

December 30, 2008

David W. Danner, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
P. O. Box 47250
Olympia, Washington 98504-7250

Re: *UTC v. Northwest Natural Gas Company*
Docket UG-080546

Dear Mr. Danner:

Staff has examined the compliance tariff filing and the supplemental filing (the replacement for sheet 142.10), and they appear to comply with the terms of Order 04.

Staff additionally notes, however, that the Company has also incorporated the effects of the Purchased Gas Adjustment (PGA), which was approved effective November 1, 2008, into this tariff filing. The Company previously filed Replacement Schedule 203 on October 21, 2008, to reflect the new PGA rates. Rate Schedules 1, 2, 3, 27, 41, 42, and 54, in particular, all reflect the effect of the PGA.

WAC 480-07-883 states that a party must limit the scope of a compliance filing to the requirements of the final order to which it relates. Literally applied, this would require that tariff amendments to address the effects of the PGA be submitted separately from tariff amendments that are filed to comply with the Commission's Order 04 approving the settlement stipulation in this docket. Staff believes that future company tariff filings should be done in this manner, consistent with the rule. However, since the tariffs in this docket have an effective date of January 1, 2009, Staff believes that to require a refiling in this case would be duplicative and an inefficient use of resources, as the tariffs do appear to appear to comply with the terms of the Order 04, as well as incorporating the effects of the PGA.

Sincerely,

GREGORY J. TRAUTMAN
Assistant Attorney General

GJT:emd
Enclosure
cc: Parties