

July 31, 2025

NWN OPUC Advice No. 25-14 / ADV 1767

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 RESIDUAL TEMPORARY BILL CREDITS
ASSOCIATED WITH RESIDENTIAL RATE MITIGATION FOR THE 2023/2024 WINTER
HEATING SEASON**

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:

Fourth Revision of 166-1	Schedule 166	Residential Rate Mitigation
--------------------------	--------------	-----------------------------

Purpose

The purpose of this filing is to request inclusion in rates the residual amounts from the temporary bill credits associated with residential rate mitigation from the 2023/2024 rate change that did not get fully amortized.

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 Public Utility Commission of Oregon (Commission) in a proceeding to change rates. In 2022, the Commission approved a rate mitigation deferral that would lower customer bills in the winter months, via credits, and recover those back, via surcharges, during the non-winter months. The Company under forecasted customer usage in February and March of 2023, causing an under recovery of the rate mitigation deferral. Furthermore, customer usage was less than predicted in the 2023/2024 period. The Company proposes amortization of residual amounts that are forecasted to not be fully amortized by October 31, 2025, with a rate effective date of October 31, 2025.

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 decrease the Company's annual revenues by \$674,855, or about 0.07%.

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

The monthly bill of the average residential customers served under Rate Schedule 2 using 54 therms will see a decrease of \$0.09.

The proposed adjustments for the amortization of the Rate Mitigation account is \$0.00015 for residential Rate Schedule 2.

In compliance with OAR 860-022-0025 the Company states that the number of customers affected by the proposed change in this filing is 644,678 residential 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 the following:

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
Rates/Regulatory Senior Manager

Attachment: Exhibit A – Supporting Materials

NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25

Fourth Revision of Sheet 166-1
Cancels Third Revision of Sheet 166-1

SCHEDULE 166 RESIDENTIAL RATE MITIGATION

PURPOSE:

To temporarily mitigate residential customer rates due to high natural gas prices and the Company's approved general rate case, UG 435.

APPLICABLE:

To the following Rate Schedules of this Tariff:

Residential:
Rate Schedule 2

ADJUSTMENT TO RATE SCHEDULES:

Effective: October 31, 2025

(C)

The Temporary Adjustments for Residential Customers taking service on the above-listed Rate Schedule(s) includes the following adjustment that sunsets on the date listed and is therefore not applicable for service after the Rate Sunset Date:

\$0.00015 per therm

(R)

GENERAL TERMS:

Service under this Rate Schedule is governed by the terms of this Rate Schedule, the General Rules and Regulations contained in this Tariff, any other schedules that by their terms or by the terms of the Schedule apply to service under this Schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

Issued July 31, 2025
NWN OPUC Advice No. 25-14

Effective with service on
and after October 31, 2025

EXHIBIT A

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

NW NATURAL SUPPORTING MATERIALS

Inclusion of Temporary Bill Credits Associated with
Residential Rate Mitigation for 2023/2024 Winter Heating Season

NWN OPUC Advice No. 25-14 / ADV 1767

July 31, 2025

NW NATURAL

EXHIBIT A

Supporting Materials

Inclusion of Temporary Bill Credits Associated with Residential Rate Mitigation for 2023/2024 Winter Heating Season

NWN OPUC ADVICE NO. 25-14 / ADV 1767

Description	Page
Calculation of Increments Allocated on Equal Cent per Therm Basis	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
151912 OR Rate Mitigation Amortization	6

