



STATE OF WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION

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October 29, 2020

Mark L. Johnson, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Dr. SW  
P. O. Box 47250  
Olympia, Washington 98504-7250

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10/29/20 14:06  
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UTIL. AND TRANSP.  
COMMISSION

RE: Northwest Natural Gas Company  
**Docket UG-181053**

Dear Mr. Johnson:

On October 21, 2019, the Washington Utilities and Transportation Commission (Commission) entered Order 06, Final Order Rejecting Tariff Sheets; Approving and Adopting Joint Settlement Agreement; Rejecting Partial Multiparty Settlement Agreement on Decoupling; and Authorizing and Requiring Compliance Filing in the above-referenced docket. Order 06 required Northwest Natural Gas Company (Northwest Natural) to make annual environmental cost recovery mechanism (ECRM) filings<sup>1</sup> to recover the cost of environmental remediation at five specific sites as required by federal and state environmental agencies.

On July 15, 2020, Northwest Natural filed with the Commission a new tariff schedule proposing cost recovery rates for the upcoming year for costs incurred between July 1, 2019 and December 31, 2019. Costs have been netted against insurance proceeds as required in the order.

Commission Staff (Staff) reviewed the compliance filing provided by Northwest Natural dated July 15, 2020, and finds that it contains sufficient detail with respect to costs and insurance recoveries. Therefore, Staff believes that the filing complies with the Commission's Order 06, entered October 21, 2019.

Sincerely,

Amy White  
Regulatory Analyst

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<sup>1</sup> Under the Settlement, the Company will make an annual ECRM tariff adjustment filing on or before July 15 for rates effective each November 1. The filed ECRM rate will collect prudent expenditures deferred during the previous calendar year, less that year's allocation of insurance proceeds. The first ECRM rates will go into effect on November 1, 2020, for expenses deferred July 1, 2019, through December 31, 2019.