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July 29, 2016

NWN OPUC Advice No. 16-12 / UG 308

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 CERTAIN NON-GAS COST DEFERRED ACCOUNTS RELATING TO:

Residual Account Balances

Northwest Natural Gas Company, dba NW Natural ("NW Natural" or the "Company"), files herewith revisions to its Tariff, P.U.C. Or. 25¹ ("the Tariff"), stated to become effective with service on and after November 1, 2016, as follows:

Fourth Revision of Sheet 178-1, Schedule 178, "Regulatory Rate Adjustment"; and

Fourth Revision Sheet 178-2, Schedule 178, "Regulatory Rate Adjustment (continued)."

This filing is made in accordance with OAR 860-022-0025.

There are no residual account balances for inclusion in rates effective November 1, 2016. The Company last adjusted rates for this purpose effective November 1, 2015.

The net effect of removing the temporary adjustment applied to rates effective November 1, 2015 is to increase the Company's annual revenues by \$65,138, or about 0.01%.

The monthly bill of the average residential customer served under Rate Schedule 2 using 51 therms will increase by less than one cent. The monthly increase for the average commercial Rate Schedule 3 customer using 236 therms per month is about two cents, and the monthly increase for the average industrial Schedule 32 firm sales customer using 21,331 therms is about \$0.64.

The number of customers affected by the proposed change is 579,129 residential customers, 60,111 commercial customers, and 935 industrial customers.

¹ Tariff P.U.C. Or. 25 originated November 1, 2012 with Docket UG 221; OPUC Order No. 12-408 as supplemented by Order No. 12-437, and was filed pursuant to ORS 767.205 and OAR 860-022-0005.

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This filing is in compliance with ORS 757.259 (2003), which authorizes deferred utility expenses or revenues to be allowed (amortized) in rates to the extent authorized by the Commission in a proceeding to change rates, and with OPUC order No. 10-279 in Docket UM 1147 regarding the creation of a deferred account for the amortization of residual amounts. In the event there were deferrals included in this filing, they would have occurred with appropriate application by Commission authorization, as rate orders or under approved tariffs.

For the purpose of recovering deferred balances as outlined in ORS 757.259, the required earnings review covering the period(s) during which the deferrals in this filing occurred was performed with Staff's review of the 2016 Annual Results of Operations review.

The Company requests that the tariff sheets filed herewith be permitted to become effective with service on and after November 1, 2016.

This filing is made in accordance with OAR 860-022-0025, copies of this letter and the filing made herewith are available in the Company's main office in Oregon and on its website at <u>www.nwnatural.com</u>.

Please address correspondence on this matter to Andrew Speer at Andrew.Speer@nwnatural.com, with copies to:

eFiling NW Natural Rates & Regulatory Affairs 220 NW Second Avenue Portland, Oregon 97209 Telecopier: (503) 721-2516 Telephone: (503) 226-4211, x3589 eFiling@nwnatural.com

Sincerely,

NW NATURAL

/s/ Onita R. King Onita R. King

Attachments: Exhibit A – Supporting Materials

NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25

Fourth Revision of Sheet 178-1 Cancels Third Revision of Sheet 178-1

SCHEDULE 178 REGULATORY RATE ADJUSTMENT

PURPOSE:

To reflect the effects of various regulatory adjustments including costs associated with Commission fee and other miscellaneous non-reoccurring costs or credits, and with residual amounts deferred in accordance with OPUC Order No. 10-279 in Docket UM 1147.

APPLICABLE:

To the following Rate Schedules of this Tariff:

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

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.

DESCRIPTION:

There are no miscellaneous non-recurring amounts for recovery in customer rates under this Schedule.

APPLICATION TO RATE SCHEDULES:

Effective: November 1, 2016

(T)

(C)

(C)

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	Total Adjustment
2		\$0.00000
3 CSF		\$0.00000
3 ISF		\$0.00000
27		\$0.00000
31 CSF	Block 1	\$0.00000
	Block 2	\$0.00000
31 CTF	Block 1	\$0.00000
	Block 2	\$0.00000

(continue to Sheet 178-2)

Issued July 29, 2016 NWN OPUC Advice No. 16-12 Effective with service on and after November 1, 2016

NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25

Fourth Revision of Sheet 178-2 Cancels Third Revision of Sheet 178-2

SCHEDULE 178 REGULATORY RATE ADJUSTMENT

(continued)

APPLICATION TO RATE SCHEDULES:

Effective: November 1, 2016 (T)

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	Total Adjustment
31 ISF	Block 1	\$0.00000
	Block 2	\$0.00000
31 ITF	Block 1	\$0.00000
	Block 2	\$0.00000
32 CSF	Block 1	\$0.00000
	Block 2	\$0.00000
	Block 3	\$0.00000
	Block 4	\$0.00000
	Block 5	\$0.00000
	Block 6	\$0.00000
32 ISF	Block 1	\$0.00000
	Block 2	\$0.00000
	Block 3	\$0.00000
	Block 4	\$0.00000
	Block 5	\$0.00000
	Block 6	\$0.00000
32 CTF/ITF	Block 1	\$0.00000
	Block 2	\$0.00000
	Block 3	\$0.00000
	Block 4	\$0.00000
	Block 5	\$0.00000
	Block 6	\$0.00000
32 CSI	Block 1	\$0.00000
	Block 2	\$0.00000
	Block 3	\$0.00000
	Block 4	\$0.00000
	Block 5	\$0.00000
	Block 6	\$0.00000
32 ISI	Block 1	\$0.00000
	Block 2	\$0.00000
	Block 3	\$0.00000
	Block 4	\$0.00000
	Block 5	\$0.00000
	Block 6	\$0.00000
32 CTI/ITI	Block 1	\$0.00000
	Block 2	\$0.00000
	Block 3	\$0.00000
	Block 4	\$0.00000
	Block 5	\$0.00000
	Block 6	\$0.00000
33 (all)		\$0.00000

Issued July 29, 2016 NWN OPUC Advice No. 16-12 Effective with service on and after November 1, 2016

Issued by: NORTHWEST NATURAL GAS COMPANY d.b.a. NW Natural 220 N.W. Second Avenue Portland, Oregon 97209-3991 (C)

(C)