ORDER NO. 15 297

ENTERED SEP 28 2015

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1717

In the Matter of NORTHWEST NATURAL GAS COMPANY, dba NW NATURAL, Application for Prudence Review of Costs of Post-Carry Wells.	ORDER

DISPOSITION: STIPULATION ADOPTED

I. INTRODUCTION

On February 26, 2015, Northwest Natural Gas Company, dba NW Natural requested that we find that the company's investment in seven "post-carry" wells was prudent and should be included in its customers' rates through its purchased gas adjustment clause (PGA). Following a prehearing conference and after discovery, Commission Staff, the Citizens' Utility Board of Oregon (CUB), and the Northwest Industrial Gas Users (NWIGU) each filed testimony opposing NW Natural's application on the grounds that the company was imprudent when it decided to participate in the post-carry wells.

Following additional discovery and settlement discussions, the parties filed a stipulation and joint explanatory brief settling all issues in this case. The stipulation is received into evidence and is attached as Appendix A to this Order.

II. BACKGROUND

A. The Original Agreement

In consolidated dockets UM 1520 and UG 204, NW Natural requested Commission approval of an agreement with Encana Oil and Gas, Inc. (Encana) relating to NW Natural's investment in gas production from the Jonah Field in the Green River Basin in Sublette County, Wyoming. The agreement called for NW Natural and Encana to jointly fund the drilling of 102 "carry wells" in exchange for a share of the gas produced in certain sections of the Jonah field.[1] For each carry well drilled, the company received either a working interest in a section of the field or a working interest in the reserves in the field plus a certain percentage of the output of the drilled well, depending upon the

[1] The wells are referred to as "carry wells" because NW Natural was required to "carry" a portion of Encana's pro rata share of the drilling costs.

section in which the well was drilled. The gas to be acquired under the agreement was intended to partially replace hedged gas in NW Natural's supply portfolio. The premise was that the resulting stable gas cost would reduce overall price volatility and lessen supply risk.

Over the first five years of the agreement, NW Natural planned to invest $251 million in the project to pay a portion of the costs of its carry wells. In addition, over the life of the agreement, the company was obligated to pay a portion of the costs to operate and maintain its wells, and to gather and process the gas from those wells. Based on reserve forecasts provided by Netherland and Sewell & Associates, Inc. (NSAI), NW Natural estimated that it would receive 93.1 Bcf[2] of gas over a 30 year period, priced at an average of $0.515 per therm.[3] NW Natural expected to receive 63 percent of the gas in the first 10 years, 83 percent in the first 15 years, and 94 percent by year 20. The remaining volumes would be received over the next 10 years, when the wells likely would be capped.

By Orders Nos. 11-140[4] and 11-176 (dockets UM 1520, UG 204), we approved a stipulation among all parties asking that we find that the transaction was prudent and adopted their agreed-upon ratemaking treatment. As grounds for approval we found that (1) the average expected gas cost fell at the low end of the range of future gas costs and indicative prices for other long-term supply arrangements; (2) the cost of gas was expected to be stable and provide a hedge against future sharp price increases; (3) many of the risks associated with developing gas reserves had been mitigated; and (4) the remaining risks and rewards are fairly shared in the annual PGA mechanism.

B. Project Development and Renegotiation

In January, 2014, NW Natural was informed by Encana that Encana wished to sell its interests in the Jonah Field. To that end, Encana requested that NW Natural terminate Encana's obligation to drill and NW Natural's obligation to fund the remaining carry wells.

In light of Encana's decisions to sell, NW Natural determined that it had three options. It could: (1) hold Encana and the new buyer to the terms and conditions of the original agreement; (2) sell its interests along with Encana's interests; or (3) agree to terminate the obligation to fund and drill carry wells but retain all other rights under the original agreement, including the option to consent to the development of future post-carry wells in exchange for adjusted ownership percentages. Based on its analysis to the financial implications of each of these options, NW Natural chose the third option.

[2] We found there was a 90 percent chance that the actual volumes would meet or exceed the estimated volume.
[3] Without explanation, NW Natural's testimony in this proceeding refers to a price of $0.529 per therm.
[4] As corrected by Order No. 11-144

NW Natural and Encana agreed to terminate the carry well program after 72 (of the originally planned 102 wells) had been drilled; in exchange NW Natural received increased ownership percentages in the sections designated in the original agreement and retained the right to participate in the development of any future reserves—post-carry wells—within the NW Natural ownership sections.

