



250 SW Taylor Street  
Portland, OR 97204

503-226-4211  
nwnatural.com

August 1, 2024

NWN OPUC Advice No. 24-15  
(UM 2068)

**VIA ELECTRONIC FILING**

Public Utility Commission of Oregon  
Attention: Filing Center  
201 High Street SE, Suite 100  
Post Office Box 1088  
Salem, Oregon 97308-1088

**Re: REQUEST FOR AMORTIZATION OF COSTS ASSOCIATED WITH THE COVID-19 PANDEMIC**

Northwest Natural Gas Company, dba NW Natural (NW Natural or Company), files herewith revisions and additions to its Tariff, P.U.C. Or. 25,<sup>1</sup> stated to become effective with service on and after November 1, 2024, as follows:

Sixth Revision of Sheet 173-1	Schedule 173	Adjustment for COVID Programs Cost Recovery
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**Purpose**

The purpose of this filing is to request amortization of amounts deferred under docket UM 2068 COVID-19 Pandemic implemented in accordance with ORS 757.262 for inclusion in rates effective November 1, 2024. The Company last adjusted rates for this purpose effective November 1, 2023 per Commission Order No. 23-406. In this filing, the Company has included the residual amounts from the second half of the 2020 and 2021 deferral balances plus the remaining deferred amount incurred in 2022 and 2023.

**Background:**

This filing is in compliance with ORS 757.259, which authorizes deferred utility expenses or revenues to be allowed (amortized) in rates to the extent authorized by the Public Utility Commission of Oregon (“Commission”) in a proceeding to change rates. All of the deferrals included in this filing occurred with appropriate application by Commission authorization, as rate orders or under approved tariffs.

**Proposed Changes**

The effect of this new tariff adjustment schedule is to decrease the Company’s annual revenues by \$13,189,080, or about 1.35%.

The monthly bill of the average residential customer served under Rate Schedule 2 using 55 therms per month will decrease by \$1.19, or 1.5%. The monthly decrease for the average commercial Rate Schedule 3 customer using 251 therms is about \$4.41, and the monthly decrease for the average firm sales commercial Rate Schedule 31 customer using 2,827 therms is about \$25.68.

<sup>1</sup> Tariff P.U.C. Or. 25 originated November 1, 2012 with docket UG 221; Order No. 12-408 as supplemented by Order No. 12-437 and was filed in accordance with ORS 767.205 and OAR 860-022-0005.

The average Rate Schedule 32 firm sales industrial customer using 20,942 therms will see a monthly decrease of about \$18.15. The average bill effects for all other rate schedule and service types can be found in the separately provided workpapers.

In compliance with OAR 860-022-0025 the Company states that the number of customers affected by the proposed change is 640,507 residential customers, and 62,203 commercial customers, and 836 industrial customers.

**Conclusion**

In support of this filing, the Company includes supporting materials as part of this filing and will separately submit work papers in electronic format, all of which are incorporated herein by reference.

In accordance with ORS 757.205, copies of this letter and the filing made herewith are available in the Company's main office in Oregon and on its website at [www.nwnatural.com](http://www.nwnatural.com).

Please address correspondence on this matter to Lora Bourdo at [lora.bourdo@nwnatural.com](mailto:lora.bourdo@nwnatural.com) with copies to the following:

eFiling  
Rates & Regulatory Affairs  
NW Natural  
250 SW Taylor Street  
Portland, Oregon 97204  
Fax: (503) 220-2579  
Telephone: (503) 610-7330  
[eFiling@nwnatural.com](mailto:eFiling@nwnatural.com)

Sincerely,

NW NATURAL

*/s/ Kyle Walker, CPA*

Kyle Walker, CPA  
Rates/Regulatory Senior Manager

Attachment: Exhibit A – Supporting Materials

# NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25

Sixth Revision of Sheet 173-1  
Cancels Fifth Revision of Sheet 173-1

## SCHEDULE 173 Adjustment for COVID Programs Cost Recovery

**PURPOSE:**

The purpose of this Schedule is to reflect the rate effect to recover costs for programs that were put into place to help customers during COVID. Docket UM 2068(2) entered by the Public Utility Commission of Oregon on May 9, 2022.

