NW Natural®

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October 7, 2025 NWN WUTC Advice No. 25-08A / UG-250717

VIA ELECTRONIC FILING

Jeff Killip, Executive Director & Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Re: UG-250717 - Annual Purchased Gas Cost, Deferred Gas Cost Amortization Adjustments and Combined Effects – Replacement Pages – DO NOT REDOCKET

Dear Mr. Killip:

On September 15, 2025, Northwest Natural Gas Company, dba NW Natural (NW Natural or Company), filed a tariff revision in the above-mentioned docket with an effective date of November 1, 2025, seeking to revise several tariff sheets, including the annual purchased gas cost and deferred gas cost amortization adjustments.

The purpose of this filing is to update the usage-per-customer in the Company's original filing so that it aligns with NW Natural's most recently completed General Rate Case, UG-200994, Exhibit A, and Exhibit B. Exhibit C and the hedging plan remain unchanged from the Company's original September 15th filing. In addition, tariff sheets 201.1, 201.2, 203.1, 142.12, and 143.6 also remain unchanged from the September 15th filing.

<u>Proposed Changes</u>

1. Effect of Rate Changes Proposed

If there were no other adjustments to rates effective November 1, 2025, the effect of the rate changes proposed in this PGA filing is a decrease to the average monthly bills in the primary rate schedules as follows: Schedule 2 Residential bills will decrease by 5.9%[1] and Schedule 3 commercial bills will decrease 6.4%. If the effects of the temporary rate adjustments were permanent, the combined result of the rate changes would be a decrease in the Company's revenues from its Washington operations of $6,759,745 or 6.15%.

2. Combined Effects

[1] All bill impacts assume Climate Commitment Act charges and credits for non-low income customers who joined NW Natural's system before July 25, 2021, as set out in Schedule 308 - Washington Climate Commitment Act Recovery Mechanism.

The combined effect of the rate changes proposed to become effective November 1, 2025, is a decrease to the average monthly bills in the primary rate schedules as follows: Residential Schedule 2 bills will decrease by 5.7% and commercial Schedule 3 bills will decrease 6.3%. The combined result of all components of the rate changes would be a decrease in the Company's revenues from its Washington operations of $6,723,454, or 6.12%.

NW Natural's Pending General Rate Case

On August 29, 2025, Northwest Natural Gas Company filed a general rate case with revised tariff sheets in Docket UG-250610 proposing new rates. In Order 01 of that docket, the Commission suspended those tariff sheets pending the general rate case process. However, the suspended tariff sheets include not only the base rates, but all components of a customer's total billing rate, including rates that are updated in this Purchase Gas Adjustment (PGA) docket and coincident filings. NW Natural must update these tariff sheets in order to accurately collect the cost-of-service from its customers. As stated above, the combined effects of the rate changes proposed to become effective November 1, 2025 is a decrease to average monthly bills.

Therefore, NW Natural respectfully requests that the Commission permit NW Natural to revise its tariff sheets during the suspension period as described in the Company's filings in this docket. This request is consistent with Order 01 of Docket UG-250610, which states that the Commission may authorize such changes during the suspension period.[2]

Please address correspondence on this matter Michael Lewis at michael.lewis@nwnatural.com with copies to the following:

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eFiling@nwnatural.com

Sincerely,

NW NATURAL

/s/ Kyle Walker, CPA

Kyle Walker, CPA
Rates/Regulatory Senior Manager
NW Natural
250 SW Taylor Street
Portland, Oregon 97204
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[2] Specifically, Order 01 states: "Northwest Natural Gas Company must not change or alter the tariffs filed in this docket during the suspension period unless authorized by the Commission."

Attachments:

250717-NWN-WUTC-Advice-25-08A-PGA-Exh-A-R-Pg-3-10-07-25
250717-NWN-WUTC-Advice-25-08A-PGA-Exh-A-R-10-07-25.xlsx
250717-NWN-WUTC-Advice-25-08A-PGA-Exh-B-R-Pg-1-10-07-25
250717-NWN-WUTC-Advice-25-08A-PGA-Exh-B-R-10-07-25.xlsx

NW Natural
Rates & Regulatory Affairs
2025-2026 PGA Filing - Washington: September Filing
Effects on Average Bill by Rate Schedule

Calculation of Effect on Customer Average Bill by Rate Schedule [1] [3]

