

August 20, 2024

NWN WUTC Advice No. 24-06

VIA ELECTRONIC FILING

Jeff Killip, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, Washington 98503

Re: Schedule J – Gas Residential Energy Assistance Tariff (GREAT) and Schedule L – Residential Bill Discount Program – Optional for Qualifying Customers

Northwest Natural Gas Company, dba NW Natural (NW Natural or Company), herewith files the following revisions to its Tariff WN U-6, stated to become effective October 1, 2024.

Fourth Revision of Sheet J.1	Schedule J	Gas Residential Energy Assistance Tariff (GREAT)
First Revision of Sheet L.1	Schedule L	Residential Bill Discount Program
First Revision of Sheet L.2	Schedule L	Residential Bill Discount Program

Purpose

The purpose of this tariff filing is three-fold:

- (1) Revise the customer income eligibility criteria for the Gas Residential Energy Assistance Tariff (GREAT) program in Schedule J.
- (2) Clarify the order in which assistance is applied between the Residential Bill Discount Program and the federal Low Income Home Energy Assistance Program (LIHEAP).
- (3) Revise the bill discount program re-enrollment period for fixed income customers. These customers will have their program eligibility extended from two years to four.

Background

On November 22, 2023 NW Natural filed its Advice No. 23-05C to finalize the details of its proposed Schedule L – Residential Bill Discount Program, which included discussion about additional proposed changes to the GREAT and Residential Bill Discount Programs to be made in 2024.¹ NW Natural has worked collaboratively with the GREAT Advisory Group to address these changes over the past several months, which is the subject of this filing.

Proposed Changes

GREAT – Schedule J

- (1) NW Natural proposes changing the qualifying income criteria for the GREAT program to the greater of 80% of AMI or 200% of the FPL, adjusted for household size. Currently, a customer is eligible for the GREAT program if their gross household income is at or below 200% of the Federal Poverty Level (FPL). This change reflects the low-income definition set for Washington electric utilities in RCW 19.405, providing consistency for customers and is expected to help relieve the energy burden for more NW Natural customers. This change will also align the GREAT program's eligibility level with the Company's Bill Discount Program's threshold income eligibility criteria.

¹ NW Natural's Bill Discount Program was approved in docket UG-230739, see Order 01.

Residential Bill Discount Program – Schedule L

- (2) NW Natural is proposing that LIHEAP funds be applied to a customer's account before assistance is offered through the Residential Bill Discount Program. This change is responsive to feedback from our GREAT Advisory Group to implement LIHEAP prioritization such that LIHEAP funds are considered before bill discounts are applied. To implement this, NW Natural's process will be that when LIHEAP is applied to an account and creates a credit balance of more than \$10, the customer's discount from the Residential Bill Discount Program will be paused. After LIHEAP is exhausted, a customer's bill discount will resume.
- (3) Lastly, the Company is proposing that fixed income customers (such as, but not limited to seniors and disabled customers) have their program eligibility extended from two years to four. This will add to the convenience of participating in the Residential Bill Discount Program for many of NW Natural's customers.

These changes have been developed with the input of NW Natural's GREAT Advisory Group and this tariff filing has been shared and reviewed with the group before filing.

Conclusion

NW Natural respectfully requests that the Commission allow these tariff changes to become effective on October 1, 2024.

In accordance with WAC 480-90-193 and WAC 480-90-195(3), copies of this letter and the attached filing are available in the Company's main office in Portland, Oregon, and on its website at www.nwnatural.com.

As requested by WAC 480-80-103(4)(a), I certify that I have authority to issue tariff revisions on behalf of NW Natural.

Please address correspondence on this matter to Amy Schulties at (503) 610-7546 or amy.schulties@nwnatural.com, with a copy to the following:

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Respectfully submitted,

/s/ Natasha Siores

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Attachments:

NEW-NWN-WUTC-Advice-24-06-Trf-Sheet-J-1-08-20-2024

NEW-NWN-WUTC-Advice-24-06-Trf-Sheet-L-1-08-20-2024

NEW-NWN-WUTC-Advice-24-06-Trf-Sheet-L-2-08-20-2024

NORTHWEST NATURAL GAS COMPANY

WN U-6

Fourth Revision of Sheet J.1

Cancels Third Revision of Sheet J.1

SCHEDULE J GAS RESIDENTIAL ENERGY ASSISTANCE TARIFF (GREAT)

APPLICABLE:

To Residential Customers (“Households”) that take service under Rate Schedule 1 or Rate Schedule 2 of this Tariff and that have qualified for bill payment assistance through a NW Natural authorized Delivery Agent.

PROGRAM YEAR:

Funds will be made available under this program on a continuous twelve-month basis. For accounting and ratemaking purposes, the program year will extend from October 1 through September 30 (“Program Year”).

PROGRAM FUNDING:

Total Program Funds (where Total Program Funds are equal to customer grants plus administrative and delivery costs) are subject to a combined program year cap of \$500,000. This cap may be exceeded as need upon discussion and consensus of the GREAT Advisory Group.