1	Oregon PGA				Proposed Amount:	Rate Mitigation		
2	Volumes page,				Revenue Sensitive Multiplier:	61,476 Permanent Increment		
3						3.018% add revenue sensitive factor		
4	Column F	Amount to Amortize:			63,389 to residential			
5	Schedule	Block	A		Multiplier BJ	Volumes BK	Increment BL	
6	2R		421,439,949		1.0	421,439,949	\$0.00015	
7	3C Firm Sales		191,560,213		0.0	0	\$0.00000	
8	3I Firm Sales		4,897,917		0.0	0	\$0.00000	
9	27 Dry Out		739,110		0.0	0	\$0.00000	
10	31C Firm Sales	Block 1	12,710,926		0.0	0	\$0.00000	
11		Block 2	11,231,948		0.0	0	\$0.00000	
12	31C Firm Trans	Block 1	1,171,263		0.0	0	\$0.00000	
13		Block 2	1,305,394		0.0	0	\$0.00000	
14	31I Firm Sales	Block 1	3,428,826		0.0	0	\$0.00000	
15		Block 2	7,225,968		0.0	0	\$0.00000	
16	31I Firm Trans	Block 1	12,735		0.0	0	\$0.00000	
17		Block 2	31,024		0.0	0	\$0.00000	
18	32C Firm Sales	Block 1	36,364,305		0.0	0	\$0.00000	
19		Block 2	11,181,417		0.0	0	\$0.00000	
20		Block 3	1,968,034		0.0	0	\$0.00000	
21		Block 4	888,550		0.0	0	\$0.00000	
22		Block 5	16,644		0.0	0	\$0.00000	
23		Block 6	0		0.0	0	\$0.00000	
24	32I Firm Sales	Block 1	8,628,593		0.0	0	\$0.00000	
25		Block 2	7,972,562		0.0	0	\$0.00000	
26		Block 3	2,916,083		0.0	0	\$0.00000	
27		Block 4	2,877,605		0.0	0	\$0.00000	
28		Block 5	443,011		0.0	0	\$0.00000	
29		Block 6	0		0.0	0	\$0.00000	
30	32C Firm Trans	Block 1	2,769,074		0.0	0	\$0.00000	
31		Block 2	2,051,764		0.0	0	\$0.00000	
32		Block 3	656,440		0.0	0	\$0.00000	
33		Block 4	951,036		0.0	0	\$0.00000	
34		Block 5	42,214		0.0	0	\$0.00000	
35		Block 6	0		0.0	0	\$0.00000	
36	32I Firm Trans	Block 1	11,405,325		0.0	0	\$0.00000	
37		Block 2	16,248,048		0.0	0	\$0.00000	
38		Block 3	9,930,036		0.0	0	\$0.00000	
39		Block 4	21,832,878		0.0	0	\$0.00000	
40		Block 5	22,413,473		0.0	0	\$0.00000	
41		Block 6	7,541,214		0.0	0	\$0.00000	
42	32C Interr Sales	Block 1	4,420,212		0.0	0	\$0.00000	
43		Block 2	6,619,668		0.0	0	\$0.00000	
44		Block 3	3,569,981		0.0	0	\$0.00000	
45		Block 4	5,246,915		0.0	0	\$0.00000	
46		Block 5	3,398,942		0.0	0	\$0.00000	
47		Block 6	0		0.0	0	\$0.00000	
48	32I Interr Sales	Block 1	4,783,726		0.0	0	\$0.00000	
49		Block 2	6,385,368		0.0	0	\$0.00000	
50		Block 3	3,622,167		0.0	0	\$0.00000	
51		Block 4	10,367,186		0.0	0	\$0.00000	
52		Block 5	4,928,689		0.0	0	\$0.00000	
53		Block 6	0		0.0	0	\$0.00000	
54	32C Interr Trans	Block 1	780,580		0.0	0	\$0.00000	
55		Block 2	1,586,918		0.0	0	\$0.00000	
56		Block 3	1,034,205		0.0	0	\$0.00000	
57		Block 4	3,340,006		0.0	0	\$0.00000	
58		Block 5	431,793		0.0	0	\$0.00000	
59		Block 6	0		0.0	0	\$0.00000	
60	32I Interr Trans	Block 1	5,825,488		0.0	0	\$0.00000	
61		Block 2	9,678,292		0.0	0	\$0.00000	
62		Block 3	6,123,269		0.0	0	\$0.00000	
63		Block 4	14,253,538		0.0	0	\$0.00000	
64		Block 5	29,505,433		0.0	0	\$0.00000	
65		Block 6	96,966,741		0.0	0	\$0.00000	
66	33		0		0.0	0	\$0.00000	
67	Special Contracts		74,098,618		0.0	0	\$0.00000	
68								
69								
70	TOTALS	1,121,821,307			421,439,949 \$ 0.00015			
71	Sources for line 2 above:							
72	Inputs page				Line 101			
73	Tariff Schedules							
74	Rate Adjustment Schedule				Sch 198			

NW Natural
Rates & Regulatory Affairs
2025-26 PGA - Oregon: August Filing
Effects on Average Bill by Rate Schedule [1]
ALL VOLUMES IN THERMS

