



August 1, 2024

VIA ELECTRONIC FILING

Oregon Public Utility Commission
Attn: Filing Center
P.O. Box 1088
Salem, OR 97308-1088

Re: UG 490: Amended Cross-Examination Statement, Exhibits, & Active Participant List by Coalition of Communities of Color, Climate Solutions, Verde, Columbia Riverkeeper, Oregon Environmental Council, Community Energy Project, and Sierra Club (“Coalition”)

Dear Filing Center,

Enclosed for filing in Docket No. UG 490, please find the Coalition’s Amended Cross-Examination Statement, Exhibits, & Active Participant List.

If you have questions or need any additional information, please do not hesitate to contact me.

Sincerely,

Jaimini Parekh
Earthjustice
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jparekh@earthjustice.org

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UG 490

In the Matter of	)	COALITION OF COMMUNITIES
	)	OF COLOR, CLIMATE
NORTHWEST NATURAL GAS COMPANY,	)	SOLUTIONS, VERDE, COLUMBIA
dba NW NATURAL,	)	RIVERKEEPER, OREGON
	)	ENVIRONMENTAL COUNCIL,
Request for a General Rate Revision.	)	COMMUNITY ENERGY PROJECT,
	)	and SIERRA CLUB’S AMENDED
	)	CROSS-EXAMINATION
	)	STATEMENT, EXHIBITS, &
	)	ACTIVE PARTICIPANT LIST

Cross-Examination Statement

In accordance with Administrative Law Judge Sarah Spruce’s July 24, 2024 memorandum, the Coalition of Communities of Color, Climate Solutions, Verde, Columbia Riverkeeper, Oregon Environmental Council, Community Energy Project and Sierra Club (collectively, the Coalition), waives the right to cross-examine witnesses, except that the Coalition reserves the right to conduct follow-up cross examination of any witnesses that are cross-examined by other parties or the ALJ.

List of Active Participants

Jaimini Parekh, counsel for the Coalition, will be an active participant for the purposes of conducting follow-up cross examination of any witnesses that are cross-examined by other parties or the ALJ.

Cross-Examination Exhibits

The Coalition submits the following cross-examination exhibits for inclusion in the administrative record.

Exhibit Name	Exhibit Number	Witness	Subject Matter
NW Natural Response to the Coalition's DR 385	801	NW Natural stipulated to admission	Line Extension Allowance
NW Natural Response to the Coalition's DR 387	802	NW Natural stipulated to admission	Political Activities

These Exhibits are data responses that were received after the Coalition initially filed its cross-examination statement, and relate to the company's surrebuttal testimony. The Exhibits are attached to this filing.

Dated this 1st day of August, 2024.

Respectfully submitted,

s/Jaimini Parekh

Jaimini Parekh

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**BEFORE THE
PUBLIC UTILITY COMMISSION OF
OREGON**

UG 490

The Coalition

**NW Natural Response to the
Coalition's DR 385**

EXHIBIT 801

August 1, 2024



Rates & Regulatory Affairs
UG 490
Request for a General Rate Revision
Data Request Response

Request No.: UG 490 Coalition DR 385

Please refer to NW Natural/5000, Zaubi-Kavtiz/Pages 11 - 12, where the witnesses quote Schedule X. Schedule X states that “[a]t a minimum, the Construction Allowance will equal 5.0 times the annual margin revenue that is estimated to be generated from the operation of natural gas-fired equipment to be installed at the service address.” In a footnote, the witnesses state, “[t]he Company has interpreted this provision in accordance with the Commission’s Order in UG 435 and is currently applying 4.0 times annual margin for planned developments.”

- a. Does the Company interpret “[a]t a minimum, the Construction Allowance will equal 5.0 (or 4.0) times the annual margin revenue” to allow an annual margin revenue in excess of 5.0, or 4.0 going forward?
- b. If the answer to (a) is yes, please explain if there is a limit to the allowed annual margin revenue.
- c. If no to (a), please explain how the Company interprets “[a]t a minimum” in this context.
- d. For non-residential customers, does the Company apply an annual averaging approach similar to its approach for residential customer LEAs?
- e. If the actual construction costs exceed both the company’s initial estimate and the 4.0 times annual margin revenue value, does the company typically seek to recoup those excess costs from the new customer?

Response:

No. Annual margin revenue is strictly base margin times estimated annual usage. See NW Natural/4100 Zaubi/11. “The phrasing “at a minimum” is not intended to mean that NW Natural will provide more than 5.0 (or 4.0) times the annual margin revenue. In addition to the times annual margin approach (i.e., “at a minimum”), the Company may also use a DCF approach to further evaluate if a contribution is required.

All non-residential customers are provided a site-specific estimate, and do not use a historical average as a basis for an estimate.

If the actual construction costs exceed the estimated construction cost net of the LEA and upfront customer contribution, the Company does not require customers to pay an additional contribution based on information that would not be knowable at the time the customer entered the service agreement.

**BEFORE THE
PUBLIC UTILITY COMMISSION OF
OREGON**

UG 490

The Coalition

**NW Natural Response to the
Coalition's DR 387**

EXHIBIT 802

August 1, 2024



Rates & Regulatory Affairs
UG 490
Request for a General Rate Revision
Data Request Response

Request No.: UG 490 Coalition DR 387

Please refer to NW Natural/4600, Williams/Page 25, lines 5-11, in which Ms. Williams testifies: "Our customers and customer representatives have the right to know what is going on in the regulatory process and what avenues are available for them to provide input, just like anyone else from the public. We did correspond with organizations about opportunities to participate in the public hearing on April 16, 2024, and/or submitting public comments for this rate case, but how that information was used was entirely up to them."

(a) Please provide communications to the Homebuilding Association of Greater Portland from NW Natural in advance of the April 16, 2024 public hearing, relevant to the above referenced statement.

(b) Please provide any materials included in those communications, including but not limited to a slide deck entitled, "Line Extension Allowance (LEA): A first-of-its kind model in the country" dated March 2024.

Response:

The Company objects to this data request under OAR 860-001-0500 in that the information requested is not relevant to this proceeding or not reasonably calculated to lead to admissible evidence and because the request is not commensurate with the needs of this case, the resources available to the parties or the importance of the issues to which the discovery relates. As stated at NW Natural/3300, Williams/15: "The Company has booked such time and activities to a non-utility (i.e., below-the-line) Civic cost center (FERC account) for which it does not seek cost recovery."