

November 15, 2024

Lower rates for NW Natural customers in Washington started November 1 Further reductions possible starting January 1, 2025

Lower rates for NW Natural customers in Washington took effect Nov. 1, 2024, to reflect the annual Purchased Gas Adjustment for the expected cost of natural gas. On Nov. 15, 2024, NW Natural requested other rate changes with the Washington Utilities & Transportation Commission (WUTC). If all rate changes are approved by the WUTC as filed, starting Jan. 1, 2025, residential and small-commercial bills will further decrease, but the amount will depend on the State of Washington's rules regarding when your premises was connected to NW Natural's system OR if you are an Identified Low-Income Customer.

The combined effects of new rate adjustments

- **Premises connected to the natural gas system before July 25, 2021:** If approved, bills will decrease by a combined total of about \$5 a month for residential customers using an average of 57 therms per month. Small-commercial rates will decrease by about \$30 based on average usage of 254 therms per month.
- **Premises connected to the natural gas system after July 25, 2021:** If approved, bills will decrease by a combined total of about \$14 a month for residential customers using an average of 57 therms per month. Small-commercial rates will decrease by about \$63 based on average usage of 254 therms per month.
- **Low-income customers:** If approved, bills will increase by less than \$1 a month for residential low-income customers using an average of 57 therms per month. Low-income customers are held harmless from all Climate Commitment Act costs.

This means NW Natural customers will be paying less than they did 20 years ago for their natural gas bills.

How NW Natural is keeping natural gas affordable

The company has taken several steps to maximize affordability, such as locking in gas purchases at lower rates, smart investments in energy storage, and energy-efficiency measures. The combined effects of the following filings contribute to rate changes for customers in Washington as shown on the next page.

What are the components of the rate adjustments?

Starting Nov. 1, the Purchased Gas Adjustment portion of residential rates—reflecting the commodity cost of natural gas—decreased by about \$8 a month for customers using an average of 57 therms per month. Small-commercial rates decreased by about \$33 based on average usage of 254 therms per month. This rate adjustment was approved by the WUTC.

Additionally, two other rate adjustments have been filed by NW Natural and are pending approval by the WUTC. If approved as filed, these adjustments would go into effect Jan. 1, 2025:

- The Climate Act Fee to comply with Washington's Climate Commitment Act would decrease bills by about \$6 per month for residential customers and \$32 per month for small-commercial customers. For customers who connected to the natural gas system after July 25, 2021, a residential customer will see monthly bill decreases of about \$15 and small-commercial customers will see a decrease of about \$65 per month.
- The Washington Bill Discount Program, which funds assistance for low-income NW Natural customers in Washington would increase bills by less than \$1 per month for residential customers and about \$2 per month for small-commercial customers.

Relief for income-qualified customers

We know households are facing financial pressures with continued cost increases for everyday goods and services. NW Natural offers **bill discounts of 15% to 80%** to cut energy costs for customers whose household income is at or below 80% of area median income or federal poverty level.

Our **Equal Pay payment plan** is another way that could help make the winter heating season more affordable. Equal Pay is designed to take the ups and downs out of monthly gas bills, which would typically rise and fall depending on the weather and gas use. With Equal Pay, customers may receive steady, predictable bills throughout the year.

Type of Service	Schedule Number	Current Total Billing Rate	Proposed Total Billing Rate	Percent Change in Average Bill*
General Residential Sales Service	1	\$1.91107	\$1.66830	-1.2%
General Commercial Sales Service	1	\$1.91670	\$1.67264	3.8%
Residential Sales Service	2	\$1.56419	\$1.31527	-6.9%
Commercial Sales Service	3	\$1.52836	\$1.27854	-9.2%
Industrial Sales Service	3	\$1.48049	\$1.23031	5.5%
Residential Heating Dry-Out Service	27	\$1.35525	\$1.11591	-11.7%
Commercial Firm Sales	41	\$1.25470	\$1.00339	-2.9%
Commercial Firm Transportation	41	\$0.86235	\$0.61077	-13.7%
Industrial Firm Sales	41	\$1.16597	\$0.91368	-8.1%
Industrial Firm Transportation	41	N/A	N/A	0.00%
Large Volume Commercial Firm Sales	42	\$1.02058	\$0.76647	0.4%
Large Volume Commercial Interruptible Sales	42	\$0.93896	\$0.68430	-17.5%
Large Volume Industrial Firm Sales	42	\$0.97351	\$0.72031	0.6%
Large Volume Industrial Interruptible Sales	42	\$0.93724	\$0.68339	2.0%
Large Volume Commercial Firm Transportation	42	\$0.61482	\$0.35937	-41.1%
Large Volume Industrial Firm Transportation	42	\$0.60337	\$0.34803	-30.1%

*Estimates include Climate Act Credits available for customers connected to the gas system prior to July 25, 2021. Identified low-income customers are not subject to the Climate Commitment Act. For more information, visit nwnatural.com/cca

NW Natural's filings are requests, subject to public review and a decision by the WUTC. Customers may comment on the proposed rate changes by clicking "Submit a Comment" at www.utc.wa.gov, emailing comments@utc.wa.gov, calling 1-888-333-9882 (WUTC), or mailing Washington Utilities and Transportation Commission, PO Box 47250, Olympia, WA 98504-7250. Customers can also request more information, review the filing, and find out about open meetings. For more information, visit the Rates and Regulations section of nwnatural.com.