

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

Complainant,

v.

NORTHWEST NATURAL GAS
COMPANY,

Respondent.

DOCKET UG-200994

DOCKET UG-200995

DOCKET UG-200996

DOCKET UG-210085

FULL MULTI-PARTY SETTLEMENT
AGREEMENT

Attachment 2

Full Multi-Party Settlement Agreement

August 3, 2021

NW Natural
 UG-200994, UG-200995, UG-200996 & UG-210085
 Test Year Twelve Months Ended September 30, 2020
 Year 1 Incremental Revenue Requirement Allocation by Rate Schedule - Revenue Requirement Effects Including Rate Mitigation
 Full Multi-Party Settlement Agreement - Attachment 2

Year One of Multi-Year Plan
 Impacts of Revenue Requirement Items of \$5.0M (incl. Plant EDIT Amortization Credits), including Conservation Potential Assessment (CPA) Costs Deferral and rate mitigation adjustments: Suspension of Historical Energy Efficiency Deferral and credit of Block 24 property net gain on sale.

Line No.	Rate Schedule	YEAR ONE																							
		Revenue Requirement		EDIT Amortization Credit		Historical EE			Block 24 Sale			CPA Deferral			Incremental Year One Effects				Combined Effects						
		Margin Revenue at Present Rates	Total Revenue at Present Rates	Margin Increase (\$)	Margin Increase (%)	Margin Decrease (\$)	Margin Decrease (%)	Revenue Decrease (\$)	Revenue Decrease (%)	Margin Decrease (%)	Revenue Decrease (\$)	Revenue Decrease (%)	Margin Decrease (%)	Revenue Increase (\$)	Revenue Increase (%)	Margin Decrease (%)	Margin Increase (\$)	Margin Increase (%)	Revenue Increase (\$)	Revenue Increase (%)	Margin Revenue at Proposed Rates	Total Revenue at Proposed Rates	Margin Increase (%)	Total Revenue Increase (%)	Average Bill Increase (%)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X		
1	1R	\$ 208,635	\$ 283,691	\$ 23,862	11.44%	\$ (1,954)	-0.94%	\$ (3,349)	-1.10%	-1.44%	\$ (1,857)	-0.61%	-0.80%	\$ 655	0.21%	0.28%	\$ 21,908	10.50%	\$ 17,357	6.12%	\$ 230,544	\$ 301,048	10.50%	6.12%	5.60%
2	1C	\$ 37,604	\$ 53,871	\$ 4,301	11.44%	\$ (352)	-0.94%	\$ (604)	-1.04%	-1.44%	\$ (335)	-0.58%	-0.80%	\$ 118	0.20%	0.28%	\$ 3,949	10.50%	\$ 3,128	5.81%	\$ 41,553	\$ 56,999	10.50%	5.81%	5.40%
3	2R	\$ 33,796,100	\$ 53,008,198	\$ 3,655,430	11.44%	\$ (916,532)	-0.94%	\$ (542,391)	-0.96%	-1.44%	\$ (300,596)	-0.53%	-0.80%	\$ 106,060	0.19%	0.28%	\$ 3,548,898	10.50%	\$ 2,811,971	5.30%	\$ 37,346,998	\$ 55,820,169	10.50%	5.30%	5.00%
4	3 CFS	\$ 9,866,168	\$ 16,112,007	\$ 1,128,493	11.44%	\$ (92,373)	-0.94%	\$ (158,303)	-0.92%	-1.44%	\$ (87,728)	-0.51%	-0.80%	\$ 30,910	0.18%	0.28%	\$ 1,036,120	10.50%	\$ 820,998	5.10%	\$ 10,920,288	\$ 16,933,005	10.50%	5.10%	4.80%
5	3 IFS	\$ 141,889	\$ 241,044	\$ 16,228	11.44%	\$ (1,330)	-0.94%	\$ -	0.00%	0.00%	\$ (1,262)	-0.49%	-0.80%	\$ 445	0.17%	0.28%	\$ 14,897	10.50%	\$ 14,080	5.84%	\$ 156,786	\$ 255,124	10.50%	5.84%	5.80%
6	27	\$ 201,938	\$ 363,218	\$ 23,096	11.44%	\$ (1,892)	-0.94%	\$ (3,239)	-0.84%	-1.44%	\$ (1,795)	-0.47%	-0.80%	\$ 632	0.16%	0.28%	\$ 21,205	10.50%	\$ 16,803	4.63%	\$ 223,143	\$ 380,021	10.50%	4.63%	4.40%
