SCHEDULE 190
PARTIAL DECOUPLING MECHANISM

PURPOSE:
To (a) describe the partial decoupling mechanism established in accordance with Commission Order 12-408 in Docket UG 221, Commission Order 18-419 in Docket UG 344, Commission Order 20-364 in Docket UG 388; and Commission Order 24-359 in Docket UG 490, and Commission Order 25-420 in Docket UG 520; (b) identify the adjustment applicable to rates under the Rate Schedules listed below.

APPLICABLE:
To Residential and Commercial Customers served on the following Rate Schedules of this Tariff:

Residential	Commercial
Rate Schedule 2	Rate Schedule 3 CSF
	Rate Schedule 31 CSF

ADJUSTMENT TO RATE SCHEDULES:
The Temporary Adjustments for Residential and Commercial Customers taking service on the above-listed Rate Schedules includes the following adjustment:

Effective: October 31, 2026 (C)

Residential Rate Schedule 2:	$0.09638 (I)

Effective: November 1, 2026 (C)

Commercial Rate Schedule 3:	$0.07626 (I)
Commercial Rate Schedule 31:	$0.05033 (I)

PARTIAL DECOUPLING DEFERRAL ACCOUNT:

1. As described in detail below, the Company will calculate the difference between weather-normalized usage and the calculated baseline usage for each Residential and Commercial Customer group. The Residential customer group is bifurcated by premises that were connected to the system prior to January 1, 2018, and for those connected on or after January 1, 2018. The resulting usage differential shall be multiplied by the per therm distribution margin for the applicable customer group.

   The Company shall defer and amortize, with interest, 100% of the distribution margin differential in a sub-account of Account 186. The deferral will be a credit (accruing a refund to customers) if the differential is positive, or a debit (accruing a recovery by the company) if the differential is negative.

(continue to Sheet 190-2)

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(continued)

PARTIAL DECOUPLING DEFERRAL ACCOUNT (continued):

2. The baseline use-per-customer is:

   Residential (premise connected prior to January 1, 2018): 664.89 (C)
   Residential (premise connected on or after January 1, 2018): 450.95 (C)

   Commercial (Schedule 3): 3,290.24 (C)
   Commercial (Schedule 31): 36,186.74 (C)

3. Weather-normalized usage is calculated using the approach to weather normalization adopted in the Company's last general rate case, Docket UG 520. The weather data is taken from the stations identified in **Rule 24**. (C)

   Step One. For the heating season months of December through March, usage is normalized by taking the difference between normal and actual heating degree days for each district using a base of 59 degrees for Residential and 58 degrees for Commercial. Usage for the heating season months of November, April and May will be normalized by the actual WARM effect attributable to the month that is included in customer bills for rate schedules 2 and commercial 3. For commercial schedule 31, no normalization will be done in November, April and May.

   Step Two. This step derives the per-therm customer variance by multiplying the heating degree-day difference by the usage coefficient of .15107 for Residential (Schedule 2) variances, .68985 for Commercial (Schedule 3) variances, and 7.41605 for Commercial (Schedule 31) variances. (C)(C) (C)

   Step Three. The per-therm customer variance is multiplied by the appropriate customer count, by district, with the sum of the district results representing the normalized therm amount.

4. Baseline usage will be adjusted to reflect actual customers billed each month.

5. The per therm distribution margins to be used in the deferral calculation effective November 1, 2025 is $0.84323 per therm for Residential (Schedule 2) customers and $0.73379 per therm for Commercial (Schedule 3) customers and $0.34068 per therm for Commercial (Schedule 31) customers. (C)(I)(I) (I)

6. Coincident with the Company's annual Purchased Gas Cost and Technical Rate Adjustment filing, the Company shall apply an adjustment to Residential and Commercial rates to amortize over the following 12 months, the balance in the balancing account as of June 30.

7. This Schedule is an "automatic adjustment clause" as defined in ORS 757.210, and is subject to review by the Commission at least once every two (2) years.

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.

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