Due to lower well production than had been forecast, and also due to changes in the drilling schedule, NW Natural had been receiving lower volumes than the company had expected. As noted above, the original forecast was that NW Natural would receive 93.1 Bcf of gas over the life of the agreement, based on 102 wells. Based on the 72 wells actually drilled, the company's pro rata share would have been 65.7 Bcf (72/102) of the original volume. After the ownership interest adjustments, NW Natural expects to receive from the carry wells between 65 and 67.1 Bcf – nearly the same volume that the company expected to receive from the carry wells under the original agreement.

On March 28, 2014, Encana signed an agreement to sell its interests in the Jonah Field to Jonah Energy, LLC, a subsidiary of TPG Capital, for a price of about $1.8 billion.

C Post-Carry Wells

Under the original agreement, after the 102 wells had been drilled, NW Natural had the option to participate in the development of future reserves drilled in specified sections of the field. These future reserves were referred to as "post-carry" wells, because each side would bear its respective share of the costs. For each post-carry well in which NW Natural consented to participate the company would receive a share of the gas produced from that well.

There were two areas of increased risk presented by the post-carry wells, relative to the carry wells. First, for each carry well drilled, NW Natural received an increased percentage of the gas in all producing wells in a section, reducing the risk attributable to any single well. For post-carry wells, NW Natural received an interest in the output of only the specific well drilled. Second, while NW Natural bore only its own pro rata share of capital investment in each post-carry well, that cost was not capped, as it had been for carry wells. Thus, the new deal did not mitigate the risk that capital costs would exceed estimates.

In April, 2014, Jonah Energy first notified NW Natural that it intended to propose four post-carry wells in the near future, and that it might propose additional wells in the following months.[5] Based on its analysis of the potential "post-carry wells," NW Natural concluded that they presented an attractive hedging option for its customers.

[5] In its testimony, NW Natural referred to these wells as carry-wells. NWN//200, Miller/3. However, from the context it appears that NW Natural meant to refer to post-carry wells.

NW Natural then developed a written proposal for the regulatory treatment of the post-carry wells investment, which it presented to the parties to the stipulation approving the original agreement—Staff, CUB, and NWIGU. The company's primary proposal was that it would participate in the post-carry wells on a non-regulated basis, bearing all risks while receiving all benefits. The stakeholders rejected NW Natural's proposal, based on their view that the opportunity to participate in the post-carry wells was a utility asset, meaning that, to the extent it was prudent to participate in the wells, the costs and benefits should be included in customer rates.

NW Natural responded that it was willing to participate in the post-carry wells on a regulated basis if there was a clear understanding that the prudence of the company's actions would be evaluated based on the information available at the time. The parties agreed that the costs and benefits of the post-carry wells should be included in rates if NW Natural acted prudently, regardless of the outcome. Their agreement was memorialized in a memorandum of understanding, dated July 15, 2014.

D. Outcome

There is no drilling schedule for the development of post-carry wells. Once Jonah Energy proposes to drill a well, NW Natural can choose whether to participate. Typically, NW Natural has 30 days to consent. If it does consent, the company has to pay its working interest share of the costs to drill, complete, and equip the well.

NW Natural received the proposals for the first four post-carry wells at about the same time. Based on its economic analysis, it consented to participate in each of these wells. Next, NW Natural agreed to participate in the fifth proposed well.

The company later received the proposals for wells six through nine close in time and conducted its analysis for these wells at the same time. Based on that analysis, NW Natural consented to participate in two of the wells and declined to participate in the other two. The company has since declined to participate in two more wells.

Although still early in the production life of the initials, the initial volumes received from the seven wells in which NW Natural participated has been materially below expectations. NW Natural now projects that these wells will produce on average 1.1 Bcf – well below its 1.6 Bcf break-even threshold. The company also forecasts that the gas will come in at an average of $0.664 per therm, assuming an average well production of 1.1 Bcf and total capital costs of $10.8 million.

NW Natural states that it will not participate in additional post-carry wells unless market conditions change dramatically or new data show better results.

III. POSITIONS OF PARTIES

A. NW Natural

When Jonah Energy first notified NW Natural in June, 2014, that it intended to propose four carry-wells in the near future and that it might propose additional wells in the following months, NW Natural began evaluating the economics of the potential wells using data supplied by NSAI, the same consultants that it used to evaluate the original transaction. NSAI forecast that the reserves would come in at or above the volume necessary to make the wells economic. NW Natural argues that it would have been prudent for the company to act on those forecasts alone. The company claims that it went beyond industry standards with its analysis.