**APPLICABLE:**

To all Customers served under the following Rate Schedules of the Tariff:

Rate Schedule 2	Rate Schedule 3	Rate Schedule 27
Rate Schedule 31	Rate Schedule 32	Rate Schedule 33

**APPLICATION TO RATE SCHEDULES:** Effective November 1, 2024

The Adjustment amounts shown below are calculated based on equal percent of margin by Rate Schedule and Customer class.

Schedule	Block	Total Adjustment
2		\$0.00217
3 CSF		\$0.00178
3 ISF		\$0.00099
27		\$0.00221
31 CSF	Block 1	\$0.00091
	Block 2	\$0.00083
31 CTF	Block 1	\$0.00091
	Block 2	\$0.00084
31 ISF	Block 1	\$0.00072
	Block 2	\$0.00065
31 ITF	Block 1	\$0.00073
	Block 2	\$0.00067
32 CSF	Block 1	\$0.00064
	Block 2	\$0.00055
	Block 3	\$0.00038
	Block 4	\$0.00022
	Block 5	\$0.00010
	Block 6	\$0.00005
32 ISF	Block 1	\$0.00008
	Block 2	\$0.00007
	Block 3	\$0.00005
	Block 4	\$0.00003
	Block 5	\$0.00001
	Block 6	\$0.00001

Schedule	Block	Total Adjustment
32 CTF	Block 1	\$0.00011
	Block 2	\$0.00010
	Block 3	\$0.00007
	Block 4	\$0.00004
	Block 5	\$0.00003
	Block 6	\$0.00001
32 ITF	Block 1	\$0.00008
	Block 2	\$0.00007
	Block 3	\$0.00005
	Block 4	\$0.00003
	Block 5	\$0.00002
	Block 6	\$0.00001
32 CSI	Block 1	\$0.00035
	Block 2	\$0.00029
	Block 3	\$0.00021
	Block 4	\$0.00012
	Block 5	\$0.00007
	Block 6	\$0.00003
32 ISI	Block 1	\$0.00012
	Block 2	\$0.00010
	Block 3	\$0.00007
	Block 4	\$0.00004
	Block 5	\$0.00002
	Block 6	\$0.00001

Schedule	Block	Total Adjustment
32 CTI	Block 1	\$0.00007
	Block 2	\$0.00006
	Block 3	\$0.00004
	Block 4	\$0.00003
	Block 5	\$0.00002
	Block 6	\$0.00001
32 ITI	Block 1	\$0.00008
	Block 2	\$0.00006
	Block 3	\$0.00005
	Block 4	\$0.00003
	Block 5	\$0.00002
	Block 6	\$0.00001
33 (all)		\$0.00000

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**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 August 1, 2024  
NWN OPUC Advice No. 24-15

Effective with service on  
and after November 1, 2024

EXHIBIT A

BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON

NW NATURAL SUPPORTING MATERIALS

Amortization of Costs Associated with  
the COVID-19 Pandemic

UM 2068

NWN OPUC Advice No. 24-15

August 1, 2024

# NW NATURAL

## EXHIBIT A

### Supporting Materials

#### Amortization of Costs Associated with the COVID-19 Pandemic

#### NWN OPUC ADVICE NO. 24-15

<b>Description</b>	<b>Page</b>
Calculation of Increments Allocated on the Equal Percentage of Margin Basis	1
Effects on Average Bill by Rate Schedule	2
Basis for Revenue Related Costs	3
PGA Effects on Revenue	4
Summary of Deferred Accounts Included in the PGA	5
151730 COVID AMP	6
151734 Amortization of COVID Programs	7



NW Natural  
 Rates & Regulatory Affairs  
 2024-25 PGA - Oregon: August Filing  
 Effects on Average Bill by Rate Schedule [1]  
 ALL VOLUMES IN THERMS

Advice 24-15  
 See note [13]

