

September 13, 2024

NWN WUTC Advice No. 24-10 / UG-_____

VIA ELECTRONIC FILING

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

Received
Records Management
Sep 13, 2024

Re: Request for Inclusion of Residual Temporary Bill Credits Associated with Residential Rate Mitigation from the 2023/2024 Winter Heating Season

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.

Third Revision of Sheet 212.1	Schedule 212	Adjustment to Rates – Residential Rate Mitigation
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Purpose

The purpose of this filing is to propose to continue amortizing the residual amounts remaining in the Residential Rate Mitigation account.

Background

The Residential Rate Mitigation was a temporary bill credit in residential customer rates from November 1, 2022 through March 31, 2023 to mitigate the combined bill impact from the rate changes associated with the purchased gas adjustment (PGA) and NW Natural's implementation of its base rate increase in the second year of its two-year rate plan (UG-200994), effective on November 1, 2022. On April 1, 2023, the mitigation was reversed, and the Company started to amortize the revenue deferral with the intent it would be fully recovered by October 31, 2023. Customer usage, driven by weather, has caused residual amounts to remain in the amortization account for which the Company is requesting continued amortization. The Company proposes amortization of residual amounts that are forecasted to not be fully amortized by October 31, 2024, with a rate effective date of November 1, 2024.

Proposed Changes

The net result of the deferral and amortization leaves an estimated balance as of October 31, 2024, of \$21,177 to be further amortized during the twelve-month period starting November 1, 2024. It should be noted that the proposed Schedule 230 adjustments represent only a portion of the deferred 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, 24-11, 24-12, 24-13 and 24-14).

The effect of this new tariff adjustment schedule is to decrease the Company's annual revenues by \$659,242, or 0.54%. The monthly bill of the average residential customers served under Rate Schedule 2 using 57 therms will see a decrease of \$0.62¹.

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 NW Natural's Washington residential Schedule 2 customers. NW Natural currently serves approximately 90,256 residential Schedule 2 customers in the Company's Washington service territory.

Conclusion

In support of this filing, the Company includes supporting materials as part of this filing and will separately submit work papers in electronic format, all of which are incorporated herein by reference.

This rate change affects all of NW Natural's Washington residential rate Schedule 2 sales customers. NW Natural currently serves approximately 90,256 Schedule 2 residential customers in the Company's Washington service territory.

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 Lora Bourdo at lora.bourdo@nwnatural.com with copies to the following:

eFiling
Rates & Regulatory Affairs
NW Natural
250 SW Taylor Street
Portland, Oregon 97204
Telephone: (503) 610-7330
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eFiling@nwnatural.com

Sincerely,

NW NATURAL
/s/ Kyle Walker, CPA

Kyle Walker, CPA
Rates/Regulatory Senior Manager
NW Natural
250 SW Taylor Street

^{1 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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Attachments:

NEW-NWN-WUTC-Advice-24-10-Rate-Mitigation-Trf-Sheet-212-1-09-13-24
NEW-NWN-WUTC-Advice-24-10-Rate-Mitigation-Exh-A-09-13-24
NEW-NWN-WUTC-Advice-24-10-Rate-Mitigation-Exh-A-09-13-24.xlsx