							Current		Proposed					
1				Normal		Current	Net	Proposed	Net	Current		Proposed	Proposed	Proposed
2				Therms	Minimum	CCA	Minimum	CCA	Minimum	1/1/2025	11/1/2026	11/1/2026	11/1/2026	11/1/2026
3			Therms in	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Billing	Current	PGA Effects	PGA Effects	**PGA Effects**
4			Block	Average use	Charge	Avg. Credit	Charge	Avg. Credit	Charge	Rates	Average Bill[2]	**Rates**	Average Bill	**% Bill Change**
5											**F=D+(C * E)**		**Z=D+(C*Y)**	
6	Schedule	Block	**B**	**C**			**D**			**E**	**F**	**Y**	**Z**	**AA**
7	1R		N/A	20.0	$5.50	$1.82	$3.68	$1.82	$3.68	$1.66830	$37.05	$1.59389	$35.56	-4.0%
8	1C		N/A	114.0	$7.00	$5.34	$1.66	$5.34	$1.66	$1.67264	$192.34	$1.59823	$183.86	-4.4%
9	2R		N/A	56.0	$8.00	$10.54	($2.54)	$10.54	($2.54)	$1.31527	$71.11	$1.24086	$66.95	-5.9%
10	3 CFS		N/A	236.0	$22.00	$48.32	($26.32)	$48.32	($26.32)	$1.27854	$275.41	$1.20413	$257.85	-6.4%
11	3 IFS		N/A	975.0	$22.00	$129.16	($107.16)	$129.16	($107.16)	$1.23031	$1,092.39	$1.15590	$1,019.84	-6.6%
12	27		N/A	50.0	$9.00	$0.00	$9.00	$0.00	$9.00	$1.11591	$64.80	$1.04150	$61.08	-5.7%
13	41C Firm Sales	Block 1	2,000	3,436.0	$250.00	$515.09	($265.09)	$515.09	($265.09)	$1.03949		$0.96813		
14		Block 2	all additional							$0.98116		$0.90980		
15		**TOTAL**									**$3,222.84**		**$2,977.64**	**-7.6%**
16	41I Firm Sales	Block 1	2,000	4,741.0	$250.00	$622.72	($372.72)	$622.72	($372.72)	$0.94622		$0.87486		
17		Block 2	all additional							$0.89909		$0.82773		
18		**TOTAL**									**$3,984.13**		**$3,645.81**	**-8.5%**
19	41C Interr Sales	Block 1	2,000	0.0	$250.00	$515.09	$250.00	$515.09	$250.00	$0.96427		$0.92521		
20		Block 2	all additional							$0.91047		$0.87141		
21		**TOTAL**									**$250.00**		**$250.00**	**0.0%**
22	41I Interr Sales	Block 1	2,000	0.0	$250.00	$622.72	$250.00	$622.72	$250.00	$0.90245		$0.86339		
23		Block 2	all additional							$0.85609		$0.81703		
24		**TOTAL**									**$250.00**		**$250.00**	**0.0%**
25	41C Firm Trans	Block 1	2,000	4,648.0	$500.00	$515.09	($15.09)	$515.09	($15.09)	$0.64044		$0.64044		
26		Block 2	all additional							$0.59302		$0.59302		
27		**TOTAL**									**$2,836.11**		**$2,836.11**	**0.0%**
28	41I Firm Trans	Block 1	2,000	0.0	$500.00	$622.72	$500.00	$622.72	$500.00	$0.62856		$0.62856		
29		Block 2	all additional							$0.58256		$0.58256		
30		**TOTAL**									**$500.00**		**$500.00**	**0.0%**
31	42C Firm Sales	Block 1	10,000	11,949.0	$1,300.00	$5,142.27	($1,576.48)	$5,142.27	($1,576.48)	$0.79626		$0.72490		
32		Block 2	20,000							$0.77027		$0.69891		
33		Block 3	20,000							$0.71863		$0.64727		
34		Block 4	100,000							$0.68461		$0.61325		
35		Block 5	600,000							$0.63927		$0.56791		
36		Block 6	all additional							$0.58259		$0.51123		
37		**TOTAL**									**$7,887.38**		**$7,034.70**	**-10.8%**
38	42I Firm Sales	Block 1	10,000	12,869.0	$1,300.00	$3,945.77	($1,797.95)	$3,945.77	($1,797.95)	$0.73169		$0.66033		
39		Block 2	20,000							$0.71258		$0.64122		
