



250 SW Taylor Street
Portland, OR 97204

503-226-4211
nwnatural.com

July 31, 2025

NWN OPUC Advice No. 25-20 / ADV 1773
(UM 2323)

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 INCLUSION OF COSTS ASSOCIATED WITH TRANSPORTATION
CUSTOMER ENERGY EFFICIENCY PROGRAM**

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 169-1	Schedule 169	Transportation Customer Energy Efficiency Program Cost Recovery
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Purpose

The purpose of this filing is to request amortization of amounts deferred and collected NW Natural's Transportation Customer Energy Efficiency Program under docket UM 2323.

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. All of the deferrals included in this filing occurred with appropriate application by Commission authorization, as rate orders or under approved tariffs. Due to the new Climate Protection Program rulemaking costs for the 2024 program will be recovered from Schedules 31, 32, and 33 transportation customers and allocated based on an equal percentage of margin basis. The costs for the 2025 program will be recovered from all customers (excluding emissions-intensive and trade-exposed and special contracts) and allocated on an equal-cents per-therm basis.

Proposed Changes

The effect of this new tariff adjustment schedule is to increase the Company's annual revenues by \$2,056,725, or about 0.22%.

The monthly bill of the average residential customer served under Rate Schedule 2 using 54 therms will increase by \$0.08. The monthly increase for the average commercial Rate Schedule 3

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.

customer using 270 therms per month is about \$0.40, and the monthly increase for average industrial Schedule 32 firm sales customer using 9,861 therms is about \$14.79.

The proposed adjustments for the amortization of the Transportation Energy Efficiency Account are \$0.00150 per therm for residential Rate Schedule 2 customers and \$0.00150 per therm for commercial Rate Schedule 3 customers. A worksheet showing all of the rate adjustments can be found in Exhibit A to this filing.

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, 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 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

Second Revision of Sheet 169-1
Cancels First Revision of Sheet 169-1

SCHEDULE 169 TRANSPORTATION CUSTOMER ENERGY EFFICIENCY PROGRAM COST RECOVERY

PURPOSE:

This Schedule recovers the costs of the program offered under Schedule 361 "Transportation Customer Energy Efficiency Program."

APPLICABLE:

For costs of the 2024 program, applicable to all Transportation service Customers on Rate Schedule 31, Rate Schedule 32, and Rate Schedule 33. Costs will be allocated on an equal percentage of margin basis.

For costs of the 2025 program, applicable to all Customers on the Rate Schedules below that are not Emissions-Intensive and Trade-Exposed under the Oregon Climate Protection Program. Costs will be allocated on an equal cent per therm basis.

Rate Schedule 2
Rate Schedule 32

Rate Schedule 3
Rate Schedule 33

Rate Schedule 27

Rate Schedule 31

APPLICATION TO RATE SCHEDULES:

Effective: October 31, 2025

(C)

The Temporary Adjustments in the applicable above-listed Rate Schedules include the adjustment shown below. NO ADDITIONAL ADJUSTMENT TO RATES IS REQUIRED.

For costs of the 2024 program:

Schedule	Block	Total Adjustment
31 CTF	Block 1	\$0.02419
	Block 2	\$0.02210
31 ITF	Block 1	\$0.05765
	Block 2	\$0.05205
32 CTF	Block 1	\$0.01036
	Block 2	\$0.00878
	Block 3	\$0.00615
	Block 4	\$0.00351
	Block 5	\$0.00193
	Block 6	\$0.00088
32 ITF	Block 1	\$0.00824
	Block 2	\$0.00698
	Block 3	\$0.00488
	Block 4	\$0.00279
	Block 5	\$0.00153
	Block 6	\$0.00069

Schedule	Block	Total Adjustment
32 CTI	Block 1	\$0.00693
	Block 2	\$0.00587
	Block 3	\$0.00411
	Block 4	\$0.00234
	Block 5	\$0.00128
	Block 6	\$0.00058
32 ITI	Block 1	\$0.00747
	Block 2	\$0.00633
	Block 3	\$0.00443
	Block 4	\$0.00252
	Block 5	\$0.00138
	Block 6	\$0.00062
33 (all)		\$0.00000

