



ALISHA TILL
Direct (503) 290-3628
alisha@mrg-law.com

October 23, 2020

VIA ELECTRONIC FILING

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

Re: UG 388 – NW Natural Request for a Rate Revision.

Attention Filing Center:

Attached for filing in the above-referenced docket is Northwest Natural Gas Company's Motion to Correct Order No. 20-364.

Please contact this office with any questions.

Sincerely,

Alisha Till
Paralegal

Attachments

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UG 388

In the Matter of

NW NATURAL GAS COMPANY D/B/A
NW NATURAL

Application for a General Rate Revision.

**NW NATURAL'S MOTION TO CORRECT
ORDER NO. 20-364**

1 Pursuant to OAR 860-001-0420, Northwest Natural Gas Company (NW Natural),
2 requests that the Commission make a few corrections to Order No. 20-364 (the Order) issued
3 in this docket on October 16, 2020.

I. CORRECTIONS TO THE ORDER

4 The Order adopted the Comprehensive Stipulation resolving all issues among all
5 parties regarding the application for a general rate revision made by NW Natural. NW Natural,
6 along with Staff of the Public Utility Commission of Oregon (Staff), the Oregon Citizens' Utility
7 Board (CUB), and the Alliance of Western Energy Consumers (AWEC) were all parties to the
8 Comprehensive Stipulation (collectively the Stipulating Parties).

9 On page 10 of the Order, the second paragraph in section o. *Miscellaneous Revenues*
10 states:

11 *Settlement discussions resulted in the Stipulating Parties agreeing, in context*
12 *of the Comprehensive Stipulation, to a reduction to expense of \$101,000.*
13

14 The highlighted text should instead state: "to an increase in revenue of \$101,000."

15 On page 14 of the Order, in section z. *Category A Advertising*, it states:

16 *Through discovery, NW Natural identified the inadvertent inclusion of costs for*
17 *the Vancouver, Washington Retrofit Project in the Test Year.*
18

19 This sentence should be deleted and replaced with the following language from the aa.

20 *Vancouver Retrofit* Section of the Order:

1 NW Natural initially included \$1.750 million in Category A expenses for the Test
2 Year, or approximately \$2.54 per customer. Staff deemed the expenses
3 reasonable, but CUB recommended an adjustment of \$995,505 to reduce the
4 recoverable expenses to 0.125 percent of gross operating revenue, or
5 approximately \$1.14 per customer. CUB argued that NW Natural had not met
6 its burden of proof to demonstrate that Category A expenses in excess of this
7 amount as just and reasonable. CUB expressed concerns that portions of the
8 company's "Less We Can" campaign were be used to promote RNG not yet
9 on the system, and the company's general corporate image.

10
11 On page 14 of the Order, in section aa. *Vancouver Retrofit*, it states:

12 *The Comprehensive Stipulation incorporates a reduction to rate base of \$10.5*
13 *million and a reduction to expense of \$15,000 to reflect that removal of the*
14 *Vancouver, WA Retrofit Project because it does not relate to service provided*
15 *in Oregon.*

16
17 The highlighted number should be replaced with: \$240,000.

18 On the top of page 20 of the Order, it states:

19 *NW Natural also proposed amortizing the true-up credit in the 2020-01 PGA*
20 *filing, which would be made in mid-September of 2020 prior to the expected*
21 *final order in this rate case.*

22
23 The highlighted number should read: 2020-21.

24 Finally, on page 1 of Appendix A of the Comprehensive Stipulation, the date at the top
25 reads:

26 Twelve Months Ended October 31, 2019

27
28 The highlighted year should be 2021. A revised copy of page 1 of Appendix A is included as
29 Attachment 1 to this Motion and should replace the page entirely.

30 These requested changes do not alter the ratemaking outcome of this Order and no
31 other changes to the Order are requested. The other Stipulating Parties have reviewed this
32 motion and support this motion.

33 ////

34 ////

35 ////

DATED this 23rd day of October 2020.

McDOWELL RACKNER GIBSON PC



Lisa F. Rackner
Jocelyn Pease
McDowell Rackner Gibson PC
419 SW 11th Ave., Suite 400
Portland, OR 97205
503-595-3925
dockets@mrg-law.com

