

Notice of Request for Rate Increase

In December 2020, NW Natural filed a two year rate plan with the Washington Utilities and Transportation Commission (WUTC). The proposed increase for year one is an overall net revenue increase of \$6.3 million or 8.0%. Year two is proposed to be an additional \$3.2 million or 3.7% increase. NW Natural's last general rate case was in 2018. Included in the filing, NW Natural also proposed rate mitigation measures that would reduce the rate impact of the first year revenue requirement by \$2.3 million.

Approximately 11% of NW Natural's customers are in Washington, and approximately 10% of its revenues are from there.

This rate request is a necessary step in NW Natural's regulatory process to recover costs associated with continued investments to strengthen and reinforce the natural gas system, provide necessary system maintenance and operational resiliency, and technology upgrades.

Summary of Requested Rate Increase

Type of Service	Schedule(s)	Year-One Percentage Increase ¹	Year-Two Percentage Increase ¹
Residential	2	7.6%	3.6%
Commercial Sales	3	7.3%	3.5%
Industrial Firm Sales	42	7.2% ²	3.4% ²
Industrial Interruptible Sales	42	6.6% ²	3.1% ²

¹ Residential customers will see lower or higher percentage increases based on actual use.

² Actual effect will vary by customer based on customer-specific rate choices.

Effects on Residential Customers

The combined average effect, including rate mitigation, of the proposed rate change for the typical residential customer would be a monthly increase of approximately \$3.30 or 5.5% broken down as follows:

Type of Service	Current Bill	Year-One Proposed	Year-Two Proposed
Rate per therm	\$0.88948	\$0.93677	\$1.00612
Basic charge per month	\$8.00	\$8.00	\$8.00
Total monthly bill at 56 therms	\$58.21	\$60.88	\$64.80

General Rate Case Information

A general rate case is the legal proceeding in which the WUTC will examine a utility's operations and costs to ensure regulated companies provide safe and reliable service to customers at reasonable rates, while allowing the utility to earn a fair return on its investments.

The WUTC will conduct an investigation and hold hearings to examine the requested increase.

WUTC Staff, NW Natural, Public Counsel, and other parties will participate and make recommendations to the commission. The commission has the authority to set final rates based on the results of the investigation, which may be higher or lower than what NW Natural requested. The WUTC has up to 11 months to review the request. If approved, changes will go into effect no later than December 1, 2021 for Year-One rate plan and November 1, 2022 for Year-Two.

The public can submit comments to the WUTC in numerous ways including a virtual public comment hearing August 19, 2021 at 6pm:

You can participate by using the Microsoft Teams link at www.utc.wa.gov/200994 or by calling 1-253-372-2181 and entering conference ID number 380-447-245# at the prompt or on your computer, tablet or phone.

If you plan to speak at the hearing, please email comments@utc.wa.gov or call 1-888-333-9882 at least one day in advance so you can be signed in. Failure to email or call in advance will not preclude you from calling the day of the hearing.

The UTC is committed to providing reasonable accommodation to participants with disabilities. If you need reasonable accommodation, please contact the UTC at human_resources@utc.wa.gov or 1-360-664-1234.

The public may also submit comments in the following ways:

WUTC

comments@utc.wa.gov | 1-888-333-WUTC (9882)
www.utc.wa.gov | click on Submit a Comment link
P.O. Box 47250, Olympia, WA 98504-7250
Reference Docket Number UG-200994 with your comments.

Public Counsel

Residential and small-businesses customers are represented in this case by the Public Counsel Unit of the Washington Office of the Attorney General.

Attorney General of Washington
800 5th Avenue, Suite 2000, Seattle, WA 98104-3188
utility@atg.wa.gov | www.atg.wa.gov/utilities-regulated

You can contact NW Natural at:

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