

August 18, 2022

VIA ELECTRONIC FILING

Amanda Maxwell, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop S.E.
Lacey, Washington 98503

State Of WASH.
UTIL. AND TRANSP.
COMMISSION

08/19/22 07:35

Received
Records Management**Re: U-210800—NW Natural Response to Notice of Opportunity to File Written Comments**

Dear Ms. Maxwell:

Northwest Natural Gas Company, dba NW Natural (NW Natural or Company), appreciates the opportunity to respond to the Washington Utilities and Transportation Commission's (Commission) August 3, 2022, Notice of Opportunity to File Written Comments (Notice) in docket U-210800.

- 1. Regarding requests for the Commission to consider whether disconnecting customers for non-payment remains necessary:**
 - a. What is the annual and average cost to the utility to (a) disconnect and (b) reconnect customers? What customer count is used in these calculations?**
 - b. What is the annual and average cost to the utility due to a customer's late payment? What customer count is used in these calculations?**
 - c. How much revenue does the utility collect annually from customers for (a) disconnection, (b) reconnection, and (c) late fees?**
 - d. What concerns factor against eliminating disconnections for non-payment?**
 - e. Please explain how disconnecting customers for non-payment is, or is not, in the public interest.**
 - f. Is there a practice that would be more equitable than disconnection for non-payment?**
 - g. How else could companies be assured that customers would continue to pay or seek assistance if disconnection for non-payment were disallowed?**

a. Please see the following tables for the average and annual costs of disconnections for non-payment and reconnections after disconnections for non-payment. These tables were previously provided in comments submitted April 29, 2022, and further clarified/supplemented on June 21, 2022. As explained in those comments, the costs for these activities are not tracked on a state basis but are allocated for ratemaking purposes

using allocation factors – as such, the customer counts and total cost used for the average calculations are system amounts and NW Natural believes that the overall average cost per disconnection and reconnection would not materially differ between Oregon and Washington.

Using the “Customers-Residential” allocation factors from the 2018 and 2019 Commission Basis Reports, the costs for disconnections for non-payment and reconnections after disconnection for non-payment allocated to Washington would be as follows:

Annual Cost per Year	2018	2019
All disconnections	\$136,985	\$138,924
Disconnections for non-payment	\$97,290	\$96,917

Annual Cost per Year	2018	2019
All reconnections	\$291,543	\$275,633
Reconnections after disconnection for non-payment	\$90,274	\$85,988

Average Annual Cost Per Year	2018	2019
All disconnections	\$25.25	\$26.03
Disconnections for non-payment	\$24.63	\$25.07
All reconnections	\$66.41	\$66.12
Reconnections after disconnection for non-payment	\$61.14	\$60.86

b. NW Natural has calculated a rough estimate of the annual and average cost due to late payments as follows, with the following caveats/assumptions noted:

Annual cost – \$114,910

Average cost – \$2.05 per overdue customer per month

Assumptions:

- (Average Customer Bill x Short Term Interest rate x annual average number of residential Washington customers paying late)
- (\$67.93 x 3.01% x 56,199) = \$114,910
- Customers with balances 31-60 days aged used for “late” payments – customers with older balances will be more likely to move toward disconnection pathways versus just being “late”
- Used average of 2019-2021 number of residential Washington customers 31-60 days aged

Caveat:

- NW Natural has used a current short term interest rate for July 2022. Short term interest rates fluctuate and we have not forecasted these fluctuations but have calculated a rough annual estimate by multiplying that rate by the annual average

number of Washington customers paying late. Actual rates could be materially different.

c.

Washington	2018	2019	2020*	2021*
Disconnect Fees	\$0.00	\$0.00	\$0.00	\$0.00
Reconnect Fees	\$53,320.00	\$52,745.00	\$18,830.00	\$205.00
Late Fees	\$88,714.84	\$90,570.89	\$33,457.11	\$15,914.59

*2020 and 2021 do not represent normal years due to the moratorium on late fees and reconnection fees. NW Natural does not charge disconnection fees.

d-g. NW Natural believes that reinforcement of the pathways to preventing non-payment is essential to preventing disconnections. Disconnection is not the utility’s goal and is always the last resort after providing multiple opportunities to prevent it. We have a variety of programs and options designed to meet that objective while promoting energy efficiency and bill payment flexibility, such as Equal Pay, Time Payment Agreements, preferred due dates, the federal Low-Income Home Energy Assistance Program (LIHEAP), NW Natural’s Gas Residential Energy Assistance Tariff (GREAT), our Gas Assistance Program (GAP), and our Washington Low-Income Energy Efficiency (WA-LIEE) program. In addition, NW Natural will have a rate discount program pursuant to SB 5295 that will alleviate energy burden for low-income customers while also reinforcing the pathways to preventing non-payment and helping those customers to feel a sense of stability regarding their access to gas service.

With these programs and options available to assist customers, disconnection for non-payment is less probable. However, in order to protect all customers and to preserve the principle of cost causation in utility ratemaking, disconnection for non-payment remains necessary and in the public interest as a “last resort” option when customers do not pay for the utility service and natural gas they consume.