NW Natural developed a framework by which to analyze each of the first nine requests for consent presented by Jonah Energy. Given that the investment in the original agreement was intended to act as a long-term hedge, the company determined that it would consent to any well for which the expected cost of gas compared favorably to the costs of a 10-year financial hedge. In order to establish the costs of such a hedge, NW Natural obtained two quotes and determined that such a hedge (including a credit facility[6]) would cost $4.725 per dekatherm. The company calculated the estimated cost of gas for each well, using several different approaches. Based on its analyses, NW Natural agreed to invest in seven of the initial nine wells proposed.

In early October, 2014, NW Natural began receiving reports on the early performance of the seven wells. The preliminary data showed that the initial volumes were below forecasts and suggested that ultimate recovery also might fall short. The company asked its consultant to investigate the possible causes of the apparent underperformance and to update its forecasts. Based on that analysis, the consultant revised its forecasts downward. As a result, NW Natural did not consent to the additional two wells subsequently proposed by Jonah Energy.

B. Other Parties

In Staff's view, NW Natural's decision to release Encana from the original agreement was prudent. However, in its initial testimony, Staff believed that the company should have performed a more robust risk analysis before it invested in the post-carry wells—similar to the analysis required for integrated resource planning. For that reason, Staff had recommended that we find that the investment in the post-carry wells was imprudent and deny the application to include the costs in rates. Staff offered two alternative treatments for NW Natural's investment—customers pay for the gas at the market price or at the cost of a 10 year financial hedge.

[6] The credit facility is an insurance policy to protect the company and its customers in the event that counter-party to the hedge is unable to fulfill its end of the obligation.

CUB and NWIGU also initially recommended that we find that NW Natural's investment in the seven post-carry wells to be imprudent because the company did not perform a more thorough risk analysis. Because the risks associated with the post-carry wells were greater than those of the original wells, these parties believed the company should have performed a more comprehensive review than it had at the outset. NWIGU proposed that the customers pay no more than the 10 year hedge price. CUB recommended that the cost of the gas not be included in customer rates at all.

IV. THE STIPULATION

In their stipulation, the parties agree to resolve their dispute by proposing that all gas produced from the seven post-carry wells be included in rates at the fixed 10-year hedge price, with the cost of the credit facility, as reported in NW Natural's testimony—$4.725 per dekatherm. If the cost of gas from the post-carry wells is above $4.725 per dekatherm, the company is solely responsible for the additional cost. If the gas cost is less than $4.725 per dekatherm, the difference between the gas cost and the $4.725 per dekatherm fixed price accrues entirely to the benefit of NW Natural.

The imputed gas cost will be effective from the date the post-carry gas is first delivered and will be included in customer rates through the 2015 and subsequent PGAs, depending on the date the stipulation is approved.[7]

The parties agree that any party has the right to request that we revise the terms of the stipulation if that party determines that such a revision would benefit both customers and NW Natural. The other parties would have the right to support or oppose such a request.

V. JOINT EXPLANATORY BRIEF

The parties state that it is reasonable to resolve their dispute by including the gas from the post-carry wells in rates at a price equal to the price of a ten-year hedge available to the company at the time it determined to participate in drilling the wells. The post-carry wells, like the carry wells approved by the Commission, were intended to provide NW Natural's customers with a long term hedge against future gas price volatility and the settlement is consistent with that intent.

They note that in approving the original agreement, we recognized that the carry wells were forecast to provide 10 percent of NW Natural's annual gas supply. When the company terminated the carry well program, the portion of its portfolio invested in long-term hedges would fall well below 10 percent in future years. The inclusion of the post-carry wells in the portfolio will not cause the percentage of long term hedges to exceed 10 percent.

[7] If we adopt the stipulation after a date that allows incorporation of its terms into NW Natural's September 14, 2015 filing, the company will recover the agreed-upon price through the 2016 and subsequent PGAs.

The parties believe that the imputed price for the gas delivered from the post-carry wells is reasonable and supported by the record. They cite NW Natural's testimony regarding the quotes it received from two financial counterparties for 10-year financial derivative swaps, which came in at $4.35 per dekatherm and $4.545 per dekatherm, respectively. The company then added the additional cost of securing a credit facility (18 cents per dekatherm) resulting in a benchmark price range of $4.53 and $4.725.