Effects on Average Bill by Rate Schedule [1]										Advice 25-14 See note [11]	
ALL VOLUMES IN THERMS											
1	Oregon PGA		Normal				Proposed	Proposed	Proposed		
2	Normalized		Therms	Minimum	11/1/2024	11/1/2024	10/31/2025	10/31/2025	10/31/2025		
3	Volumes page,	Therms in	Monthly	Monthly	Billing	Current	Schedule 166 Rate Mitigation	Schedule 166 Rate Mitigation	Schedule 166 Rate Mitigation		
4	Column D	Block	Average use	Charge	Rates	Average Bill	Rates	Average Bill	% Bill Change		
5	F=D+(C * E)						AI = D+(C * AH)		AJ = (AI- F)/F		
6	Schedule	Block	A	B	C	D	E	F	AH	AI	AJ
7	2M		374,907,494	N/A	54	\$10.00	\$1.33108	\$81.88	\$1.32948	\$81.79	-0.1%
	2R		46,532,455	N/A	54	\$8.00	\$1.33108	\$79.88	\$1.32948	\$79.79	-0.1%
8	3C Firm Sales		191,560,213	N/A	270	\$15.00	\$1.18176	\$334.08	\$1.18176	\$334.08	0.0%
9	3I Firm Sales		4,897,917	N/A	1,204	\$15.00	\$1.05417	\$1,284.22	\$1.05417	\$1,284.22	0.0%
10	27 Dry Out		739,110	N/A	36	\$8.00	\$1.17668	\$50.36	\$1.17668	\$50.36	0.0%
11	31C Firm Sales	Block 1	12,710,926	2,000	2,744	\$325.00	\$0.74499	\$2,346.69	\$0.74499	\$2,346.69	0.0%
12		Block 2	11,231,948	all additional			\$0.71467		\$0.71467		
13	31C Firm Trans	Block 1	1,171,263	2,000	3,753	\$575.00	\$0.31490	\$1,709.33	\$0.31490	\$1,709.33	0.0%
14		Block 2	1,305,394	all additional			\$0.28781		\$0.28781		
15	31I Firm Sales	Block 1	3,428,826	2,000	5,162	\$325.00	\$0.72950	\$4,008.94	\$0.72950	\$4,008.94	0.0%
16		Block 2	7,225,968	all additional			\$0.70365		\$0.70365		
17	31I Firm Trans	Block 1	12,735	2,000	729	\$575.00	\$0.26830	\$770.59	\$0.26830	\$770.59	0.0%
18		Block 2	31,024	all additional			\$0.24243		\$0.24243		
19	32C Firm Sales	Block 1	36,364,305	10,000	7,489	\$675.00	\$0.65293	\$5,564.79	\$0.65293	\$5,564.79	0.0%
20		Block 2	11,181,417	20,000			\$0.62396		\$0.62396		
21		Block 3	1,968,034	20,000			\$0.57579		\$0.57579		
22		Block 4	888,550	100,000			\$0.52745		\$0.52745		
23		Block 5	16,644	600,000			\$0.49273		\$0.49273		
24		Block 6	0	all additional			\$0.47626		\$0.47626		
25	32I Firm Sales	Block 1	8,628,593	10,000	9,861	\$675.00	\$0.60345	\$6,625.62	\$0.60345	\$6,625.62	0.0%
26		Block 2	7,972,562	20,000			\$0.58223		\$0.58223		
27		Block 3	2,916,083	20,000			\$0.54675		\$0.54675		
28		Block 4	2,877,605	100,000			\$0.51141		\$0.51141		
29		Block 5	443,011	600,000			\$0.48672		\$0.48672		
30		Block 6	0	all additional			\$0.47429		\$0.47429		
31	32C Firm Trans	Block 1	2,769,074	10,000	19,258	\$925.00	\$0.14137	\$3,449.47	\$0.14137	\$3,449.47	0.0%
32		Block 2	2,051,764	20,000			\$0.11998		\$0.11998		
33		Block 3	656,440	20,000			\$0.08442		\$0.08442		
34		Block 4	951,036	100,000			\$0.04883		\$0.04883		
35		Block 5	42,214	600,000			\$0.02745		\$0.02745		
36		Block 6	0	all additional			\$0.01327		\$0.01327		
37	32I Firm Trans	Block 1	11,405,325	10,000	73,016	\$925.00	\$0.13314	\$7,174.60	\$0.13314	\$7,174.60	0.0%
38		Block 2	16,248,048	20,000			\$0.11308		\$0.11308		
39		Block 3	9,930,036	20,000			\$0.07964		\$0.07964		
40		Block 4	21,832,878	100,000			\$0.04622		\$0.04622		
41		Block 5	22,413,473	600,000			\$0.02609		\$0.02609		
42		Block 6	7,541,214	all additional			\$0.01279		\$0.01279		
43	32C Interr Sales	Block 1	4,420,212	10,000	29,363	\$675.00	\$0.61838	\$18,374.36	\$0.61838	\$18,374.36	0.0%
44		Block 2	6,619,668	20,000			\$0.59472		\$0.59472		
45		Block 3	3,569,981	20,000			\$0.55521		\$0.55521		
46		Block 4	5,246,915	100,000			\$0.51568		\$0.51568		
47		Block 5	3,398,942	600,000			\$0.49198		\$0.49198		
48		Block 6	0	all additional			\$0.47465		\$0.47465		
49	32I Interr Sales	Block 1	4,783,726	10,000	27,552	\$675.00	\$0.59896	\$16,815.80	\$0.59896	\$16,815.80	0.0%
50		Block 2	6,385,368	20,000			\$0.57835		\$0.57835		
51		Block 3	3,622,167	20,000			\$0.54400		\$0.54400		
52		Block 4	10,367,186	100,000			\$0.50962		\$0.50962		
53		Block 5	4,928,689	600,000			\$0.48899		\$0.48899		
54		Block 6	0	all additional			\$0.47389		\$0.47389		
55	32C Interr Trans	Block 1	780,580	10,000	199,264	\$925.00	\$0.12838	\$11,569.70	\$0.12838	\$11,569.70	0.0%
56		Block 2	1,586,918	20,000			\$0.10895		\$0.10895		
57		Block 3	1,034,205	20,000			\$0.07661		\$0.07661		
58		Block 4	3,340,006	100,000			\$0.04425		\$0.04425		
59		Block 5	431,793	600,000			\$0.02486		\$0.02486		
60		Block 6	0	all additional			\$0.01194		\$0.01194		
61	32I Interr Trans	Block 1	5,825,488	10,000	198,962	\$925.00	\$0.12678	\$11,474.60	\$0.12678	\$11,474.60	0.0%
62		Block 2	9,678,292	20,000			\$0.10765		\$0.10765		
63		Block 3	6,123,269	20,000			\$0.07583		\$0.07583		
64		Block 4	14,253,538	100,000			\$0.04395		\$0.04395		
65		Block 5	29,505,433	600,000			\$0.02486		\$0.02486		
66		Block 6	96,966,741	all additional			\$0.01213		\$0.01213		
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	\$0.00465	\$0.00	\$0.00465	\$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
11			
12			