NW Natural has concerns with the disallowance of disconnection as a potential deterrent to non-payment. It is assumed that a utility will provide a service to its customers, and, in turn, customers will pay for that service, or it will be disconnected until arrangements are made. If a customer cannot meet that obligation, temporarily or in the long-term due to financial hardship, utilities understand they bear some responsibility to their customers and communities to assist by providing resources to help ensure these essential services are not disrupted. As mentioned above, utilities have many programs and options available to assist customers with payments and can provide information and offer flexible payment arrangements.

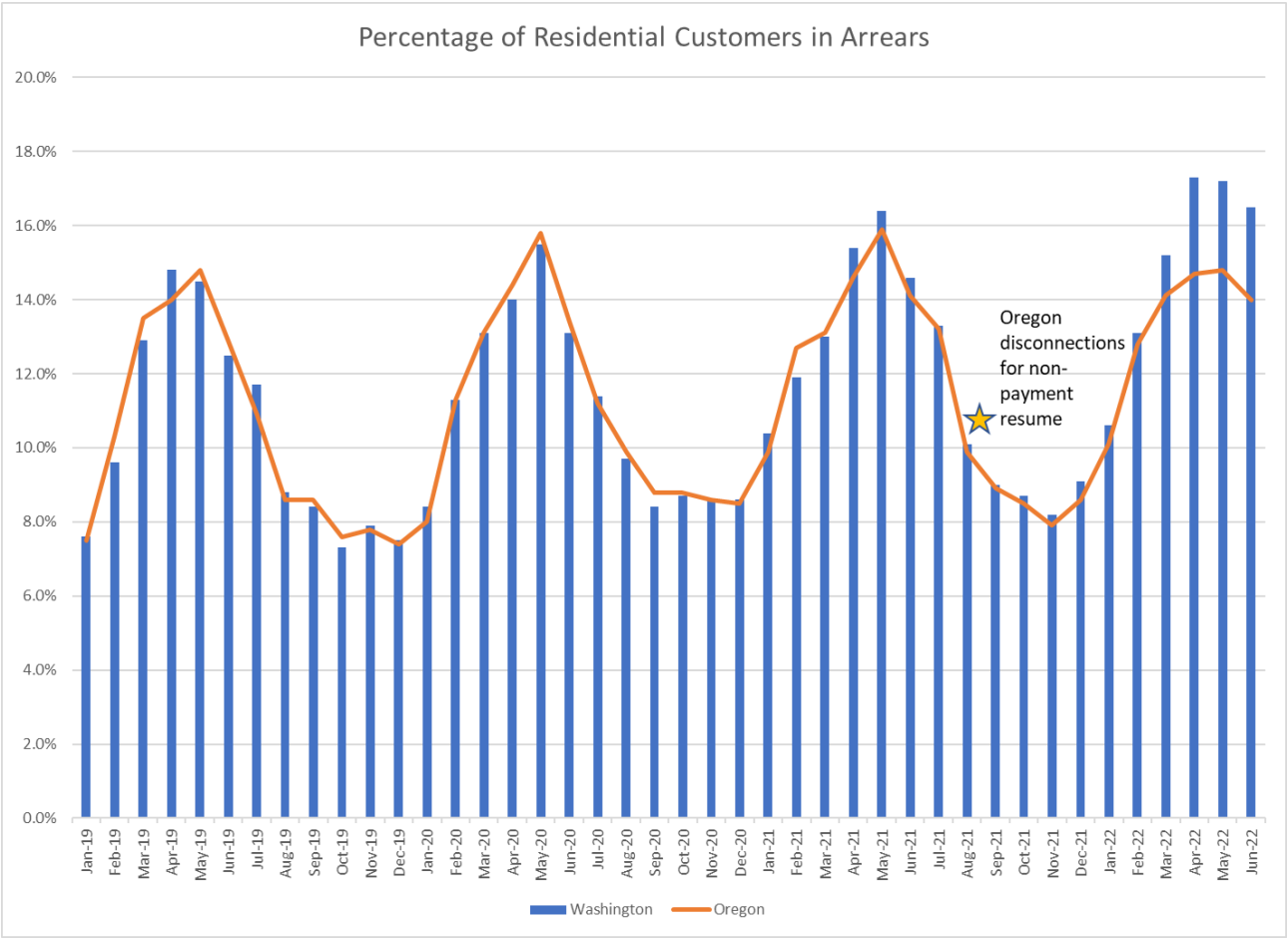
Allowing customers to build large balances produces an inequitable outcome and negative experience for these customers, and results in increased costs (for all customers) for the costs associated with bad debt in a manner that fails to address the energy burden they experience. Those costs would be better invested in low-income discount programs, energy assistance, and energy efficiency programs and compelling customers to request budget plans, time payment arrangements or due date extensions as needed. It would be more cost-effective and empowering to encourage customers to take advantage of and

