



**STATE OF WASHINGTON**  
**UTILITIES AND TRANSPORTATION COMMISSION**  
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August 20, 2015

**NOTICE OF RECESSED OPEN MEETING AND WORKSHOP**  
**(To be held Wednesday, September 23, 2015, at 9:30 a.m.)**  
**and**  
**NOTICE OF OPPORTUNITY TO FILE WRITTEN COMMENTS**  
**(Comments due by 5:00 p.m., September 18, 2015)**

RE: Investigation of natural gas infrastructure expansion;  
Docket UG-143616

TO ALL INTERESTED PERSONS:

As part of an investigation into the need for expanding natural gas distribution infrastructure, the Commission issued a Notice of Opportunity to File Written Comments on October 6, 2014, and held a workshop in this docket on November 3, 2014.<sup>1</sup> At the workshop, participants identified opportunities to expand natural gas distribution infrastructure to address environmental concerns associated with emissions, and to promote economic development and efficient end-use of natural gas.

On November 25, 2014, the Commission issued a second Notice of Opportunity to File Written Comments regarding specific strategies the Commission should pursue, including whether the Commission should address these issues through individual tariff filings, rulemaking or a policy statement, or whether a legislative solution is needed.<sup>2</sup> At the workshop and in written comments, companies stated that some of the broader issues raised

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<sup>1</sup> Notice of Opportunity to File Written Comments and Notice of Workshop (Docket No. UG-143616, Oct. 6, 2015.) The Commission received comments from Avista, Pacific Power, Puget Sound Energy, and Northwest Natural Gas.

<sup>2</sup> Notice of Opportunity to File Written Comments and Notice of Workshop (Docket No. UG-143616, Nov. 25, 2015.) The Commission received comments from Avista, Cascade Natural Gas, Northwest Industrial Gas Users (NWIGU), Northwest Natural Gas, and Puget Sound Energy.

in this docket may be addressed through revisions to line extension tariffs. Companies requested that the Commission provide policy guidance on what it would deem prudent when considering tariff revisions for natural gas line extensions.

Given that most companies have not made major revisions to their natural gas line extension policies in several years, the Commission believes that it is appropriate to continue to discuss potential changes to these policies. The Commission requests that companies provide a brief presentation describing the effects of their current natural gas line extension policies, and submit written comments addressing the following questions:

1. Line extension policies are one factor that customers consider when connecting to natural gas service, or switching from electric to natural gas service. Are the costs associated with natural gas line extensions recovered in whole through charges to end-users requesting the line extension?
2. If not, what, if any, incentive is provided in the company's current line extension tariff for new or existing customers to connect to natural gas service? What other incentives does the company provide, if any?
3. Is the company's current natural gas line extension tariff designed to promote a specific policy outcome or outcomes? If so, what are these outcomes, and does the company believe that its current tariff achieves these outcomes? If not, what specific changes need to be made to the company's current natural gas line extension policy? Is additional legislative direction or authority needed in order for the Commission to approve line extension policies designed to promote environmental or economic development outcomes?
4. How does the company determine when it is necessary to revise its line extension tariff? How often should the company adjust line extension rates to account for changes in actual line extension costs?
5. What, if any, impacts does the company's current natural gas line extension policy have on existing customers? What is the impact on new and existing customers if a new customer's usage is less than expected?
6. What percentage of natural gas line extensions are installed at the request of 1) residential, 2) commercial, and 3) industrial customers? What percentage of each category is requested by developers? (Please provide data dating back to the last time

the company revised its line extension policy, or for as many years as this data is readily available.)

7. What information does the company make available to consumers regarding natural gas line extensions? What public outreach activities does the company conduct to encourage customers to connect to natural gas service?

### **RECESSED OPEN MEETING**

The Commission will discuss these issues, comments and any data provided, and will allow time for interested persons and stakeholders to provide feedback on the issues and ideas listed above at a recessed open meeting and Workshop on Natural Gas Line Extension Policies, scheduled for **Wednesday, September 23, 2015, beginning at 9:30 a.m.**, at the Commission's headquarters, Room 206, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington. The Commission will issue an agenda for the workshop in the week prior to the workshop.

### **WRITTEN COMMENTS AND RESPONSES**

The Commission requests written comments and information in response to this notice. Written comments must be filed with the Commission no later than **5:00 p.m., Friday, September 18, 2015**. 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 comments via the Commission's Web portal at [www.utc.wa.gov/e-filing](http://www.utc.wa.gov/e-filing) or by electronic mail to the Commission's Records Center at [records@utc.wa.gov](mailto:records@utc.wa.gov). You must include:

- The docket number of this proceeding (UG-143616).
- 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 2010 or later, a flash drive, or CD. 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](http://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 Lauren McCloy, Energy and Legislative Policy Advisor, by email at [lmccloy@utc.wa.gov](mailto:lmccloy@utc.wa.gov) or by calling (360) 664-1209.

**STEVEN V. KING**  
Executive Director and Secretary