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250 SW Taylor Street Portland, OR 97204 503-226-4211 nwnatural.com

September 13, 2024

NWN WUTC Advice No. 24-13 / UG-____

VIA ELECTRONIC FILING

Jeff Killip, Executive Director & Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacey, WA 98503

Re: Schedule 220: Special Rate Adjustment - Mist Recall

Northwest Natural Gas Company, dba NW Natural (NW Natural or Company) files herewith the following revisions to its Tariff WN U-6, stated to become effective with service on and after November 1, 2024, as follows:

Ninth Revision of Sheet 220.1	Schedule 220	Special Rate Adjustment
Third Revision of Sheet 220.2	Schedule 220	Special Rate Adjustment (continued)

Purpose

The purpose of this filing is to include the cost to recall 20,000 dekatherms per day (Dth/day) of the Company's Mist storage capacity that was recalled away from interstate/intrastate storage customers to core utility customers. The Company revises rates for this purpose periodically; the last adjustments under Schedule 220 went into effect November 1, 2015.

Background

This Mist capacity recall is based on core customer supply needs as identified in the 2022 Integrated Resource Plan (IRP), in conjunction with our current gas supply portfolio. The Mist storage requirement for the 2024-25 heating season is 325,000 Dth/day. This is an incremental core customer need of 20,000 Dth/day. The portions of assets being recalled include reservoir capacity, compression, Miller Station, and other assets as described in Exhibit B.

Proposed Changes

The proposed Schedule 220 adjustments are calculated on an equal-percentage-of margin basis and are shown for each rate schedule on page 1 of Exhibit A to this filing. It should be noted that the proposed Schedule 220 adjustments represent only a portion of the accounts that are proposed to be applied to customer rates effective November 1, 2024 (see NW Natural's WUTC Advice Nos. 24-05, 24-07, 24-08, 24-09, 24-10, 24-11, 24-12, and 24-14). As such, the bill effects stated herein are provided for illustrative purposes only and reflect the effect of adding the the proposed Schedule 220 adjustments to current billing rates.

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If there were no other adjustments to rates effective November 1, 2024, the average residential Schedule 2 customer using 57 therms would see a increase of \$0.03¹ per month, and the average Schedule 3 commercial customer using 254 therms would see a bill increase of \$0.14 per month. The average industrial customer on Schedule 42 firm sales using 13,556 therms would see a bill increase of \$3.15. The bill impact for customers on other rate schedules is shown on page 2 of Exhibit A to this filing. The rate changes would be a increase in the Company's revenues from its Washington operations of \$52,427, or 0.04%.

In accordance with WAC 480-90-198 and WAC 480-90-194(5), the Company will provide notice to customers as stated in WAC 480-90-194(1). A copy of this notice is included with the Company's PGA filing, WUTC Advice No. 24-14.

The proposed rate change will affect all of NW Natural's Washington customers. NW Natural currently serves approximately 90,256 residential customers and 7,326 commercial customers and 72 industrial customers in the Company's Washington service territory.

Conclusion

The Company respectfully requests that the tariff sheets filed herewith be approved to become effective with service on and after November 1, 2024.

As required by WAC 480-80-103(4)(a), I certify that I have authority to issue tariff revisions on behalf of NW Natural.

Copies of this letter and the attached filing are available in the Company's main office in Portland, Oregon, and on its website at www.nwnatural.com.

Please address correspondence on this matter to Lora Bourdo at Lora.Bourdo@nwnatural.com with copies to the following:

eFiling
Rates & Regulatory Affairs
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¹ All bill impacts assume Climate Commitment Act charges and credits for non-low income customers who joined NW Natural's system before July 25, 2021, as set out in Schedule 308 - Washington Climate Commitment Act Recovery Mechanism.

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Sincerely,

NW NATURAL

/s/ Kyle Walker, CPA

Kyle Walker, CPA
Rates/Regulatory Senior Manager
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Attachments:

NEW-NWN-WUTC-Advice-24-13-Mist-Recall-Trf-Sheet-220-1-09-13-24 NEW-NWN-WUTC-Advice-24-13-Mist-Recall-Trf-Sheet-220-2-09-13-24 NEW-NWN-WUTC-Advice-24-13-Mist-Recall-Exh-A-09-13-24 NEW-NWN-WUTC-Advice-24-13-Mist-Recall-Exh-A-09-13-24-xlsx NEW-NWN-WUTC-Advice-24-13-Mist-Recall-Exh-B-09-13-24