

[Service Date October 3, 2012]

October 3, 2012

**NOTICE OF OPPORTUNITY TO FILE AVOIDED COSTS METHODOLOGY,
TOTAL RESOURCE COST TEST METHODOLOGY AND THE UTILITY COST
TEST METHODOLOGY
(By Friday, October 12, 2012)**

RE: Commission Investigation into Natural Gas Conservation Programs
Docket UG-121207

TO ALL INTERESTED PERSONS:

On July 26, 2012, the Washington Utilities and Transportation Commission (Commission) filed with the Code Reviser a Preproposal Statement of Inquiry (CR-101) to consider the need to provide guidance to jurisdictional natural gas companies in planning and implementing natural gas conservation programs. The Commission filed the CR-101 under Docket UG-121207.

On July 31, 2012, the Commission issued a notice of opportunity of to file written comments and reply comments and notice of a workshop to be held Friday, October 19, 2012.

To facilitate a clear understanding of the methodologies for determining the conservation natural gas avoided cost, the total resource cost test and the utility cost test (also known as the program administrator cost test), the Commission requests the following information from the natural gas utilities under its jurisdiction:

Please send spreadsheets, definitions of input, sources of data and all supporting documents and models the utility uses or relies on to calculate its:

- 1) Natural gas conservation avoided cost.
- 2) Utility Resource Cost test.
- 3) Total Resource Cost tests.

Spreadsheets should be unlocked and include spreadsheets or data bases referred to in linked cells.

When providing this information please include:

- 1) The Company's definition of the weighted average cost of gas (WACOG) used and the specific source(s) of the data used to determine the WACOG.
- 2) Any discount rate used and its source.
- 3) The definition of the terms used at the head of columns and at the beginning of rows as well as elsewhere in the spreadsheets.
- 4) A narrative explaining the calculation.

Other interested persons may submit responses to the Commission's request for the above information.

WRITTEN RESPONSES

Responses must be filed with the Commission no later than **5:00 p.m., Friday, October 12, 2012**. The Commission requests that the responses be provided in electronic format to enhance public access, reduce the need for paper copies, and facilitate quotations from the submissions. You may submit responses via the Commission's Web portal at www.utc.wa.gov/e-filing or by electronic mail to the Commission's Records Center at records@utc.wa.gov. You must include:

- The docket number of this proceeding (UG-121207).
- The commenting party's name.
- The title and date of the comment or comments.

An alternative method for submitting comments is by mailing or delivering an electronic copy to the Commission's Records Center on a 3 ½ inch, IBM-formatted, high-density disk, in .pdf Adobe Acrobat format or in Word 97 or later. Include all of the information requested above. The Commission will post on its web site all comments that are provided in electronic format. The web site is located at www.utc.wa.gov.

If you are unable to file your comments electronically or to submit them on a disk, the Commission will accept a paper document. If you have questions regarding this Notice, you may contact Deborah Reynolds, by email at dreynold@utc.wa.gov or by calling (360) 664-1255.

STAKEHOLDER WORKSHOP

As a reminder, interested persons are invited to attend a stakeholder workshop to discuss these issues on **Friday, October 19, 2012, at 9:30 a.m.** **The workshop will be held in Room 206, Richard Hemstad Building, 1300 S Evergreen Park Drive S.W., Olympia, Washington.**

Stakeholders will have further opportunity to comment. Information about the schedule and other aspects of the rulemaking, including comments, will be posted on the Commission's website as it becomes available. If you wish to receive further information on this rulemaking you may:

- Call the Commission's Records Center at (360) 664-1234.
- Email the Commission at records@utc.wa.gov.
- Mail written comments to the address below.

When contacting the Commission, please refer to Docket UG-121207 to ensure that you are placed on the appropriate service list. The Commission's mailing address is:

Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250

NOTICE

If you do not want to comment now, but want to receive future information about this rulemaking, please notify the Executive Director and Secretary in one of the ways described above and ask to be included on the mailing list for Docket UG-121207. If you do not do this, you might not receive further information about this rulemaking.

DAVID W. DANNER
Executive Director and Secretary