised Draft Proposed Rules add "similar language to all four sections giving the complainant the opportunity to request mediation when filing a formal complaint."[7] But, the Second Memorandum also states that the Revised Draft Proposed Rules for the Division 2 Rules would continue to "apply to any dispute or complaint filed under ORS 756.500," which would include consumer complaints governed by those four other Divisions. The Company finds this application confusing.

As a result, the Company recommends that the Revised Draft Proposed Rules should address such uncertainty by containing all consumer complaint rules, including those pertaining to mediation, in the four other Divisions rather than noting the mediation process therein but presenting the mediation rules in the unreferenced Division 2 Rules.

The Division 2 Rules, as noted in the Workshop Memorandum, were "originally aimed at addressing disputes between utilities and qualifying facilities."[8] Thus, NW Natural recommends that the Division 2 Rules be modified to be consistent with their original intent of addressing only the formal alternative dispute resolution ("ADR") process for complaints related to the Public Utility Regulatory Policies Act (PURPA), which are applicable to electric utilities and not to NW Natural. "Since the rules were adopted, the PUC and stakeholders noted difficulties with the rules' application to consumer complaints…," including that "the current rules with strict timelines and requirements for ADR do not lend themselves to consumer complaints, which are generally filed by individual customers without legal representation."[9]

Finally, the Company notes that this docket AR 679 was noticed on September 11, 2025, as: "In the Matter of Rulemaking to Revise OAR 860-002-0000 Regarding Alternative Dispute Resolution." Because the Revised Draft Proposed Rules would also amend Divisions 021, 034, 036 and 037, the Commission may want to re-notice this docket to inform interested stakeholders that those other four Divisions also may be amended, even though docket AR 679 continues to be in the informal rulemaking phase. Such additional notice would help ensure that, among other such stakeholders, the utilities governed by each of the four other Divisions are aware of this proceeding and have the opportunity to provide comments during this informal rulemaking phase. In that way, stakeholders can indicate whether or not they support applying "the current rules with strict timelines and requirements for ADR"[10] to consumer complaints.

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[5] Id.
[6] Second Memorandum, p. 2.
[7] Second Memorandum, p. 2.
[8] Workshop Memorandum, p. 1; *see* Docket UM 2000, *In the Matter of Public Utility Commission of Oregon, Request to Adopt a Scope and Process for the Investigation Into PURPA Implementation*, Order No. 19-254 (entered July 31, 2019), Appendix A, p. 1 (adopting Staff's recommendation to "[o]pen a rulemaking led by the Administrative Hearings Division to address dispute resolution for PURPA contracts"); Docket AR 629, *In the Matter of Rulemaking Regarding Alternative Dispute Resolution for Complain Filings and Requests for Declaratory Ruling*, Order No. 20-273 (entered August 25, 2020), Appendix A, p. 1 (adopting Staff's recommendation to issue a notice of proposed rulemaking to adopt the attached proposed rules that "develop dispute resolution processes for conflicts between qualifying facilities (QFs) and electric companies").
[9] Workshop Memorandum, pp. 1-2.
[10] Workshop Memorandum, p. 1.

Conclusion

NW Natural appreciates the opportunity to provide these comments and to actively participate in this docket.

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Respectfully submitted,

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