1		Oregon PGA		Normal		11/1/2023	11/1/2023	Proposed	Proposed	Proposed	
2		Normalized		Therms	Minimum			11/1/2024	11/1/2024	11/1/2024	
3		Volumes page,	Therms in	Monthly	Monthly	Billing	Current	Schedule 173 COVID-19	Schedule 173 COVID-19	Schedule 173 COVID-19	
4		Column D	Block	Average use	Charge	Rates	Average Bill	Rates	Average Bill	% Bill Change	
5							F=D*(C * E)		AI = D*(C * AH) AI	AJ = (AI - F)/F AJ	
6	Schedule	Block	A	B	C	D	E	F	AH	AI	AJ
7	2R		423,059,269	N/A	55	\$8.00	\$1,29519	\$79.24	\$1,27360	\$78.05	-1.5%
8	3C Firm Sales		178,618,735	N/A	251	\$15.00	\$1,08753	\$287.97	\$1,06995	\$283.56	-1.5%
9	3I Firm Sales		5,103,738	N/A	1,255	\$15.00	\$1,05830	\$1,343.17	\$1,04863	\$1,331.03	-0.9%
10	27 Dry Out		742,733	N/A	37	\$8.00	\$1,08605	\$48.18	\$1,06534	\$47.42	-1.6%
11	31C Firm Sales	Block 1	12,281,908	2,000	2,827	\$325.00	\$0,75920	\$2,447.92	\$0,74988	\$2,422.24	-1.0%
12		Block 2	10,043,265	all additional			\$0,73098		\$0,72247		
13	31C Firm Trans	Block 1	1,267,742	2,000	3,758	\$575.00	\$0,29503	\$1,639.68	\$0,28622	\$1,607.91	-1.9%
14		Block 2	1,392,960	all additional			\$0,26998		\$0,26193		
15	31I Firm Sales	Block 1	3,698,785	2,000	5,430	\$325.00	\$0,74421	\$4,283.47	\$0,73779	\$4,250.77	-0.8%
16		Block 2	7,639,515	all additional			\$0,72013		\$0,71434		
17	31I Firm Trans	Block 1	144,356	2,000	6,890	\$575.00	\$0,25351	\$2,204.08	\$0,24647	\$2,158.90	-2.0%
18		Block 2	351,741	all additional			\$0,22946		\$0,22310		
19	32C Firm Sales	Block 1	34,618,514	10,000	7,386	\$675.00	\$0,67131	\$5,633.30	\$0,66467	\$5,584.25	-0.9%
20		Block 2	9,360,621	20,000			\$0,64449		\$0,63888		
21		Block 3	1,566,490	20,000			\$0,59997		\$0,59605		
22		Block 4	544,281	100,000			\$0,55528		\$0,55307		
23		Block 5	0	600,000			\$0,52318		\$0,52219		
24		Block 6	0	all additional			\$0,50796		\$0,50756		
25	32I Firm Sales	Block 1	8,547,588	10,000	20,942	\$675.00	\$0,62727	\$13,593.87	\$0,62633	\$13,575.72	-0.1%
26		Block 2	7,603,172	20,000			\$0,60740		\$0,60660		
27		Block 3	2,763,251	20,000			\$0,57416		\$0,57361		
28		Block 4	3,005,494	100,000			\$0,54104		\$0,54073		
29		Block 5	195,767	600,000			\$0,51791		\$0,51776		
30		Block 6	0	all additional			\$0,50628		\$0,50622		
31	32C Firm Trans	Block 1	2,721,537	10,000	19,501	\$925.00	\$0,13325	\$3,337.38	\$0,13206	\$3,315.98	-0.6%
32		Block 2	2,020,003	20,000			\$0,11366		\$0,11266		
33		Block 3	707,839	20,000			\$0,08114		\$0,08043		
34		Block 4	869,038	100,000			\$0,04857		\$0,04815		
35		Block 5	0	600,000			\$0,02899		\$0,02875		
36		Block 6	0	all additional			\$0,01601		\$0,01588		
37	32I Firm Trans	Block 1	11,657,702	10,000	75,569	\$925.00	\$0,13029	\$7,266.47	\$0,12945	\$7,225.99	-0.6%
38		Block 2	17,056,306	20,000			\$0,11125		\$0,11054		
39		Block 3	10,569,490	20,000			\$0,07953		\$0,07902		
40		Block 4	22,324,991	100,000			\$0,04783		\$0,04753		
41		Block 5	22,115,808	600,000			\$0,02874		\$0,02857		
42		Block 6	7,865,614	all additional			\$0,01613		\$0,01604		
43	32C Interr Sales	Block 1	4,649,733	10,000	51,487	\$675.00	\$0,64462	\$32,098.38	\$0,64125	\$31,966.02	-0.4%
44		Block 2	6,816,872	20,000			\$0,62250		\$0,61964		
45		Block 3	3,782,502	20,000			\$0,58557		\$0,58358		
46		Block 4	5,561,835	100,000			\$0,54861		\$0,54749		
47		Block 5	3,284,822	600,000			\$0,52644		\$0,52584		
48		Block 6	0	all additional			\$0,51023		\$0,51001		
49	32I Interr Sales	Block 1	4,653,469	10,000	42,594	\$675.00	\$0,62793	\$26,377.14	\$0,62686	\$26,340.31	-0.1%
50		Block 2	6,055,122	20,000			\$0,60846		\$0,60755		
51		Block 3	3,505,859	20,000			\$0,57596		\$0,57533		
52		Block 4	9,726,364	100,000			\$0,54347		\$0,54311		
53		Block 5	4,171,536	600,000			\$0,52396		\$0,52376		
54		Block 6	0	all additional			\$0,50968		\$0,50961		
55	32C Interr Trans	Block 1	822,778	10,000	199,597	\$925.00	\$0,12471	\$11,732.30	\$0,12393	\$11,667.46	-0.6%
56		Block 2	1,679,150	20,000			\$0,10645		\$0,10579		
57		Block 3	978,518	20,000			\$0,07601		\$0,07554		
58		Block 4	3,232,735	100,000			\$0,04557		\$0,04530		
59		Block 5	472,307	600,000			\$0,02730		\$0,02715		
60		Block 6	0	all additional			\$0,01517		\$0,01509		
61	32I Interr Trans	Block 1	6,144,023	10,000	198,801	\$925.00	\$0,12543	\$11,821.46	\$0,12464	\$11,754.75	-0.6%
62		Block 2	10,403,074	20,000			\$0,10713		\$0,10645		
63		Block 3	6,958,044	20,000			\$0,07662		\$0,07615		
64		Block 4	15,417,391	100,000			\$0,04610		\$0,04582		
65		Block 5	35,960,832	600,000			\$0,02781		\$0,02765		
66		Block 6	99,266,501	all additional			\$0,01563		\$0,01555		
67	33		0	N/A	0.0	\$38,000.00	\$0,00862	\$38,000.00	\$0,00862	\$38,000.00	
68	Special Contracts		54,127,531	N/A	0	\$0	\$0,00544	\$0.00	\$0,00544	\$0.00	
69											
70	Totals		1,098,129,249								

