



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY (360) 586-8203

May 23, 2018

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

RE: *Northwest Natural Gas Corporation (NWN) Advice No. WUTC 10-3, Tariff WN U-6, Schedule U, Smart Energy Program.*

Dear Mr. Johnson:

Commission staff (staff) has reviewed the annual compliance filings for the years 2010-2017 of Northwest Natural Gas Corporation (NW Natural or company) relating to its Smart Energy Program contained in its currently approved tariff WN U-6, Schedule U. The Smart Energy Program allows NW Natural's customers to voluntarily offset the greenhouse gas emissions associated with their natural gas use. The company offers this program for both its Oregon and Washington customers.

Since its inception, NW Natural's level of customer participation in its Smart Energy Program has grown steadily. Annual enrollment in Washington has grown from just a few hundred customers to almost 1,300 in 2017 (1.6 percent of NW Natural's Washington customers). Steady enrollment growth in both Oregon and Washington has resulted in a total demand for offsets totaling 653,884 short-tons of CO₂. NW Natural has met 100 percent of this demand with offsets from biodigesters.

NW Natural's annual compliance requirements for its Smart Energy Program are included in Schedule U. They are as follows:

- 1) **Annual Report** - The Company will file a report with the Commission within ninety (90) days following the end of the calendar year. The report will include participation details, program funding received for that year; demand of total offsets obligated for that year, and a list of projects from which the offsets have been secured.
- 2) **Customer Report** - The Company will annually provide participating Smart Energy Customers with a report detailing the current number of program participants and the volume of offsets that have been funded on behalf of Smart Energy Customers.

NW Natural files its annual Smart Energy Program report with the Commission as a compliance item in Docket UG-100677. The report provides information about program results for both Oregon and Washington. The Annual Customer Report is provided on the program's website at: <http://smartenergynw.com/> along with an archive of previous year's reports. The company has fully complied with the program's reporting requirements contained in its tariff.

Sincerely,


DAVID CARLOS GOMEZ
Assistant Power Supply Manager, Energy