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January 28, 2015

NWN WUTC Advice No. 15-01

***VIA ELECTRONIC FILING***

Steven V. King, Executive Director and Secretary  
WASHINGTON UTILITIES &  
TRANSPORTATION COMMISSION  
1300 S Evergreen Park Drive, SW  
Post Office Box 47250  
Olympia, Washington 98504-7250

**Re: Service to Customer-Owned and Installed CNG Vehicle Fueling Equipment**

Northwest Natural Gas Company, dba NW Natural (“NW Natural” or the “Company”), files herewith revisions and additions to its Tariff, WN U-6 to become effective with service on and after March 1, 2015 as follows:

See attached Table of Tariff Revisions.

The purpose of this filing is to: (1) revise various sections of the Company’s Tariff to add clarifying language regarding the requirements and conditions for providing natural gas service to Compressed Natural Gas (“CNG”) vehicle fueling equipment installed and used by residential and non-residential customers; and (2) add a new Schedule C miscellaneous charge that would apply when a second meter is installed by the Company on an existing gas service line to measure CNG vehicle usage. The second meter is not required for billing purposes, but is required to calculate Gasoline Gallon Equivalent (GGE) information for a customer’s CNG vehicle usage so that the customer can calculate any fuel tax obligation.

The tariff revisions proposed in this filing would apply to all service provided to customer-owned CNG vehicle fueling equipment installed by customers or third parties. This filing does not seek to establish a NW Natural CNG fueling program for company-owned and maintained compression and dispensing equipment on customer-owned property.

The CNG vehicle fueling technology has been in existence for many years, but due to price constraints, the market has been slow to evolve. However, we expect residential Vehicle Fueling Appliance (“VFA”) manufacturers to come to market with more affordable units. The Company is already receiving inquiries from customers eager to purchase CNG vehicles for their personal or small business use. Currently, NW Natural has very few customers with vehicle fueling equipment installed, but has recently had more requests. This

filing is meant to address some of the issues that arise when such requests are made (described below) and provide an appropriate resolution for them.

Because there are unique code and inspection requirements for VFA and CNG fueling units, and because there are unique service and billing needs applicable to serving these vehicle fueling units, it is important that the Company's Tariff be clear as to the terms and conditions that apply to providing this service. Specifically, one of the Company's proposed conditions of service is to separately meter the vehicle fueling unit. Separate metering will: (1) enable the Customer to easily calculate any fuel use tax that may apply to their use of gas for vehicle fueling; and (2) allow gas service to a home or business to continue uninterrupted should there be any unexpected issues with the vehicle fueling equipment or with any of the Company's facilities that serve that equipment.

In some cases, a second meter can be installed on the existing service line and connected to just the CNG vehicle fueling equipment. In other cases a second service line and meter installation might be required. A second service and meter installation would be subject to General Rule 12 and the customer would receive a revenue allowance to offset the installation costs. If service to the CNG vehicle fueling unit can be accommodated from an existing service line, a second meter can be installed on the existing service line.

The Company believes it is appropriate for the customer to contribute to the incremental fixed costs associated with NW Natural providing the second meter as the second meter is required in order to provide the customer with the added information on Gasoline Gallon Equivalents (GGE) that is needed by the customer for fuel use tax purposes. As such, NW Natural proposes with this filing to establish a new miscellaneous charge that would apply when a second meter is installed on an existing gas service line for the purpose of providing service to CNG refueling equipment. The proposed standard charge is \$6.00 per month. For larger meters, the charge will be determined based on the specific meter configuration on a customer-specific basis. A worksheet showing the derivation of the standard charge is included with this filing.

Although we do not anticipate a high-volume of requests for this service in the residential and small commercial customer classes during the next three to five years, once customers do begin to install CNG refueling equipment we will gain more knowledge about their installation and use, and will be able to gather the additional data required to assess how best to serve these customers. This may lead to the development of a dedicated rate schedule or to the implementation of other charges or tariff changes in the future. However, because we are already receiving inquiries from customers, we feel that taking this initial step to incorporate tariff changes and clarifications around this service is in the Company's and our Customer's best interests.

The Company requests that the tariff sheets filed herewith be permitted to become effective with service on and after March 1, 2015.

As required by WAC 480-80-103(4)(a), I certify that I have authority to issue tariff revisions on behalf of NW Natural.

Copies of this letter and the filing made herewith are available in the Company's main office in Oregon and on its website at [www.nwnatural.com](http://www.nwnatural.com).