[1] For convenience of presentation, demand charges for Rate Schedules 31 and 32 have been removed.  
 [2] Tariff Advice Notice 24-04: Non-Gas Cost Deferral Amortizations - Intervenor Funding  
 [3] Tariff Advice Notice 24-05: Non-Gas Cost Deferral Amortizations - Oregon PUC Fee  
 [4] Tariff Advice Notice 24-06: Non-Gas Cost Deferral Amortizations - SRRM  
 [5] Tariff Advice Notice 24-07: Non-Gas Cost Deferral Amortizations - Industrial DSM  
 [6] Tariff Advice Notice 24-08: Non-Gas Cost Deferral Amortizations - Decoupling  
 [7] Tariff Advice Notice 24-09: Non-Gas Cost Deferral Amortizations - WARM  
 [8] Tariff Advice Notice 24-10: Non-Gas Cost Deferral Amortization - Corporate Activity Tax (CAT) Amortization  
 [9] Tariff Advice Notice 24-11: Non-Gas Cost Amortization - Net Curtainment and Entitlement Revenues  
 [10] Tariff Advice Notice 24-12: Non-Gas Cost Amortization - Regulatory Rate Adjustment  
 [11] Tariff Advice Notice 24-13: Non-Gas Cost Amortization - Residential Rate Mitigation  
 [12] Tariff Advice Notice 24-14: Non-Gas Cost Amortization - RNG Transport Allocation  
 [13] Tariff Advice Notice 24-15: COVID  
 [14] Tariff Advice Notice 24-16: Non-Gas Cost Amortization - TSA Security Directive  
 [15] Tariff Advice Notice 24-19: PGA  
 [16] Tariff Advice Notice 24-17: RNG Adj Mechanism  
 [17] Tariff Advice Notice 23-21: Mist Recall