40		Block 3	20,000							$0.67457		$0.60321		
41		Block 4	100,000							$0.64957		$0.57821		
42		Block 5	600,000							$0.61626		$0.54490		
43		Block 6	all additional							$0.57455		$0.50319		
44		**TOTAL**									**$7,563.34**		**$6,645.01**	**-12.1%**
45	42C Firm Trans	Block 1	10,000	51,470.0	$1,550.00	$5,142.27	($3,592.27)	$5,142.27	($3,592.27)	$0.40332		$0.40332		
46		Block 2	20,000							$0.38640		$0.38640		
47		Block 3	20,000							$0.35269		$0.35269		
48		Block 4	100,000							$0.33054		$0.33054		
49		Block 5	600,000							$0.30097		$0.30097		
50		Block 6	all additional							$0.26403		$0.26403		
51		**TOTAL**									**$15,708.62**		**$15,708.62**	**0.0%**
52	42I Firm Trans	Block 1	10,000	63,374.0	$1,550.00	$3,945.77	($2,395.77)	$3,945.77	($2,395.77)	$0.40096		$0.40096		
53		Block 2	20,000							$0.38427		$0.38427		
54		Block 3	20,000							$0.35105		$0.35105		
55		Block 4	100,000							$0.32922		$0.32922		
56		Block 5	600,000							$0.30009		$0.30009		
57		Block 6	all additional							$0.26369		$0.26369		
58		**TOTAL**									**$20,723.22**		**$20,723.22**	**0.0%**
59	42C Interr Sales	Block 1	10,000	39,322.0	$1,300.00	$5,142.27	($3,842.27)	$5,142.27	($3,842.27)	$0.71133		$0.67227		
60		Block 2	20,000							$0.69043		$0.65137		
61		Block 3	20,000							$0.64878		$0.60972		
62		Block 4	100,000							$0.62141		$0.58235		
63		Block 5	600,000							$0.58493		$0.54587		
64		Block 6	all additional							$0.53925		$0.50019		
65		**TOTAL**									**$23,127.56**		**$21,591.64**	**-6.6%**
66	42I Interr Sales	Block 1	10,000	13,758.0	$1,300.00	$3,945.77	($2,011.96)	$3,945.77	($2,011.96)	$0.69064		$0.65158		
67		Block 2	20,000							$0.67199		$0.63293		
68		Block 3	20,000							$0.63489		$0.59583		
69		Block 4	100,000							$0.61048		$0.57142		
70		Block 5	600,000							$0.57791		$0.53885		
71		Block 6	all additional							$0.53724		$0.49818		
72		**TOTAL**									**$7,419.78**		**$6,882.39**	**-7.2%**
73	42C Inter Trans	Block 1	10,000	0.0	$1,550.00	$5,142.27	$1,550.00	$5,142.27	$1,550.00	$0.39076		$0.39076		
74		Block 2	20,000							$0.37516		$0.37516		
75		Block 3	20,000							$0.34405		$0.34405		
76		Block 4	100,000							$0.32360		$0.32360		
77		Block 5	600,000							$0.29633		$0.29633		
78		Block 6	all additional							$0.26221		$0.26221		
79		**TOTAL**									**$1,550.00**		**$1,550.00**	**0.0%**
80	42I Inter Trans	Block 1	10,000	95,634.0	$1,550.00	$3,945.77	($2,395.77)	$3,945.77	($2,395.77)	$0.39347		$0.39347		
81		Block 2	20,000							$0.37758		$0.37758		
82		Block 3	20,000							$0.34592		$0.34592		
83		Block 4	100,000							$0.32511		$0.32511		
84		Block 5	600,000							$0.29736		$0.29736		
85		Block 6	all additional							$0.26266		$0.26266		
86		**TOTAL**									**$30,845.00**		**$30,845.00**	**0.0%**
87	43 Firm Trans		N/A	0.0	$38,000.00		$38,000.00	0.0		$0.24685	$38,000.00	$0.24685	$38,000.00	0.0%
88	43 Interr Trans		N/A	0.0	$38,000.00		$38,000.00	0.0		$0.24685	$38,000.00	$0.24685	$38,000.00	0.0%
89	Intentionally blank													