7	41 CFS	\$ 1,542,348	\$ 2,853,836	\$ 176,417	11.44%	\$ (14,452)	-0.94%	\$ (24,753)	-0.82%	-1.44%	\$ (13,723)	-0.46%	-0.80%	\$ 4,842	0.16%	0.28%	\$ 161,965	10.50%	\$ 128,330	4.50%	\$ 1,704,314	\$ 2,982,166	10.50%	4.50%	4.90%
8	41 IFS	\$ 392,614	\$ 747,266	\$ 21,672	5.52%	\$ (3,675)	-0.94%	\$ -	0.00%	0.00%	\$ (3,310)	-0.43%	-0.80%	\$ 1,165	0.15%	0.28%	\$ 17,997	4.58%	\$ 15,852	2.12%	\$ 410,611	\$ 763,118	4.58%	2.12%	2.50%
9	41 CFS	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -	0.00%	0.00%	0.00%
10	41 IFS	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -	0.00%	0.00%	0.00%
11	41 CTF	\$ 189,841	\$ 189,841	\$ 10,481	5.52%	\$ (1,779)	-0.94%	\$ -	0.00%	0.00%	\$ (1,598)	-0.81%	-0.80%	\$ 563	0.28%	0.28%	\$ 8,702	4.58%	\$ 7,667	4.04%	\$ 198,544	\$ 197,508	4.58%	4.04%	4.00%
12	41 IFF	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -	0.00%	0.00%	0.00%
13	42 CFS	\$ 219,575	\$ 470,189	\$ 25,112	11.44%	\$ (2,056)	-0.94%	\$ (3,523)	-0.71%	-1.44%	\$ (1,954)	-0.40%	-0.80%	\$ 691	0.14%	0.28%	\$ 23,057	10.50%	\$ 18,271	3.89%	\$ 242,631	\$ 488,459	10.50%	3.89%	5.00%
14	42 IFS	\$ 511,672	\$ 1,154,958	\$ 28,252	5.52%	\$ (4,789)	-0.94%	\$ -	0.00%	0.00%	\$ (4,308)	-0.37%	-0.80%	\$ 1,516	0.13%	0.28%	\$ 23,463	4.59%	\$ 20,671	1.79%	\$ 535,135	\$ 1,175,629	4.59%	1.79%	2.30%
15	42 CFT	\$ 360,785	\$ 360,785	\$ 25,027	6.94%	\$ (3,384)	-0.94%	\$ -	0.00%	0.00%	\$ (3,082)	-0.81%	-0.80%	\$ 1,086	0.28%	0.28%	\$ 21,643	6.00%	\$ 19,548	5.45%	\$ 382,428	\$ 380,432	6.00%	5.45%	5.80%
16	42 IFT	\$ 823,616	\$ 823,616	\$ 45,462	5.52%	\$ (7,717)	-0.94%	\$ -	0.00%	0.00%	\$ (6,919)	-0.80%	-0.80%	\$ 2,456	0.29%	0.28%	\$ 37,745	4.58%	\$ 33,282	4.04%	\$ 861,361	\$ 856,898	4.58%	4.04%	4.50%
17	42 CFS	\$ 160,513	\$ 430,729	\$ 18,359	11.44%	\$ (1,501)	-0.94%	\$ (2,577)	-0.58%	-1.44%	\$ (1,428)	-0.32%	-0.80%	\$ 504	0.11%	0.28%	\$ 16,858	10.50%	\$ 13,357	3.10%	\$ 177,371	\$ 444,085	10.50%	3.10%	3.30%
18	42 IFS	\$ 81,130	\$ 171,731	\$ 4,480	5.52%	\$ (761)	-0.94%	\$ -	0.00%	0.00%	\$ (683)	-0.39%	-0.80%	\$ 240	0.14%	0.28%	\$ 3,719	4.58%	\$ 3,277	1.91%	\$ 84,849	\$ 175,008	4.58%	1.91%	2.10%
19	42 CTF	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -	0.00%	0.00%	0.00%
20	42 IFT	\$ 825,480	\$ 825,480	\$ 45,592	5.52%	\$ (7,733)	-0.94%	\$ -	0.00%	0.00%	\$ (6,965)	-0.81%	-0.80%	\$ 2,438	0.28%	0.28%	\$ 37,859	4.59%	\$ 33,332	4.04%	\$ 863,339	\$ 858,812	4.59%	4.04%	4.10%
21	43 FT	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -	0.00%	0.00%	0.00%
22	43 IT	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -	0.00%	0.00%	0.00%
23	Special	\$ 242,995	\$ 242,995	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 242,995	\$ 242,995	0.00%	0.00%	0.00%
Total		\$ 49,604,903	\$ 78,333,455	\$ 5,462,265	11.07%	\$ (462,279)	-0.94%	\$ (738,740)	-0.89%	-1.44%	\$ (437,545)	-0.53%	-0.80%	\$ 154,322	0.19%	0.28%	\$ 4,999,986	10.13%	\$ 3,978,023	5.09%	\$ 54,604,889	\$ 82,311,478	10.13%	5.09%	(7)