**NW Natural**  
**Rates and Regulatory Affairs**  
**2024-2025 PGA Filing - OREGON**  
**Basis for Revenue Related Costs**

	Twelve Months <u>Ended 06/30/24</u>	
1		
2		
3	\$ 920,096,835	
4	\$ 925,565,009	
5		
6	n/a	0.450% Statutory rate
7	\$ 21,672,271	2.342% Line 7 ÷ Line 4
8	\$ 845,048	0.091% Line 8 ÷ Line 4
9		
10		<b><u>2.883%</u></b> Sum lines 8-9
11		
12		

13 **Note:**

- 14 [1] Dollar figure is set at statutory level of 0.275% times Total Oregon Revenues (line 4).  
 15 Because the fee changed since our last general rate case, the difference between the previous fee of 0.375%  
 16 and the new fee of 0.450%, as it affects our base rates, is being captured as a temporary deferral.  
 17 [2] Represents the normalized net write-offs based on a three-year average.



**NW Natural**  
**Rates & Regulatory Affairs**  
**2024-2025 PGA Filing - Oregon: August Filing**  
**PGA Effects on Revenue**  
**Schedule 173: COVID**

	<b>Including Revenue Sensitive Amount</b>
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**Temporary Increments**

Removal of Current Temporary Increments  
 Amortization of COVID

(14,503,684)

Addition of Proposed Temporary Increments  
 Amortization of COVID

1,314,604

**TOTAL OF ALL COMPONENTS OF RATE CHANGES**

**(\$13,189,080)**

2023 Oregon Earnings Test Normalized Total Revenues

\$975,829,919

Effect of this filing, as a percentage change (line 12 ÷ line 16)

-1.35%

**NW Natural**  
**Rates & Regulatory Affairs**  
**2024-2025 PGA Filing - June Filing**  
**Summary of Deferred Accounts Included in the PGA**

	<b>Account</b>	<b>Balance 6/30/2024</b>	<b>Jul-Oct Estimated Activity</b>	<b>Jul-Oct Interest</b>	<b>Estimated Balance 10/31/2024</b>	<b>Interest Rate During Amortization</b>	<b>Estimated Interest During Amortization</b>	<b>Total Estimated Amount for (Refund) or Collection</b>
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F1</b>	<b>F2</b>	<b>G</b>
36	<b>Miscellaneous Amortizations</b>							
76	151730 OREGON AMP DEFERRAL	64	0	0	64			
77	151734 OR COVID-19 DEFERRAL AMORTIZATION	3,093,186	(1,893,147)	40,023	1,240,063			
78	Total	3,093,251	(1,893,147)	40,023	1,240,128	5.40%	36,572	1,276,700

Company: Northwest Natural Gas Company  
 State: Oregon  
 Description: OR COVID AMP  
 Account Number: 151730  
 Docket: Docket UM 2068  
 Last deferral authorized in Order No. 23-144

