

September 15, 2025

NWN OPUC Advice No. 25-07A / 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: REPLACEMENT FILING
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:

Second Revision of Sheet 183-1	Schedule 183	Site Remediation Recovery Mechanism (SRRM)
Eleventh Revision of Sheet 183-3	Schedule 183	Site Remediation Recovery Mechanism (SRRM) (continued)

This filing replaces, in its entirety, the tariff sheet and Exhibit A originally filed under NWN OPUC Advice No. 25-07 (ADV 1760), dated July 31, 2025.

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 correct discrepancies caused by an inadvertent miscalculation of customer counts by rate schedule. The Company requests 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. In addition, NW Natural includes a housekeeping revision to Schedule 183, Sheet 183-1, to update the Collection Period, in compliance with ORS 757.210 as amended by HB 3179. 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 and corresponding Collection Period 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

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.

included in this filing occurred with appropriate application by Commission authorization, as rate orders or under approved tariffs.

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 \$1,746,719 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 \$0.67, and the monthly increase for the average firm sales commercial Rate Schedule 31 customer using 2,969 therms is about \$1.27. The average Rate Schedule 32 firm sales industrial customer using 20,914 therms will see a monthly increase of about \$4.28. 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 62,097 commercial customers, and 822 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

Attachment: Exhibit A – Supporting Materials

NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25

Second Revision of Sheet 183-1
Cancels First Revision of Sheet 183-1

SCHEDULE 183 SITE REMEDIATION RECOVERY MECHANISM (SRRM)

PURPOSE:

The purpose of this Schedule is to identify adjustments to rates in the Rate Schedules listed below for the amortization of balances in the Site Remediation Recovery Mechanism account ("SRRM Account") related to Environmental Site Remediation Costs, including past manufactured gas plant (MGP) operations pursuant to Commission Order 12-408, in Docket UG 221 and Commission Order 15-049 in Dockets UM 1635 and UM 1706.

TERM:

Adjustments under this Schedule shall continue for a period of five (5) years following the date that the last remediation expenses are incurred, or such other date as the Commission may approve.

APPLICABLE:

To Sales and Transportation Service Customers served under the following Rate Schedules of this Tariff:

Rate Schedule 2	Rate Schedule 27	Rate Schedule 32
Rate Schedule 3	Rate Schedule 31	Rate Schedule 33

DEFINITIONS:

The following definitions apply to this Schedule:

Collection Period is the 12-month period October 31 through October 30 coincident with the Purchased Gas Adjustment (PGA) Year in which amounts in the SRRM Account will be amortized. Any future change in the PGA Year will automatically carry to the Collection Period under this Schedule.

(C)

Environmental Site Remediation Costs are all costs that relate to environmental remediation, including for past manufactured gas plant (MGP) operations. Environmental Site Remediation Costs include investigation, testing, sampling, monitoring, removal, disposal, storage, remediation or other treatment of residues, land acquisition if appropriate, litigation costs/expenses or other liabilities excluding personal injury claims relating to MGP sites, disposal sites, sites that otherwise contain contamination that requires remediation for which the Company is responsible, or sites to which material may have migrated.

SPECIAL CONDITIONS – SRRM ADJUSTMENTS:

1. All Environmental Site Remediation Costs, including all amounts deferred under UM 1078 through September 30, 2012, and any proceeds from insurance companies or other third-parties, will be held in a deferral account. The balance in the deferral account that has not been reviewed for prudence shall accrue interest at the authorized rate of return approved in the Company's most recent general rate case.

(continue to Sheet 183-2)