NOTE (1): Revenue Requirement spread to all rate schedules based on Full Multi-Party Settlement.
 NOTE (2): Plant excess deferred income taxes (EDIT) amortization credit spread to all rate schedules on equal percent of margin basis. See Exh. RIW-1T.
 NOTE (3): Energy efficiency deferral spread to residential and commercial sales rate schedules on equal percent of margin basis. See Exh. RIW-1T.
 NOTE (4): Block 24 property net gain on sale spread to all rate schedules on equal percent of margin basis. See Exh. RIW-1T.
 NOTE (5): Conservation Potential Assessment (CPA) Costs spread to all rate schedules on equal percent of margin basis. See UG-210085 Petition for Deferred Accounting.
 NOTE (6): The proposed margin revenue increase is based on volumetric billing rates rounded to the fifth decimal as necessitated by the Company's tariff. Therefore, there may be a small discrepancy with the Full Multi-Party settled revenue requirement.
 NOTE (7): The average customer bill percentage impact figure calculation excludes pipeline capacity charges for RS 41 and RS 42 rate classes, and thus the bill rate impacts for these schedules are overstated.

NW Natural
 UG-200994, UG-200995, UG-200996 & UG-210085

Test Year Twelve Months Ended September 30, 2020

Year 2 Incremental Revenue Requirement Allocation by Rate Schedule - Revenue Requirement Effects Including Rate Mitigation

Full Multi-Party Settlement Agreement - Attachment 2

Year Two of Multi-Year Plan

Impacts of Revenue Requirement Items of \$3.0M, including rate mitigation adjustment: Suspension of Historical Energy Efficiency Deferral, credit of Block 24 property net gain on sale, and credit of Astoria Resource Center property net gain on sale.