A surcharge will apply to the regular monthly bills of all Sales Service Class Customers that take service under Rate Schedules 1, 2, 3, 41 and 42. The surcharge will be designed to amortize the actual amount of Total Program Funds accumulated for the Program Year on an equal percent of margin basis, adjusted for revenue sensitive effects. The surcharge calculation will be included with the Company’s Annual Purchased Gas Cost Adjustment filing, and will be effective November 1 of each year. The surcharge amount for the respective Rate Schedules will be set forth in Schedule 230 of this Tariff.

PROGRAM ADMINISTRATION AND DELIVERY:

This program will be administered through designated agencies (“Delivery Agents”) that: (a) meet the criteria for a “Qualifying Organization” as defined in RCW 82.16.0497; (b) the Company determines is capable of meeting performance obligations under this program; and (c) executes a contract with the Company that is consistent with the terms of this Schedule.

Each Delivery Agent will have sole responsibility to screen and approve bill payment assistance applicants for eligibility. Each Agent shall follow the established protocols for the qualification of and disbursement to eligible participants in accordance with the guidelines established by the Washington Department of Commerce for disbursement of federal Low-Income Home Energy Assistance Program (LIHEAP) funds. Except that, for purposes of this program, income-eligibility will be based on gross household income (adjusted for household size) at or below 200% Federal Poverty Level (FPL) or 80% Area Median Income (AMI), whichever is greater. The GREAT Program will be available to eligible participants regardless of citizenship status.

(N)
(N)
(N)

(continue to Sheet J.2)

Issued August 20, 2024
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Effective with service on
and after October 1, 2024

NORTHWEST NATURAL GAS COMPANY

WN U-6

First Revision of Sheet L.1

Cancels Original Sheet L.1

SCHEDULE L RESIDENTIAL BILL DISCOUNT PROGRAM – OPTIONAL FOR QUALIFYING CUSTOMERS

APPLICABLE:

The purpose of this schedule is to implement an optional bill discount program for income-qualifying residential customers.

AVAILABLE:

To all income-qualified Residential Customers. Income qualified is defined as Customers with gross household income, inclusive of deductions in alignment with the Low-Income Home Energy Assistance Program (LIHEAP), at or below 200% Federal Poverty Level (FPL) or 80% Area Median Income (AMI), whichever is greater.

DESCRIPTION:

Participating income-qualified Customers will receive the following credit on their monthly bill, designed to lower a household's energy burden to 6% or less of annual household income

	Household Income Qualifying	Bill Discount Percentage
Tier 0	0-60% FPL	80%
Tier 1	61-120% FPL	40%
Tier 2	121%-150% FPL	20%
Tier 3	The greater of 151%-200% FPL or 80% AMI	15%

SPECIAL CONDITIONS:

1. An Applicant for this bill assistance program must be the account holder and is required to provide an application that includes a self-declaration of household size and income. Household size reflects all permanent residents in the home, including adults and children. Qualifying income refers to total gross annual income with deductions in alignment with LIHEAP, from all sources for all persons in the applicant's household.
2. Renewal of a Customer's enrollment is required every two years. The Company may allow senior, disabled, and other fixed income eligibility for a four-year period. It is the customer's responsibility to notify the Company if there is a change in income qualification status. (N)
3. NW Natural may also auto-enroll eligible customers that have received energy assistance or have participated in a qualifying low-income program. Auto-enrolled customers must re-enroll every two years, or every four years if fixed income. (N)
4. Participants that were not auto-enrolled may be subject to post-enrollment income verification sampling, which may include a showing of proof of household size and income. Bill discounts may be suspended for Customers found to be ineligible or non-responsive during post-enrollment verification. NW Natural will not retroactively bill a customer for any discounts provided under this schedule. Customers found to be ineligible or non-responsive during post-enrollment verification may re-apply for this program upon providing verification of eligibility. (N)

(continue to Sheet L.2)

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NORTHWEST NATURAL GAS COMPANY

WN U-6

First Revision of Sheet L.2

Cancels Original Sheet L.2

**SCHEDULE L
RESIDENTIAL BILL DISCOUNT PROGRAM –
OPTIONAL FOR QUALIFYING CUSTOMERS**

SPECIAL CONDITIONS (continued):

- 5. Customers are only eligible to receive bill credits under this rate schedule at one residential location at any one time and only for new charges billed after enrollment or re-enrollment.
- 6. When state or federal financial assistance is applied (e.g., LIHEAP), the customer's bill discount will be paused. After state or federal assistance is applied, the customer's bill discount will resume. These provisions are not applicable to non-governmental, third-party payments such as those from friends, relatives, or churches.

(N)
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(N)

GENERAL TERMS:

This Schedule is governed by its terms, the General Rules and Regulations contained in this Tariff, any other Schedules that by their terms or by the terms of this Schedule apply to service under this Schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

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