

July 31, 2025

NWN OPUC Advice No. 25-07 / ADV 1760
(UM 1078)**VIA ELECTRONIC FILING**

Public Utility Commission of Oregon
Attention: Filing Center
201 High Street SE, Suite 100
Post Office Box 1088
Salem, Oregon 97308-1088

**Re: REQUEST FOR AMORTIZATION OF AMOUNTS COLLECTIBLE THROUGH SITE
REMEDATION RECOVERY MECHANISM (SRRM): UM 1078 AND UM 1635**

Northwest Natural Gas Company, dba NW Natural (NW Natural or Company), files herewith revisions and additions to its Tariff, P.U.C. Or. 25,¹ stated to become effective with service on and after October 31, 2025, as follows:

Eleventh Revision of Sheet 183-3	Schedule 183	Site Remediation Recovery Mechanism (SRRM) (continued)
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Purpose

This filing is made in accordance with the Public Utility Commission of Oregon's (Commission) orders in UM 1635. The purpose of this filing is to request amortization of amounts deferred under docket UM 1078 for inclusion in rates effective October 31, 2025. The Company revises rates for this purpose annually; the last filing was effective November 1, 2024. Please note that NW Natural is in the process of filing a motion for waiver relating to the request for an October 31 rate effective date due to a previous Commission order authorizing this SRRM rate mechanism.

Background

This filing is in compliance with ORS 757.259, which authorizes deferred utility expenses or revenues to be allowed (amortized) in rates to the extent authorized by the Commission in a proceeding to change rates and with Order No. 15-049 in docket UM 1635. All of the deferrals included in this filing occurred with appropriate application by Commission authorization, as rate orders or under approved tariffs.

¹ Tariff P.U.C. Or. 25 originated November 1, 2012 with Docket UG 221; OPUC Order No. 12-408 as supplemented by Order No. 12-437, and was filed pursuant to ORS 767.205 and OAR 860-022-0005.

Proposed Changes

The net effect of the removal of the current temporary adjustments applied to rates effective November 1, 2024 and the application of the new temporary adjustments is to increase the Company's annual revenues by \$1,759,143 or about 0.19%.

The monthly bill of the average residential customer served under Rate Schedule 2 using 54 therms per month will increase by \$0.14, or 0.2%. The monthly increase for the average commercial Rate Schedule 3 customer using 270 therms is about \$0.66, and the monthly increase for the average firm sales commercial Rate Schedule 31 customer using 2,744 therms is about \$1.61. The average Rate Schedule 32 firm sales industrial customer using 9,861 therms will see a monthly increase of about \$10.65. The average bill effects for all other rate schedule and service types can be found in the separately provided workpapers.

In compliance with OAR 860-022-0025 the Company states that the number of customers affected by the proposed change is 644,678 residential customers, and 62,210 commercial customers, and 970 industrial customers.

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.

In accordance with ORS 757.205, copies of this letter and the filing made herewith are available in the Company's main office in Oregon and on its website at www.nwnatural.com.

Please address correspondence on this matter to Michael Lewis at Michael.Lewis@nwnatural.com with copies to:

eFiling
Rates & Regulatory Affairs
NW Natural
250 SW Taylor Street
Portland, Oregon 97204
Fax: (503) 220-2579
Telephone: (503) 610-7330
eFiling@nwnatural.com

Sincerely,

NW NATURAL

/s/ Kyle Walker, CPA

Kyle Walker, CPA
Rate/Regulatory Senior Manager

Attachments: Exhibit A – Supporting Materials

NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25

Eleventh Revision of Sheet 183-3
Cancels Tenth Revision of Sheet 183-3**SCHEDULE 183**
SITE REMEDIATION RECOVERY MECHANISM (SRRM)
(continued)**APPLICATION TO RATE SCHEDULES:****Effective: October 31, 2025**

(C)

The Total Adjustment amount shown below is included in the Temporary Adjustments reflected in the above-listed Rate Schedules. NO ADDITIONAL ADJUSTMENT TO RATES IS REQUIRED.