13 **Note:**
14 [1] Dollar figure is set at statutory level of 0.450% times Total Oregon Revenues (line 4).
15 Because the fee changed since our last general rate case, the difference between the previous fee of 0.430%
16 and the new fee of 0.450%, as it affects our base rates, is being captured as a temporary deferral.
17 [2] Represents the normalized net write-offs based on a three-year average.

NW Natural
Rates & Regulatory Affairs
2025-26 PGA Filing - August 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
71	151912 RATE MITIGATION AMORTIZATION	122,913	(64,310)	1,367	59,971			
72	Total	122,913	(64,310)	1,367	59,971	4.60%	1,505	61,476

Company: Northwest Natural Gas Company
State: Oregon
Description: OR RATE MITIGATION AMORT
Account Number: 151912
Docket: Advice No. 23-14 and UG 512
Amortization of deferral approved in Order No. 24-396

Debit (Credit)

	Month/Year	Note	Amortiztion	Transfers	Interest Rate	Interest	Activity	Balance
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Beginning Balance							
19	Jul-24		(129,222.12)		5.490%	6,116.26	(123,105.86)	1,278,393.50
20	Aug-24		(105,375.73)		5.490%	5,607.60	(99,768.13)	1,178,625.37
21	Sep-24		(118,510.12)		5.330%	4,971.87	(113,538.25)	1,065,087.12
22	Oct-24		(172,085.92)		5.130%	4,185.41	(167,900.51)	897,186.61
23	Nov-24 OLD		(235,254.15)		4.860%	3,157.22	(232,096.93)	665,089.68
24	Nov-24 NEW		(24,576.46)	1.62	4.860%	(49.76)	(24,624.60)	640,465.08
25	Dec-24		(104,020.36)		4.800%	2,353.82	(101,666.54)	538,798.54
26	Jan-25		(111,060.46)		4.770%	1,920.99	(109,139.47)	429,659.07
27	Feb-25		(120,945.61)		4.680%	1,439.83	(119,505.78)	310,153.29
28	Mar-25		(81,294.15)		4.590%	1,030.86	(80,263.29)	229,890.00
29	Apr-25		(55,821.21)		4.622%	777.96	(55,043.25)	174,846.75
30	May-25		(29,758.39)		4.630%	617.21	(29,141.18)	145,705.57
31	Jun-25		(23,306.20)		4.600%	513.87	(22,792.33)	122,913.24
32	Jul-25 <i>Forecasted</i>		(18,413.52)		4.600%	435.87	(17,977.65)	104,935.59
33	Aug-25 <i>Forecasted</i>		(15,569.61)		4.600%	372.41	(15,197.20)	89,738.39
34	Sep-25 <i>Forecasted</i>		(18,851.10)		4.600%	307.87	(18,543.23)	71,195.16
35	Oct-25 <i>Forecasted</i>		(11,475.53)		4.600%	250.92	(11,224.61)	59,970.55

Notes:

1 - Transfer represents the balance of the rate mitigation balance to be amortized.