Issued September 15, 2025
NWN OPUC Advice No. 25-07A

Effective with service on
and after October 31, 2025

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		\$0.01914		31 CSF	Block 1	\$0.00891
03 CSF		\$0.01480			Block 2	\$0.00815
03 ISF		\$0.00961		31 CTF	Block 1	\$0.00899
27		\$0.01713			Block 2	\$0.00821
				31 ISF	Block 1	\$0.00639
					Block 2	\$0.00578
				31 ITF	Block 1	\$0.02143
					Block 2	\$0.01935
32 CSF	Block 1	\$0.00548		32 CSI	Block 1	\$0.00341
	Block 2	\$0.00466			Block 2	\$0.00291
	Block 3	\$0.00330			Block 3	\$0.00207
	Block 4	\$0.00194			Block 4	\$0.00123
	Block 5	\$0.00096			Block 5	\$0.00072
	Block 6	\$0.00050			Block 6	\$0.00035
32 ISF	Block 1	\$0.00357		32 ISI	Block 1	\$0.00311
	Block 2	\$0.00305			Block 2	\$0.00266
	Block 3	\$0.00217			Block 3	\$0.00190
	Block 4	\$0.00130			Block 4	\$0.00114
	Block 5	\$0.00069			Block 5	\$0.00068
	Block 6	\$0.00038			Block 6	\$0.00034
32 CTF	Block 1	\$0.00385		32 CTI	Block 1	\$0.00258
	Block 2	\$0.00326			Block 2	\$0.00218
	Block 3	\$0.00228			Block 3	\$0.00153
	Block 4	\$0.00130			Block 4	\$0.00087
	Block 5	\$0.00072			Block 5	\$0.00048
	Block 6	\$0.00033			Block 6	\$0.00021
32 ITF	Block 1	\$0.00306		32 ITI	Block 1	\$0.00278
	Block 2	\$0.00259			Block 2	\$0.00235
	Block 3	\$0.00181			Block 3	\$0.00165
	Block 4	\$0.00104			Block 4	\$0.00094
	Block 5	\$0.00057			Block 5	\$0.00051
	Block 6	\$0.00026			Block 6	\$0.00023
				33		\$0.00000

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Issued September 15, 2025
NWN OPUC Advice No. 25-07A

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. 25-07A / ADV 1760

September 15, 2025

NW NATURAL

EXHIBIT A

Supporting Materials

Non-Gas Cost Deferral Amortizations

SRRM

NWN OPUC ADVICE NO. 25-07A / 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

ALL VOLUMES IN THERMS

77 Rate schedule 32 firm service includes as total margin the storage and distribution capacity charges and are derived using MDDV therm usages

