

September 15, 2026

NW Natural customers in Washington will see new rates starting November 1. This year's Purchased Gas Adjustment (PGA) for Washington reflects lower wholesale prices for natural gas.

If approved as initially filed, the average Washington residential customer using 55 therms per month is expected to see the PGA-affected portion of their bill go down by about \$1 per month. The average small-commercial customer can expect a reduction of about \$3 per month.

How – and why – gas rates are changing

NW Natural filed its annual Purchased Gas Adjustment (PGA) and other associated filings with the Washington Utilities and Transportation Commission (WUTC) on September 15, 2026. If approved, Washington customers will see new rates on monthly bills starting on November 1.

New rates for Washington customers will reflect changes in the expected cost of natural gas for the upcoming winter heating season, and account for differences between the estimated and actual cost of natural gas from the previous year. NW Natural does not mark up the price of gas; the PGA is a pass-through of costs for the wholesale price and delivery of natural gas.

How NW Natural works to keep natural gas affordable

We take several steps to maximize affordability, such as buying natural gas throughout the year to reduce the impact of market price swings, investing in energy storage, and supporting energy-efficiency programs.

The combined effects of the following filings contribute to rate changes for customers in Washington, as shown in the table on the next page.

- Purchased Gas Adjustment: A \$0.32 decrease on the average monthly residential bill, and a \$1.53 decrease on the average small-commercial bill. The filing trues up the differences between the estimated and actual cost of natural gas, and it establishes the customer costs for natural gas from Nov. 1, 2026–Oct. 31, 2027.
- Energy-efficiency programs: A \$0.85 decrease on the average monthly residential bill, and a \$3.48 decrease on the average monthly small-commercial bill for energy-efficiency programs that support cost-effective natural gas conservation.
- Low-income assistance: A \$0.06 decrease on the average monthly residential bill, and a \$0.26 decrease on the average monthly small-commercial bill for programs that help low-income residential customers make home energy improvements and stay warm.
- Demand Response Program: A \$0.22 increase on the average monthly residential bill, and a \$0.92 increase on the average small-commercial bill for costs related to the Thermostat Rewards program. Thermostat Rewards is a demand response program that provides opportunities and incentives for customers who have qualifying smart thermostats to lower their gas usage during demand response events. The proposed rates reflect the actual cost of the program from the prior year.
- Residential Arrearage Management Program: A \$0.19 increase on the average monthly residential bill for the program that provides grants to income-qualified customers to help pay gas bills. The proposed rates reflect the actual costs of grants provided from the prior year.
- Residential Bill Discount Program: A \$0.31 increase on the average monthly residential bill, and a \$1.34 increase on the average small-commercial bill for the program that provides bill discounts to income-qualified customers.

The proposed rates reflect costs to support existing bill discount participants and modest expected growth in participation during the upcoming program year, together with a true-up of the program's balancing account.

- Environmental Cost Recovery Mechanism: A \$0.05 decrease on the average monthly residential bill, and a \$0.25 decrease on the average small-commercial bill for the program that recovers costs related to environmental site remediation that has been deemed prudent by the WUTC.
- Other year-to-year adjustments and true-ups related to previously approved rate adjustments, including residual balances of amortizations of regulatory fees, industrial customer energy-efficiency and property-sales proceeds: A \$0.01 decrease in the average monthly residential bill, and a \$0.01 decrease in the average monthly small-commercial customer bill.

Type of Service	Schedule Number	Current Total Billing Rate	Proposed Total Billing Rate	Percent Change in Average Bill*
General Residential Sales Service	1	\$2.04782	\$2.01476	-1.40%
General Commercial Sales Service	1	\$1.94336	\$1.92954	-0.70%
Residential Sales Service	2	\$1.50598	\$1.49458	-0.80%
Commercial Sales Service	3	\$1.45849	\$1.44594	-1.00%
Industrial Sales Service	3	\$1.37308	\$1.36922	-0.30%
Residential Heating Dry-Out Service	27	\$1.36887	\$1.45100	5.20%
Commercial Firm Sales	41	\$1.12202	\$1.09287	-3.10%
Commercial Firm Transportation	41	\$0.72440	\$0.72553	0.20%
Industrial Firm Sales	41	\$0.95160	\$0.93048	-2.70%
Industrial Firm Transportation	41	N/A	N/A	0.00%
Large Volume Commercial Firm Sales	42	\$0.82117	\$0.79834	-3.60%
Large Volume Commercial Interruptible Sales	42	\$0.73832	\$0.70094	-6.30%
Large Volume Industrial Firm Sales	42	\$0.73200	\$0.71097	-3.60%
Large Volume Industrial Interruptible Sales	42	\$0.72779	\$0.69506	-6.10%
Large Volume Commercial Firm Transportation	42	\$0.41720	\$0.41774	0.30%
Large Volume Industrial Firm Transportation	42	\$0.38533	\$0.38498	-0.10%
Large Volume Commercial Interruptible Transportation	42	N/A	N/A	0.00%
Large Volume Industrial Interruptible Transportation	42	\$0.37200	\$0.37165	-0.10%

*This column includes changes from the current to proposed average bill including the monthly customer charges.

Programs to help manage energy costs

We know many households are feeling the impact of higher costs for everyday goods and services. Whether you're looking to lower energy use, make monthly bills more predictable or get financial assistance, NW Natural offers a range of options. Customers can enroll in Equal Pay for more predictable monthly bills, access energy-saving tips and rebates to lower energy costs or take advantage of payment plans and extended payment due dates. Income-qualified customers may also be eligible for monthly bill discounts of up to 80%, grants to help pay gas bills, and free weatherization, heating and water-heating upgrades that can help reduce energy costs for years to come.

Visit nwnatural.com/PaymentAssistance to learn more about available programs and income guidelines.

NW Natural's filings are requests, subject to public review and a decision by the WUTC. The Commission may approve rates that are higher or lower than those requested by NW Natural. Customers may comment on the proposed rate changes by clicking "Submit a Comment" at www.utc.wa.gov, emailing comments@utc.wa.gov, calling 1-888-333-9882 (WUTC), or mailing Washington Utilities and Transportation Commission, PO Box 47250, Olympia, WA 98504-7250. Customers can also request more information, review the filing, and find out about open meetings. For more information, visit the Rates and Regulations section of nwnatural.com