

**Replacement Follow-up comments on draft changes (inclusive of stakeholders' comments) to WAC 480-90-238
WUTC Integrated Resource Planning Requirements for Natural Gas Utilities**

(4) Timing.

NW Natural would like to see language included to further explain what is meant by: "... must submit a plan within two years after the date on which the previous plan was filed." It is unclear whether Commission Staff expects utilities to submit two years after the draft version or final version was filed.

In its initial comments NW Natural explained its objections to adhering to a strict 2-year cycle (<http://www.wutc.wa.gov/rms2.nsf/frmVwDSWeb?OpenForm&vL1DktSh=030312-Documents&NAV999999>). The company's experience suggests that such a rigid rule leads to a misallocation of company and Commission Staff resources. It has been proven in the past that changing events can call for a 2-year cycle, while at other times events have not changed and a longer planning cycle is in order. It is also important to note that NW Natural views changes in gas procurement strategies as topics best addressed in gas cost tracking filings. Conversely, an IRP update is triggered when changes in circumstances underlying opportunities for or the need for long-term commitments arise.

NW Natural understands that the Oregon PUC Staff will recommend a filing date two years after the acknowledgement anniversary date in their UM 1056 reply comments to be filed in two days (September 30, 2005). They will also allow for a filing waiver request to accompany annual Multi-Year Action Plan updates. NW Natural, Cascade Natural Gas, Avista, and the Washington and Oregon Commission Staffs would greatly benefit from synchronous planning cycles in both states. We strongly urge the WUTC to adopt the date of plan acceptance as the anniversary date for the IRP planning cycle. For further information on the Oregon PUC Staff's intent, contact Lisa Schwartz (lisa.c.schwartz@state.or.us; 503.378.8718).

In the event that it is determined that the environment to serve NW Natural's core customers has not changed, the company recommends creating the opportunity to file for a 1-year waiver. This would be accompanied by an annual action plan update on the 1st and subsequent anniversaries of the acceptance or acknowledgement of the previously filed plan.