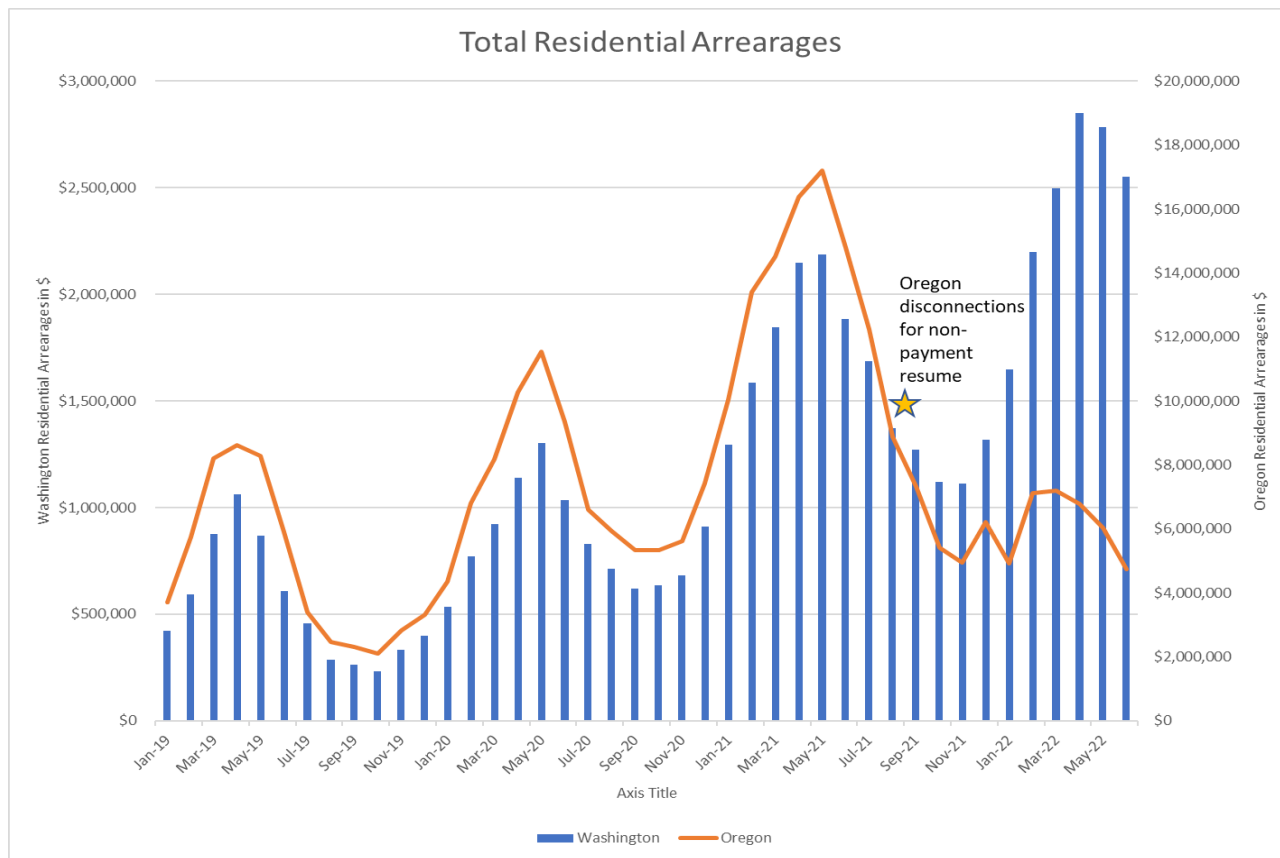
participate in programs and to interact with their utilities and local resources to prevent non-payment and bad debt.

The following graphs potentially illustrate the impact of allowing disconnections for non-payment. In both Oregon and Washington, NW Natural suspended disconnections for non-payment for residential customers through the majority of 2020 and 2021. In Oregon, disconnections for non-payment resumed in August of 2021.

As the first graph indicates, the comparison between the two states of the percentage of residential customers in arrears typically trends symmetrically, but a variance has emerged since disconnections for non-payment resumed in Oregon. The percentage of residential customers in arrears in Washington is trending higher, while the percentage of residential customers in arrears in Oregon has returned to pre-pandemic levels.

The second graph illustrates the comparison between the two states of the total residential arrearage dollars, and the trend is symmetrical once again until the point at which disconnections for non-payment resumed in Oregon. After that point, Washington arrearage balances continue to grow while Oregon arrearage balances have returned to pre-pandemic levels.





- 2. Should additional information be provided to customers prior to disconnection for nonpayment?**
 - a. What, if any, information regarding assistance is currently being provided and what information should be provided?**
 - b. What, if any, information regarding customer rights and protections should be provided?**
 - c. Should disconnection for non-payment notices include Commission contact information?**

No. NW Natural does not believe additional information should or needs to be provided to its customers prior to disconnection for non-payment, based on all of the information described below that the Company already provides. NW Natural customers may receive, in addition to the bill itself, up to six separate written communications and two contacts by phone prior to disconnection for non-payment. That also includes two written past-due notices with fairly detailed information on options, protections, contact information for assistance and contact information for the WUTC if the customer wishes to appeal a notice.

a. Past-due customers are provided a Past Due Notice and an Urgent Final Notice prior to disconnection that urges them to make a payment or contact NW Natural about a Time Payment Agreement (TPA) or energy assistance. The notices for residential customers contain the “Important Notice for Residential Customers” insert, intended to address potential language barriers that might impede a customer’s ability to make appropriate

arrangements. The insert informs the customer that if they do not have a translator at home they can contact NW Natural for a translator in the language of their choice. Information on customer's rights and responsibilities are offered in those languages as well. Energy assistance brochures are sent with the Past Due Notice and the Urgent Final Notice.