Rate Schedule/Class	Block	SRRM Adjustment		Rate Schedule/Class	Block	SRRM Adjustment
2		\$0.01911		31 CSF	Block 1	\$0.00907
03 CSF		\$0.01476			Block 2	\$0.00829
03 ISF		\$0.00958		31 CTF	Block 1	\$0.00896
27		\$0.01708			Block 2	\$0.00819
				31 ISF	Block 1	\$0.00641
					Block 2	\$0.00580
				31 ITF	Block 1	\$0.02135
					Block 2	\$0.01928
32 CSF	Block 1	\$0.00555		32 CSI	Block 1	\$0.00372
	Block 2	\$0.00473			Block 2	\$0.00317
	Block 3	\$0.00335			Block 3	\$0.00225
	Block 4	\$0.00197			Block 4	\$0.00134
	Block 5	\$0.00098			Block 5	\$0.00079
	Block 6	\$0.00051			Block 6	\$0.00039
32 ISF	Block 1	\$0.00444		32 ISI	Block 1	\$0.00348
	Block 2	\$0.00378			Block 2	\$0.00297
	Block 3	\$0.00270			Block 3	\$0.00212
	Block 4	\$0.00161			Block 4	\$0.00127
	Block 5	\$0.00085			Block 5	\$0.00076
	Block 6	\$0.00047			Block 6	\$0.00038
32 CTF	Block 1	\$0.00384		32 CTI	Block 1	\$0.00257
	Block 2	\$0.00325			Block 2	\$0.00218
	Block 3	\$0.00228			Block 3	\$0.00152
	Block 4	\$0.00130			Block 4	\$0.00087
	Block 5	\$0.00071			Block 5	\$0.00048
	Block 6	\$0.00033			Block 6	\$0.00021
32 ITF	Block 1	\$0.00305		32 ITI	Block 1	\$0.00277
	Block 2	\$0.00259			Block 2	\$0.00235
	Block 3	\$0.00181			Block 3	\$0.00164
	Block 4	\$0.00103			Block 4	\$0.00093
	Block 5	\$0.00057			Block 5	\$0.00051
	Block 6	\$0.00026			Block 6	\$0.00023
				33		\$0.00000

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Issued July 31, 2025
NWN OPUC Advice No. 25-07

Effective with service on
and after October 31, 2025

EXHIBIT A

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

NW NATURAL SUPPORTING MATERIALS

Non-Gas Cost Deferral Amortizations
Site Remediation Recovery Mechanism (SRRM)
UM 1078

NWN OPUC Advice No. 25-07 / ADV 1760

July 31, 2025

NW NATURAL

EXHIBIT A

Supporting Materials

Non-Gas Cost Deferral Amortizations

SRRM

NWN OPUC ADVICE NO. 25-07 / ADV 1760

Description	Page
Calculation of Increments Allocated on the Equal Percentage of Margin	1
Effects on Average Bill by Rate Schedule	2
Basis for Revenue Related Costs	3
PGA Effects on Revenue	4
Summary of Deferred Accounts Included in the PGA	5
151380 Amortization of SRRM	6
151375 SRRM Post Prudence and Amount Calculated for Rate Making	7

Calculation of Increments Allocated to

ALL VOLUMES IN THERMS

\$ 618,881,534 \$ 11,957,389

Advice 25-07
See note [4]

