

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

NORTHWEST NATURAL GAS  
COMPANY DBA NW NATURAL

Vancouver Thermal Energy Pilot Project

DOCKET NO. UG-\_\_\_\_\_

NOTICE

1 Pursuant to RCW 80.28.460(2), Northwest Natural Gas Company (“NW Natural” or the “Company”) notifies the Washington Utilities and Transportation Commission (the “Commission”) of its intention to deploy a thermal energy network (“TEN”) pilot project in Vancouver, Washington. NW Natural anticipates that the TEN pilot project will fully meet the heating and cooling needs for a mix of residential, commercial, and office space in downtown Vancouver and, if successful, can be expanded to other buildings.

2 In support of this notice, NW Natural states as follows:

**NW NATURAL**

3 NW Natural is in the business of furnishing natural gas service within the State of Washington as a public service company and is subject to the regulatory authority of the Commission as to its rates, service, facilities, and practices. Its full name and mailing address for the purposes of this proceeding are:

Northwest Natural Gas Company  
c/o Zachary Kravitz  
Vice President of Rates and Regulatory Affairs  
250 SW Taylor Street  
Portland, OR 97204-3038

4 The name and address of the Company's attorney for purposes of this proceeding are:

Ryan Sigurdson  
Regulatory Attorney (WSBA #39733)  
250 SW Taylor Street  
Portland, OR 97204-3038

### **LEGISLATIVE AUTHORITY FOR TEN PILOT PROJECTS**

5 In 2024, the Washington legislature passed House Bill 2131 (codified as RCW 80.28.450-480; RCW 43.31.033). RCW 80.28.460(2) gives gas companies priority for developing TEN pilot projects in their respective service territories. However, to maintain this priority, a gas company must “announce in writing to the commission its intention to deploy a pilot project in a specific location within 12 months of June 6, 2024.”<sup>1</sup> NW Natural is making this filing to preserve its priority to develop the TENs pilot project in downtown Vancouver. Although RCW 80.28.460(2)(b) gives the Commission discretion to deny such priority at a location where a TEN already exists or is being developed by a thermal energy company, this provision does not apply here. At the project’s location in downtown Vancouver, there is no existing TEN, and NW Natural’s pilot project is the only TEN being developed.

6 RCW 80.28.460(2) also requires pilot projects to be deployed within 30 months of June 6, 2024, although the Commission may approve an extension to that date if it “determines the gas company is making substantial progress towards deploying a thermal energy network.” NW Natural currently anticipates that its pilot project will be deployed within this timeframe, but it may seek an extension in a future filing if warranted.

7 NW Natural notes that this filing is only a first step towards the completion of its TENs pilot project. RCW 80.28.450 requires gas companies to “submit the project for review and

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<sup>1</sup> RCW 80.28.460(2).

validation of cost assessments to the [C]ommission,” and, after this validation, TENs pilot projects are eligible for grants from the Department of Commerce.<sup>2</sup> NW Natural expects to make such a submission for its TENs pilot project for Commission review and validation no later than July 31, 2025, although the Company will strive to make its filing in advance of that date. NW Natural needs this additional time to finalize its preliminary design and cost estimate. However, NW Natural is providing a brief overview of its TENs pilot project in this filing in order to maintain priority to its development as required under RCW 80.28.460(2).

### **PROJECT OVERVIEW**

- 8 NW Natural’s pilot TEN project will supply 100 percent of the heating and cooling plus domestic hot water demand to three new buildings in downtown Vancouver, as well as the existing Vancouver City Hall. Each new building is a mix of residential and retail space. Combined these new buildings will have approximately 430 residential units and approximately 28,000 square feet of retail space. Building construction is expected to begin in late 2026. Vancouver’s existing City Hall consists of 124,000 square feet of office space. The total conditioned square footage is expected to be approximately 430,000.
- 9 In developing this project, NW Natural is partnering with the City of Vancouver (“the City”) and Lincoln Property Company (LPC). Upon passage of House Bill 2131, the City reached out to the Company, eager to identify one of the City’s impending developments as a TEN candidate. Collectively, the City and NW Natural reviewed multiple sites to determine the best fit considering scale, timeline and the intended end users of the development. Each of these factors led to the selection of four buildings in downtown Vancouver. The City’s support has been a crucial component for the speed of the project’s progress.

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<sup>2</sup> RCW 43.31.033.

10 As stated above, NW Natural is working towards submitting its TENs pilot for Commission review per RCW 80.28.450. Currently, it is working with its consultant, Salas O'Brien, to complete preliminary design work, including a cost estimate for the project. NW Natural believes that completion of the pilot's preliminary design and cost estimate is crucial to informing the Commission's review of the project.

### **CONCLUSION**

11 In accordance with RCW 80.28.460(2), NW Natural is maintaining its priority to develop a pilot TENs project in downtown Vancouver as described above. NW Natural will strive to submit the project for Commission review as soon as practicable. The Company currently anticipates it will make such a filing no later than July 31, 2025.

Dated this 5<sup>th</sup> day of June 2025.

Respectfully Submitted,

NORTHWEST NATURAL GAS COMPANY

/s/Ryan Sigurdson

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