In most cases, if the notices expire and the account is still past due, residential customers receive a "call-ahead" three days before a disconnection is to be scheduled and both residential and commercial customers receive a "call-ahead" the business day prior to a disconnection order being sent to a field technician for completion. Call-aheads are intended to provide additional opportunities to prompt a customer to arrange a TPA, apply for energy assistance, if necessary, or encourage them to make a payment if they were simply unaware of their past-due bill. Both notice types include detailed information about payment method alternatives. Any of these options result in cancellation of a pending disconnection order.

Customers who have made payment arrangements via the Web, Interactive Voice Response System, or a Customer Service Representative (CSR) in the prior five days, have informed us they prefer not to be contacted, have requested a security password on their gas account, or do not have a valid phone number, will not receive courtesy call-aheads prior to disconnection orders being scheduled.

b. Customers whose health will be endangered due to disconnection for non-payment should be and are provided protections and informed of their availability. The current notices include Medical Certificate language and all customers who have active Medical Certificates or are pursuing the approval or renewal process are exempt from receiving regular notices and disconnection orders. Their notices are produced via a "special handling" process and are reviewed before being sent to the customer. A disconnection order is never scheduled or completed for a Medical Certificate customer without Commission approval.

If a customer has a pending disconnection order and mentions a potentially qualifying medical condition to a CSR or to a technician while on-site, the order is cancelled to allow five business days for the Medical Certificate process (with the customer's agreement). A dedicated Medical Certificate Team is available to medical professionals and customers to facilitate the process and answer questions. If the customer has been shut off for non-payment, service is restored that day and time is given for the Medical Certificate process to be completed.

Likewise, low-income customers should be and are informed that energy assistance is an option for them and encouraged to call their local agency, which is why this language is in the text of the notices and we enclose energy assistance brochures with each type of notice we send to a customer. If a customer mentions an appointment has been scheduled with an agency, the credit action is stopped to allow for the application process as a courtesy. This provides an opportunity for the customer to utilize the programs for which they are qualified. If they do not qualify for energy assistance, we still offer a TPA.

c. Yes. Currently, the Commission's toll-free phone number and e-mail, website, and mailing addresses are included in each notice type in the section that explains how a customer can appeal a notice

- 3. What percent of customers are billed through e-billing or paperless billing?**
 - a. What percent of customers who are signed up for e-billing or paperless billing are also members of highly impacted communities and/or vulnerable populations?**
 - b. On average, what percent of customers who receive their tariff change notices electronically access their notice?**

Percentages are Residential 36.7% and Non-Residential 30.7%.

- a. NW Natural does not have the information requested.
- b. NW Natural does not have the information requested. All electronic/paperless bills include links to the current tariff change notices and bill inserts, in addition to all tariff change notices being published electronically at nwnatural.com

- 4. How does your company define "low-income"? How should "low-income" be defined?**

For purposes of various data responses provided throughout the COVID-19 pandemic in docket U-200281 and related dockets, NW Natural has defined low-income customers as those having received energy assistance within the past 24 months. Currently, the thresholds to qualify for energy assistance in Washington are 150% of federal poverty level (FPL) for the federal LIHEAP program and 200% of FPL for NW Natural's Gas Residential Energy Assistance Tariff (GREAT) program.

NW Natural notes that for purposes of electric utility programs developed pursuant HB 5295, low-income customers are defined using the provision in the Clean Energy Transformation Act (CETA) at RCW 19.405.020(25), which is the higher of 80% of area median income or 200% of FPL.

Low income should be defined in a manner that will be impactful for customers in need and allows for efficient and easy administration across all the requirements of utilities in the programs they administer and the programs, such as the Climate Commitment Act, to which they are subject.

- 5. How does your company assess the impact of its disconnection practices in areas defined as highly impacted communities and vulnerable populations?**

The Company does not currently have the data needed to perform the requested assessment. The terms "highly impacted communities" and "vulnerable populations" as defined in the Clean Energy Transformation Act (CETA) at RCW 19.405, were part of legislation that pertained to electric utilities only. The Washington Department of Health's

cumulative impact analysis that defines the highly impacted communities included only electric utilities. NW Natural is beginning to work to identify the highly impacted communities in its service territory using the Department of Health census tract data and to determine how this data may be used. The Company will participate in the upcoming workshop and reserves the right to provide additional comments on this topic after the workshop and after reviewing the written comments submitted.

