

Rates and Regulatory Affairs
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April 22, 2009

NWN Advice No. WUTC 09-4A

VIA ELECTRONIC FILING

Dave Danner, Executive Director & Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, Washington 98504-7250

**Re: Replacement Filing – Docket UG 090470
Compliance Filing: Docket No. UG-080546
Low-Income Bill Assistance Program**

Dear Mr. Danner:

Northwest Natural Gas Company, dba NW Natural (“NW Natural” or the “Company”), files herewith the following revisions to its Tariff WN U-6, stated to become effective on and after May 1, 2009:

Original Sheet J.1,
Schedule J
“Gas Residential Energy Assistance Tariff (GREAT).

This filing is made pursuant to discussions with the Commission Staff, and Staff request. The filing removes language from Sheet J.1 that places a cap at the equal percentage of margin on the deferred account balance up to a \$500,000 funding level for the GREAT program on Schedule 42 customer contributions in any one GREAT Program Year, removes a specific method of agreed funding for any increase above \$500,000 if such future increases are deemed appropriate and removes a 2011 specified deadline for reviewing the cap.

The original compliance filing submitted a proposed Tariff representing a negotiated agreement among the parties, under which no party is deemed to have approved, admitted, or consented to the facts, principles, methods or theories employed by any other party in arriving at the terms of the agreement, other than those specifically identified in the proposed Tariff. However, Commission staff now asserts that the agreement to limit Schedule 42 Customer contributions is a violation of RCW 80.28.068. Other parties, including NW Natural, disagree with this position. However, NW Natural has agreed to make this change at this time with the agreement of the Northwest Industrial Gas Users in order that this program can be launched in the time frame envisioned by the Commission Order in Docket UG-080546.

RCW 80.28.068 is permissive, and does not prevent the parties or the Commission from approving a limitation on Schedule 42 customer contributions to the funding of this low-income program. The Company’s decision to not pursue this issue with the

Commission at this time is based solely on the fact that as proposed, the total Program Year cap is set at \$500,000 creating no immediate adverse impact on the Schedule 42 customer class. But, NW Natural reserves the right to assert in a subsequent proceeding the Schedule 42 fund contribution limitation to which the parties agreed, specifically a cap that is not greater than the equal percentage of margin for Schedule 42 customers up to \$500,000, in the event of any future request to increase the Program Year cap above \$500,000.

The Company respectfully requests that NW Natural's position as stated in this advice filing be reflected in the Commission staff's written memorandum to the Commission, and in any Commission Order that may be issued on this matter.

The Company respectfully requests that all other tariff sheets filed originally under NWN Advice No. WUTC 09-4 issued March 31, 2009 be approved as filed, and that the tariff sheet filed herein be approved to become effective with service on and after May 1, 2009.

A copy of the filing is available for public inspection in the Company's main office in Portland, Oregon and on its website at www.nwnatural.com.

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

Please address correspondence on this matter to me with copies to the following:

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Please email me at ork@nwnatural.com, or call me at (503) 721-2452 if you have any questions.

Sincerely,

/s/ Onita R. King

Onita R. King
Rates & Regulatory Affairs