

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of)	DOCKET NO. UG-040975
)	
NORTHWEST NATURAL GAS)	ORDER NO. 01
COMPANY,)	
)	
Applicant,)	
)	
For Determination of Application)	
Under WAC 480-143 in)	
Connection with the Sale of Vacant)	ORDER GRANTING
Real Property)	APPLICATION
.....)	

MEMORANDUM

- 1 On May 27, 2004, Northwest Natural Gas Company (Northwest Natural or Company) pursuant to the provision of RCW 80.12.020 and WAC 480-143-180, filed an order with the Commission, declaring that certain real property described in its application is not necessary or useful.

- 2 The property is a 9.42 acre vacant parcel of land located on NE 117th Avenue in Vancouver Washington, as described in its application. Northwest Natural purchased the property in 1992 to use the site for development of an office building and service center. After the purchase, the site became no longer suitable for Northwest Natural’s contemplated development due to significant retail and commercial development and traffic and congestion issues.

- 3 Northwest Natural is located in Portland, Oregon and serves approximately 47,500 customers in Vancouver and surrounding areas of southwest Washington.

FINDINGS AND CONCLUSIONS

- 4 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate

rates, rules, regulations, practices, accounts, securities, and transfers of public service companies, including water companies. *RCW 80.01.040; Chapter 80.04 RCW; Chapter 80.12 RCW and Chapter 80.28 RCW.*

- 5 (2) Northwest Natural is a gas company and is a public service company subject to the jurisdiction of the Commission.
- 6 (3) WAC 480-143-180 states "A public service company must not dispose of any property necessary or useful to perform its public duties unless it first applies for, and obtains, written authority from the commission."
- 7 (4) The property is not necessary and useful for two reasons: (1) the property described in the application has been treated as utility property held for future and has not been included in rate base; (2) the property is a vacant parcel of land for which the Company has no development plans.
- 8 (5) In this Docket, the Commission neither approves nor disapproves the reasonableness of any fees, charges, rates, purchase price, or accounting allocations involved with the proposed arrangement and reserves the right to review those fees, charges, rates, or accounting allocations in a future rate proceeding.
- 9 (6) The application meets the requirements of Chapter 80.12 RCW and the rules and regulations of the Commission adopted pursuant thereto. *Chapter 480-143 WAC.*
- 10 (7) This matter was brought before the Commission at its regularly scheduled meeting on July 16, 2004.
- 11 (8) After review of the application filed in Docket UG-040975 by Northwest Natural on May 27, 2004, and giving due consideration, the Commission

finds that the application is consistent with the public interest and should be granted.

ORDER

THE COMMISSION ORDERS:

- 12 (1) The request sought by Northwest Natural Gas Company for determination is granted.
- 13 (2) The Order shall in no way affect the authority of this Commission over rates, services, accounts, evaluations, estimates, or determination of costs on 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.
- 14 (3) The Commission retains jurisdiction over the subject matter and Northwest Natural Gas Company to effectuate the provisions of this Order.
- 15 The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective this 16th day of July, 2004.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Secretary