

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND)	DOCKET UG-080519
TRANSPORTATION)	
COMMISSION,)	
)	
Complainant,)	
)	
v.)	
)	
NORTHWEST NATURAL GAS)	
COMPANY,)	
)	
Respondent.)	
.....)	
In the Matter of the Petition of:)	DOCKET NO. UG-080530
)	(consolidated)
NORTHWEST NATURAL GAS)	
COMPANY)	
)	
For an accounting order authorizing)	AFFIDAVIT OF
deferred accounting treatment of certain)	KIMBERLY A. HEITING
costs associated with the Company's)	IN SUPPORT OF MOTION FOR
Smart Energy Program)	SUMMARY DETERMINATION
.....)	

I, Kimberly A. Heiting, state as follows:

1. My name is Kimberly A. Heiting. I am the Director of Communications at Northwest Natural Gas Company ("NW Natural" or "the Company"). I have personal knowledge of the facts set forth in this Affidavit, and if called to testify thereto I could and would do so.

2. In my capacity as Director of Communications I have been responsible for developing all customer communications regarding the Smart Energy Program. In addition, I was responsible for engaging Consumer Opinion Services to run two focus groups to assist the

Company to ensure that the design and implementation of the Smart Energy Program is as effective as possible.

3. The Company's customer communications regarding Smart Energy have focused on educational materials. Accordingly, the Company has developed a wide variety of materials designed to educate its customers on the connection between natural gas, GHG emissions, and climate change; how offsets help mitigate a customer's use of natural gas; and how clean energy programs help to reduce GHGs and climate change. These are complex concepts that are relatively new to many of our customers. Thus, our communications goal is to provide our customers with interesting and informative materials in order to familiarize them with these important issues. The vehicles for this educational information include brochures, and other print materials, as well as radio, outdoor, and online media. A selection of these materials is attached hereto as Exhibit A.

4. If Smart Energy is approved in Washington, the Company will target all of the developed materials to its Washington customers. The Washington-specific educational program will include print and transit advertising in NW Natural's Washington service territory and bill inserts. The Company has already borne the cost of developing these materials, so there is no need for Washington customers to reimburse Oregon customers for product development it has already completed.

5. The focus groups conducted by Consumer Opinion Services were held in February of 2007. One of the goals of the focus groups was to determine an appropriate rate for the Smart Energy Program. On this topic, the subjects in those groups generally stated that they would pay \$3 to \$7 for the Smart Energy program. The report on these focus groups, drafted on behalf of NW Natural by Consumer Opinion Services, Inc. is attached hereto as Exhibit B.

I declare under penalty of perjury under the laws of the state of Washington that the foregoing is true and correct based on my information and belief.

SIGNED this 18 day of July, 2008, at Portland, Oregon.

Signed: Kim Heiting

SUBSCRIBED AND SWORN to before me this 18th day of July, 2008.

Pamela Villalobos

Notary Public – Oregon