They add that recovery of its investment through the PGA was proposed by NW Natural in its application and supported in other parties' testimony. Recovery of the investment through the PGA would be consistent with our treatment of the company's investment in the carry wells.

They cite the provision in the stipulation that allows any party to request that we revise the terms of the stipulation if such revision would benefit both customers and NW Natural. As an example of such circumstances, they suggest the possible sale of the wells on terms beneficial to customers.

The parties argue that the stipulation results in a balanced approach to resolving the issues in the proceeding. Under their agreement customers assume none of the reserve or production cost risk from the post-carry wells while bearing only the market risk—that the hedge costs are greater than spot prices—that is inherent in any hedge.

VI. DISCUSSION

As in every settlement we look at the proposed outcome as a point in a range of possible outcomes. In this case the proposed outcome – an imputed price of $4.725 per dekatherm – is somewhere near the middle, with the high end likely above $6.00 (depending on actual gas volumes produced)[8] and the low end at the spot market price which is in the range of $2.50 to $3.00 per dekatherm (and may vary significantly by time of year). In that sense, the result appears fair and reasonable.

We also look at the record for support of the proposed outcome. In this case, the imputed price is the (higher) price for a 10-year hedge, which the parties agree would have been a reasonable alternative for NW Natural at the time it decided to participate in the post-carry wells. Again, the result appears fair and reasonable.

[8] In its testimony NW Natural forecast the average cost of gas from the seven post-carry wells at $6.64 cents per dekatherm.

VII. ORDER

IT IS ORDERED that the stipulation between Northwest Natural Gas Company, dba NW Natural; the Citizens' Utility Board of Oregon; the Northwest Industrial Gas Users; and the Staff of the Public Utility Commission of Oregon, attached as Appendix A, is adopted.

Made, entered, and effective SEP 28 2015.

Susan K. Ackerman
Susan K. Ackerman
Chair

John Savage
John Savage
Commissioner

Stephen M. Bloom
Commissioner

PUBLIC UTILITY COMMISSION OF OREGON

A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1717

In the Matter of: Northwest Natural Gas Company, dba NW Natural Application for Prudence Review of Costs of Post-Carry Wells	**STIPULATION**

This Stipulation resolves all issues among all parties to this docket related to Northwest Natural Gas Company's ("NW Natural" or "Company") Application for Prudence Review of Costs of Post-Carry Wells ("Application"). The Application addresses NW Natural's investment in gas wells made in 2014 under the Company's joint venture agreement, originally entered into with Encanca Oil and Gas, Inc. ("Encana") and later transferred to Jonah Energy, LLC. In the Application, the Company requested that the Public Utility Commission of Oregon ("Commission") issue an order finding that (1) the investment was prudent; and (2) the costs of the investment should be included in customer rates through the 2015 purchased gas costs adjustment ("PGA"), and subsequent PGAs as additional costs are incurred.

PARTIES

1. The parties to this Stipulation are Staff of the Public Utility Commission of Oregon ("Staff"), the Northwest Industrial Gas Users ("NWIGU"), the Citizens' Utility Board of Oregon ("CUB"), and NW Natural (together, the "Stipulating Parties").

BACKGROUND

2. In 2011, NW Natural negotiated an agreement to enter into a joint venture with Encana to develop natural gas wells in Wyoming's Jonah Field. Under the original transaction ("Original Agreement") NW Natural expected to invest approximately $251 million over five years and to receive approximately 93 billion cubic feet of gas over a 30 year term, with approximately 80 percent of the gas to be received in the first ten years. The purpose of the

transaction was to provide NW Natural's customers with a reasonably-priced, long-term, stable source of gas – in other terms, a long-term hedge.