- 6. What information does your company use to determine which customers should be disconnected? Does your company use any of the following information to determine if a customer should be disconnected?**
- a. Credit Scores (either external or internal)**
 - b. A dollar amount threshold**
 - c. A delinquency threshold (for example 30 days, 60 days, 90 days, or any other interval)**
 - d. Is there any other account information factored in to determine if a customer should be disconnected, and if so, please identify that information?**

NW Natural determines if an account is eligible for disconnection by following our collection process, which includes sending a reminder notice, a 5-day notice and completing a call-ahead. In combination with our collection process, we use a dollar threshold, which is \$150. There are exceptions that would prevent a customer that meets these requirements from being disconnected and those include, but are not limited to, being in the process of receiving energy assistance and customers with medical certificates.

- 7. Does your company offer the following features on its website or online customer portal?**
- a. Self-enrollment for a customer's preferred payment arrangements**
 - b. Changing a customer's preferred payment due date to parallel receipt of income**
 - c. Bill Assistance information (a link or contact information to their local community action council or other information specific to that customer)**
 - d. The ability for a customer to select their preferred language for correspondence or communications (if other than English)**

a. Yes. Customers can request an extension on a past-due bill, set up the Equal Pay Plan (or budget plan), or review energy assistance information on our Payment Assistance page. To set up a Time Payment Agreement, customers need to contact our Customer Contact Center (CCC) to speak with a CSR.

b. No. We do not offer preferred due date selections on our website at this time. To select a preferred due date, customers need to contact our CCC to speak with a CSR.

c. Yes. We have a Payment Assistance page that lists all the agencies that take energy assistance applications by geographical location, including their contact information. The

list includes links to some of the agency websites and some of the agencies offer an online application as well.

d. No. To request communications in languages other than English, customers need to contact our CCC to speak with a CSR. However, we currently provide communications in English with the exception of several select brochures and inserts that were designed in multiple languages, such as our recent brochure that included information about our COVID-19 Assistance Program (CAP) in Washington, along with other options for customers with a past-due balance. We have provided certain documents in languages other than English upon request, but these have been rare.

8. TEP raises concerns that the 60-day renewal requirement in the Commission's rule governing medical emergencies may be difficult for customers.

- a. What percent of medical emergencies are not renewed for a second 60-day period?**
- b. Could medical emergencies remain in effect for the stated duration of the condition, rather than having a set expiration?**
- c. Should a 60-day renewal be required for customers experiencing chronic conditions?**

a. Using 2018 and 2019 as examples of past patterns of customer behavior, 100% of the medical certificates in Washington were not renewed for a second 60-day period.

b. It is our strong recommendation that medical certificates do not remain in effect for the stated duration of the condition, but instead have a set expiration period. Expiration periods do not preclude a customer or a member of their household with a significant medical condition from obtaining a medical certificate if they feel it is necessary and do not prevent them from renewing the medical certificate as needed. Some medical conditions are chronic or have uncertain outcomes. An expiration date prompts the customer and their medical professional to review the customer's circumstances periodically to determine if a medical certificate is still necessary and if the terms are still valid. For instance, the medical condition may have become more serious or now appear to be chronic. Conversely, the customer or their family member may have recovered or moved to another location and the medical certificate is no longer necessary for the household. An expiration date prompts the utility to review and update the customer's account.

NW Natural does, however, recommend that the 60-day medical certificate period be reconsidered. The short duration of the current medical certificate period could discourage customers from pursuing or renewing medical certificates, even if a serious medical condition is present. The process of obtaining evaluation and the completed medical certificate documentation back from a medical professional may take a substantial portion of the current medical certificate period in some cases. NW Natural recommends the 60-day medical certificate period be increased to a 12-month period for chronic conditions and a 6-month period for non-chronic conditions (unless a 12-month period is specifically recommended by a medical professional for a non-chronic condition).

c. Yes. A 60-day renewal period should be offered for medical certificate customers who indicate they plan to renew their medical certificates. That allows adequate time for the customer to make an appointment if an office visit is required for renewal, an updated certificate to be returned to NW Natural and any revisions to occur if additional information or signatures are required.

9. For premise visits prior to disconnection for non-payment of customers with medical certificates and low-income customers, please provide the number of visits conducted and the number of visits that resulted in customers making payment at the door in 2018 and 2019.

Medical Certificate Customers:

We did not issue any field orders to disconnect for non-payment from January 1, 2018 through December 31, 2019 for medical certificate customers so there were no payments collected for these customers in the field.

Low-Income Customers:

Disconnection Field Order Outcomes	
2018	
Disconnection Field Orders Completed without Disruption of Service:	
*Disconnection Field Orders Cancelled by Technician - New Order Issued	1
Arrangements Made at Door - no Payment to Technician	11
Customer Paid Technician at Door	2
Disconnection Field Orders Completed with Disruption of Service:	
Completed Disconnection Field Orders	14
Total Visits	28
Total Visits - Customer Paid Technician at Door (approx. 7%)	2
2019	

Disconnection Field Orders Completed without Disruption of Service:	
*Disconnection Field Orders Cancelled by Technician - New Order Issued	9
Closed Disconnection Field Orders - No Access to Meter	1
Arrangements Made at Door - no Payment to Technician	2
Customer Paid Technician at Door	2
Disconnection Field Orders Completed with Disruption of Service:	
Completed Disconnection Field Orders	6
Total Visits	20
Total Visits - Customer Paid Technician at Door (10%)	2

*Occurs when customer is being given time to meet the terms of an arrangement to prevent completion of an additional disconnection field order, i.e., make a payment, start a time payment agreement (TPA), or in the case of a low-income customer, obtain energy assistance, etc. In many cases, the second disconnection field order is cancelled due to receipt of payment, an energy assistance commitment, or a TPA setup. Since the pandemic, disconnection would be stopped altogether to allow a low-income customer to pursue energy assistance and/or CAP funds would be provided.

