

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition
of

NORTHWEST NATURAL
GAS COMPANY d/b/a NW
NATURAL,

Seeking Extension for 2022
Draft and Final Integrated
Resource Plans

DOCKET UG-190711

ORDER 04

GRANTING PETITION TO EXTEND
FILING DEADLINES

BACKGROUND

- 1 On September 22, 2020, Northwest Natural Gas Company d/b/a/ NW Natural (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.¹
- 2 WAC 480-90-238 requires each natural gas utility to develop an “integrated resource plan” (plan or IRP), and to submit each plan within two years after the date on which the previous plan was filed with the Commission.
- 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).
 - 2018 IRP Update – no later than March 1, 2021.

¹ 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.

- 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 April 8, 2021, at its regularly scheduled open meeting, the Commission entered Order 03 in this Docket, extending the deadline to file a final CPA to June 30, 2021, and the deadline to file a Conservation plan with two-year target to November 1, 2021.

5 On June 30, 2022, the deadline to file its draft IRP, NW Natural instead filed a petition in this docket requesting the Commission amend Orders 02 and 03. On July 8, 2022, NW Natural filed a revised petition (Petition) for relief from Orders 02 and Order 03, requesting the Commission extend the deadlines for the draft and final IRPs as follows:

- Draft IRP no later than July 29, 2022.
- Final IRP no later than September 23, 2022.

6 In its Petition, NW Natural states that it has been facing issues with its modeling software that have prevented the company from completing analysis necessary to submit a comprehensive draft by the June 30, 2022, deadline established in Order 2. The Company states that for its 2022 IRP, NW Natural is using the PLEXOS model from the company Energy Exemplar, the owners of AURORA. NW Natural made the switch to PLEXOS due to a lack of technical support for their previous modeling software, SENDOUT. In addition to a lack of ongoing technical support, SENDOUT does not have the emissions modeling capabilities needed for long-term resource planning in Washington state.

7 While NW Natural has developed a new model in PLEXOS to conduct detailed and technically challenging emissions modeling, the Company states that the model is struggling to perform as intended. For the risk analysis portion of the IRP, NW Natural uses a stochastic simulation to test the robustness of decisions under different key input assumptions, typically running approximately 500 simulations through an automated batching and queuing process. This process allows multiple simulations to be run simultaneously and produces results in roughly two days of run time. The PLEXOS software is currently unable to perform these simulations through the automated batching and queuing process, instead requiring each simulation to be run sequentially. Running the simulations in this manner would take approximately one month to complete, while also requiring a significant amount of manual data replacement.

- 8 For the reasons stated above, NW Natural asserts that it was unable to complete a comprehensive draft by June 30, 2022, and filed its Petition pursuant to WAC 480-07-370, which allows companies to petition for relief from Commission orders, in this case requesting relief from the filing deadlines required by Orders 02 and 03. The Company states that it has escalated this problem to PLEXOS developers and is currently seeking a diagnosis and timeline.
- 9 Commission staff (Staff) acknowledges that this is the first gas utility IRP of such complexity to be modeled in the PLEXOS software, and while these issues were unanticipated, Staff is disappointed in the last-minute nature of the Company's response. Staff was notified of the issue just three days ahead of the draft IRP deadline, leaving very little time to meet the Commission's open meeting process deadlines required to review and respond to the Company's Petition for extension. The Company also left very little time for interested parties to react, filings its Petition and notifying its IRP technical working group of the issue on June 30, 2022, the day the Draft IRP was due.
- 10 Staff reached out to Oregon Public Utility Commission (OPUC) staff to inquire if they had concerns with the proposed IRP deadline extensions. OPUC staff are amenable to the delay as long as it does not result in a compressed IRP schedule
- 11 Despite the last-minute request, Staff believes that the delay for the IRP filing deadlines is in the public interest. Thus, Staff supports the Company's proposed IRP filing deadlines.

DISCUSSION AND DECISION

- 12 We agree with Staff's recommendation and grant NW Natural's Petition. Although NW Natural's timing puts pressure on Staff and the Commission and does not allow much of an opportunity for the public and other interested parties to weigh in on the requested extension, we believe that extending the deadlines for the Company to file its draft and final IRPs serves the public interest, and we consider the unforeseen issues with new and developing modeling software that NW Natural describes as a sufficient change in circumstances to justify extending the deadlines.
- 13 NW Natural's Petition specifies that the Company will file its draft IRP by July 29, 2022, and its final IRP by September 23, 2022. Extending these deadlines will still provide Staff and the public with sufficient time to review a comprehensive draft plan and provide meaningful feedback ahead of finalizing the IRP. We therefore conclude that extending the due dates as described above is consistent with the public interest.

FINDINGS AND CONCLUSIONS

- 14 (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.
- 15 (2) NW Natural is a natural gas company and a public service company subject to Commission jurisdiction.
- 16 (3) WAC 480-07-370(3) permits the Company to file petitions seeking relief from a Commission order.
- 17 (4) NW Natural's request to extend the deadline for filing its draft IRP and final IRP seeks Commission action that the Commission generally considers taking at an open public meeting. See WAC 480-07-370(3).
- 18 (5) This matter came before the Commission at its regularly scheduled meeting on July 14, 2022.
- 19 (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:

- 20 (1) Northwest Natural Gas Company d/b/a NW Natural's Petition filed June 30, 2022, is granted. Northwest Natural Gas Company d/b/a NW Natural is required to file a draft IRP by Friday, July 29, 2022. Northwest Natural Gas Company d/b/a NW Natural is required to file a final IRP by Friday, September 23, 2022.
- 21 (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 July 14, 2022.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner