

BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON  
UG 435 & UG 411

IN THE MATTER OF:	)	
	)	
NORTHWEST NATURAL GAS	)	PETITION FOR CASE CERTIFICATION
COMPANY, dba NW NATURAL	)	OF SMALL BUSINESS UTILITY
	)	ADVOCATES
Request for General Rate Revision (UG	)	
435), and	)	
	)	
Advice 20-19, Schedule 198 Renewable	)	
Natural Gas Recovery Mechanism (ADV	)	
1215) (UG 411)	)	
_____	)	

**I. INTRODUCTION**

Pursuant to OAR 860-001-0120(4), Small Business Utility Advocates (“SBUA”) respectfully petitions the Public Utility Commission (“Commission”) to certify this case for the purposes of receiving intervenor funding and to permit SBUA to submit a reasonable Proposed Budget attached herein as Exhibit 1. This docket, UG 435 NW, is a contested case proceeding per the ruling of Administrative Law Judge Alison Lackey (“ALJ”) dated May 10, 2021, and a contested case is an eligible proceeding for an intervenor to seek an issue fund grant. OAR 860-001-0120(4); Article 1(d), Article 4.2.3, Article 5.3, Fourth Amended and Restated Intervenor Funding Agreement approved January 17, 2018 (“IFA”).

//

//

## **II. CRITERIA FOR CASE CERTIFICATION ARE MET BY SBUA.**

To demonstrate that it meets the criteria for case certification, SBUA represents as follows:

### **A. Criteria for Certification of Intervenors**

Under the IFA and Oregon Administrative Rules, to be case certified for purposes of receiving intervenor funding, an organization must meet certain criteria set forth in the rule. OAR 860-001-0120(4). Specifically, an organization can qualify for certification if “(a) The organization is a nonprofit organization, demonstrates that it is in the process of becoming a non-profit organization, or is comprised of multiple customers of one or more of the utilities that are parties to the agreement and demonstrates that a primary purpose of the organization is to represent broad utility customer interests; (b) The organization represents the interests of a broad class of customers and its participation in the proceedings will be primarily directed at public utility rates or terms and conditions of service affecting those customers, and not narrow interests or issues that are ancillary to the effect of the rates and terms and conditions of service on those customers; (c) The organization demonstrates that it is able to effectively represent the particular class of customers it seeks to represent; (d) Those proceedings and are parties to the agreement contribute a significant percentage of the overall support and funding of the organization; (e) The organization demonstrates or has demonstrated in past Commission proceedings the ability to substantively contribute to the record on behalf of customer interests related to rates and the terms and conditions of service, including in proceedings in which the organization was case certified and received a grant; (f) The organization demonstrates that: (A) No precertified intervenor participating in the proceedings adequately represents the specific interests of the class of cus-

tomers represented by the organization; or (B) The specific interests of a class of customers will benefit from the organization's participation; and (g) The organization demonstrates that its request for case certification will not unduly delay the proceedings.”

**B. Applicability of Criteria to SBUA**

For the reasons set forth below, SBUA meets the criteria for certification set forth in OAR 860-001-0120(4).

*(a) Nonprofit Status*

SBUA is an Internal Revenue Code Section 501(c)(3) nonprofit organization registered in Oregon. SBUA’s primary purpose is representing the interests of small businesses in utility proceedings. *See* [www.utilityadvocates.org](http://www.utilityadvocates.org). SBUA members in Oregon include several customers of Northwest Natural Gas Company (“Company”).