Line No.	Rate Schedule	YEAR TWO																					
		Revenue Requirement				Historical EE			Block 24 Sale			Astoria Property Sale			Incremental Year Two Effects				Combined Effects				
		Margin Revenue at Present Rates	Total Revenue at Present Rates	Margin Increase (\$)	Margin Increase (%)	Revenue Decrease (\$)	Revenue Decrease (%)	Margin Decrease (%)	Revenue Decrease (\$)	Revenue Decrease (%)	Margin Decrease (%)	Revenue Decrease (\$)	Revenue Decrease (%)	Margin Decrease (%)	Margin Increase (\$)	Margin Increase (%)	Revenue Increase (\$)	Revenue Increase (%)	Margin Revenue at Proposed Rates	Total Revenue at Proposed Rates	Margin Revenue Increase (%)	Total Revenue Increase (%)	Average Bill Increase (%)
		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P= C+E+H+K	Q	R= A+C	S= B+P	T	U	V
1	1R	\$ 230,544	\$ 305,600	\$ 13,237	5.74%	\$ (3,249)	-1.05%	-1.37%	\$ (1,861)	-0.58%	-0.76%	\$ (189)	-0.06%	-0.08%	\$ 13,237	5.74%	\$ 12,388	4.05%	\$ 243,780	\$ 317,988	5.74%	4.05%	3.80%
2	1C	\$ 41,553	\$ 57,820	\$ 2,386	5.74%	\$ (604)	-1.00%	-1.37%	\$ (335)	-0.56%	-0.76%	\$ (34)	-0.06%	-0.08%	\$ 2,386	5.74%	\$ 2,233	3.86%	\$ 43,939	\$ 60,054	5.74%	3.86%	3.60%
3	2R	\$ 37,346,998	\$ 56,557,096	\$ 2,144,286	5.74%	\$ (542,391)	-0.92%	-1.37%	\$ (301,695)	-0.51%	-0.76%	\$ (30,774)	-0.05%	-0.08%	\$ 2,144,286	5.74%	\$ 2,006,353	3.55%	\$ 39,491,284	\$ 58,563,449	5.74%	3.55%	3.40%
4	3 CFS	\$ 10,902,288	\$ 17,148,127	\$ 625,888	5.74%	\$ (158,303)	-0.89%	-1.37%	\$ (88,085)	-0.50%	-0.76%	\$ (8,934)	-0.05%	-0.08%	\$ 625,888	5.74%	\$ 585,687	3.42%	\$ 11,528,176	\$ 17,733,814	5.74%	3.42%	3.30%
5	3 IFS	\$ 156,786	\$ 255,541	\$ 9,000	5.74%	\$ -	0.00%	0.00%	\$ (1,265)	-0.48%	-0.76%	\$ (128)	-0.05%	-0.08%	\$ 9,000	5.74%	\$ 8,424	3.29%	\$ 165,786	\$ 264,366	5.74%	3.29%	3.30%
6	27	\$ 223,143	\$ 384,423	\$ 12,812	5.74%	\$ (3,239)	-0.82%	-1.37%	\$ (1,799)	-0.45%	-0.76%	\$ (185)	-0.05%	-0.08%	\$ 12,812	5.74%	\$ 11,991	3.12%	\$ 235,955	\$ 396,414	5.74%	3.12%	3.00%
7	41CFS	\$ 1,704,314	\$ 3,015,802	\$ 97,837	5.74%	\$ (24,753)	-0.79%	-1.37%	\$ (13,761)	-0.44%	-0.76%	\$ (1,402)	-0.05%	-0.08%	\$ 97,837	5.74%	\$ 91,556	3.04%	\$ 1,802,150	\$ 3,107,357	5.74%	3.04%	3.30%
8	41IFS	\$ 410,611	\$ 765,263	\$ 8,210	2.00%	\$ -	0.00%	0.00%	\$ (3,195)	-0.41%	-0.76%	\$ (324)	-0.04%	-0.08%	\$ 8,210	2.00%	\$ 6,837	0.89%	\$ 418,822	\$ 772,100	2.00%	0.89%	1.00%
9	41CIS	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -	0.00%	0.00%	0.00%
10	41IIS	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -	0.00%	0.00%	0.00%
11	41CTF	\$ 198,544	\$ 198,544	\$ 3,971	2.00%	\$ -	0.00%	0.00%	\$ (1,546)	-0.76%	-0.76%	\$ (157)	-0.08%	-0.08%	\$ 3,971	2.00%	\$ 3,303	1.66%	\$ 202,515	\$ 201,847	2.00%	1.66%	1.70%
12	41ITF	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -	0.00%	0.00%	0.00%
