NOTICE TO CUSTOMERS

ANNUAL PURCHASED GAS COST ADJUSTMENT PROCESS

Each year, NW Natural files its purchased gas adjustment (PGA) with the Washington Utilities and Transportation Commission (WUTC). The purpose of the filing is to true-up differences between estimated and actual gas costs and to establish the cost of gas to be applied to customer bills for the Nov. through Oct. PGA cycle.

The company adjusts for gas cost changes each year. NW Natural does not profit from increases in gas costs.

When it files the PGA, NW Natural typically files to revise rates for other annual adjustments based on ongoing agreements with the WUTC.

NW Natural anticipates that a lower cost of gas will result in a **14.4 percent rate reduction** to residential customers starting Nov. 1, 2015.

For more information, visit the Rates & Regulations section of nwnatural.com or contact us at **503-226-4211** and ask for the Rates & Regulatory Department.

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