90 **[1] Rate Schedule 41 and 42 customers may choose demand charges at a volumetric rate or based on MDDV. For convenience of presentation, demand charges are not**
91 **included in the calculations for those schedules.**

92 **[2] Proposed new CCA rates is equal to Current Billing Rate plus New CCA rates less current CCA rates. Assumes customer receives CCA credit.**

93 **[3] For Schedules where the average usage would generate a new credit, the non-volumetric credits have been capped at the CCA cost.**

96 **Sources:**

97	Direct Inputs	per Tariff	per Tariff		
98					
99	Rates in summary			Column A	

NW Natural
Rates & Regulatory Affairs
2025-2026 PGA Filing - Washington: September Filing
Effects on Average Bill by Rate Schedule

CCA per therm	
Current	0.24073
Proposed	0.24073

Calculation of Effect on Customer Average Bill by Rate Schedule [1] [3]

							Current		Proposed					
1				Normal		Current	Net	Proposed	Net	Current		Proposed	Proposed	Proposed
2				Therms	Minimum	CCA	Minimum	CCA	Minimum	1/1/2025	11/1/2026	11/1/2026	11/1/2026	11/1/2026
3			Therms in	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Billing	Current	**Total**	**Total**	**Total**
4			Block	Average use	Charge	Avg. Credit	Charge	Avg. Credit	Charge	Rates	Average Bill[2]	**Rates**	Average Bill	**% Bill Change**
5											**F=D+(C * E)**		**AA=D+(C * Z)**	**AB=(AA - F)/F**
6	Schedule	Block	**B**	**C**			**D**			**E**	**F**	**AB**	**AC**	**AD**
7	1R		N/A	20.0	$5.50	$1.82	$3.68	$1.82	$3.68	$1.66830	$37.05	$1.63410	$36.37	-1.8%
8	1C		N/A	114.0	$7.00	$5.34	$1.66	$5.34	$1.66	$1.67264	$192.34	$1.59688	$183.70	-4.5%
9	2R		N/A	56.0	$8.00	$10.54	($2.54)	$10.54	($2.54)	$1.31527	$71.11	$1.24236	$67.03	-5.7%
10	3 CFS		N/A	236.0	$22.00	$48.32	($26.32)	$48.32	($26.32)	$1.27854	$275.41	$1.20489	$258.03	-6.3%
11	3 IFS		N/A	975.0	$22.00	$129.16	($107.16)	$129.16	($107.16)	$1.23031	$1,092.39	$1.15519	$1,019.15	-6.7%
12	27		N/A	50.0	$9.00	$0.00	$9.00	$0.00	$9.00	$1.11591	$64.80	$1.10995	$64.50	-0.5%
13	41C Firm Sales	Block 1	2,000	3,436.0	$250.00	$515.09	($265.09)	$515.09	($265.09)	$1.03949		$0.96804		
14		Block 2	all additional							$0.98116		$0.90969		
15		**TOTAL**									**$3,222.84**		**$2,977.30**	**-7.6%**
16	41I Firm Sales	Block 1	2,000	4,741.0	$250.00	$622.72	($372.72)	$622.72	($372.72)	$0.94622		$0.87457		
17		Block 2	all additional							$0.89909		$0.82737		
18		**TOTAL**									**$3,984.13**		**$3,644.24**	**-8.5%**
19	41C Interr Sales	Block 1	2,000	0.0	$250.00	$515.09	$250.00	$515.09	$250.00	$0.96427		$0.92660		
20		Block 2	all additional							$0.91047		$0.87260		
21		**TOTAL**									**$250.00**		**$250.00**	**0.0%**
22	41I Interr Sales	Block 1	2,000	0.0	$250.00	$622.72	$250.00	$622.72	$250.00	$0.90245		$0.86289		
23		Block 2	all additional							$0.85609		$0.81652		
24		**TOTAL**									**$250.00**		**$250.00**	**0.0%**
25	41C Firm Trans	Block 1	2,000	4,648.0	$500.00	$515.09	($15.09)	$515.09	($15.09)	$0.64044		$0.64046		
26		Block 2	all additional							$0.59302		$0.59296		
27		**TOTAL**									**$2,836.11**		**$2,835.99**	**0.0%**
28	41I Firm Trans	Block 1	2,000	0.0	$500.00	$622.72	$500.00	$622.72	$500.00	$0.62856		$0.62853		
29		Block 2	all additional							$0.58256		$0.58245		
30		**TOTAL**									**$500.00**		**$500.00**	**0.0%**
31	42C Firm Sales	Block 1	10,000	11,949.0	$1,300.00	$5,142.27	($1,576.48)	$5,142.27	($1,576.48)	$0.79626		$0.72471		
32		Block 2	20,000							$0.77027		$0.69874		
33		Block 3	20,000							$0.71863		$0.64711		
34		Block 4	100,000							$0.68461		$0.61311		
35		Block 5	600,000							$0.63927		$0.56776		
36		Block 6	all additional							$0.58259		$0.51112		
37		**TOTAL**									**$7,887.38**		**$7,032.46**	**-10.8%**
