Service Date: October 2, 2026

BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION Complainant, v. NW NATURAL GAS Respondent.	DOCKET UG-250610 ORDER 06 APPROVING PAYMENTS

BACKGROUND

1 On August 29, 2025, Northwest Natural Gas Company (NW Natural or Company) filed its 36th revision to its currently effective Tariff, WN U-6 with the Washington Utilities and Transportation Commission (Commission). NW Natural characterized its filing as a general rate case (GRC), and the proposed tariff revisions provide an effective date of September 30, 2026. In its initial three-year multi-year rate plan (MYRP) filing, NW Natural proposed to increase its revenues from base rates by: (a) $25.6 million, or 22.8 percent, effective August 1, 2026, for Rate Year 1 (RY1); (b) $8.6 million, or 6.2 percent, effective August 1, 2027, for Rate Year 2 (RY2); and (c) $8.3 million, or 5.7 percent, effective August 1, 2028, for Rate Year 3 (RY3). The Company's last GRC was filed on December 18, 2020, in Docket UG-200994.

2 By September 16, 2025, the Alliance of Western Energy Customers (AWEC) and The Energy Project (TEP) each filed Petitions for Intervention, Requests for Case Certification, and Notice of Intent to Request Fund Grants from NW Natural's Customer Representation Sub-Fund.

3 On October 24, 2025, the Commission granted case certification status to AWEC and TEP. On November 18, 2025, both TEP and AWEC timely filed their proposed budgets and requests for fund grants, each requesting $48,490 from NW Natural's Customer Representation Sub-Fund.

4 On February 4, 2026, the Commission issued Order 04 Approving Proposed Budgets and Fund Grants, approving the budgets as requested.

5 On May 4, 2026, the Commission held an evidentiary hearing, and on July 29, 2026, the Commission entered Order 05, Rejecting Tariff Sheets and Approving and Adopting Partial Multiparty Settlement Subject to Conditions

6 On August 19, 2026, AWEC filed a confidential Request for Payment of Northwest Natural Gas Company Customer Representation Sub-Fund Grant, requesting $48,490. On September 24, 2026, TEP filed a Request for Payment of Fund Grant, requesting $48,490 from NW Natural's Customer Representation Sub-Fund.

DISCUSSION

7 Pursuant to RCW 80.28.430, a gas or electrical company must enter into funding agreements with organizations that represent broad customer interests. The Commission is directed to determine the amount of financial assistance, if any, that may be provided to any organization; the way the financial assistance is distributed; the way the financial assistance is recovered in a gas or electrical company's rates; and other matters necessary to administer the agreement.[1]

8 On November 19, 2021, the Commission issued a Policy Statement on Participatory Funding for Regulatory Proceedings (Policy Statement) in Docket U-210595.[2] The Commission provided "high-level guidance regarding the amount of financial assistance that may be provided to organizations, the manner in which it is distributed to participants and recovered in the rates of gas or electrical companies, and other matters necessary to administer agreements."[3]

9 On February 24, 2022, in Docket U-210595, the Commission issued Order 01, Approving Agreement with Modifications (Order 01).[4] The Commission approved the Interim Agreement filed by the parties on February 23, 2022, subject to certain modifications, and adopted the Interim Agreement as Attachment A to Order 01. Among other points, the Commission clarified that it is not bound by the timeframes set forth in the Interim Agreement.[5]

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[1] RCW 80.28.430(2).

[2] *In the Matter of the Commission's Examination of Participatory Funding Provisions for Regulatory Proceedings,* Docket U-210595 (November 19, 2021).

[3] *Id.* ¶ 3.

[4] *In the Matter of the Petition of Puget Sound Energy, et al.*, Docket U-210595 Order 01 (February 24, 2022).

[5] *Id.* ¶ 17.

10 On February 9, 2023, the Commission issued Order 02, Approving Agreement Subject to Condition; Requiring Refiling of Modified Agreement (Order 02).[6] Order 02 approved of the Second Interim Agreement, subject to condition, and required the parties to refile the agreement as modified by the Commission.