(I) (I)

(I)

(I)

For costs of the 2025 program:

\$0.00150 per therm

(I)

GENERAL TERMS:

This Schedule is governed by the terms of this Schedule, the General Rules and Regulations contained in this Tariff, any other Schedules that by their terms or by the terms of this 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. 25-20

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 Deferred Accounts Relating to:
Transportation Security Administration Security Directive 2
Cost of Service Costs

UM 2192

NWN OPUC Advice No. 25-17 / ADV 1770

July 31, 2025

NW NATURAL

EXHIBIT A

Supporting Materials

Non-Gas Cost Deferred Accounts Transportation Security Administration Security Directive 2 Cost of Service Costs

NWN OPUC ADVICE NO. 25-17 / ADV 1770

Description	Page
Calculation of Increments Allocated on the Equal Percentage of Margin Basis	1
Effects on Average Bill by Rate Schedule	2
PGA Effects on Revenue	3
Summary of Deferred Accounts Included in the PGA	4
Basis for Revenue Related Costs	5
151805 TSA Security Directive COS Amortization	6
151804 TSA Security Directive 2 – Deferral Costs	7
151855 TSA Security Directive 2D – Deferral Costs	8

NW Natural
Rates & Regulatory Affairs

2025-26 PGA - Oregon: August Filing

Calculation of Increments Allocated on the EQUAL PERCENTAGE OF MARGIN BASIS

ALL VOLUMES IN THERMS

	Oregon PGA Volumes page, Column F		Oregon PGA Volume- EITes Rates page, Column A		Billing Rate from Rates page, Column A		WACOC & Demand from Rates page, Column B+C+D*		Tempos from Temporary Increment page, Column A		MARGIN Rate		Volumetric Margin		EITE volume		Customer Charge		Customers		Total Margin		Proposed Amount:		
																							Revenue Sensitive Multiplier:		
																							Amount to Amortize:		
																							Transportation EE Deferral (2024)		
																							742,833 Temporary Increment		
																							3.018% add revenue sensitive factor		
																							765,950 to Transport Customers 31, 32 and 33		

