

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

Petition of)	
)	
)	
NORTHWEST NATURAL GAS)	DOCKETS UG-011230 and
COMPANY)	UG-011231
)	
)	ORDER GRANTING
)	ACCOUNTING PETITION
for an Order Regarding the Accounting)	
Treatment of Certain Conservation)	
Expenditures.)	
.....)	

BACKGROUND

1 On September 7, 2001, Northwest Natural Gas Company (NNG or Company) filed with the Washington Utilities and Transportation Commission (Commission) the Residential High-Efficiency Program and the Weatherization Services Programs for Residential and Commercial Customers. Included as part of those filings was a request for an accounting order authorizing NNG to defer certain conservation or Demand Side Management (DSM) expenditures to a 186 sub-account.

2 The Company proposes to defer only incremental administrative and direct costs associated with the DSM programs. The Company requests to include interest on the deferral balances. As explained in the filing the Company will make a separate filing each year to establish rates designed to amortize the previous years' accumulated costs deferred in the 186 sub-account. This filing will coincide with the proposed effective date of the Company's annual Purchased Gas Adjustment (PGA) filings, but must be made at the same time each year.

FINDINGS

THE COMMISSION FINDS THAT:

- 3 (1) NNG is in the business of furnishing gas service within the state of Washington and is subject to the Commission's regulatory authority over retail rates, services, and practices.
- 4 (2) On September 7, 2001, NNG filed with the Commission a request to defer conservation expenditures associated with certain approved DSM programs.
- 5 (3) The deferral treatment proposed by NNG is reasonable and should be approved.

ORDER

THE COMMISSION ORDERS THAT:

- 6 (1) Northwest Natural Gas Company is authorized to defer certain conservation
expenditures associated with approved DSM programs to a 186 sub-account.
- 7 (2) Interest will be applied to the deferred balances consistent with WAC 480-90-
233(4).
- 8 (3) Northwest Natural Gas Company will make a filing at the same time each
year to establish rates to recover the amortization of the deferral balance from
the previous year. This filing may coincide with the effective date of the
Company's PGA filing.
- 9 (4) This order shall in no way affect the authority of this Commission over rates,
services, accounts, evaluations, estimates, or determinations of costs or any
matters whatsoever that may come before it, nor shall anything herein be
construed as an acquiescence in any estimate or determination of costs
claimed or asserted.
- 10 (5) THE COMMISSION ORDERS FURTHER That it retains jurisdiction to
effectuate the provisions of this Order.

DATED at Olympia, Washington, and effective this 10th day of October, 2001.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

PATRICK J. OSHIE, Commissioner