2	Oregon PGA Normalized		Normal Therms	Minimum	11/1/2024	11/1/2024	Proposed 10/31/2025	Proposed 10/31/2025	Proposed 10/31/2025		
3	Volumes page,		Therms in	Monthly	Monthly	Billing	Current	Schedule 183 SRRM	Schedule 183 SRRM	Schedule 183 SRRM	
4	Column D		Block	Average use	Charge	Rates	Average Bill	Rates	Average Bill	% Bill Change	
5							F=D*(C * E)		N = D*(C * M)	O = (N - F)/F	
6	Schedule	Block	A	B	C	D	E	F	M	N	O
7	2SF		374,907,494	N/A	54	\$10.00	\$1.33108	\$81.88	\$1.33367	\$82.02	0.2%
	2MF		46,532,455	N/A	54	\$8.00	\$1.33108	\$79.88	\$1.33367	\$80.02	0.2%
8	3C Firm Sales		191,560,213	N/A	270	\$15.00	\$1.18176	\$334.08	\$1.18423	\$334.74	0.2%
9	3I Firm Sales		4,897,917	N/A	1,204	\$15.00	\$1.05417	\$1,284.22	\$1.05473	\$1,284.89	0.1%
10	27 Dry Out		739,110	N/A	36	\$8.00	\$1.17668	\$50.36	\$1.17952	\$50.46	0.2%
11	31C Firm Sales	Block 1	12,710,926	2,000	2,744	\$325.00	\$0.74499	\$2,346.69	\$0.74559	\$2,348.30	0.1%
12		Block 2	11,231,948	all additional			\$0.71467		\$0.71522		
13	31C Firm Trans	Block 1	1,171,263	2,000	3,753	\$575.00	\$0.31490	\$1,709.33	\$0.31519	\$1,710.35	0.1%
14		Block 2	1,305,394	all additional			\$0.28781		\$0.28806		
15	31I Firm Sales	Block 1	3,428,826	2,000	5,162	\$325.00	\$0.72950	\$4,008.94	\$0.72996	\$4,011.22	0.1%
16		Block 2	7,225,968	all additional			\$0.70365		\$0.70408		
17	31I Firm Trans	Block 1	12,735	2,000	729	\$575.00	\$0.26830	\$770.59	\$0.28313	\$781.40	1.4%
18		Block 2	31,024	all additional			\$0.24243		\$0.25581		
19	32C Firm Sales	Block 1	36,364,305	10,000	7,489	\$675.00	\$0.65293	\$5,564.79	\$0.65327	\$5,567.34	0.0%
20		Block 2	11,181,417	20,000			\$0.62396		\$0.62427		
21		Block 3	1,968,034	20,000			\$0.57579		\$0.57604		
22		Block 4	888,550	100,000			\$0.52745		\$0.52763		
23		Block 5	16,644	600,000			\$0.49273		\$0.49287		
24		Block 6	0	all additional			\$0.47626		\$0.47638		
25	32I Firm Sales	Block 1	8,628,593	10,000	9,861	\$675.00	\$0.60345	\$6,625.62	\$0.60453	\$6,636.27	0.2%
26		Block 2	7,972,562	20,000			\$0.58223		\$0.58316		
27		Block 3	2,916,083	20,000			\$0.54675		\$0.54744		
28		Block 4	2,877,605	100,000			\$0.51141		\$0.51185		
29		Block 5	443,011	600,000			\$0.48672		\$0.48699		
30		Block 6	0	all additional			\$0.47429		\$0.47448		
31	32C Firm Trans	Block 1	2,769,074	10,000	19,258	\$925.00	\$0.14137	\$3,449.47	\$0.14144	\$3,450.45	0.0%
32		Block 2	2,051,764	20,000			\$0.11998		\$0.12001		
33		Block 3	656,440	20,000			\$0.08442		\$0.08439		
34		Block 4	951,036	100,000			\$0.04883		\$0.04873		
35		Block 5	42,214	600,000			\$0.02745		\$0.02731		
36		Block 6	0	all additional			\$0.01327		\$0.01311		
37	32I Firm Trans	Block 1	11,405,325	10,000	73,016	\$925.00	\$0.13314	\$7,174.60	\$0.13314	\$7,170.47	-0.1%
38		Block 2	16,248,048	20,000			\$0.11308		\$0.11306		
39		Block 3	9,930,036	20,000			\$0.07964		\$0.07958		
40		Block 4	21,832,878	100,000			\$0.04622		\$0.04611		
41		Block 5	22,413,473	600,000			\$0.02609		\$0.02597		
42		Block 6	7,541,214	all additional			\$0.01279		\$0.01265		
43	32C Interr Sales	Block 1	4,420,212	10,000	29,363	\$675.00	\$0.61838	\$18,374.36	\$0.61893	\$18,389.16	0.1%
44		Block 2	6,619,668	20,000			\$0.59472		\$0.59520		
45		Block 3	3,569,981	20,000			\$0.55521		\$0.55556		
46		Block 4	5,246,915	100,000			\$0.51568		\$0.51592		
47		Block 5	3,398,942	600,000			\$0.49198		\$0.49215		
48		Block 6	0	all additional			\$0.47465		\$0.47477		
49	32I Interr Sales	Block 1	4,783,726	10,000	27,552	\$675.00	\$0.59896	\$16,815.80	\$0.59941	\$16,827.32	0.1%
50		Block 2	6,385,368	20,000			\$0.57835		\$0.57875		
51		Block 3	3,622,167	20,000			\$0.54400		\$0.54431		
52		Block 4	10,367,186	100,000			\$0.50962		\$0.50984		
53		Block 5	4,928,689	600,000			\$0.48899		\$0.48915		
54		Block 6	0	all additional			\$0.47389		\$0.47401		
55	32C Interr Trans	Block 1	780,580	10,000	199,264	\$925.00	\$0.12838	\$11,569.70	\$0.12836	\$11,552.08	-0.2%
56		Block 2	1,586,918	20,000			\$0.10895		\$0.10892		
57		Block 3	1,034,205	20,000			\$0.07661		\$0.07654		
58		Block 4	3,340,006	100,000			\$0.04425		\$0.04415		
59		Block 5	431,793	600,000			\$0.02486		\$0.02475		
60		Block 6	0	all additional			\$0.01194		\$0.01181		
61	32I Interr Trans	Block 1	5,825,488	10,000	198,962	\$925.00	\$0.12678	\$11,474.60	\$0.12677	\$11,455.62	-0.2%
62		Block 2	9,678,292	20,000			\$0.10765		\$0.10762		
63		Block 3	6,123,269	20,000			\$0.07583		\$0.07576		
64		Block 4	14,253,538	100,000			\$0.04395		\$0.04384		
65		Block 5	29,505,433	600,000			\$0.02486		\$0.02474		
66		Block 6	96,966,741	all additional			\$0.01213		\$0.01199		
67	33		0	N/A	0.0	\$38,000.00	\$0.00465	\$38,000.00	\$0.00465	\$38,000.00	
68	Special Contracts		74,098,618	N/A	0	\$0	\$0.00000	\$0.00	\$0.00000	\$0.00	
69											
70	Totals		1,121,821,307								

