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September 18, 2014

NWN OPUC Advice No. 14-16 / UG 278
(UM 1496)
SUPPLEMENT B

VIA ELECTRONIC FILING

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

Attn: Filing Center

**Re: Replacement Filing: Sheet P-5
Annual Purchased Gas Cost and Technical Rate Adjustments**

**UM 1496: Request for Amortization of Certain Deferred Accounts
Relating to Gas Costs**

Northwest Natural Gas Company, dba NW Natural (“NW Natural” or the “Company”), files herewith a correction to its Tariff, P.U.C. Or. 25, Sheet P-5, stated to become effective with service on and after November 1, 2014, as follows:

Second Revision of Sheet P-5,
Schedule P,
“Purchased Gas Cost Adjustments (continued).”

The monthly Seasonalized Fixed Charges shown on Sheet P-5 as filed in OPUC Advice No. 14-16A on September 15, 2014 misstate the volumes; instead of starting with December 2014, the November volumes were entered on the December line. This correction does not affect rates.

The above-listed sheet will replace the sheet of the same name that was filed in NWN Advice No. 14-16A. All other sheets submitted in that filing are requested to become effective as filed.

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.

The Company waives paper service in this proceeding. Please address correspondence on this matter to me at ork@nwnatural.com, with copies to the following:

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Sincerely,

NW NATURAL

/s/ Onita R. King

Onita R. King
Rates & Regulatory Affairs

Attachments

SCHEDULE P
PURCHASED GAS COST ADJUSTMENTS
 (continued)

CALCULATION OF MONTHLY GAS COSTS FOR DEFERRAL PURPOSES (continued):

2. A debit or credit entry shall be made equal to 100% of any monthly difference between Embedded Non-Commodity Costs and Monthly Seasonalized Fixed Charges. The monthly Seasonalized Fixed Charges for the period November 1, 2014 through November 30, 2015 are:

November 2014	\$10,101,512
December 2014	\$12,394,381
January 2015	\$11,662,660
February	\$9,490,914
March	\$8,315,588
April	\$6,156,819
May	\$3,985,421
June	\$2,402,055
July	\$2,065,327
August	\$2,062,521
September	\$2,230,184
October	\$5,103,844
November	\$8,701,560
ANNUAL TOTAL	\$74,571,274

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3. A debit or credit entry shall be made equal to 90% of the difference between the Actual Commodity Cost and the Embedded Commodity Cost. A debit or credit entry will also be made equal to 100% of the difference between storage withdrawals priced at the actual book inventory rate as of October 31 prior to the PGA year and storage withdrawals priced at the inventory rate used in the PGA filing. For any given tracker year, if the total activity subject to debit or credit entries that is related to the Gas Reserves transaction exceeds \$10 million, amounts beyond \$10 million will be recorded at 100%.
4. Monthly differentials shall be deemed to be positive if actual costs exceed embedded costs and to be negative if actual costs fall below embedded costs.
5. The cost differential entries shall be debited to the sub-accounts of Account 191 if positive, and credited to the sub-accounts of Account 191 if negative.
6. Interest – Beginning November 1, 2007, the Company shall compute interest on existing deferred balances on a monthly basis using the interest rate(s) approved by the Commission.

(continue to Sheet P-6)

Issued September 18, 2014
 NWN OPUC Advice No. 14-16B

Effective with service on
 and after November 1, 2014

NW Natural
2014-2015 PGA - OREGON: September Filing - CORRECTED
Derivation of Oregon Seasonalized Fixed Charges

		Normalized Residential Volumes	Normalized Commercial Volumes	Firm Industrial Volumes	Interruptible Volumes	Total	Firm Demand Increment Eff. 11/01/14	Interr. Demand Increment Eff. 11/01/14	Seasonalized Fixed Charges	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
6	November	2014								\$10,101,512
8	December	2014	64,175,647	35,994,349	3,222,481	6,513,720	109,906,197	\$0.11899	\$0.01415	\$12,394,381
9	January	2015	60,024,419	33,983,009	3,267,989	6,235,495	103,510,913	\$0.11899	\$0.01415	\$11,662,660
10	February	2015	48,256,779	27,718,002	3,083,136	5,944,652	85,002,569	\$0.11899	\$0.01415	\$9,490,914
11	March	2015	41,597,793	24,784,473	2,816,381	5,788,506	74,987,153	\$0.11899	\$0.01415	\$8,315,588
12	April	2015	29,812,600	18,758,246	2,530,710	5,402,250	56,503,806	\$0.11899	\$0.01415	\$6,156,819
13	May	2015	17,788,355	12,892,888	2,251,344	4,727,965	37,660,552	\$0.11899	\$0.01415	\$3,985,421
14	June	2015	9,257,105	8,431,189	2,037,120	3,887,310	23,612,724	\$0.11899	\$0.01415	\$2,402,055
15	July	2015	7,209,689	7,680,083	2,021,076	3,757,696	20,668,544	\$0.11899	\$0.01415	\$2,065,327
16	August	2015	7,217,670	7,678,983	1,989,053	3,770,840	20,656,546	\$0.11899	\$0.01415	\$2,062,521
17	September	2015	8,092,341	7,813,227	2,358,300	4,030,950	22,294,818	\$0.11899	\$0.01415	\$2,230,184
18	October	2015	23,727,775	15,800,456	2,734,479	5,312,191	47,574,901	\$0.11899	\$0.01415	\$5,103,844
19	November	2015	43,898,498	25,846,256	2,718,030	5,617,860	78,080,644	\$0.11899	\$0.01415	\$8,701,560
22			<u>361,058,670</u>	<u>227,381,163</u>	<u>31,030,099</u>	<u>60,989,435</u>	<u>680,459,368</u>			<u>\$74,571,274</u>