*(b) Broad Representation with Participation Directed at Public Utility Rates or Terms and Condition of Service affecting those Customers, and Not Narrow Interests or Ancillary Issues*

SBUA represents small business which is a large, broad, and diverse class of customers. Most businesses in Oregon are “small businesses”. The definitions vary<sup>1</sup> but, as one example, the Oregon Small Business Development Act defines “small business” as those businesses with 100 or fewer employees. ORS 285B.123(2). Federal statistics show that over 99% of Oregon’s-

---

<sup>1</sup> Oregon Secretary of State Office of Small Business Assistance, *OSBA Report Multiple Definitions Cause Confusion for Oregon Small Businesses*, by Matthew. Tenney, 11/18/2021 (Describing the several provisions in Oregon law defining “small business”). *See* <https://www.oregon.gov/smallbusiness/Documents/OSBA-Small-Business-Definitions-Report.pdf> (Last accessed 1/25/22).

businesses are small businesses.<sup>2</sup> More than half of Oregon's workforce is employed in small businesses.<sup>3</sup> SBUA represents a broad diversity of these businesses. While SBUA may not divulge the identities of its members in this filing, some members are known via testimony and other filings previously submitted to the Commission. *See* UE 294<sup>4</sup>, UM 1751<sup>5</sup>, UM 1773.<sup>6</sup>

SBUA members in Oregon do include small businesses from diverse industries including hair salons, restaurants and other food and beverage establishments, commercial cleaning and maintenance, artisanal glass, bicycling related businesses, wood products milling, apiculture and large scale honey production, commercial photography, small business consulting, residential and commercial construction, jewelry appraisal and manufacturing, energy efficiency, and renewable energy consulting, multi-family residential housing, among others. Many SBUA members in Oregon are located in western Oregon including the Oregon coast within the Company's Oregon service area and franchise area.<sup>7</sup> SBUA is comprised of and represents small businesses exclusively and as such SBUA constituents are distinct from the AWEC 's and CUB constituents.

SBUA participation is directed primarily at ensuring rates and terms of service are fair and reasonable to small businesses, especially the Company's small commercial customers, with

---

<sup>2</sup> U.S. Small Business Administration Office of Advocacy 2021 Small Business Profile of Oregon, <https://cdn.advocacy.sba.gov/wp-content/uploads/2021/08/30143123/Small-Business-Economic-Profile-OR.pdf> Last accessed 1/25/22.

<sup>3</sup> Id.

<sup>4</sup> UE 294 SBUA Testimony <https://edocs.puc.state.or.us/efdocs/HTB/ue294htb17027.pdf>.

<sup>5</sup> UM 1751 SBUA Comments <https://edocs.puc.state.or.us/efdocs/HAC/um1751hac135915.pdf>.

<sup>6</sup> UM 1773 Petition of Small Business Utility Advocates for Case Certification page 3 reference to Confidential Exhibit A including identities of some SBUA members <https://edocs.puc.state.or.us/efdocs/HAH/um1773hah133929.pdf>.

<sup>7</sup> Northwest Natural Gas Company Index Oregon Tariff Book, sheets 1 & 2: file:///Users/dianehekels/Downloads/25Indexai\_2021.pdf last accessed 1/23/22.

focus on the Company's Schedule 3 customers. Topics of review include review of some capital projects, communications with customers, plant operations, deferrals proposed for possible inclusion in the rate case, including deferrals pertaining to COVID-19, rate spread and rate design, among other topics. SBUA seeks to examine whether the Company's proposed rate revision is fair and reasonable and to recommend measures to ensure the revisions meet this standard for small commercial customers.

*(c) Demonstrated Effective Representation*

SBUA's legal counsel has represented and provided counsel for over ten years to numerous Oregon small businesses and is experienced in energy and utility matters in Oregon. Since SBUA's inception in Oregon, its legal counsel has educated SBUA membership on utility regulatory matters impacting small business. SBUA intervened and provided testimony or comment in Commission Dockets UM 1610, UE 294, UM 1751, UM 1754, UM 1773, UM 1790, and represented fully as an intervening party small commercial customers in general rate cases UE 294, UE 374, UE 394<sup>8</sup>. SBUA has been an active participant in UM 2114 Investigation into the effects of the COVID-19 Pandemic on Utility Customers of which Oregon's natural gas investor-owned utilities, including NW Natural, are signatories to the Stipulation approved by Commission Order 20-401 in that docket.<sup>9</sup>

SBUA also participated in the 2017 public input process of SB 978 and submitted comments responsive to the Commission's request in that process. SBUA has demonstrated the ability to represent small business within the scope of its intervention these matters, including general

---

<sup>8</sup> UE 394 Portland General Electric Request for General Rate Revision is still in process and SBUA is unable to comment further at this time.