3. In January of 2011, the Company filed for regulatory approval of the Original Agreement. Specifically, the Company requested that the Commission find the transaction prudent, and approve the costs for inclusion in customer rates. The Commission opened an investigative docket, UM 1520, and ultimately adopted a stipulation filed by all parties agreeing that the investment was prudent. Importantly for this Application, the Commission accepted the following provision in the stipulation without comment:

> [T]he Parties agree that a prudence finding by the Commission at this time should apply only to the Company's decision to enter into the Proposed Transaction, and not to any subsequent decisions the Company might make in terms of exercising its discretion to manage the contract. The Parties specifically agree that a prudence finding by the Commission at this time should not, for example, extend to a future decision by the Company to participate in drilling Elective [post-carry] Wells, as that term is defined in the Carry and Earning Agreement (NWN/501). ***If the Company does choose to participate in drilling Elective Wells, the Parties agree that such decisions would be subject to separate determinations of prudence in future proceedings.***[1]

4. After 72 of the 102 carry wells had been drilled under the Original Agreement, Encana notified NW Natural that it intended to sell its interests in Jonah Field. At that same time, Encana requested that NW Natural terminate its obligation to fund and drill the remaining 30 carry wells, in order to remove certain conditions of the Original Agreement that Encana believed might make the asset harder to sell. In exchange for this request, NW Natural sought and received an increased interest in gas production from the 72 carry wells. All other rights and obligations conferred by the Original Agreement remained in place, including the terms governing the drilling of post-carry wells. NW Natural agreed.

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1 Application for Deferred Accounting Order Regarding Purchase of Natural Reserves and Proposed Purchase of Natural Gas Reserves, Docket Nos. UM 1520 and UG 204, Order No. 11-1140, Appendix A at 6 (Apr. 28, 2011). Emphasis added.

5. In December of 2013, Encana sold its interests in Jonah Field to Jonah Energy LLC ("Jonah Energy"), a newly formed subsidiary of TPG Capital. On May 7, 2014, Jonah Energy formally requested to drill the first two post-carry wells. Shortly thereafter, Jonah Energy made requests to drill seven more post-carry wells. The Company analyzed data related to forecast volumes and costs and, given that the investment in the Original Agreement was intended to act as a long-term hedge, NW Natural consented to any post-carry well for which the expected cost of gas compared favorably to the costs of a ten-year financial hedge. Based on its analysis, NW Natural agreed to invest in seven of nine of the wells proposed.

6. On February 26, 2015, NW Natural filed its Application, along with supporting testimony and exhibits. NW Natural's testimony supported its view that its decisions to (a) release Encana from the Original Agreement and enter into the Second Amended Agreement in exchange for certain accommodations; and (b) to invest in the post-carry wells, were both prudent. NWIGU and CUB intervened.

7. On March 16, 2015, Administrative Law Judge Patrick Power held a prehearing conference at which the parties to docket UM 1717 agreed upon a procedural schedule that set a hearing for August 26, 2015.

8. Staff and CUB served discovery on NW Natural. The parties conducted a thorough investigation of the Application.

9. On May 11, 2015, Staff, NWIGU and CUB filed Opening Testimony regarding the prudence of NW Natural's decisions related to its joint venture agreement, originally entered into with Encana and later transferred to Jonah Energy, LLC, and its 2014 investments in the post-carry wells. Staff filed testimony in support of its position that NW Natural's decision to release Encana from the Original Agreement and enter into an amended agreement with Encana (Second Amended Agreement) in return for certain accommodations and concessions was prudent. CUB and NWIGU neither support nor oppose Staff's prudence determination with regards to the Company's decision to enter into the Second Amended Agreement. Staff,

NWIGU and CUB all submitted testimony in support of their view that the Company's decision to invest in the post-carry wells at issue in this proceeding was not prudently made.

10. On July 10, 2015, NW Natural filed Reply Testimony in response to the parties' Opening Testimony, supporting the prudence of its decision to invest in the post-carry wells.

11. Thereafter, on July 16, 2015, the Stipulating Parties participated in a settlement conference. During the settlement discussions the Stipulating Parties agreed to resolve all the issues in this case.

12. This Stipulation, presented on behalf of all parties to the docket, resolves all issues in the docket.

AGREEMENT

13. In light of the fact that a dispute exists between the parties regarding whether the Company's decision to invest in the drilling of the post-carry wells was prudently made, the parties agree that it is reasonable to resolve this dispute by including all gas produced from the seven post-carry wells that are the subject of this docket in customer rates at the fixed 10-year hedge price, including the cost of credit facility, of $4.725 per dekatherm, which price is supported in NW Natural's testimony. If the cost of gas from the post-carry wells is above $4.725 per dekatherm, NW Natural will have the sole responsibility for the cost of gas that exceeds the $4.725 per dekatherm fixed price. If the cost of gas from the post-carry wells is below $4.725 per dekatherm, the difference between the cost of the gas and the $4.725 per dekatherm fixed price will accrue to the sole benefit of NW Natural.

