

**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 1

Full Multi-Party Settlement Agreement

August 3, 2021

NW Natural Gas
UG-200994, UG-200995, UG-200996 & UG-210085
Full Multi-Party Settlement Agreement
Attachment 1

	Capital (Net Book Value)	Revenue Req.
SE 1st Grading Project (Phase 2)	\$ 2,208,041	\$ 242,347
White Salmon Reinforcement	\$ 2,597,432	\$ 274,670
Battleground Gate Station	\$ 1,343,705	\$ 139,536
Ridgefield Gate Station	\$ 1,635,644	\$ 169,853
Mist Well Rework Program (2021)	\$ 356,314	\$ 35,918
Mist Corrosion Abatement (Phase 4)	\$ 336,442	\$ 35,955
Vancouver Retrofit Phase 2	\$ 4,662,326	\$ 506,374
Horizon:		
O&M (net of savings/benefits)		\$ 479,879
Capital	\$ 8,280,803	\$ 1,431,568
Less: Retirement of current SAP[1]	\$ -	\$ (166,000)
Horizon Sub-Total	<u>\$ 8,280,803</u>	<u>\$ 1,745,447</u>
Subtotal	\$ 21,420,708	\$ 3,150,100
Horizon Start-Up O&M (Deferral Amortization)		\$ 83,325
Conservation Potential Assessment (CPA)		\$ 77,076
Total Portfolio Revenue Requirement		<u>\$ 3,310,502</u>
Settlement Cap		<u>\$ 3,000,000</u>

[1] Washington's portion of the original cost of the current SAP system was \$2.3 million. Under Mass Asset accounting, retiring the current SAP includes a removal of \$2.3m from both gross plant and accumulated depreciation, with no change to net book value. The revenue requirement reduction is driven by the removal of depreciation expense due to the lower gross plant, which along with depreciation rates, is the basis of depreciation expense.