<sup>9</sup> Order 20-401 in UM 2114 Investigation into the Effects of the COVID-19 Pandemic on Utility Customers

rate cases, including preparing expert testimony, filing documents, and participating in docket workshops and other proceedings. SBUA is representing its constituency fully in UM 2114 which takes up many issues pertaining to natural gas regulation and the status of small commercial customers.<sup>10</sup> For example, SBUA is familiar and has been in direct contact with the Company with regard to reports required pursuant to the Stipulation in UM 2114.<sup>11</sup>

In the present docket SBUA counsel would draw upon the expertise of Danny Kermode Certified Public Accountant (“Kermode”) who has substantial experience in natural gas rate cases in the Pacific Northwest especially as senior staff at the Washington Utilities and Transportation Commission where he served as a Senior Energy Policy Advisor, Acting Director of Policy, and Assistant Director for Water and Transportation. Among other functions, Kermode is also a Senior Fellow and Independent Consultant for the Michigan State University Institute of Public Utilities Regulation.

SBUA would also draw potentially from expertise in small businesses reliant on natural gas for their operations.

*(d) Members who are Utility Customers Contribute a Significant Percentage of the Overall Support and Funding of the Organization*

SBUA members in Oregon includes Northwest Natural ratepayers. SBUA members contribute to the overall support and funding of SBUA. The budget of SBUA is not large, however,

---

<sup>10</sup> See SBUA comments prior to opening the docket UM 2114 and during UM 2114 proceedings: Public Comment of SBUA for 5/13/21 Special Public Mtg re COVID-19 and early comments in COVID-19 related public meeting July 8, 2021 UM 2114 PUC Special Meeting; August 17, 2020 SBUA Comments for COVID-19 Workshops; September 8, 2020 SBUA Public Comment for September 8, 2020 Special Public Meeting; SBUA Public Comment on Commission Staff Report on UM 2114 2/23/21; UM 2114 COVID-19 Pandemic Impacts docket—Special Public Meeting Public Comment of SBUA Dated 5/12/21; UM 2114 COVID-19 Pandemic Impacts—6/13/21 Special Public Mtg Public Comment of SBUA filed 7/13/21; 11/5/21 SBUA’s Comments for the 11/17/21 Public Meeting.

<sup>11</sup> RG 94 In the Matter of Northwest Natural Gas Company, dba NW Natural (NW Natural), COVID-19 MONTHLY REPORT

it is growing and includes contributions by members and grants. Support by Oregon's SBUA membership is broad and consists of various members' money contributions, in-kind professional services, space and capital equipment. Support also comes in the form of general participation in the organization from SBUA members in Oregon including NW Natural ratepayers in western Oregon.

*(e) Demonstrated Ability to Substantively Contribute to the Record on Behalf of Customer Interests*

SBUA has demonstrated its ability to contribute on behalf of customer interests related to rates, and terms and conditions of service, obtaining expert testimony, informing the Commission on the state of small business and in Oregon, the impact of COVID-19 and related programs. SBUA, comparing rate increases in a general rate case, then participating in settlement negotiations and providing meaningful input on behalf of its members. SBUA contributed substantively to the record in UE 374 PacifiCorp dba Pacific Power Request for General Rate Revision in 2020 and complied fully with the collaboration required by the Partial Stipulation approved by the Commission in Order 20-473.<sup>12</sup>

The Commission granted SBUA case certification in several previous dockets including UE 374 PacifiCorp dba Pacific Power Request for General Rate Revision, UM 1751 regarding HB 2193 Implementing an Energy Storage Program Guidelines, in UM 1754 regarding the Company's 2017-2021 Renewable Portfolio Standard Implementation Plan for the Company

