

October 17, 2022

## **New rates begin in November**

Globally, energy prices are on the rise. This year's Purchased Gas Adjustment (PGA) for Washington customers comes at a time when there are increases in the wholesale cost of natural gas because of global energy market disruptions and inflationary pressures.

"We recognize the hardship that customers are facing right now when the costs of everyday goods—from the grocery store to the gas pump—are going up," said David Anderson, NW Natural President and CEO. "That's why we're working with our regulator and stakeholders to help our residential customers better manage their heating costs this winter by offering a temporary bill credit that will defer some of the cost to warmer months when our customers typically see lower bills."

November through March the average residential customer<sup>1</sup> will see a monthly reduction of about \$6.00 because of temporary bill credits. When temporary bill credits expire, the average residential customer<sup>2</sup> will see an increase of about \$4.00 per month from April through October.

Rates for small-commercial customers in Washington will be about \$50.00 more a month for customers using an average of 242 therms per month.

NW Natural offers several payment assistance options and payment plans, including Equal Pay where we divide your annual gas usage into 11 equal monthly payments so you can count on predictable bills and better manage your budget. Learn more at [nwnatural.com](http://nwnatural.com).

### **Reason for new rates**

NW Natural filed its annual PGA with the Washington Utilities and Transportation Commission (WUTC) on Sept. 14, 2022. If approved, Washington customers will see new rates on monthly bills starting as early as Nov. 1. Rates will be further impacted by a separate NW Natural general rate case filed with the WUTC last year.

New rates for Washington customers will reflect changes in the expected cost of natural gas for the upcoming winter heating season and account for differences between the estimated and actual cost of natural gas from the previous year.

NW Natural does not mark-up the price of gas; the PGA is a passthrough of costs for the wholesale price and delivery of natural gas.

The company has taken several steps to maximize affordability, such as locking in gas purchases at lower rates, smart investments in energy storage, and energy efficiency measures. The combined effects of the following four filings for the PGA contribute to rate changes for customers in Washington as shown on the next page.

- **Purchased Gas Adjustment.** A \$12.41 increase on the average monthly residential bill, and a \$52.69 increase on the average small-commercial bill. The filing trues up the differences between the estimated and actual cost of natural gas, and it establishes the customer costs for natural gas from Nov. 1, 2022–Oct. 31, 2023.

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<sup>1</sup> Average residential usage from November through March is 93 therms.

<sup>2</sup> Average residential usage from April through October is 30 therms.

- Energy-Efficiency Programs. A \$1.07 decrease on the average monthly residential bill, and a \$4.12 decrease on the average monthly small-commercial bill for energy efficiency programs that support cost effective natural gas conservation.
- Low-Income Assistance. A \$0.02 decrease on the average monthly residential bill, and a \$0.10 decrease on the average monthly small-commercial bill for programs that help low-income residential customers make energy improvements and stay warm.
- Other year-to-year adjustments and costs pending approval by regulators. A \$0.45 increase on the average monthly residential bill, and a \$1.67 increase for small commercial.

Type of Service	Schedule Number	Percent Change
General Residential Sales Service	1	12.30%
General Commercial Sales Service	1	14.00%
Residential Sales Service	2	11.90%
Commercial Sales Service	3	18.60%
Industrial Sales Service	3	22.60%
Residential Heating Dry-Out Service	27	21.90%
Commercial Firm Sales	41	27.50%
Non-Residential Firm Transportation	41	0.90%
Industrial Firm Sales	41	0.40%
Large Volume Commercial Firm Sales	42	37.50%
Large Volume Commercial Interruptible Sales	42	32.80%
Large Volume Industrial Firm Sales	42	43.00%
Large Volume Industrial Interruptible Sales	42	32.80%
Large Volume Commercial Firm Transportation	42	0.00%
Large Volume Industrial Firm Transportation	42	0.00%

NW Natural's filings are requests, subject to public review and a decision by the WUTC. Customers may comment on the proposed rate changes by clicking "Submit a Comment" at [www.utc.wa.gov](http://www.utc.wa.gov), emailing [comments@utc.wa.gov](mailto:comments@utc.wa.gov), calling 1-888-333-9882 (WUTC), or mailing Washington Utilities and Transportation Commission, PO Box 47250, Olympia, WA 98504-7250. Customers can also request more information, review the filing, and find out about open meetings.

**For more information, visit the Rates and Regulations section of [nwnatural.com](http://nwnatural.com), send a letter to NW Natural Rates and Regulatory, 250 SW Taylor St., Portland, OR 97204, call 800-422-4012, or email from [nwnatural.com/ContactUs/Email](http://nwnatural.com/ContactUs/Email).**