										Advice 25-20 See note [18]
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 169 Transport EE	Schedule 169 Transport EE	Schedule 169 Transport EE	
4	Column D		Block	Average use	Charge	Rates	Average Bill	Average Bill	% Bill Change	
5							F=D+(C * E)	AO = D*(C*AN)	AP = (AO-F)/F	
6	Schedule	Block	A	B	C	D	E	F	AN	AO
7	25F		374,907,494	N/A	54	\$10.00	\$1.33108	\$81.88	\$1.33258	\$81.96
	2MF		46,532,455	N/A	54	\$8.00	\$1.33108	\$79.88	\$1.33258	\$79.96
8	3C Firm Sales		191,560,213	N/A	270	\$15.00	\$1.18176	\$334.08	\$1.18326	\$334.48
9	3I Firm Sales		4,897,917	N/A	1,204	\$15.00	\$1.05417	\$1,284.22	\$1.05567	\$1,286.03
10	27 Dry Out		739,110	N/A	36	\$8.00	\$1.17668	\$50.36	\$1.17818	\$50.41
11	31C Firm Sales	Block 1	12,710,926	2,000	2,744	\$325.00	\$0.74499	\$2,346.69	\$0.74649	\$2,350.81
12		Block 2	11,231,948	all additional			\$0.71467		\$0.71617	
13	31C Firm Trans	Block 1	1,171,263	2,000	3,753	\$575.00	\$0.31490	\$1,709.33	\$0.34059	\$1,802.08
14		Block 2	1,305,394	all additional			\$0.28781		\$0.31141	
15	31I Firm Sales	Block 1	3,428,826	2,000	5,162	\$325.00	\$0.72950	\$4,008.94	\$0.73100	\$4,016.68
16		Block 2	7,225,968	all additional			\$0.70365		\$0.70515	
17	31I Firm Trans	Block 1	12,735	2,000	729	\$575.00	\$0.26830	\$770.59	\$0.32745	\$813.71
18		Block 2	31,024	all additional			\$0.24243		\$0.29598	
19	32C Firm Sales	Block 1	36,364,305	10,000	7,489	\$675.00	\$0.65293	\$5,564.79	\$0.65443	\$5,576.03
20		Block 2	11,181,417	20,000			\$0.62396		\$0.62546	
21		Block 3	1,968,034	20,000			\$0.57579		\$0.57729	
22		Block 4	888,550	100,000			\$0.52745		\$0.52895	
23		Block 5	16,644	600,000			\$0.49273		\$0.49423	
24		Block 6	0	all additional			\$0.47626		\$0.47776	
25	32I Firm Sales	Block 1	8,628,593	10,000	9,861	\$675.00	\$0.60345	\$6,625.62	\$0.60495	\$6,640.41
26		Block 2	7,972,562	20,000			\$0.58223		\$0.58373	
27		Block 3	2,916,083	20,000			\$0.54675		\$0.54825	
28		Block 4	2,877,605	100,000			\$0.51141		\$0.51291	
29		Block 5	443,011	600,000			\$0.48672		\$0.48822	
30		Block 6	0	all additional			\$0.47429		\$0.47579	
31	32C Firm Trans	Block 1	2,769,074	10,000	19,258	\$925.00	\$0.14137	\$3,449.47	\$0.15323	\$3,663.25
32		Block 2	2,051,764	20,000			\$0.11998		\$0.13026	
33		Block 3	656,440	20,000			\$0.08442		\$0.09207	
34		Block 4	951,036	100,000			\$0.04883		\$0.05384	
35		Block 5	42,214	600,000			\$0.02745		\$0.03088	
36		Block 6	0	all additional			\$0.01327		\$0.01565	
37	32I Firm Trans	Block 1	11,405,325	10,000	73,016	\$925.00	\$0.13314	\$7,174.60	\$0.14288	\$7,667.94
38		Block 2	16,248,048	20,000			\$0.11308		\$0.12156	
39		Block 3	9,930,036	20,000			\$0.07964		\$0.08602	
40		Block 4	21,832,878	100,000			\$0.04622		\$0.05051	
41		Block 5	22,413,473	600,000			\$0.02609		\$0.02912	
42		Block 6	7,541,214	all additional			\$0.01279		\$0.01498	
43	32C Interr Sales	Block 1	4,420,212	10,000	29,363	\$675.00	\$0.61838	\$18,374.36	\$0.61988	\$18,418.41
44		Block 2	6,619,668	20,000			\$0.59472		\$0.59622	
45		Block 3	3,569,981	20,000			\$0.55521		\$0.55671	
46		Block 4	5,246,915	100,000			\$0.51568		\$0.51718	
47		Block 5	3,398,942	600,000			\$0.49198		\$0.49348	
48		Block 6	0	all additional			\$0.47465		\$0.47615	
49	32I Interr Sales	Block 1	4,783,726	10,000	27,552	\$675.00	\$0.59896	\$16,815.80	\$0.60046	\$16,857.13
50		Block 2	6,385,368	20,000			\$0.57835		\$0.57985	
51		Block 3	3,622,167	20,000			\$0.54400		\$0.54550	
52		Block 4	10,367,186	100,000			\$0.50962		\$0.51112	
53		Block 5	4,928,689	600,000			\$0.48899		\$0.49049	
54		Block 6	0	all additional			\$0.47389		\$0.47539	
55	32C Interr Trans	Block 1	780,580	10,000	199,264	\$925.00	\$0.12838	\$11,569.70	\$0.13681	\$12,434.56
56		Block 2	1,586,918	20,000			\$0.10895		\$0.11632	
57		Block 3	1,034,205	20,000			\$0.07661		\$0.08222	
58		Block 4	3,340,006	100,000			\$0.04425		\$0.04809	
59		Block 5	431,793	600,000			\$0.02486		\$0.02764	
60		Block 6	0	all additional			\$0.01194		\$0.01402	
61	32I Interr Trans	Block 1	5,825,488	10,000	198,962	\$925.00	\$0.12678	\$11,474.60	\$0.13575	\$12,382.51
62		Block 2	9,678,292	20,000			\$0.10765		\$0.11548	
63		Block 3	6,123,269	20,000			\$0.07583		\$0.08176	
64		Block 4	14,253,538	100,000			\$0.04395		\$0.04797	
65		Block 5	29,505,433	600,000			\$0.02486		\$0.02774	
66		Block 6	96,966,741	all additional			\$0.01213		\$0.01425	
67	33		0	N/A	0.0	\$38,000.00	\$0.00465	\$38,000.00	\$0.00615	\$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