---

<sup>12</sup> See UE 374 PacifiCorp dba Pacific Power Request for General Rate Revision, Compliance filing of Small Business Utility Advocates, filed 12/28/21, to review SBUA's collaboration with PacifiCorp dba Pacific Power and September 28, 2021 meeting between the two regarding development of that electric utility's Marketing Outreach & Education plan for small business customers, and the meet and confer regarding the informational report regarding Schedule 23 Advanced Metering Information ("AMI") data obtained.

filed in 2015, and in 2017 in UM 1790 regarding the Company's 2017-2021 Renewable Portfolio Standard Implementation Plan filed in 2016. SBUA demonstrated an ability to contribute to the record in the aforementioned dockets, and has demonstrated for the record statistical familiarity with the state's small business constituency and impact of the proceedings on small business.

Further, while not as seasoned as the Citizens' Utility Board, the Alliance of Western Energy Consumers ("AWEC"), or other veterans of OPUC dockets, SBUA's legal counsel has several years of experience working on utility related issues in Oregon, including advising clients in matters, working at Oregon Department of Energy and intervening in OPUC dockets, and counsel participates in CLE trainings in electricity pricing and other topics, including the New Mexico University Electricity Ratemaking (2018).

*(f) No Other Adequate Representation and the Specific Interests of the Class will Benefit from Organization's Participation*

No party in these proceedings adequately represents the specific interests of small business or the Company's small nonresidential customers. SBUA represents solely these customers. The Citizens' Utility Board represents the residential customer class by statute, and stands to run a conflict given the different proposed rate impacts on Residential and Small Nonresidential Customer classes. Precertified Alliance of Western Energy Consumers ("AWEC") represents the large non-residential customer classes whose interests are also in conflict. SBUA represents exclusively small business interests. Such customer class will benefit from SBUA participation with information pertinent to small business and that the Commission is not likely to receive from any other source.



*(g) Participation will not Unduly Delay the Proceedings*

SBUA acknowledges the Amended Procedural Conference Memorandum that is established in the ALJ January 24, 2022 Ruling and participation by SBUA would not cause any delay in proceedings.

### **III. CONCLUSION**

For the foregoing reasons, SBUA requests that the Commission grant this Petition and allow SBUA to submit a reasonable budget for consideration.

RESPECTFULLY SUBMITTED February 1, 2022.



s/ Diane Henkels

---

Diane Henkels  
Attorney, Small Business Utility Advocates  
[www.utilityadvocates.org](http://www.utilityadvocates.org)  
621 SW Morrison St. Ste 1025  
Portland, OR 97205  
541-270-6001  
[diane@utilityadvocates.org](mailto:diane@utilityadvocates.org)



BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON  
UG 435 & UG 411

IN THE MATTER OF:	)	
	)	
NORTHWEST NATURAL GAS	)	PROPOSED BUDGET
COMPANY, dba NW NATURAL	)	OF SMALL BUSINESS
	)	UTILITY ADVOCATES
Request for General Rate Revision (UG	)	
435), and	)	
	)	
Advice 20-19, Schedule 198 Renewable	)	
Natural Gas Recovery Mechanism (ADV	)	
1215) (UG 411)	)	
_____	)	

**1. INTRODUCTION**

In the event the Commission grants Small Business Utility Advocates (“SBUA”) Petition for Case Certification, SBUA submits this Proposed Budget of SBUA (“Proposed Budget”) which is required to receive an issue fund grant<sup>1</sup> to assist SBUA’s representation in this docket.