Please address correspondence on this matter to me with copies to the following:

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Sincerely,

NW NATURAL

*/s/ Onita King*

Onita R. King  
Rates and Regulation

attachments

NW NATURAL  
 NWN WUTC Advice No. 15-01  
 Table of Tariff Sheet Revisions  
 Proposed to Become Effective March 1, 2015

PROPOSED REVISION	CANCELS REVISION	TITLE
Twelfth Revision of Sheet viii	Eleventh Revision of Sheet viii	Index
Fourth Revision of Sheet 00.1	Third Revision of Sheet 00.1	General Rules and Regulations
Fifth Revision of Sheet 00.2	Fourth Revision of Sheet 00.2	General Rules and Regulations
Fourth Revision of Sheet 00.4	Third Revision of Sheet 00.4	General Rules and Regulations
Fifth Revision of Sheet 00.5	Fourth Revision of Sheet 00.5	General Rules and Regulations
Sixth Revision of Sheet 00.7	Fifth Revision of Sheet 00.7	General Rules and Regulations
Fourth Revision of Sheet 00.8	Third Revision of Sheet 00.8	General Rules and Regulations
First Revision of Sheet 8.1	Original Sheet 8.1	Rule 8 - House Piping and Gas Appliance Standards
Third Revision of Sheet 10.1	Second Revision of Sheet 10.1	Rule 10 - Gas Delivery and Measurement
First Revision of Sheet 10.1.1	Original Sheet 10.1.1	Rule 10 - Gas Delivery and Measurement (continued)
Third Revision of Sheet 12.1	Second Revision of Sheet 12.1	Rule 12 - Distribution Facilities Standards
Original Sheet 12.1.1	N/A	Rule 12: Distribution Facilities Standards (continued)
Second Revision of Sheet C.1.1	First Revision of Sheet C.1.1	Schedule C Miscellaneous Charges
Fifth Revision of Sheet C.3	Fourth Revision of Sheet C.3	Schedule C Miscellaneous Charges (continued)
Third Revision of Sheet C.4	Second Revision of Sheet C.4	Schedule C Miscellaneous Charges (continued)
Twenty-Fourth Revision of Sheet 101.1	Twenty-Third Revision of Sheet 101.1	Schedule 1 General Sales Service
First Revision of Sheet 101.2	Original Sheet 101.2	Schedule 1 General Sales Service (continued)
Twenty-Fourth Revision of Sheet 102.1	Twenty-Third Revision of Sheet 102.1	Schedule 2 Residential Sales Service
First Revision of Sheet 102.2	Original Sheet 102.2	Schedule 2 Residential Sales Service (continued)
Fifteenth Revision of Sheet 103.1	Fourteenth Sheet 103.1	Schedule 3 Basic Firm Sales Service – Non-Residential
Twelfth Revision of Sheet 103.3	Eleventh Revision of Sheet 103.3	Schedule 3 Basic Firm Sales Service – Non-Residential (continued)
Fifth Revision of Sheet 141.1	Fourth Revision of Sheet 141.1	Schedule 41 Non-Residential Sales and Firm Transportation Service
Seventh Revision of Sheet 141.2	Sixth Revision of Sheet 141.2	Schedule 41 Non-Residential Sales and Firm Transportation Service (continued)
First Revision of Sheet 141.3.1	Original Sheet 141.3.1	Schedule 41 Non-Residential Sales and Firm Transportation Service (continued)
Third Revision of Sheet 141.6	Second Revision of Sheet 141.6	Schedule 41 Non-Residential Sales and Firm Transportation Service (continued)
Third Revision of Sheet 141.7	Second Revision of Sheet 141.7	Schedule 41 Non-Residential Sales and Firm Transportation Service (continued)
Original Sheet 141.7.1	N/A	Schedule 41 Non-Residential Sales and Firm Transportation Service (continued)
Third Revision of Sheet 141.8	Second Revision of Sheet 141.8	Schedule 41 Non-Residential Sales and Firm Transportation Service
Fifth Revision of Sheet 142.1	Fourth Revision of Sheet 142.1	Schedule 42 Large Volume Non-Residential Sales and Transportation Service
Seventh Revision of Sheet 142.2	Sixth Revision of Sheet 142.2	Schedule 42 Large Volume Non-Residential Sales and Transportation Service
Third Revision of Sheet 142.8	Second Sheet 142.8	Schedule 42 Large Volume Non-Residential Sales and Transportation Service
Third Revision of Sheet 142.9	Second Revision of Sheet 142.9	Schedule 42 Large Volume Non-Residential Sales and Transportation Service
Tenth Revision of Sheet 143.6	Ninth Revision of Sheet 143.6	Schedule 43 High Volume Non-Residential Firm and Interruptible Transportation Service (continued)
Original Sheet 143.7	N/A	Schedule 43 High Volume Non-Residential Firm and Interruptible Transportation Service (continued)