13	42CFS	\$ 242,631	\$ 493,245	\$ 13,928	5.74%	\$ (3,523)	-0.69%	-1.37%	\$ (1,957)	-0.39%	-0.76%	\$ (200)	-0.04%	-0.08%	\$ 13,928	5.74%	\$ 13,034	2.64%	\$ 256,559	\$ 506,279	5.74%	2.64%	3.40%
14	42IFS	\$ 535,135	\$ 1,178,421	\$ 10,697	2.00%	\$ -	0.00%	0.00%	\$ (4,163)	-0.35%	-0.76%	\$ (422)	-0.04%	-0.08%	\$ 10,697	2.00%	\$ 8,904	0.76%	\$ 545,832	\$ 1,187,326	2.00%	0.76%	1.00%
15	42CFT	\$ 382,428	\$ 382,428	\$ 11,469	3.00%	\$ -	0.00%	0.00%	\$ (3,005)	-0.76%	-0.76%	\$ (308)	-0.08%	-0.08%	\$ 11,469	3.00%	\$ 10,152	2.65%	\$ 393,897	\$ 392,580	3.00%	2.65%	2.80%
16	42IFT	\$ 861,361	\$ 861,361	\$ 17,231	2.00%	\$ -	0.00%	0.00%	\$ (6,715)	-0.76%	-0.76%	\$ (701)	-0.08%	-0.08%	\$ 17,231	2.00%	\$ 14,278	1.66%	\$ 878,591	\$ 875,639	2.00%	1.66%	1.80%
17	42CIS	\$ 177,371	\$ 447,587	\$ 10,182	5.74%	\$ (2,577)	-0.56%	-1.37%	\$ (1,433)	-0.31%	-0.76%	\$ (146)	-0.03%	-0.08%	\$ 10,182	5.74%	\$ 9,528	2.13%	\$ 187,553	\$ 457,115	5.74%	2.13%	2.30%
18	42IIS	\$ 84,849	\$ 175,450	\$ 1,697	2.00%	\$ -	0.00%	0.00%	\$ (661)	-0.37%	-0.76%	\$ (66)	-0.04%	-0.08%	\$ 1,697	2.00%	\$ 1,412	0.80%	\$ 86,546	\$ 176,862	2.00%	0.80%	0.90%
19	42CIT	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -	0.00%	0.00%	0.00%
20	42IIT	\$ 863,339	\$ 863,339	\$ 17,272	2.00%	\$ -	0.00%	0.00%	\$ (6,714)	-0.76%	-0.76%	\$ (679)	-0.08%	-0.08%	\$ 17,272	2.00%	\$ 14,405	1.67%	\$ 880,611	\$ 877,745	2.00%	1.67%	1.70%
21	43 FT	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -	0.00%	0.00%	0.00%
22	43 IT	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -	0.00%	0.00%	0.00%
23	Special	\$ 242,995	\$ 242,995	\$ -	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 242,995	\$ 242,995	0.00%	0.00%	0.00%
Total		\$ 54,604,889	\$ 83,333,441	\$ 3,000,104	5.52%	\$ (738,740)	-0.86%	-1.37%	\$ (438,193)	-0.51%	-0.76%	\$ (44,648)	-0.05%	-0.08%	\$ 3,000,104	5.52%	\$ 2,800,487	3.37%	\$ 57,604,993	\$ 86,133,927	5.52%	3.37%	(6)

NOTE (1): Revenue Requirement spread to all rate schedules based on Full Multi-Party Settlement.

NOTE (2): Energy efficiency deferral spread to residential and commercial sales rate schedules on equal percent of margin basis. See Exh. RJW-1T.

NOTE (3): Block 24 property net gain on sale spread to all rate schedules on equal percent of margin basis. See Exh. RJW-1T.

NOTE (4): Astoria Resource Center property net gain on sale spread to all rate schedules on equal percent of margin basis. See Exh. RJW-1T.

NOTE (5): The proposed margin revenue increase is based on volumetric billing rates rounded to the fifth decimal as necessitated by the Company's tariff. Therefore, there may be a small discrepancy with the Full Multi-Party settled revenue requirement.

NOTE (6): The average customer bill percentage impact figure calculation excludes pipeline capacity charges for RS 41 and RS 42 rate classes, and thus the bill rate impacts for these schedules are overstated.