1		Twelve Months		
2		<u>Ended 06/30/25</u>		
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]	<u>\$ 2,209,884</u>	<u>0.232% Line 8 ÷ Line 4</u>	
9				
10	Total		<u>3.018%</u>	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
2025-2026 PGA Filing - Oregon: August Filing
PGA Effects on Revenue
Schedule 169: Transport EE

	Including Revenue Sensitive Amount
1	
2 <u>Temporary Increments</u>	
3	
4 <u>Removal of Current Temporary Increments</u>	
5 Amortization of Transport EE	<u>0</u>
6	
7 <u>Addition of Proposed Temporary Increments</u>	
8 Amortization of Transport EE	<u>2,056,725</u>
9	2,056,725
10	
11 TOTAL OF ALL COMPONENTS OF RATE CHANGES	<u><u>\$2,056,725</u></u>
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)	0.22%

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
54								
55	151831 TRANSPORT EE DEFERRAL	1,895,037	0	44,966	1,940,003			
56	TRANSPORT EE AMORTIZATION	-	-	-	0			
57	Total	1,895,037	-	44,966	1,940,003	5.16%	54,650	1,994,653

Company: Northwest Natural Gas Company
State: Oregon
Description: OR Transportation Energy Efficiency
Account Number: **151831**
Info: UM 2323, Order 24-229

Debit (Credit)

	Month/Year	Note	Deferrals	Transfers	Interest Rate	Interest	Activity	Balance
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Beginning Balance							
47	Jul-24		700,000.00		6.84%	1,993.83	701,993.83	701,993.83
48	Aug-24		-		6.84%	3,999.02	3,999.02	705,992.85
49	Sep-24		-		6.84%	4,021.81	4,021.81	710,014.66
50	Oct-24		-		6.84%	4,044.72	4,044.72	714,059.38
51	Nov-24		-		7.06%	4,198.67	4,198.67	718,258.05
52	Dec-24		-		7.06%	4,223.36	4,223.36	722,481.41
53	Jan-25		-		7.06%	4,248.19	4,248.19	726,729.60
54	Feb-25		-		7.06%	4,273.17	4,273.17	731,002.77
55	Mar-25		-		7.06%	4,298.30	4,298.30	735,301.07
56	Apr-25		1,130,000.00		7.06%	7,645.77	1,137,645.77	1,872,946.84
57	May-25		-		7.06%	11,012.93	11,012.93	1,883,959.77
58	Jun-25		-		7.06%	11,077.68	11,077.68	1,895,037.45
59	Jul-25				7.06%	11,142.82	11,142.82	1,906,180.27
60	Aug-25				7.06%	11,208.34	11,208.34	1,917,388.61
61	Sep-25				7.06%	11,274.25	11,274.25	1,928,662.86
62	Oct-25				7.06%	11,340.54	11,340.54	1,940,003.40

63
64 **NOTES**
65
66