10. Please provide your company’s internal deposit requirement criteria, including a narrative description of the criteria, factors, and relevant information used to determine whether customers are required to pay a deposit.

No deposit is required if a Washington residential applicant meets ANY of the following requirements AND does not meet any criteria for unsatisfactory credit:

- Applicant has had prior service with Northwest Natural for 12 consecutive months (during the past 24 months service was not disconnected for non-payment, no unpaid/overdue balance exists, no more than one 5-day notice during this period of service).
- Applicant is currently employed or has a stable income and has been employed for the past 12 months by no more than two employers.
- Applicant owns or is purchasing the premises to be serviced.
- The account has an existing Landlord-between-Tenant contract on file for the premise in question.

- Has 12 consecutive months (during the past 24 months) of utility service of the same type applied for; that we can verify, either by contacting the former utility or through an authorized letter provided by the former utility (on utility letterhead). The letter must include dates of service and presented by the applicant (or former utility.) Documentation must state that the applicant voluntarily terminated service and timely paid for all service rendered.
 - If gas is on, the letter must be received within 5 business days.
 - If gas is off, the letter must be received prior to turn-on.
- Applicant provides a Surety Agreement. If gas is off, the signed agreement must be received prior to turn-on. If gas is on, the agreement must be returned within 5 business days.
- Applicant initiates an EPP and makes first payment in advance of service.

Washington Residential – Unsatisfactory Credit

An applicant or customer may be required to pay a deposit or provide a signed surety agreement when:

- The applicant or customer is unable to establish satisfactory credit as noted above.
- The customer has been disconnected for non-payment within the past 12 months.
- The customer has an unpaid overdue balance.
- The customer has received two or more 5-day notices within the past 12 months.
- Another occupant at the address has an overdue bill owed to Northwest Natural.
- The applicant is an estate or trust. An estate or trust may not avoid a deposit by sending a signed Surety Agreement.

11. Please describe your company's reporting practices to credit bureaus, including historic practices, collection agencies used, and the terms of all contracts with (and the policies of) all collection agencies used.

NW Natural does not directly report to credit bureaus, historically or currently. NW Natural does send uncollectible accounts to a collection agency, and those agencies may report items to the credit bureau in an attempt to collect on the debt.

Since 2007 NW Natural has been sending the uncollectible accounts in Washington to two collection agencies: Ray Klein, Inc. dba Professional Credit Service, and Bonneville Collections. Please see confidential Attachment 1 for the related contracts. The enclosed attachment includes information that NW Natural considers to be confidential, and hereby requests that it be accorded confidential treatment in accordance with RCW 80.04.095 and WAC 480-07-160. No portion of these materials may be copied, reproduced, or disclosed in any manner without the express permission of the Company.

12. Please explain how your company uses customer credit scores.

NW Natural does not use customer credit scores.

13. Please provide a list, including addresses, of all payment locations, the tender accepted at each location, and any fees.

The following is a list, including addresses, of all the Company’s payment locations in Washington and the tender accepted at each location. There are no fees to use these pay stations. In addition to these pay stations in Washington, all 246 pay stations located in Oregon are available for Washington customers to use to make payments.

Name	Address	City	State	Zip	Cash	Credit	Debit	MO	Check
Fred Meyer	401 NW 12Th Ave	Battle Ground	WA	98604	Y	N	N	N	N
Safeway	904 W Main St	Battle Ground	WA	98604	Y	N	Y	N	N
Walgreens (Photo Kiosk)	808 W Main St	Battle Ground	WA	98604	Y	N	Y	N	N
Walmart	1201 SW 13th Ave	Battleground	WA	98604	Y	N	Y	N	N
Safeway	800 NE 3rd	Camas	WA	98607	Y	N	Y	N	N
Goldendale Market Fresh IGA	622 E Broadway	Goldendale	WA	98620	Y	N	N	N	N
Safeway	408 NE 81st	Hazel Dell	WA	98665	Y	N	Y	N	N
Walmart	3715 Ocean Beach Hwy 2	Longview	WA	98632	Y	N	Y	N	N
Okie's Thriftway	1820 Bay Ave	Ocean Park	WA	98640	Y	N	N	N	N
Anoush's Deli Intl. Market	6808 NE Fourth Plain Blvd Ste L	Vancouver	WA	98661	Y	N	N	N	N
Fred Meyer	16600 SE Mcgillivray Blvd	Vancouver	WA	98683	Y	N	N	N	N
Fred Meyer	7700 Highway 99	Vancouver	WA	98665	Y	N	N	N	N
Fred Meyer	11325 SE Mill Plain Blvd	Vancouver	WA	98684	Y	N	N	N	N
Fred Meyer	7411 NE 117th Ave	Vancouver	WA	98662	Y	N	N	N	N
Fred Meyer	800 NE Tenny Rd	Vancouver	WA	98685	Y	N	N	N	N
Fred Meyer	2500 Columbia House Blvd	Vancouver	WA	98661	Y	N	N	N	N
Gastowne	10809 NE Fourth Plain Rd Ste A	Vancouver	WA	98662	Y	N	N	N	N
Safeway	6701 E Mill Plain	Vancouver	WA	98661	Y	N	Y	N	N
Safeway	13719 SE Mill Plain Blvd	Vancouver	WA	98684	Y	N	Y	N	N
Safeway	6611 NE 63rd St	Vancouver	WA	98661	Y	N	Y	N	N
Safeway	2615 NE 112Th Ave	Vancouver	WA	98684	Y	N	Y	N	N
Safeway	6700 NE 162nd Ave Ste 500	Vancouver	WA	98682	Y	N	Y	N	N

