



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

621 Woodland Square Loop S.E. • Lacey, Washington 98503

P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY 1-800-833-6384 or 711

June 15, 2021

RE: *In the Matter of Northwest Natural Gas Company's Application for Approval of Corporate Reorganization to Create a Holding Company,*
Docket UG-170094

TO ALL PARTIES:

On December 28, 2017, the Washington Utilities and Transportation Commission (Commission) entered its final order, Order 01, Approving Application Subject to Conditions (Order 01) in Docket UG-170094. On March 13, 2018, Order 01 was amended to incorporate a list of commitments with which Northwest Natural Gas Company (NW Natural or Company) must comply. This list included Commitment 25(E), which states:

The Company's Master Services Agreement (MSA), itemizing and explaining corporate cost allocation methods used to set rates will be fully described and supported in testimony and work papers in NW Natural's first general rate case submitted after this application is approved by the Commission. Thereafter, the MSA will be filed along with any general rate case filed with the Commission. This filing will capture, highlight, and explain all changes since the MSA was last provided to the Commission.

The list also included Commitment 30, which states:

For the first five calendar years after reorganization, HoldCo and NWN-U will report on how the company complied with each of the commitments listed herein no later than June 15 of each year. This report will require an officer attestation of compliance with the commitments. If any of the commitments are not being met, the report shall include proposed corrective measures relative to the specific commitments, subject to Commission revision and appropriate remedy as determined by the Commission.

On December 18, 2020, the Company filed its second GRC following approval of its reorganization but failed to include the MSA. On May 19, 2021, NW Natural filed its MSA for inclusion in the GRC to comply with Commitment 25(E).

On March 29, 2021, NW Natural filed a commitment compliance report and officer attestation (Commitment 30 Report) as required by Commitment 30.

On May 5, 2021, Commission staff (Staff) filed a letter informing the Commission that Staff had reviewed the Commitment 30 Report and believes that it complies with Commitment 30. On June 10, 2021, Staff filed a letter informing the Commission that Staff had reviewed the MSA filing and believes that the Company has complied with Commitment 25(e).

The Commission accepts the MSA filed on May 19, 2021, and the Commitment 30 Report filed on March 29, 2021, as in compliance with the terms of Order 01.

MARK L. JOHNSON
Executive Director and Secretary