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COMMISSION

September 30, 2020

VIA ELECTRONIC FILING

Mark L. Johnson, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop S.E.
Lacey, Washington 98503

Re: U-200281—NW Natural Response to Notice of Opportunity to File Written Comments

Dear Mr. Johnson:

In response to the Washington Utilities and Transportation Commission’s (“Commission”) September 17, 2020 request for comments, Northwest Natural Gas Company (“NW Natural” or the “Company”) has jointly filed comments, which support the Commission Staff’s proposed term sheet, with Avista Corporation, Puget Sound Energy, PacifiCorp, and Cascade Natural Gas. The Commission’s request for comments also requested that utilities provide updated data relating to the impacts of COVID-19 for the period of January 1, 2020 through August 30, 2020, provided by month as compared to calendar year 2019. NW Natural’s responses to these requests are included below.

- 1. The number of customers by customer class with past-due balances (arrearages).

NWN Response:

Month	Washington Account Class	Number of Accounts Past Due		Total Past Due Amount		Average Past Due Balance	
		2019	2020	2019	2020	2019	2020
08	Commercial	443	597	\$36,287	\$165,359	\$81.91	\$276.98
08	Industrial	1	4	\$0	\$460	\$0.19	\$115.00
08	Residential	8,987	9,190	\$403,686	\$838,931	\$44.92	\$91.29

- 2. The amount of past-due balances, by customer class, that are 30, 60, 90, and more than 90 days past due, and the total amount of arrearages.

NWN Response:

Month	Washington		Number of Accounts Past Due		Total Past Due Amount		Average Past Due Balance	
	Account Class	Age Group	2019	2020	2019	2020	2019	2020
08	Commercial	31-60 Days	393	529	\$18,206	\$52,609	\$46	\$99
08	Commercial	61-90 Days	186	294	\$6,140	\$23,763	\$33	\$81
08	Commercial	> 90 Days	122	239	<u>\$11,941</u>	<u>\$88,987</u>	\$98	\$372
					\$36,287	\$165,359		
08	Industrial	31-60 Days	1	4	\$0	\$460	\$0	\$115
08	Industrial	61-90 Days	-	-	\$0	\$0	\$0	\$0
08	Industrial	> 90 Days	-	-	<u>\$0</u>	<u>\$0</u>	\$0	\$0
					\$0	\$460		
08	Residential	31-60 Days	8,270	8,029	\$169,082	\$186,777	\$20	\$23
08	Residential	61-90 Days	4,310	4,955	\$92,658	\$134,837	\$21	\$27
08	Residential	> 90 Days	2,610	3,990	<u>\$141,946</u>	<u>\$517,317</u>	\$54	\$130
					\$403,686	\$838,931		

- The amount of past-due balances for known low-income households that are 30, 60, 90, and more than 90 days past due, and the total amount of these arrearages.

NWN Response:

Please see U-200281-NWN-Cmt-3-Attachment-1-09-30-2020. Please note that the data provided represent Washington accounts only regardless of current status by revenue month Aging that: (1) received an Energy Assistance Payment with 24 months of the respective aging month; and (2) had a past due balance during the respective aging month.

- Number of premises receiving bill assistance or enrolled in any other assistance program.

NWN Response:

Please see U-200281-NWN-Cmt-4-Attachment-2-09-30-2020. Please note that the data in the Attachment represent a distinct count of accounts with service addresses in Washington State that received any amount of Energy Assistance payment during the respective calendar month, regardless of current account status.

- Number of customers who entered into a payment plan.

NWN Response:

Please see U-200281-NWN-Cmt-5-Attachment-3-09-30-2020. NW Natural notes that in a previous data response provided to the working group, we provided total system amounts (Oregon and Washington). The attached response is limited to our Washington customer counts.

6. Amount over the baseline bad debt expense as compared to authorized level in most recent general rate case.

NWN Response:

The amount of Washington allocated bad debt expense as of June 30, 2020 over the authorized level in the most recent general rate case UG-181053 is summarized in the below table. Note that the incremental YTD amount of \$84,467 has then been isolated and tracked as COVID-19 pandemic related. The allocated bad debt expense amounts are updated by the Company quarterly, therefore the June 30th amounts are the most recent available.

Bad Debt Expense over Authorized Rate Case Level	Q2 YTD - June 2020
Washington Allocated Bad Debt Expense	132,933
YTD Washington Allocated Revenues	45,722,277
% of revenues	0.291%
UG-181053 Authorized Weighted %	0.106%
Bad Debt Expense % over Authorized	0.185%
Authorized Bad Debt Expense	48,465.61
Bad Debt Expense over Authorized	84,467.12

NW Natural appreciates the opportunity to provide these comments. Please contact me at (503) 610-7617 if you have questions.

Sincerely,

/s/ Zachary Kravitz
Zachary Kravitz
Director, Rates and Regulatory Affairs
NW Natural
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Attachments:

U-200281-NWN-Cmt-3-Attachment-1-09-30-2020
U-200281-NWN-Cmt-4-Attachment-2-09-30-2020
U-200281-NWN-Cmt-5-Attachment-3-09-30-2020