11 On April 11, 2025, the Commission issued Order 03, Approving Agreement; Subject to Conditions (Order 03), updating the agreement among the utilities subject to conditions (Third Interim Agreement).[7] The Commission ordered the utilities subject to Order 03, among other things, to submit a biannual filing in Docket U-210595, once every six months, showing the fund balances and requests pending approval, with the first filings to be submitted no later than July 1, 2025.[8]

12 In relevant part, the Third Interim Agreement requires that a party seeking a funding must submit a Request for Payment to the Commission. The Request for Payment must:

> (a) Itemize the expenses, payees, and hourly rates for amounts to be reimbursed, including billing details, and including separately identified amounts for consultant or expert witness fees and travel expenses;
>
> (b) Demonstrate that the expenses are reasonable and are directly attributable to issues and positions pursued on behalf of customers and consistent with the Participating Organization's proposed budget;
>
> (c) Provide information sufficient to show that the Participating Organization has complied with any condition or requirement of the Fund Grant; and
>
> (d) Specify whether the request for payment is for interim funding, in the case of Prioritized Organizations only, or final payment in full, and indicate whether any approved budget amount may be released back to the applicable Sub-Fund because the Participating Organization does not intend to request payment for the full approved budget amount.[9]

13 The Commission may disallow, in whole or in part, a Request for Payment if it determines that the request seeks reimbursement for (a) expenses that are not Eligible

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[6] *In the Matter of the Petition of Puget Sound Energy, et al.*, Docket U-210595, Order 02 (Feb. 9, 2023).

[7] *In the Matter of the Commission's Examination of Participatory Funding Provisions for Regulatory Proceedings,* Docket U-210595, Order 03 at 6-9 ¶ 22, 33-36 (April 11, 2025).

[8] *Id*. at 6-7 ¶ 22 (April 11, 2025).

[9] Interim Agreement § 7.1.

Expenses,[10] or (b) expenses that are inconsistent with the Participating Organization's Consumer Access Fund Grant or any conditions placed on the Consumer Access Fund Grant.[11] Upon authorization of payment, the Commission will make a determination on how to recover the Fund Grants from the various customer classes of the affected Participating Public Utility.[12] Additionally, the Commission may determine whether Fund Grants that were used to advocate positions on behalf of a broad cross-section of customers should be assessed against all customers or multiple classes of customers, to fairly align the costs of the advocacy with the intended potential beneficiaries of the advocacy.

14 After considering the requirements set forth in Sections 7.1, 7.3, and 7.6 of the Third Interim Agreement, the Commission determines that AWEC's request for payment of $48,490 and NWEC's request for payment of $48,490 should be approved. Funding will come out of the allocations for the year that the proposed budget is approved.

15 After considering the requirements set forth in Sections 4.2.4, 7.1, 7.3, and 7.7 of the Revised Agreement, we determine that TEP's request for payment of $48,490 and AWEC's request for payment of $48,490 should be approved. Accordingly, considering the breadth and complexity of issues in this case, AWEC and TEP's history before the Commission and expertise, we find that both AWEC and TEP's costs appear reasonable and are directly attributable to their participation. For both TEP and AWEC, $24,245 of the funding will come from the 2025 NW Natural Customer Representative Sub-Fund, and the remaining $24,245 of the funding will come from the 2026 NW Natural Customer Representative Sub-Fund.

16 NW Natural must pay the above Requests for Payment from its Customer Representation Sub-Fund as directed within 30 days of the entry of this Order.[13]

ORDER

THE COMMISSION ORDERS:

17 (1) The Energy Project's Request for Payment from the 2025 and 2026 NW Natural Gas Customer Representation Sub-Fund is APPROVED in the amount of $48,490, consisting of $24,245 from the 2025 NW Natural Customer

[10] Interim Agreement § 7.3.

[11] Interim Agreement § 7.6.

[12] Interim Agreement § 7.7.

[13] Revised Agreement § 7.8.

Representative Sub-Fund, and $24,245 from the 2026 NW Natural Customer Representative Sub-Fund.

18 (2) The Alliance of Western Energy Consumer's Request for Payment from the 2025 and 2026 NW Natural Gas Customer Representation Sub-Funds is APPROVED in the amount of $48,490, consisting of $24,245 from the 2025 NW Natural Customer Representative Sub-Fund, and $24,245 from the 2026 NW Natural Customer Representative Sub-Fund.

Dated at Lacey, Washington, and effective October 2, 2026.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

/s/ *Amy Bonfrisco*
AMY BONFRISCO
Administrative Law Judge

/s/ *Bijan Hughes*
BIJAN HUGHES
Administrative Law Judge

NOTICE TO PARTIES: This is an Interlocutory Order of the Commission. Administrative review may be available through a petition for review, filed within 10 days of the service of this Order pursuant to WAC 480-07-810.