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March 25, 2015

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
3930 Fairview Industrial Drive SE
Post Office Box 1088
Salem, OR 97308-1088

Attn: **Filing Center**

Re: **Notice to Amend Section G**
Docket UM 1703 – Application for Authorization to Defer Certain Expenses or Revenues

Northwest Natural Gas Company, dba NW Natural (NW Natural or Company), files this letter to supplement, or amend information contained in its Application for Authorization to Defer Certain Expenses or Revenues (Application) filed with the Public Utility Commission of Oregon (Commission) on August 6, 2014. The Application requested authorization to use deferred accounting for all net revenues and/or net costs that will be associated with the Company's activities related to the drilling of certain wells ("Post-Carry wells") in the Jonah Field, pursuant to the amended agreements that govern NW Natural's joint venture in gas reserves in the field.

In Section G of the Application, NW Natural provided the estimated amounts subject to the deferral. Specifically, on page 8 of the Application, NW Natural estimated "that it will defer a net credit of between \$1 million and \$4 million for the wells consented to through July 31, 2014, related to the revenues and expenses for this transaction. The estimates could change based on market prices and future drilling opportunities." As further explained in NW Natural's Application for Prudence Review of Post-Carry Wells filed with the Commission on February 26, 2015 in Docket UM 1717, NW Natural has started to receive the actual production results of the post-carry wells. The results do not indicate that NW Natural will defer a net credit of between \$1 million and \$2 million as the Company originally anticipated. Rather, the Company estimates that it will defer a net collection of between \$0 and \$1 million for the post-carry wells. Accordingly, NW Natural files this letter to provide the more recent estimates, and amend the Application by deleting Section G and replacing it with the following:

G. Estimated Amounts Subject to Deferral – OAR 860-027-0300(3)(d)

NW Natural estimates that it will defer a net collection of between \$0 and \$1 million for the wells consented to during 2014, related to the revenues and expenses for this transaction. The estimates could change based on market prices and production volumes.

Please call me direct at 503.721.2476 with any questions you may have.

Sincerely,

/s/ Mark R. Thompson

Mark R. Thompson
Manager, Rates and Regulation