Attorneys for Northwest Natural Gas Company

BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON

UG 388

NW Natural's Motion to Correct Order

Erratum to Appendix A, Page 1

Attachment 1

APPENDIX A

**NW Natural
UG 388
Twelve Months Ended October 31, 2021
(000)**

	2019 Results Per Company Filing at Present Rates (1)	(2)	2021 Results Per Company Filing (3)	Company Filed Required Change for Reasonable Return (4)	Company Filed 2021 Results at Reasonable Return (5)	Adjustments to Company 2021 Results (6)	Adjusted 2021 Company Results (3) + (6) (7)	Required Change for Reasonable Return (8)	Results at Reasonable Return (7) + (8) (9)	CAT Revenues & Expenses	Results at Reasonable Return w/ CAT
SUMMARY SHEET											
1 Operating Revenues											
2 General Business	604,894	248	605,142	71,447	676,589	-	605,142	45,847	650,989	3,147	654,136
3 Transportation	17,715	(430)	17,285	-	17,285	-	17,285	-	17,285	-	17,285
4 Decoupling	(4,998)	4,998	-	-	-	-	-	-	-	-	-
5 WARM	(4,652)	4,652	-	-	-	-	-	-	-	-	-
6 Miscellaneous Revenues	6,283	(2,911)	3,372	-	3,372	101	3,473	-	3,473	-	3,473
7 Total Operating Revenues	619,242	6,557	625,799	71,447	697,246	101	625,900	45,847	671,747	3,147	674,894
8 Operating Expenses											
9 Gas Purchased	237,624	(903)	236,721	-	236,721	-	236,721	-	236,721	-	236,721
10 Transmission & Storage	8,926	1,509	10,435	-	10,435	(250)	10,185	-	10,185	-	10,185
11 Distribution	46,682	7,275	53,957	-	53,957	-	53,957	-	53,957	-	53,957
12 Customer Accounts	17,926	5,407	23,333	-	23,333	-	23,333	-	23,333	-	23,333
13 Customer Service	5,864	737	6,601	-	6,601	-	6,601	-	6,601	-	6,601
14 Sales	2,182	(421)	1,761	-	1,761	-	1,761	-	1,761	-	1,761
15 OPUC Fees	1,887	(10)	1,877	214	2,091	313	2,190	160	2,351	11.01	2,362
16 Franchise Fees	15,049	(74)	14,975	1,710	16,685	(28)	14,947	1,097	16,045	75.31	16,120
17 Uncollectibles	614	(16)	598	70	668	0	598	45	643	3.06	646
18 General Operations & Maintenance	3,848	1,079	4,927	-	4,927	(2,186)	2,741	-	2,741	-	2,741
19 Admin & General Expenses	65,683	13,586	79,269	-	79,269	(8,228)	71,041	-	71,041	-	71,041
20 Environmental Rider	5,000	-	5,000	-	5,000	-	5,000	-	5,000	-	5,000
21 Total Operation & Maintenance	411,285	28,169	439,454	1,994	441,448	(10,378)	429,076	1,302	430,378	89	430,467
22 Depreciation & Amortization	76,843	14,427	91,270	-	91,270	(1,290)	89,980	-	89,980	-	89,980
23 Taxes Other than Income	26,942	3,574	30,516	-	30,516	(79)	30,437	-	30,437	3,058	33,495
24 Equity Floatation	-	3,430	3,430	-	3,430	(3,430)	-	-	-	-	-
25 Income Taxes	15,510	(11,088)	4,422	18,755	23,177	3,462	7,883	12,029	19,912	-	19,912
26 Total Operating Expenses	530,580	38,512	569,092	20,748	589,840	(11,716)	557,376	13,331	570,707	-	573,854
27 Net Operating Revenues	88,662	(31,955)	56,707	50,697	107,406	11,817	68,524	32,516	101,040	-	101,040
28 Average Rate Base											
29 Utility Plant in Service	2,805,289	383,802	3,189,091	-	3,189,091	(19,450)	3,169,641	-	3,169,641	-	3,169,641
30 Less: Accumulated Depreciation & Amortization	(1,237,623)	(134,409)	(1,372,032)	-	(1,372,032)	130	(1,371,902)	-	(1,371,902)	-	(1,371,902)
31 Accumulated Deferred Income Taxes	(410,685)	689	(409,996)	-	(409,996)	-	(409,996)	-	(409,996)	-	(409,996)
32 Accumulated Deferred Inv. Tax Credit	-	-	-	-	-	-	-	-	-	-	-
33 Net Utility Plant	1,156,981	250,082	1,407,063	-	1,407,063	(19,320)	1,387,743	-	1,387,743	-	1,387,743
34 Plant Held for Future Use	-	-	-	-	-	-	-	-	-	-	-
35 Other Rate Base											
36 Aid in Advance of Construction	(3,939)	(355)	(4,294)	-	(4,294)	-	(4,294)	-	(4,294)	-	(4,294)
37 Customer Deposits	(2,894)	203	(2,691)	-	(2,691)	-	(2,691)	-	(2,691)	-	(2,691)
38 Gas Inventory	36,104	(6,346)	29,758	-	29,758	-	29,758	-	29,758	-	29,758
39 Materials & Supplies	12,780	1,694	14,474	-	14,474	(1,694)	12,780	-	12,780	-	12,780
40 Weatherization Loans	-	-	-	-	-	-	-	-	-	-	-
41 Prepayments	-	-	-	-	-	-	-	-	-	-	-
42 Misc. Deferred Debits & Credits	-	-	-	-	-	-	-	-	-	-	-
43 Misc. Rate Base Additions/(Deductions) EDIT; Leasehold Improv.	15,379	12,006	27,385	-	27,385	(4)	27,381	-	27,381	-	27,381
44 Total Average Rate Base	1,214,411	257,284	1,471,695	-	1,471,695	(21,018)	1,450,677	-	1,450,677	-	1,450,677
45 Rate of Return	7.301%		3.853%		7.298%		4.724%		6.965%		6.965%
46 Implied Return on Equity	10.006%		3.110%		10.000%		4.917%		9.400%		9.400%