38	42I Firm Sales	Block 1	10,000	12,869.0	$1,300.00	$3,945.77	($1,797.95)	$3,945.77	($1,797.95)	$0.73169		$0.66015		
39		Block 2	20,000							$0.71258		$0.64098		
40		Block 3	20,000							$0.67457		$0.60284		
41		Block 4	100,000							$0.64957		$0.57779		
42		Block 5	600,000							$0.61626		$0.54437		
43		Block 6	all additional							$0.57455		$0.50254		
44		**TOTAL**									**$7,563.34**		**$6,642.52**	**-12.2%**
45	42C Firm Trans	Block 1	10,000	51,470.0	$1,550.00	$5,142.27	($3,592.27)	$5,142.27	($3,592.27)	$0.40332		$0.40292		
46		Block 2	20,000							$0.38640		$0.38597		
47		Block 3	20,000							$0.35269		$0.35218		
48		Block 4	100,000							$0.33054		$0.32996		
49		Block 5	600,000							$0.30097		$0.30034		
50		Block 6	all additional							$0.26403		$0.26331		
51		**TOTAL**									**$15,708.62**		**$15,684.97**	**-0.2%**
52	42I Firm Trans	Block 1	10,000	63,374.0	$1,550.00	$3,945.77	($2,395.77)	$3,945.77	($2,395.77)	$0.40096		$0.40057		
53		Block 2	20,000							$0.38427		$0.38385		
54		Block 3	20,000							$0.35105		$0.35056		
55		Block 4	100,000							$0.32922		$0.32867		
56		Block 5	600,000							$0.30009		$0.29948		
57		Block 6	all additional							$0.26369		$0.26300		
58		**TOTAL**									**$20,723.22**		**$20,693.76**	**-0.1%**
59	42C Interr Sales	Block 1	10,000	39,322.0	$1,300.00	$5,142.27	($3,842.27)	$5,142.27	($3,842.27)	$0.71133		$0.67280		
60		Block 2	20,000							$0.69043		$0.65182		
61		Block 3	20,000							$0.64878		$0.61003		
62		Block 4	100,000							$0.62141		$0.58256		
63		Block 5	600,000							$0.58493		$0.54596		
64		Block 6	all additional							$0.53925		$0.50017		
65		**TOTAL**									**$23,127.56**		**$21,608.83**	**-6.6%**
66	42I Interr Sales	Block 1	10,000	13,758.0	$1,300.00	$3,945.77	($2,011.96)	$3,945.77	($2,011.96)	$0.69064		$0.65088		
67		Block 2	20,000							$0.67199		$0.63222		
68		Block 3	20,000							$0.63489		$0.59510		
69		Block 4	100,000							$0.61048		$0.57069		
70		Block 5	600,000							$0.57791		$0.53812		
71		Block 6	all additional							$0.53724		$0.49745		
72		**TOTAL**									**$7,419.78**		**$6,872.72**	**-7.4%**
73	42C Inter Trans	Block 1	10,000	0.0	$1,550.00	$5,142.27	$1,550.00	$5,142.27	$1,550.00	$0.39076		$0.39033		
74		Block 2	20,000							$0.37516		$0.37471		
75		Block 3	20,000							$0.34405		$0.34354		
76		Block 4	100,000							$0.32360		$0.32306		
77		Block 5	600,000							$0.29633		$0.29574		
78		Block 6	all additional							$0.26221		$0.26156		
79		**TOTAL**									**$1,550.00**		**$1,550.00**	**0.0%**
80	42I Inter Trans	Block 1	10,000	95,634.0	$1,550.00	$3,945.77	($2,395.77)	$3,945.77	($2,395.77)	$0.39347		$0.39293		
81		Block 2	20,000							$0.37758		$0.37702		
82		Block 3	20,000							$0.34592		$0.34532		
83		Block 4	100,000							$0.32511		$0.32449		
84		Block 5	600,000							$0.29736		$0.29669		
85		Block 6	all additional							$0.26266		$0.26193		
86		**TOTAL**									**$30,845.00**		**$30,788.11**	**-0.2%**
87	43 Firm Trans		N/A	0.0	$38,000.00		$38,000.00	0.0		$0.24685	$38,000.00	$0.24618	$38,000.00	N/A
88	43 Interr Trans		N/A	0.0	$38,000.00		$38,000.00	0.0		$0.24685	$38,000.00	$0.24618	$38,000.00	N/A
89	Intentionally blank													

90 **[1] Rate Schedule 41 and 42 customers may choose demand charges at a volumetric rate or based on MDDV. For convenience of presentation, demand charges are not**
91 **included in the calculations for those schedules.**
92 **[2] Proposed new CCA rates is equal to Current Billing Rate plus New CCA rates less current CCA rates. Assumes customer receives CCA credit.**
93 **[3] For Schedules where the average usage would generate a new credit, the non-volumetric credits have been capped at the CCA cost.**
96 **Sources:**

97	Direct Inputs	per Tariff	per Tariff	
98				
99	Rates in summary		Column A	