Safeway	13023 NE Highway 99 Ste 1	Vancouver	WA	98686	Y	N	Y	N	N
Safeway	3707 N Main	Vancouver	WA	98663	Y	N	Y	N	N
Walmart	221 NE 104th Ave	Vancouver	WA	98664	Y	N	Y	N	N
Walmart	9000 NE Highway 99	Vancouver	WA	98665	Y	N	Y	N	N
Walmart	14505 NE Fourth Plain Blvd	Vancouver	WA	98682	Y	N	Y	N	N
Walmart	430 SE 192nd Ave	Vancouver	WA	98683	Y	N	Y	N	N
Walmart Neighborhood Market	2201 Grand Blvd	Vancouver	WA	98661	Y	N	Y	N	N
Walgreens (Photo Kiosk)	2521 Main St	Vancouver	WA	98660	Y	N	Y	N	N
Walgreens (Photo Kiosk)	9812 NE Highway 99	Vancouver	WA	98665	Y	N	Y	N	N
Walgreens (Photo Kiosk)	2903 NE Andresen Rd	Vancouver	WA	98661	Y	N	Y	N	N
Walgreens (Photo Kiosk)	9714 E Mill Plain Blvd	Vancouver	WA	98664	Y	N	Y	N	N
Walgreens (Photo Kiosk)	6708 NE 63rd St	Vancouver	WA	98661	Y	N	Y	N	N
Walgreens (Photo Kiosk)	13503 SE Mill Plain Blvd	Vancouver	WA	98684	Y	N	Y	N	N
Walgreens (Photo Kiosk)	6105 NE 114th Ave	Vancouver	WA	98662	Y	N	Y	N	N
Walgreens (Photo Kiosk)	1905 SE 164th Ave	Vancouver	WA	98683	Y	N	Y	N	N
Walgreens (Photo Kiosk)	1900 NE 162nd Ave	Vancouver	WA	98684	Y	N	Y	N	N
Walgreens (Photo Kiosk)	8511 NE 162nd Ave	Vancouver	WA	98682	Y	N	Y	N	N
Walgreens (Photo Kiosk)	2100 NE 139th St	Vancouver	WA	98686	Y	N	Y	N	N
Safeway	3307 Evergreen Blvd Bldg 5	Washougal	WA	98671	Y	N	Y	N	N
Safeway	1725 Pacific Ave	Woodland	WA	98674	Y	N	Y	N	N

14. Does your company use liens in any of its practices? If so, please explain your practice(s).

We have used liens in the past and currently have active property liens for weatherization services performed under an on-the-bill financing program from the late-1970s to early-1980s in partnership with Far West Federal Savings & Loan or “Far West” (no longer in business).

Customers typically inform us of a weatherization lien against their property upon its discovery when they attempt to sell it. At that time, NW Natural files a notarized Satisfaction of Weatherization Lien document with the County Clerk's Office to discharge the lien. The most recent discharge of an active lien occurred in May of 2022.

15. Are there any other changes the Commission should consider to the customer notice rules in WACs 480-90-193, 480-90-194, 480-90-195, 480-90-197, 480-90-198, 480-100-193, 480-100-194, 480-100-195, 480-100-197, 480-100-198? Please provide any suggested changes in legislative format (track changes)

NW Natural has no specific comments regarding this question at this time; the Company will participate in the upcoming workshop and reserves the right to provide additional comments after the workshop and after reviewing the written comments submitted.

ADDITIONAL QUESTIONS FOR WRITTEN COMMENTS OR DISCUSSION

16. Should the Commission broaden the requirements for offering payment arrangements? For example, see Maine's Consumer Protection Standards for Electric and Gas Transmission and Distribution Utilities at p. 23, linked here. Should the Commission adopt a similar policy?

NW Natural has no specific responses to these questions at this time. The Company will participate in the upcoming workshop and reserves the right to provide additional comments on this topic after the workshop and after reviewing the written comments submitted.

