

November 16, 2023

NWN WUTC Advice No. 23-14A

**VIA ELECTRONIC FILING**

Kathy Hunter, Acting Executive Director and Secretary  
Washington Utilities and Transportation Commission  
621 Woodland Square Loop SE  
Lacey, Washington 98503

**Re: UG-230819 – Washington Climate Commitment Act (“CCA”) Cost Recovery  
Mechanism – Revised Tariff Sheets  
DO NOT REDOCKET**

Northwest Natural Gas Company, dba NW Natural (“NW Natural” or “Company”), files herewith the following revisions to its proposed Schedule 308, Washington Climate Commitment Act Recovery Mechanism, stated to become effective January 1, 2024.

Schedule 308, originally filed on October 4, 2023, would permit NW Natural to recover the costs associated with purchasing allowances and decarbonization efforts necessary to comply with the Climate Commitment Act (“CCA”). NW Natural provides the enclosed clarification regarding the application of credits that it receives from consigning allowances to auction.<sup>1</sup> Specifically, this filing clarifies that the credits customers in all rate classes receive via a monthly bill credit are capped at the level of CCA costs they are charged. This change ensures that customers do not experience a net benefit from the CCA, which would be counter to the law’s purpose to reduce greenhouse gas emissions. Moreover, from an equity perspective, such a change is necessary to ensure that non-low-income customers do not receive preferential treatment relative to low-income customers. Under the CCA, low-income customers are held harmless from CCA costs.<sup>2</sup> Without this change, there is the possibility that non-low-income customers receive a net benefit from the CCA, whereas low-income customers would only be held harmless from CCA costs. This tariff revision clarifies the original intent of NW Natural’s October 4, 2023 filing, which was designed to prevent that potential inequity from occurring. NW Natural also notes that Puget Sound Energy filed a similar tariff revision in UG-230899, which is currently pending before the Commission.

The enclosed revised proposed tariff sheets replace those previously provided in this docket in their entirety. Please note that NW Natural will make a compliance filing to provide updated tariff sheets for Schedules 1-3 and 27-43 to reflect approved Schedule 308 rates after the Commission’s determination on these rates.

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<sup>1</sup> For an overview of the CCA, including the requirement to consign allowances, please see NW Natural’s original cover letter in this docket.

<sup>2</sup> WAC 173-446-300.

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In accordance with WAC 480-90-193, 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](http://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 me with copies to the following:

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Respectfully submitted,

*/s/ Kyle Walker*

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Attachments:

230819-NWN-WUTC-Advice-23-14A-Trf-Sheet-308-1-Rev-11-16-2023  
230819-NWN-WUTC-Advice-23-14A-Trf-Sheet-308-2-Rev-11-16-2023