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October 15, 2012

NWN Advice No. WUTC 12-6A

Dave Danner, Executive Director & Secretary  
Washington Utilities and Transportation Commission  
1300 S Evergreen Park Drive SW  
Post Office Box 47250  
Olympia, Washington 98504-7250

Re: **Docket No. UG-121433 REPLACEMENT FILING**  
Schedule G Energy Efficiency Service and Programs;  
Program Cost Recovery – Schedule 215

Northwest Natural Gas Company, dba NW Natural (NWN or the “Company”) files herewith revisions to its Tariff WN U-6, stated to become effective with service on and after November 1, 2012, as follows:

Thirteenth Revision of Sheet 215.1,  
Schedule 215,  
“Adjustment to Rates for Energy Efficiency Service and Programs.”

This filing replaces all tariff sheets and exhibits originally filed under NWN Advice No. WUTC 12-6 in their entirety.

The purpose of this filing is to revise Schedule 215 to reflect adjustments to rates for the collection of 2011 program year costs under Schedule G. The Company requests that this filing be approved to become effective with service on and after November 1, 2012, coincident with the requested effective date of the Company’s Purchased Gas Adjustment (PGA) filing, submitted as Advice No. WUTC 12-7A.

NW Natural began offering energy efficiency programs to Washington customers on October 1, 2009, in compliance with Washington Utilities and Transportation Commission (WUTC) Order No. 04 in the Company’s 2008 general rate case, Docket UG-080546. NW Natural’s energy efficiency programs were developed and continue to evolve under the direction and oversight of the Energy Efficiency Advisory Group (EEAG), which is comprised of representatives from NW Natural, Energy Trust of Oregon (Energy Trust), WUTC Staff, Public Counsel, Northwest Industrial Gas Users (NWIGU), The Energy Project, and NW Energy Coalition.

The Company’s energy efficiency programs were initially offered on a one-year pilot basis through the Energy Trust. In 2011, agreement was reached through the EEAG to continue using the Energy Trust as the program administrator for the Company’s energy efficiency programs. As such, 2011 marks the first full program year following the initial pilot period.

The Company's energy efficiency program continues to do well in spite of difficult economic conditions. During 2011, the Company acquired 204,372 therm savings for a total program year cost of invested \$1,069,376. The Company exceeded its therm savings target at a cost that was less than forecasted. The quarterly and annual reports for the 2011 program year are on record with the Commission in Docket UG-080546. The 2011 Annual Report is also included in support of this filing.

The average monthly bill impact of the amortization of costs incurred in 2011 for the Schedule G energy efficiency programs, as set forth in Schedule 215, is approximately 0.3% for residential customers and 0.3% for commercial Schedule 3 customers. The average residential customer using about 55 therms will pay \$0.68 per month, and the average Schedule 3 commercial customer using about 237 therms will pay \$2.60 per month.

In support of this filing, the Company provides worksheets showing the derivation of the Schedule 215 adjustments to rates.

The Company respectfully requests that the tariff sheets filed herewith be approved to become effective with service on and after November 1, 2012.

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](http://www.nwnatural.com).

Please address correspondence on this matter to the following:

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Please contact me if you have any questions.

Sincerely,

NW NATURAL

*/s/ Jennifer Gross*

Jennifer Gross