NW Natural
Rates and Regulatory Affairs
2025-2026 PGA Filing - OREGON
Basis for Revenue Related Costs

	Twelve Months Ended 06/30/25	
1		
2		
3 Total Billed Gas Sales Revenues	\$ 947,586,013	
4 Total Oregon Revenues	\$ 952,494,446	
5		
6 Regulatory Commission Fees [1]	n/a	0.450% Statutory rate
7 City License and Franchise Fees	\$ 22,248,348	2.336% Line 7 ÷ Line 4
8 Net Uncollectible Expense [2]	\$ 2,209,884	0.232% Line 8 ÷ Line 4
9		
10 Total		3.018% Sum lines 6-8

Note:

- [1] Dollar figure is set at statutory level of 0.450% times Total Oregon Revenues (line 4).
Because the fee changed since our last general rate case, the difference between the previous fee of 0.430% and the new fee of 0.450%, as it affects our base rates, is being captured as a temporary deferral.
[2] Represents the normalized net write-offs based on a three-year average.

NW Natural
Rates & Regulatory Affairs
2025-2026 PGA Filing - Oregon: August Filing
PGA Effects on Revenue
Schedule 183: SRRM

	Including Revenue Sensitive Amount
1 <u>SRRM Components:</u>	
2	
3 <u>Removal of Current Temporary Increments:</u>	
4	
5 Amortization of SRRM	(10,198,247)
6	
7 <u>Addition of Proposed Temporary Increments:</u>	
8	
9 Amortization of SRRM	11,957,390
10	
11 Total	\$ 1,759,143
12	
13	
14	
15 2024 Oregon Earnings Test Normalized Total Revenues	\$939,254,783
16	
17 Effect of this filing, as a percentage change (line 11 ÷ line 15)	0.19%

NW Natural
Rates & Regulatory Affairs
2025-26 PGA Filing - August Filing
Summary of Deferred Accounts Included in the PGA

		Balance	Jul-Oct	Jul-Oct	Estimated	Interest Rate	Estimated	Total
		6/30/2025	Estimated	Interest	Balance	During	Interest	Estimated
		B	Activity	D	10/31/2025	Amortization	During	Amount for
			C		E	F1	F2	(Refund) or
		A						Collection
					E = sum B thru D	5.16%		G = E + F2
47	151380 SRRM AMORTIZATION	2,123,355	(1,040,626)	28,192	1,110,920			
48	151375 SRRM POST PRUDENCE (one-fifth of balance and interest)	7,289,419	2,717,995	160,458	10,167,872			
49	Total	9,412,773	1,677,369	188,650	11,278,793	5.16%	317,722	11,596,515

Company: Northwest Natural Gas Company
State: Oregon
Description: Amortization of SRRM
Account Number: 151380
Docket: Dockets UM 1635, UG 474
Amortization of SRRM last approved in Order 23-397