17. If disconnections for non-payment continue:

- a. The Commission currently requires site visits prior to disconnecting a customer with a medical certificate or a customer who has received energy assistance. Should a site visit be required prior to all disconnections for non-payment?**
- b. Should the Commission require a minimum overdue account balance prior to disconnecting for non-payment?**
- c. Should the Commission require Commission approval before a utility disconnects a customer, as it did in Docket U-200281?**

a. The requirement referred to in the question is specific to electric utilities. In general, gas utilities do not yet have the technology for remote disconnection and site visits are required for disconnections and reconnections based on the need for safety inspections of the gas equipment.

b. It is NW Natural's understanding that at least some utilities have a minimum past-due balance when considering the accounts that will be scheduled for disconnection for non-payment. NW Natural sends urgent 5-day notices only to those customers with a minimum \$150 accounts receivable balance. The Company supports allowing utilities to set minimum balances, if any, according to their business practices.

c. NW Natural supports ending the practice of Commission (i.e., Consumer Staff) approval of disconnections for non-payment that was established in docket U-200281. While the Company appreciates the work of Consumer Staff in the detailed processing of these approvals, for our staff, the process of identifying, compiling, requesting and tracking the accounts sent to the Commission for approvals is entirely manual, very inefficient and would remove CSRs from the task of taking incoming phone calls. As mentioned in the response to 1f. above, there are many programs and options for customers to prevent non-payment and disconnection. We believe our CSRs are most valuable when they are focused on assisting customers in that manner.

It is not clear what customer benefits are being derived from the current approval process, but NW Natural does have concerns about the potential negative customer impact of allowing past-due amounts to continue to grow during the approval process. As noted in the response and as illustrated in the graphs in 1g. above, NW Natural believes allowing customers to continue to build large balances is an inequitable outcome that could lead to future bad debt and does not address the energy burden experienced by these customers.

18. Should the Commission consider adding energy assistance requirement rules? If so, what should be included?

- a. Should there be requirements for Percent Income Payment Plans?**
- b. Should there be requirements for Arrearage Management Plans?**

No. NW Natural cautions against setting prescriptive rules for energy assistance programs, including what types of programs should be offered. All investor-owned utilities currently have energy assistance programs and low-income and other advisory groups that can assist in providing input and guidance on the development of low-income programs. Each utility should be allowed to maintain existing programs and craft new programs with its advisory groups and other stakeholders that best meet the needs of its unique customer communities without prescriptive and static rules that will not be flexible to meet the changing needs of its customers, the technical and administrative capabilities of the utility, and the evolving socioeconomical environment.

The Company will participate in the upcoming workshop and reserves the right to provide additional comments on this topic after the workshop and after reviewing the written comments submitted.

19. How might the Commission modify the notice methods listed in WAC 480-90-194(1)-(3) and WAC 480-100-194(1)-(3) to better reach customers?

- a. Considering the reduced consumption of traditional newspaper media, is it still appropriate for customer notices to be published in newspapers?**
- b. Are there any alternatives to newspaper publishing we should consider?**

NW Natural has no specific responses to these questions at this time. The Company will participate in the upcoming workshop and reserves the right to provide additional

comments on this topic after the workshop and after reviewing the written comments submitted.

20. Should the Commission require utilities to provide to the Commission a copy of any customer notice made in connection with a tariff filing before the notice is distributed to customers?

No. NW Natural does not believe this additional administrative step is necessary or warranted from an administrative efficiency perspective. Currently, NW Natural provides notice under these rules with regard to a general rate case and its annual Purchased Gas Adjustment (PGA) filings. NW Natural already consults with Commission Staff and Public Counsel in developing the general rate case notice required by WAC 480-90-197 and as addressed in an applicable prehearing conference order. The notices for the PGA are provided in compliance with WAC 480-90-194(5) as bill inserts, bill messages and/or newsletters. The Company provides its bill inserts to the Commission monthly in compliance with WAC 480-90-103(8). Any issues with customer notices can be addressed in the Commission's review of those monthly reports.

The Company will participate in the upcoming workshop and reserves the right to provide additional comments on this topic after the workshop and after reviewing the written comments submitted.

21. What can the Commission do to help ensure customers know about tariff filings and to help ensure that customers know about the Commission?

NW Natural has no specific response to this question at this time. The Company will participate in the upcoming workshop and reserves the right to provide additional comments on this topic after the workshop and after reviewing the written comments submitted.

Conclusion

NW Natural appreciates the opportunity to provide these comments, and the Company looks forward to participating in the upcoming workshop and further comment requests.

As mentioned above, the enclosed attachment includes information that NW Natural considers to be confidential, and hereby requests that it be accorded confidential treatment in accordance with RCW 80.04.095 and WAC 480-07-160. No portion of these materials may be copied, reproduced, or disclosed in any manner without the express permission of the Company.

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Sincerely,

/s/ Natasha Siores

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Attachments:

210800-NWN-Cmt-Attach-1-08-18-2022 (C)

210800-NWN-Cmt-Attach-1-08-18-2022 (R)