Effects on Average Bill by Rate Schedule [1]											Advice 25-07A See note [4]
1	Oregon PGA		Normal	Minimum	11/1/2024	11/1/2024	Proposed	Proposed	Proposed		
2	Normalized		Therms				10/31/2025	10/31/2025	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	
7	2SF		374,907,494	N/A	54	\$10.00	\$1.33108	\$81.88	\$1.33370	\$82.02	0.2%
7	2MF		46,532,455	N/A	54	\$8.00	\$1.33108	\$79.88	\$1.33370	\$80.02	0.2%
8	3C Firm Sales		191,560,213	N/A	270	\$15.00	\$1.18176	\$334.08	\$1.18427	\$334.75	0.2%
9	3I Firm Sales		4,897,917	N/A	1,204	\$15.00	\$1.05417	\$1,284.22	\$1.05476	\$1,284.93	0.1%
10	27 Dry Out		739,110	N/A	36	\$8.00	\$1.17668	\$50.36	\$1.17957	\$50.46	0.2%
11	31C Firm Sales	Block 1	12,710,926	2,000	2,969	\$325.00	\$0.74499	\$2,507.50	\$0.74543	\$2,508.77	0.1%
12		Block 2	11,231,948	all additional			\$0.71467		\$0.71508		
13	31C Firm Trans	Block 1	1,171,263	2,000	3,753	\$575.00	\$0.31490	\$1,709.33	\$0.31522	\$1,710.44	0.1%
14		Block 2	1,305,394	all additional			\$0.28781		\$0.28808		
15	31I Firm Sales	Block 1	3,428,826	2,000	5,317	\$325.00	\$0.72950	\$4,118.01	\$0.72994	\$4,120.25	0.1%
16		Block 2	7,225,968	all additional			\$0.70365		\$0.70406		
17	31I Firm Trans	Block 1	12,735	2,000	729	\$575.00	\$0.26830	\$770.59	\$0.28321	\$781.46	1.4%
18		Block 2	31,024	all additional			\$0.24243		\$0.25588		
19	32C Firm Sales	Block 1	36,364,305	10,000	7,883	\$675.00	\$0.65293	\$5,822.05	\$0.65320	\$5,824.18	0.0%
20		Block 2	11,181,417	20,000			\$0.62396		\$0.62420		
21		Block 3	1,968,034	20,000			\$0.57579		\$0.57599		
22		Block 4	888,550	100,000			\$0.52745		\$0.52760		
23		Block 5	16,644	600,000			\$0.49273		\$0.49285		
24		Block 6	0	all additional			\$0.47626		\$0.47637		
25	32I Firm Sales	Block 1	8,628,593	10,000	20,914	\$675.00	\$0.60345	\$13,063.96	\$0.60366	\$13,068.24	0.0%
26		Block 2	7,972,562	20,000			\$0.58223		\$0.58243		
27		Block 3	2,916,083	20,000			\$0.54675		\$0.54691		
28		Block 4	2,877,605	100,000			\$0.51141		\$0.51154		
29		Block 5	443,011	600,000			\$0.48672		\$0.48683		
30		Block 6	0	all additional			\$0.47429		\$0.47439		
31	32C Firm Trans	Block 1	2,769,074	10,000	19,258	\$925.00	\$0.14137	\$3,449.47	\$0.14145	\$3,450.65	0.0%
32		Block 2	2,051,764	20,000			\$0.11998		\$0.12002		
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		\$0.02732		
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	\$0.13315	\$7,170.80	-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		\$0.04612		
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	53,833	\$675.00	\$0.61838	\$31,834.00	\$0.61862	\$31,844.70	0.0%
44		Block 2	6,619,668	20,000			\$0.59472		\$0.59494		
45		Block 3	3,569,981	20,000			\$0.55521		\$0.55538		
46		Block 4	5,246,915	100,000			\$0.51568		\$0.51581		
47		Block 5	3,398,942	600,000			\$0.49198		\$0.49208		
48		Block 6	0	all additional			\$0.47465		\$0.47473		
49	32I Interr Sales	Block 1	4,783,726	10,000	50,145	\$675.00	\$0.59896	\$29,185.49	\$0.59904	\$29,189.91	0.0%
50		Block 2	6,385,368	20,000			\$0.57835		\$0.57844		
51		Block 3	3,622,167	20,000			\$0.54400		\$0.54409		
52		Block 4	10,367,186	100,000			\$0.50962		\$0.50971		
53		Block 5	4,928,689	600,000			\$0.48899		\$0.48907		
54		Block 6	0	all additional			\$0.47389		\$0.47397		
55	32C Interr Trans	Block 1	780,580	10,000	199,264	\$925.00	\$0.12838	\$11,569.70	\$0.12837	\$11,552.38	-0.1%
56		Block 2	1,586,918	20,000			\$0.10895		\$0.10892		
57		Block 3	1,034,205	20,000			\$0.07661		\$0.07655		
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	\$0.12678	\$11,456.92	-0.2%
62		Block 2	9,678,292	20,000			\$0.10765		\$0.10762		
63		Block 3	6,123,269	20,000			\$0.07583		\$0.07577		
64		Block 4	14,253,538	100,000			\$0.04395		\$0.04385		
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	<u>3.018%</u> 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: September 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	11,944,966
10	
11 Total	\$ 1,746,719
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 - September Filing
Summary of Deferred Accounts Included in the PGA

Account		Balance 6/30/2025	Jul-Oct Estimated Activity	Jul-Oct Interest	Estimated Balance 10/31/2025	Interest Rate During Amortization	Estimated Interest During Amortization	Total Estimated Amount for (Refund) or Collection
A		B	C	D	E	F1	F2	G
		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	148,739	10,156,153			
49	Total	9,412,773	1,677,369	176,931	11,267,074	5.16%	317,392	11,584,466

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**

142
143 **NOTES**

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

137
138
139

141

143

144

145

	<u>1/5 of balance</u>
6/30/2025	7,289,418.55
Jul-Oct 2025 Activity	2,717,995.48
Jul-Oct 2025 Interest	148,739.18
Total for Amortization	<u>10,156,153.22</u>

1/5 of balance