**2. REQUIREMENTS FOR AN ISSUE FUND GRANT PROPOSED BUDGET**

The Proposed Budget must include: (a) a statement of work to be performed by the applicant for which the applicant is seeking an Issue Fund Grant; (b) a description of the areas to be investigated by the intervenor; (c) a description of the particular customer class or classes that will benefit from the intervenor's participation; (d) identification of the specific account or accounts from which the intervenor is seeking an Issue Fund Grant and an estimate of the amount of available funds in that account; (e) a budget showing estimated attorney fees, which may in-

<sup>1</sup> Section 6.3 Fourth Amended and Restated Intervenor Funding Agreement, approved by Order 18-017 (“Agreement”).

clude the cost for appropriate support staff and operational support; (f) a budget showing estimated consultant fees and expert witness fees, which may include the cost for appropriate support staff and operational support; and (g) a representation that the intervenor will use matching funds in the form of either in-house resources or outside funding to account for or pay at least 20% of the Eligible Expenses for the work to be performed for which the intervenor is seeking an Issue Fund Grant.<sup>2</sup>

**(a) A statement of work to be performed by the applicant for which the applicant is seeking an Issue Fund Grant.**

SBUA represents small business including small commercial customers in this docket. SBUA will participate in events identified in the ALJ January 26, 2021 (*sic*) UE 435 and UG 411 Amended Procedural Conference Memorandum including settlement conferences and other meetings, providing testimony, legal briefings, data requests and responses, and hearing. SBUA has engaged an expert, Danny Kermode, well experienced in such proceedings.

**(b) A description of the areas to be investigated by the applicant.**

To ensure fair and reasonable rates for small businesses, SBUA would conduct a review of proposed expenses and changes to rate base including the physical plant. SBUA would also conduct a review of cost allocation methods used by the company that affect small business. This would include an overview of these aforementioned and also a more specific review of these as is revealed in reviewing discovery. SBUA notes that per the revenue requirement, the Schedule 3 monthly bill will increase an average of 9.3%, one of the highest proposed increases.

//

---

<sup>2</sup> Id.

**(c) A description of the particular customer class or classes that will benefit from the intervenor's participation.**

The particular customer classes that would benefit from SBUA's participating in the proceeding is the Schedule 3 Basic Firm Sales Service Non-Residential.

**(d) Identification of the specific account or accounts from which the intervenor is seeking an Issue Fund Grant and an estimate of the amount of available funds in each account.**

The accounts from which SBUA seeks Issue Fund grants NW Natural: \$275,821

**(e), (f), and (g) require a budget showing estimated attorney fees, which may include the cost for appropriate support staff and operational support, a budget showing estimated consultant fees and expert witness fees, which may include the cost for appropriate support staff and operational support, and a representation that the intervenor will use matching funds in the form of either in-house resources or outside funding to account for or pay at least 20% of the Eligible Expenses for the work to be performed for which the intervenor is seeking an Issue Fund Grant.**

In response to these requirements "e", "f", and "g", SBUA submits the attached UM 2114 Proposed Budget of SBUA Exhibit A as a Budget for the Issue Fund Grant requested.

//

//

//

**3. CONCLUSION**

SBUA submits the information above and attached as its Proposed Budget to represent small business and small non-residential ratepayers for the Commission's consideration of SBUA's request for designation of this docket as an eligible proceeding and permitting SBUA to access issue funds in this docket.

RESPECTFULLY SUBMITTED February 1, 2022.



s/ Diane Henkels

---

Diane Henkels  
Attorney, Small Business Utility Advocates  
[www.utilityadvocates.org](http://www.utilityadvocates.org)  
621 SW Morrison St. Ste 1025  
Portland, OR 97205  
541-270-6001  
[diane@utilityadvocates.org](mailto:diane@utilityadvocates.org)

UG 435 & UG 411

EXHIBIT A

SBUA Proposed Budget for Issue Fund Grant

Personnel	Hours	Rate	Cost
<i>Attorney Fees</i>			
Attorney	30	\$225	\$6,750
Associate attorney	10	\$190	\$1,900
Administrator/paralegal	20	\$75	\$1,500
Expert Witness	167	\$150	\$25,000
Small business sector expertise	20	\$150	\$3,000
Executive Director	4	\$250	\$1,000
<i>Other Expenses</i>			
Travel — Expert			\$0
Other — printing/postage			\$150
Subtotal			\$39,300
20% of SBUA Funded Expenditures			\$7,860
Total SBUA Issue Fund Grant Proposed Request			\$31,440