1	Debit	(Credit)						
2								
3	Month/Year	Note	Amortization	Transfers	Interest Rate	Interest	Activity	Balance
4	(a)	(b)	(c)	(d)	(e1)	(e2)	(f)	(g)
5								
6	Beginning Balance							
123	Jul-24		(256,439.06)		5.13%	8,619.76	(247,819.30)	1,896,717.24
124	Aug-24		(220,758.89)		5.13%	7,636.59	(213,122.30)	1,683,594.94
125	Sep-24		(243,229.17)		5.13%	6,677.47	(236,551.70)	1,447,043.24
126	Oct-24		(323,147.72)		5.13%	5,495.38	(317,652.34)	1,129,390.90
127	Nov-24 Old rates		(372,317.30)		5.13%	4,032.32	(368,284.98)	761,105.92
128	Nov-24 New rates (1)		(349,443.92)	8,775,676.10	5.40%	38,704.29	8,464,936.47	9,226,042.39
129	Dec-24		(1,393,133.83)		5.40%	38,382.64	(1,354,751.19)	7,871,291.20
130	Jan-25		(1,493,918.96)		5.40%	32,059.49	(1,461,859.47)	6,409,431.73
131	Feb-25		(1,630,214.29)		5.40%	25,174.46	(1,605,039.83)	4,804,391.90
132	Mar-25		(1,123,835.27)		5.40%	19,091.13	(1,104,744.14)	3,699,647.76
133	Apr-25		(791,681.15)		5.40%	14,867.13	(776,814.02)	2,922,833.74
134	May-25		(453,189.66)		5.40%	12,133.08	(441,056.58)	2,481,777.16
135	Jun-25		(368,760.87)		5.40%	10,338.29	(358,422.58)	2,123,354.58
136	Jul-25 <i>Forecasted</i>		(304,606.35)		5.40%	8,869.73	(295,736.62)	1,827,617.96
137	Aug-25 <i>Forecasted</i>		(268,541.86)		5.40%	7,620.06	(260,921.80)	1,566,696.16
138	Sep-25 <i>Forecasted</i>		(305,553.78)		5.40%	6,362.64	(299,191.14)	1,267,505.02
139	Oct-25 <i>Forecasted</i>		(161,924.07)		5.40%	5,339.44	(156,584.63)	1,110,920.39

141 **History truncated for ease of viewing**

143 **NOTES**

144 **1** - Transferred in authorized balances from Environmental Post Prudent account 151375.

Company: Northwest Natural Gas Company
State: Oregon
Description: SRRM Post-Prudence
Account Number: 151375
Docket: SRRM Environmental Mechanism established in Order No. 12-437

Debit (Credit)									
	Month/Year	Note	Transfer In From Pre-Prudence	Transfer Out To Amortization	Adjustments	Interest	Interest Rate	Activity	Balance
	(a)	(b)	(c)	(d)	(e)	(f1)	(f2)	(g)	(h)
4	Beginning Balance								
115	Jan-24					115,397.81	5.01%	115,397.81	27,755,591.12
116	Feb-24					115,879.59	5.01%	115,879.59	27,871,470.71
117	Mar-24					116,363.39	5.01%	116,363.39	27,987,834.10
118	Apr-24					116,849.21	5.01%	116,849.21	28,104,683.31
119	May-24					117,337.05	5.01%	117,337.05	28,222,020.36
120	Jun-24					117,826.93	5.01%	117,826.93	28,339,847.29
121	Jul-24					118,318.86	5.01%	118,318.86	28,458,166.15
122	Aug-24					118,812.84	5.01%	118,812.84	28,576,978.99
123	Sep-24		15,064,787.40			182,204.37	5.01%	15,246,991.77	43,823,970.76
124	Oct-24					182,965.08	5.01%	182,965.08	44,006,935.84
125	Nov-24	16		(8,775,676)		147,090.51	5.01%	(8,628,585.59)	35,378,350.25
126	Dec-24					147,704.61	5.01%	147,704.61	35,526,054.86
127	Jan-25					151,873.88	5.13%	151,873.88	35,677,928.74
128	Feb-25					152,523.15	5.13%	152,523.15	35,830,451.89
129	Mar-25					153,175.18	5.13%	153,175.18	35,983,627.07
130	Apr-25					153,830.01	5.13%	153,830.01	36,137,457.08
131	May-25					154,487.63	5.13%	154,487.63	36,291,944.71
132	Jun-25					155,148.06	5.13%	155,148.06	36,447,092.77
133	Jul-25					155,811.32	5.13%	155,811.32	36,602,904.09
134	Aug-25		13,589,977			214,574.57	5.13%	13,804,551.98	50,407,456.07
135	Sep-25					215,491.87	5.13%	215,491.87	50,622,947.94
136	Oct-25					216,413.10	5.13%	216,413.10	50,839,361.04

137									
138									
139									
140	History truncated for ease of viewing							6/30/2025	<u>1/5 of balance</u> 7,289,418.55
141								Jul-Oct 2025 Activity	2,717,995.48
142	Notes:							Jul-Oct 2025 Interest	160,458.17
143	1 - Transferred authorized amount to amortization account 186183.							Total for Amortization	10,167,872.21

144 14 - Transfer \$9,361,608 (1/5 of October Post Prudence balance) to amortization account 151380 per memo from Rates
145 16 - Transfer \$8,775,676 (1/5 of October Post Prudence balance) to amortization account 151380 per memo from Rates