

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

In the Matter of the Petition of	DOCKET UG-190711
NORTHWEST NATURAL GAS COMPANY,	ORDER 03
Seeking Extension for 2022 Conservation Potential Assessment and Conservation Plan	GRANTING PETITION TO EXTEND FILING DEADLINE

**BACKGROUND**

- 1 On September 22, 2020, Northwest Natural Gas Company (NW Natural or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting a temporary exemption from Washington Administrative Code (WAC) 480-90-238(4). NW Natural subsequently amended its petition on October 13, 2020. The petition also requested the Commission modify the next integrated resource plan (IRP) due dates and establish new conservation-related filing due dates.<sup>1</sup>
- 2 RCW 80.28.380 requires gas companies identify and acquire all conservation measures that are available and cost-effective. The Company must establish an acquisition target every two years and must demonstrate that the target will result in the acquisition of all resources identified as available and cost-effective. Initial conservation targets must take effect by 2022 and be based on a conservation potential assessment (CPA) prepared by a Commission approved, independent third-party.
- 3 On November 13, 2020, at its regularly scheduled open meeting, the Commission issued Order 02 in this Docket granting the Company's Petition for Temporary Exemption from WAC 480-90-238(4), authorizing NW Natural to file its final IRP on July 29, 2022, and setting new compliance due dates as follows:
  - Revised IRP Work Plan – no later than February 11, 2021 (*i.e.*, 90 days after Commission approval of extension).

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<sup>1</sup> On August 24, 2018, NW Natural filed its most recent IRP in Docket UG-170911. The Commission granted the Company's request to extend the deadline to file a new IRP in Docket UG-190711 from August 21, 2020, to February 26, 2021, by Order 01 in this Docket.

- 2018 IRP Update – no later than March 1, 2021.
- Final conservation potential assessment (CPA) – no later than June 1, 2021.
- Conservation Plan with two-year target – no later than October 1, 2021.
- Draft IRP – no later than June 30, 2022.
- Final IRP – no later than July 29, 2022.

4 On February 11, 2021, NW Natural filed a petition requesting the Commission amend Order 2 to extend the filing due dates for the CPA from June 1, 2021, to July 30, 2021, and for the conservation plan with two-year target from October 1, 2021, to November 1, 2021 (Petition).<sup>2</sup> NW Natural states that the primary reason for an extension is the workload of the consultant selected to perform NW Natural's CPA.

5 In NW Natural's Petition, the Company states that it found in negotiations with its preferred candidate, Applied Energy Group (AEG), that prior commitments would not allow AEG to complete the CPA by June 1, 2021.<sup>3</sup> Rather than choose a different consultant, NW Natural decided to request a change in the CPA due date.

6 NW Natural addressed these date extensions during an advisory group meeting with stakeholders. The Northwest Energy Coalition, the Public Counsel Unit of the Washington State Attorney General's Office (Public Counsel), the Alliance of Western Energy Consumers, and Commission Staff (Staff) were present, and raised no objections. Staff contacted each of these parties and verified there were no concerns.

7 Staff has reviewed the Company's Petition and believes that a brief delay for the CPA and conservation plan filing due dates is in the public interest. This delay will allow Staff and NW Natural to work with a third party experienced in performing CPAs for Washington utilities, and one that uses modeling software familiar to Staff, which will allow for a more efficient review process.

8 Staff supports amending the Company's proposed conservation-related filing due dates as follows:

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<sup>2</sup> Although NW Natural characterizes its petition as a request to amend Order 02 in this docket, we construe it as a petition that seeks relief from a Commission order filed under WAC 480-07-370, which governs petitions that seek Commission action that the Commission generally considers taking at an open public meeting. The Commission considers pleadings and motions based primarily on the relief they request and does not rely solely on the name of the document. See WAC 480-07-395(4).

<sup>3</sup> *WUTC v. NW Natural*, Docket UG-190711, Order 02 ¶ 7 (November 13, 2020).

- Final CPA by July 30, 2021.
- Final conservation plan with two-year target by November 1, 2021.

9 Staff recommends that the Commission grant the Petition setting NW Natural's CPA and conservation plan filing due dates as outlined above. Staff further requests that the Commission instruct NW Natural to direct future IRP-related filings to docket UG-210094, and CPA and conservation plan filings to new, separate dockets.

### DISCUSSION

10 We agree with Staff's recommendation and grant NW Natural's Petition. NW Natural's Petition specifies that the Company will file its final CPA by July 30, 2021, and its conservation plan with two-year target by November 1, 2021. Extending these deadlines will still provide Staff with sufficient time to review the CPA and conservation plan while allowing the Company to meet Washington statutory deadlines. We find it in the public interest to extend the proposed conservation-related filing due dates as described above and agree with Staff that these extended conservation related filings should be made in new dockets.<sup>4</sup> We also agree with Staff that the IRP-related filings required in Order 02, going forward, should be filed in Docket UG-210094.<sup>5</sup>

11 Accordingly, we find that granting NW Natural's request for an exemption is in the public interest and consistent with both the purposes underlying the rule and applicable statutes.

### FINDINGS AND CONCLUSIONS

12 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including natural gas companies.

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<sup>4</sup> See WAC 480-07-885, Subsequent filings. When the Commission enters a final order that authorizes or requires a party to make a subsequent filing to implement general instructions in that order (*e.g.*, the submission of tariffs other than revisions to the tariffs that initiated the proceeding), the filing initiates a new proceeding to which the Commission will assign a new docket number.

<sup>5</sup> See WAC 480-07-880, Compliance filings. A compliance filing is a party's submission in response to a final order that authorizes or requires that party to implement specific terms of that order. A compliance filing may be a single submission (*e.g.*, a revised tariff) or multiple submissions (*e.g.*, periodic reports). A party must strictly limit the scope of its compliance filing to the requirements of the final order to which it relates.

- 13 (2) NW Natural is a natural gas company and a public service company subject to Commission jurisdiction.
- 14 (3) WAC 480-07-370(3) permits the Company to file petitions seeking relief from a Commission order.
- 15 (4) NW Natural's request to extend the deadline for filing its final CPA and final conservation plan seeks Commission action that the Commission generally considers taking at an open public meeting. *See* WAC 480-07-370(3).
- 16 (5) This matter came before the Commission at its regularly scheduled meeting on April 08, 2021.
- 17 (6) After reviewing NW Natural's Petition filed in Docket UG-190711 and giving due consideration to all relevant matters, the Commission finds that NW Natural's request is reasonable and concludes that NW Natural's Petition is in the public interest and should be granted.

**ORDER**

**THE COMMISSION ORDERS:**

- 18 (1) Northwest Natural Gas Company's Petition filed February 11, 2021, is granted. Northwest Natural Gas Company is required to file a final CPA in a new docket by Friday, July 30, 2021. Northwest Natural Gas Company is required to file a final conservation plan with a two-year target in a new docket by Monday, November 1, 2021. Northwest Natural Gas Company is directed to file its draft and final IRPs in Docket UG-210094.
- 19 (2) This Order shall not affect the Commission's authority over rates, services, accounts, valuations, estimates, or determination of costs, on any matters that may come before it.

DATED at Lacey, Washington, and effective April 8, 2021.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner

JAY M. BALASBAS, Commissioner