14. If the Commission adopts this Stipulation by a date that allows incorporation of its terms into the September 15, 2015 PGA filing, NW Natural will recover the price agreed-upon in paragraph 15 through the 2015 and subsequent PGAs. If the Commission adopts the Stipulation after a date that allows incorporation of its terms into the September 15, 2015 PGA filing, NW Natural will recover the price agreed-upon in paragraph 15 through the 2016 and subsequent PGAs. NW Natural will track and file with the Commission, for informational

purposes only, the production and the costs to customers and to the Company of gas produced from the seven post-carry wells as line items separate from the wells previously drilled under the Original Agreement in its annual PGA filings.

15. NW Natural will revise its tariff Schedule P – Purchased Gas Cost Adjustments, to reflect Paragraph 14 of this Stipulation.

16. The Stipulating Parties agree that at any time during the life of the wells, any of the Stipulating Parties has the right to request that the Commission revise the terms of this Stipulation if the party determines that such a revision would benefit both customers and NW Natural. The other Stipulating Parties reserve the right to support or oppose such a request.

17. The Stipulating Parties agree that the rates and terms resulting from this agreement are fair, just, and reasonable.

18. The Stipulating Parties agree that rate for post-carry well gas set forth in this Stipulation (i.e $4.725 dekatherm) is effective on the date post-carry well gas is first delivered for sale, and this rate will be included in customer rates through the 2015, and subsequent, PGAs.

19. The Stipulating Parties agree to submit this Stipulation to the Commission and request that the Commission approve the Stipulation as presented.

20. This Stipulation will be offered into the record of this proceeding as evidence pursuant to OAR 860-001-0350(7). The Stipulating Parties agree to support this Stipulation throughout this proceeding and any appeal, (if necessary) provide witnesses to sponsor this Stipulation at the hearing, and recommend that the Commission issue an order adopting the settlements contained herein.

21. If this Stipulation is challenged, the Stipulating Parties agree that they will continue to support the Commission's adoption of the terms of this Stipulation. The Stipulating Parties agree to cooperate in cross-examination and put on such a case as they deem appropriate to

respond fully to the issues presented, which may include raising issues that are incorporated in the settlements embodied in this Stipulation.

22. The Stipulating Parties have negotiated this Stipulation as an integrated document. If the Commission rejects all or any material part of this Stipulation, or adds any material condition to any final order that is not consistent with this Stipulation, each Stipulating Party reserves its right, pursuant to OAR 860-001-0350(9), to present evidence and argument on the record in support of the Stipulation or to withdraw from the Stipulation. Stipulating Parties shall be entitled to seek rehearing or reconsideration pursuant to OAR 860-001-0720 in any manner that is consistent with the agreement embodied in this Stipulation.

23. By entering into this Stipulation, no Stipulating Party shall be deemed to have approved, admitted, or consented to the facts, principles, methods, or theories employed by any other Stipulating Party in arriving at the terms of this Stipulation, other than those specifically identified in the body of this Stipulation. No Stipulating Party shall be deemed to have agreed that any provision of this Stipulation is appropriate for resolving issues in any other proceeding, except as specifically identified in this Stipulation.

24. This Stipulation may be executed in counterparts and each signed counterpart shall constitute an original document.

25. This Stipulation is entered into by each Stipulating Party on the date entered below such Stipulating Party's signature.

STAFF

By: Mike

Date: 8/26/15

NWIGU

By: ______________________

Date: ______________________

NW NATURAL

By: ______________________

Date: ______________________

CITIZENS' UTILITY BOARD OF OREGON

By: ______________________

Date: ______________________

STAFF

By: ______________________

Date: ______________________

NWIGU

By: ______________________

Date: 8/26/15

NW NATURAL

By: ______________________

Date: ______________________

CITIZENS' UTILITY BOARD OF OREGON

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Date: ______________________

STAFF

By: ______________________

Date: ______________________

NWIGU

By: ______________________

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NW NATURAL

By: ______________________

Date: 8-26-15

CITIZENS' UTILITY BOARD OF OREGON

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NWIGU

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NW NATURAL

By: ____________________

Date: ____________________

CITIZENS' UTILITY BOARD OF OREGON

By: Sommer Moser

Date: 8/26/15