



IMPORTANT INFORMATION

Oregon's Climate Protection Program

If approved as designed by the Department of Environmental Quality (DEQ), a new climate program in Oregon will impact every energy user in the state, both at the pump and on utility bills.

The DEQ is creating new rules for its Climate Protection Program (CPP). Learn more at oregon.gov/deq/ghgp/cpp

NW Natural is anticipating that customers will see CPP costs on their gas bills beginning as early as the first year of the program's implementation.

How much will it cost?

All of the fees collected from customers will be used to cover the compliance costs for their emissions. Based on the draft rules published on May 9, 2024, **we estimate that residential customers could initially see their monthly**

bills increase by approximately 14% because of the CPP. Within the first nine years of the program, those costs alone could increase monthly bills by approximately 35%.¹ Commercial and industrial customers will also see bill increases associated with their emissions.

Flip over to learn more about CPP costs. →



DEQ WANTS TO HEAR FROM YOU!

This summer, DEQ is inviting all Oregonians to give feedback about the state's new Climate Protection Program. **Learn more at oregon.gov/deq/ghgp/cpp**

¹ These estimates are based on draft rules published by DEQ on May 9, 2024, and the average usage for our residential customers with average weather conditions for our territory. Estimates could change based on new rules, the timing of CCI availability, customer usage, weather, and compliance instrument changes. These estimates do not include commodity price fluctuations or new charges associated with system safety and reliability investments.



BILLING AND PAYMENT

Need help paying or reducing energy bills? We may have options for you

If you need help paying or catching up on monthly energy bills, we have options that may help for qualifying incomes:

- **Flexible payment plans** for past-due accounts
- **Bill Discount Program** can save 15% to 80% on bills every month
- **No- and low-cost tips** can shave off extra energy costs. Check out a couple of no-cost summer cooling tips on page 2



Plus, **free or discounted home weatherization and natural gas upgrades** may be available through our partnerships with community organizations.

Resources at nwnatural.com



Learn how your natural gas appliances are performing. **Schedule an annual inspection**



Start, stop or transfer your gas service online. **Full self-service is available!**



Your bill is about to look different and be easier to read. **We've added more helpful data**



See options at nwnatural.com/PaymentAssistance

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Frequently Asked Questions

How will it work?

The CPP is in response to former Governor Kate Brown's 2020 executive order (EO 20-04) directing state agencies to design programs to achieve a 45% reduction in emissions by 2035 and an 80% reduction by 2050. According to the program, NW Natural and other companies will be required to reduce emissions using a specific set of compliance tools—such as a "Community Climate Investment" (CCI) designed by DEQ, renewable natural gas or clean hydrogen.

What is a CCI?

A CCI is a tool created by DEQ and identified as a credit. These credits will only apply in Oregon. DEQ intends to choose a non-profit organization that will "sell" the credits to entities that are required to comply with the rule. The non-profit will use the proceeds from these CCI sales to help fund various projects that could—but are not required to—result in emissions reductions at some point in the future.

Is a CCI the same as a carbon offset?

No. With carbon offsets, there are well-documented international standards and protocols to guarantee that an offset results in projects that measurably lower emissions.

By comparison, in its carbon accounting, DEQ will include CCIs as emissions savings even if a project has not reduced emissions.

Price is another difference between CCIs, offsets and allowances in other carbon markets. DEQ's price per ton of CO₂e is the most expensive in North America. Compliance tools in other carbon markets range from \$21 per ton to \$80², whereas DEQ set the 2023 price of a CCI at \$123 per ton—and has recently chosen to increase the price to \$129 to start with escalating costs through time.

Are there changes that could be made to lower costs while reducing emissions?

Yes. For example, DEQ could allow for a slower reduction requirement that recognizes the complexity of decarbonization. The program could include cost caps, and it could direct the investments paid for by natural gas customers to go back to those customers to fund deeper energy efficiency, carbon offsets, and new technologies—all changes that could lower costs. NW Natural has asked state leaders to consider these changes and will continue to do so.

² Most recent RGGI auction price available at: <https://www.rggi.org/auctions/auction-results/prices-volumes>; BC carbon tax price available at: <https://www2.gov.bc.ca/gov/content/environment/climate-change/clean-economy/carbon-tax>



More information is available for customers at nwnatural.com/cpp



WAYS TO SAVE

Stay cool now, prep your home for fall later

This summer, help keep cooled air circulating inside by setting ceiling fans to the counterclockwise direction, and cleaning or unblocking air vents.

If it's time to make more significant energy upgrades, you could get rebates from NW Natural Preferred Contractors and Energy Trust of Oregon to help pay for the cost.

This summer, you can get:

- **\$200 for an energy-efficient air conditioner**, for customers of PGE and Pacific Power.
- **Up to \$1,800 for a high-efficiency natural gas furnace**. Natural gas heating pairs well with an efficient air conditioner to keep you comfortable in every season.



Learn about appliance rebates, energy-saving tips and NW Natural Preferred Contractors at nwnatural.com/Offers

WE HAVE UPDATED OUR PRIVACY NOTICE TO COMPLY WITH OREGON'S NEW CONSUMER PRIVACY LAW

If you are interested in learning more about how we use consumer data and your rights as a consumer, please visit nwnatural.com/online-privacy.

FOLLOW US:



CUSTOMER SERVICE

800-422-4012

24-HOUR EMERGENCY

800-882-3377

