

**SCHEDULE 185
 SPECIAL ANNUAL INTERSTATE AND INTRASTATE
 STORAGE AND TRANSPORTATION CREDIT**

PURPOSE:

To credit customers served under the below-listed Rate Schedules for the Oregon share of revenues received by NW Natural for (a) interstate storage and related transportation service provided under a Limited-Jurisdiction Blanket Certificate from FERC granted under FERC Regulations, 18 C.F.R. § 284.224 (hereafter referred to as § 284.224 service), (b) core storage optimization activities; and (c) intrastate storage activities under **Rate Schedule 80** and **Rate Schedule 91**.

APPLICABLE:

The credit under this Schedule shall apply to customer bills issued during the February billing cycle of each calendar year, or such other time period as the Commission may approve. The credit shall apply to the following Sales Service Rate Schedules of this Tariff: **Schedule 2, Schedule 3, and; Schedules 31 and 32 – Firm Sales only.**

CREDIT: Effective Billing Cycles: February 2025

The bill credit to be applied to Customer bills during the effective billing cycle will be calculated by multiplying the following per therm credit by the customer’s actual gas usage billed during the period November 1, 2023 through October 31, 2024:

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Rate Schedule/Class	Block	Temporary Adjustments	Schedule	Block	Temporary Adjustments
2		(\$0.01164)			
03 CSF		(\$0.00884)			
03 ISF		(\$0.00569)			
31 CSF	Block 1	(\$0.00541)	31 ISF	Block 1	(\$0.00382)
	Block 2	(\$0.00495)		Block 2	(\$0.00346)
32 CSF	Block 1	(\$0.00332)	32 ISF	Block 1	(\$0.00210)
	Block 2	(\$0.00283)		Block 2	(\$0.00179)
	Block 3	(\$0.00200)		Block 3	(\$0.00127)
	Block 4	(\$0.00118)		Block 4	(\$0.00076)
	Block 5	(\$0.00059)		Block 5	(\$0.00040)
	Block 6	(\$0.00030)		Block 6	(\$0.00022)

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Issued date December 13, 2024
 NWN OPUC Advice No. 24-25

Received
 Filing Center
DEC 13 2024

Effective with service on
 and after February 1, 2025

SCHEDULE 185
SPECIAL ANNUAL INTERSTATE AND INTRASTATE
STORAGE AND TRANSPORTATION CREDIT
(continued)

SPECIAL CONDITIONS:

1. NW Natural will share with customers served under the Rate Schedules listed above, the net margin received from interstate and intrastate storage service on an 80/20 basis; 80% will be retained by NW Natural, and 20% will be shared with customers through the credit provided for in this schedule. For this purpose, net margin is defined as revenues less incremental operating and maintenance (O&M) expense, less incremental capital-related costs, on a before income tax basis. Incremental capital-related costs include depreciation, interest, property taxes, and any other costs customarily relating to a utility investment other than return on equity. The imputed capital structure for this purpose shall be 50% debt and 50% equity, with the cost of debt defined as the average long-term cost of debt authorized by the OPUC in the Company's last general rate case.
2. The interstate and intrastate annual service credit shall be based on the net margin as described in paragraph 1 above, and as filed with the Commission. This credit shall be applied to customers' bills, or placed in an interest bearing deferred account, on February 1 of each year, or at a date other than February 1 for reasons and on terms as the Commission may approve. (T)
3. If the net margin for the year is negative (a loss) then the credit will be zero.
4. In addition to the interstate and intrastate storage service sharing, NW Natural will share with customers served under the Rate Schedules listed above, net margin revenue that is attributable to optimization of core customer storage and related transportation services on a 90/10 basis; 10% will be retained by NW Natural, and 90% will be shared with customers through the credit provided for in this schedule. For this purpose, net margin is defined as revenues less incremental operating and maintenance (O&M) expense.
5. As provided under "OUT-OF-CYCLE TRANSFERS" provision set forth in Rate Schedules 31 and 32, a Customer that exercises the Capacity Release Option may only be eligible to receive one-half of the above-listed credit.

PRIOR YEAR BALANCES:

The Company will include any remaining balance from the prior year's credit in the calculation of the current year's credit.

TERM OF SCHEDULE:

Application of the § 284.224 service credit under this Schedule is contingent upon continued FERC approval of NW Natural's § 284.224 Limited Jurisdiction Blanket Certificate.

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 date October 23, 2020
NWN OPUC Advice No. 20-17

Effective with service on
and after date November 1, 2020

Issued by: NORTHWEST NATURAL GAS COMPANY
d.b.a. NW Natural

Received
Filing Center
OCT 23 2020