1 Debit (Credit)  
 2  
 3

4	Month/Year	Note	Deferral	Transfers	Interest	Interest Rate <b>(1)</b>	Activity	Balance
5	(a)	(b)	(c)	(d)		(e2)	(f)	(g)
6								
7	Beginning Balance							
48	Jul-23		557.37		38,954.37	6.13%	39,511.74	7,664,884.96
49	Aug-23		171.01		39,155.22	6.13%	39,326.23	7,704,211.19
50	Sep-23		173.00		39,356.12	6.13%	39,529.12	7,743,740.31
51	Oct-23		172.00		39,558.05	6.13%	39,730.05	7,783,470.36
52	Nov-23	<b>2</b>	(66.55)	(7,783,470.36)	-	0.00%	(7,783,536.91)	(66.55)
53	Dec-23		39.00		-	0.00%	39.00	(27.55)
54	Jan-24		53.00		-	0.00%	53.00	25.45
55	Feb-24		39.00		-	0.00%	39.00	64.45
56	Mar-24		0.00		-	0.00%	-	64.45
57	Apr-24		0.00		-	0.00%	-	64.45
58	May-24		0.00		-	0.00%	-	64.45
59	Jun-24		0.00		-	0.00%	-	64.45
60	Jul-24		0.00		-	0.00%	-	64.45
61	Aug-24		0.00		-	0.00%	-	64.45
62	Sep-24		0.00		-	0.00%	-	64.45
63	Oct-24		0.00		-	0.00%	-	64.45

64  
 65 **History truncated for ease of viewing**

66  
 67 Notes:

68 **1** - The approved interest rate for COVID deferrals is the blended treasury rate published by the OPUC in January each year plus 100 bps.

69 **2** - Transferred authorized balance to account 151734 for amortization.

Company: Northwest Natural Gas Company  
 State: Oregon  
 Description: OR COVID-19 DEFERRAL AMORT  
 Account Number: 151734  
 Docket: Docket UM 2068 and UG 483  
 Amortization of deferral approved in Order No. 23-406

Debit (Credit)

	Month/Year	Note	Amortization	Transfers	Interest Rate	Interest	Activity	Balance
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Beginning Balance							
10	Jul-23		(147,332.22)		1.820%	386.34	(146,945.88)	181,447.36
11	Aug-23		(124,262.99)		1.820%	180.96	(124,082.03)	57,365.33
12	Sep-23		(133,940.45)		1.820%	(14.57)	(133,955.02)	(76,589.69)
13	Oct-23		(193,793.87)		1.820%	(263.12)	(194,056.99)	(270,646.68)
14	Nov-23	Old rates	(245,213.12)		1.820%	(596.43)	(245,809.55)	(516,456.23)
15	Nov-23	New rates (1)	(474,671.05)	14,194,901.08	5.130%	59,668.59	13,779,898.62	13,263,442.39
16	Dec-23		(1,842,448.48)		5.130%	52,762.98	(1,789,685.50)	11,473,756.89
17	Jan-24		(2,265,963.37)		5.130%	44,206.81	(2,221,756.56)	9,252,000.33
18	Feb-24		(1,916,202.81)		5.130%	35,456.42	(1,880,746.39)	7,371,253.94
19	Mar-24		(1,743,395.97)		5.130%	27,785.60	(1,715,610.37)	5,655,643.57
20	Apr-24		(1,156,745.39)		5.130%	21,705.33	(1,135,040.06)	4,520,603.51
21	May-24		(881,799.69)		5.130%	17,440.73	(864,358.96)	3,656,244.55
22	Jun-24		(577,454.24)		5.130%	14,396.14	(563,058.10)	3,093,186.45
23	Jul-24	Forecasted	(367,512.75)		5.130%	12,437.81	(355,074.94)	2,738,111.51
24	Aug-24	Forecasted	(330,653.61)		5.130%	10,998.65	(319,654.96)	2,418,456.55
25	Sep-24	Forecasted	(368,984.06)		5.130%	9,550.20	(359,433.86)	2,059,022.69
26	Oct-24	Forecasted	(825,996.38)		5.130%	7,036.75	(818,959.63)	1,240,063.06

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**Notes:**

31 **1** - Transferred in authorized balances from accounts 151702, 151704, 151706, 151722, & 151730 for amortization.  
 32