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NORTHWEST NATURAL GAS COMPANY

WN U-6 Original Sheet 303.1

SCHEDULE 303 WASHINGTON ENVIRONMENTAL COST RECOVERY MECHANISM

(N)

PURPOSE:

The purpose of this Schedule is to identify adjustments to rates in the Rate Schedules listed below for the amortization of balances in the Washington Environmental Cost Recovery Mechanism account ("ECRM Account") related to environmental site remediation costs that have been deemed prudent by the Commission, including past deferred manufactured gas plant (MGP) operations costs pursuant to Commission Order 01, in Docket UG-110199.

TERM:

Adjustments under this Schedule shall occur annually and continue for a period of one (1) year following the date that the last remediation expenses are incurred, or such other date as the Commission may approve.

APPLICABLE:

To all Sales and Transportation Service Customers served under the following Rate Schedules of the Tariff of which Schedule 303 is a part:

Rate Schedule 1	Rate Schedule 41
Rate Schedule 2	Rate Schedule 42
Rate Schedule 3	Rate Schedule 43
Rate Schedule 27	

DEFINITIONS:

The following definitions apply to this Schedule:

<u>Collection Period</u> is the 12-month period November 1 through October 31 coincident with the Purchased Gas Adjustment (PGA) Year in which amounts in the ECRM Account will be amortized. Any future change in the PGA Year will automatically carry to the Collection Period under this Schedule.

<u>Environmental Site Remediation Costs</u> are all costs that relate to environmental remediation, including for past manufactured gas plant (MGP) operations. Environmental Site Remediation Costs include investigation, testing, sampling, monitoring, removal, disposal, storage, remediation or other treatment of residues, land acquisition if appropriate, litigation costs/expenses or other liabilities excluding personal injury claims relating to MGP sites, disposal sites, sites that otherwise contain contamination that requires remediation for which the Company is responsible, or sites to which material may have migrated.

SPECIAL CONDITIONS - ECRM ADJUSTMENTS:

 All Environmental Site Remediation Costs and any proceeds from insurance companies or other third-parties, will be held in a deferral account. Annually on, or before, July 15, the Company will file with the Commission an ECRM tariff adjustment filing and the Environmental Cost Recovery Mechanism Regulatory Report described in Special Condition 6.

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(continue to Sheet 303.2)

Issued October 27, 2019 NWN WUTC Advice No. 19-07 Effective with service on and after November 1, 2019

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NORTHWEST NATURAL GAS COMPANY

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SCHEDULE 303 WASHINGTON ENVIRONMENTAL COST RECOVERY MECHANISM (continued)

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SPECIAL CONDITIONS – ECRM ADJUSTMENTS (continued):

- One hundred percent of the Washington Customer's share of the deferral account balance deemed prudent will be transferred to an ECRM Account for amortization in each Collection Period.
- 3. In the event that the amount in the ECRM Account in any Collection Period is negative (a refund), the Company, subject to approval by the Commission, will apply the refund to Customer bills in the next Collection Period. A credit balance may be carried to the next Collection Period if it is determined by the Commission that the credit balance is best used to offset future expected Environmental Site Remediation Costs not yet recorded in the deferral account, or for such other reasons as the Commission may approve.
- 4. The amounts in the ECRM Account will be amortized and applied to Customer bills based on equal percent of margin by Rate Schedule and Customer class.
- 5. Any over- or under- collection of the balance in the ECRM Account at the end of a 12-month Collection Period will be retained in the ECRM Account and used to adjust the amount amortized into rates for the subsequent Collection Period.
- 6. Pursuant to Commission Order 06 in Docket UG-181053, the annual report previously required by Orders 01 and 02 in Docket UG-110199 is renamed the Environmental Cost Recovery Mechanism Regulatory Report and will be filed by the Company by July 15 of every year, wherein the Company will request the Commission review and make a determination of prudence for all prior calendar year Environmental Site Remediation. The report will detail all activity associated with Environmental Site Remediation Costs, including insurance or other third-party proceeds related to remediation activities recorded in the deferral account.

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(continue to Sheet 303.3)

Issued October 25, 2019 NWN WUTC Advice No. 19-07 Effective with service on and after November 1, 2019

NORTHWEST NATURAL GAS COMPANY

WN U-6

First Revision of Sheet 303.3

Cancels Original Sheet 303.3

SCHEDULE 303 WASHINGTON ENVIRONMENTAL COST RECOVERY MECHANISM (continued)

APPLICATION TO RATE SCHEDULES:

Effective: November 1, 2020

(T)

(1)

The Total Adjustment amount shown below is included in the Temporary Adjustments reflected in the above-listed Rate Schedules. NO ADDITIONAL ADJUSTMENT TO RATES IS REQUIRED.

Schedule	Block	Adjustment (per therm)	Schedule	Block	Adjustment (per therm)
1R		\$0.00458	42 (CSI)	Block 1	\$0.00084
1C		\$0.00389		Block 2	\$0.00075
2		\$0.00288		Block 3	\$0.00058
3C		\$0.00258		Block 4	\$0.00046
31		\$0.00234		Block 5	\$0.00031
27		\$0.00184		Block 6	\$0.00012
41 (CSF)	Block 1	\$0.00201	42 (ISI)	Block 1	\$0.00147
	Block 2	\$0.00177		Block 2	\$0.00131
41 (CSI)	Block 1	\$0.00165		Block 3	\$0.00101
	Block 2	\$0.00145		Block 4	\$0.00081
41 (FT)	Block 1	\$0.00225		Block 5	\$0.00054
	Block 2	\$0.00198		Block 6	\$0.00020
41 (ISF)	Block 1	\$0.00192	42 (CFT)	Block 1	\$0.00086
	Block 2	\$0.00170		Block 2	\$0.00077
41 (ISI)	Block 1	\$0.00165		Block 3	\$0.00059
	Block 2	\$0.00145		Block 4	\$0.00047
42 (CSF)	Block 1	\$0.00111		Block 5	\$0.00031
	Block 2	\$0.00099		Block 6	\$0.00012
	Block 3	\$0.00076	42 (IFT)	Block 1	\$0.00085
	Block 4	\$0.00061		Block 2	\$0.00076
	Block 5	\$0.00040		Block 3	\$0.00059
	Block 6	\$0.00015		Block 4	\$0.00047
42 (ISF)	Block 1	\$0.00119		Block 5	\$0.00031
	Block 2	\$0.00106		Block 6	\$0.00012
	Block 3	\$0.00082	42 (TI)	Block 1	\$0.00082
	Block 4	\$0.00065		Block 2	\$0.00074
	Block 5	\$0.00044		Block 3	\$0.00056
	Block 6	\$0.00016		Block 4	\$0.00045
				Block 5	\$0.00030
				Block 6	\$0.00011
			43 (TF)/43 (TI)		\$0.00002

(N) (D)

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 15, 2020 NWN WUTC Advice No. 20-4 Effective with service on and after November 1, 2020