

# McDowell Rackner & Gibson PC



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August 7, 2013

## VIA ELECTRONIC FILING AND FIRST CLASS MAIL

PUC Filing Center  
Public Utility Commission of Oregon  
PO Box 1088  
Salem, OR 97308-1088

Re: Docket UM 1635 – Northwest Natural Gas Company's Mechanism for Recovery of  
Environmental Remediation Costs

Attention Filing Center:

Enclosed for filing in the above-captioned docket are an original and five copies of Attachment A to the Rate Spread Stipulation filed on April 10, 2013. This Attachment was inadvertently omitted from the filing.

A copy of this filing has been served on all parties to this proceeding as indicated on the enclosed Certificate of Service.

Please contact this office with any questions.

Very truly yours,

Wendy McIndoo  
Office Manager

Enclosure

cc: Service List

**Docket UM 1635**

**Attachment A  
to  
Rate Spread Stipulation**

**Originally filed April 10, 2013**

ATTACHMENT A

NW Natural  
 Rates & Regulatory Affairs  
 UM 1635 Illustration of Rate Allocation  
 Calculation of Increments Allocated on the EQUAL PERCENTAGE OF MARGIN BASIS  
 ALL VOLUMES IN THERMS

Schedule	Compliance				Customer Charge	End of Period Customers	Customer & Volumetric Margin	EXAMPLE Expenditure		% of allocation to rate schedule J = H/H line 67
	UG 221 Volumes	UG 221 Filing: Margin Rate	UG 221 Volumetric Margin	UG 221 Customer & Volumetric Margin				\$10,000,000	Temporary Increment	
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2R	352,929,922	\$0.41161	\$145,269,485	\$8.00	557,495	\$198,788,995	1.0	6,703,842	\$0.01899	67.04%
3C Firm Sales	150,619,378	\$0.32998	\$49,701,382	\$15.00	56,859	\$59,935,913	1.0	2,021,243	\$0.01442	20.21%
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3I Firm Sales	4,184,174	\$0.32560	\$1,362,367	\$15.00	285	\$1,413,667	1.0	47,674	\$0.01139	0.48%
27R	0	\$0.30871	\$0	\$6.00	0	\$0	1.0	0	\$0.01381	0.00%
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31C Firm Sales	24,749,352	\$0.19539	\$11,229,025	\$325.00	1,198	\$15,901,065	1.0	536,238	\$0.00933	5.36%
Block 1	35,860,719	\$0.17828	\$0.14259				1.0		\$0.00851	0.03%
Block 2	44,572	\$0.16551	\$35,805	\$575.00	6	\$77,205	1.0	2,604	\$0.01204	
Block 2	188,242	\$0.15102					1.0		\$0.01098	
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31I Firm Sales	4,447,875	\$0.15781	\$2,507,852	\$325.00	225	\$3,385,352	1.0	114,166	\$0.00718	1.14%
Block 2	12,665,213	\$0.14259					1.0		\$0.00649	
Block 1	97,558	\$0.15611	\$118,233	\$575.00	8	\$173,433	1.0	5,849	\$0.00772	0.06%
Block 2	730,157	\$0.14107					1.0		\$0.00698	
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32C Firm Sales	5,059,321	\$0.09048	\$910,974	\$675.00	53	\$1,340,274	1.0	45,199	\$0.00449	0.45%
Block 2	4,834,146	\$0.07692					1.0		\$0.00382	
Block 3	1,397,725	\$0.05431					1.0		\$0.00269	
Block 4	172,093	\$0.03169					1.0		\$0.00157	
Block 5	0	\$0.01812					1.0		\$0.00090	
Block 6	0	\$0.00906					1.0		\$0.00045	
32I Firm Sales	4,284,027	\$0.09080	\$906,789	\$675.00	45	\$1,271,289	1.0	42,872	\$0.00429	0.43%
Block 1	5,123,215	\$0.07718					1.0		\$0.00365	
Block 2	2,033,143	\$0.05449					1.0		\$0.00258	
Block 3	365,005	\$0.03179					1.0		\$0.00150	
Block 4	0	\$0.01816					1.0		\$0.00086	
Block 5	0	\$0.00912					1.0		\$0.00043	
Block 6	0	\$0.00269					1.0		\$0.00040	
32 Firm Trans	6,123,208	\$0.09269	\$2,530,812	\$925.00	65	\$3,252,312	1.0	109,679	\$0.00402	1.10%
Block 1	9,627,749	\$0.07876					1.0		\$0.00341	
Block 2	6,499,238	\$0.05562					1.0		\$0.00241	
Block 3	13,339,852	\$0.03245					1.0		\$0.00141	
Block 4	20,577,047	\$0.01854					1.0		\$0.00080	
Block 5	3,129,647	\$0.00930					1.0		\$0.00040	
Block 6	5,553,926	\$0.09412	\$1,368,094	\$675.00	64	\$1,886,494	1.0	63,619	\$0.00438	0.64%
Block 1	5,441,749	\$0.08001					1.0		\$0.00372	
Block 2	3,043,549	\$0.05647					1.0		\$0.00263	
Block 3	5,715,124	\$0.03295					1.0		\$0.00153	
Block 4	2,648,468	\$0.01881					1.0		\$0.00087	
Block 5	0	\$0.00944					1.0		\$0.00044	
Block 6	7,108,023	\$0.09415	\$2,008,494	\$675.00	73	\$2,593,794	1.0	87,674	\$0.00411	0.88%
32I Interr Sales	8,656,598	\$0.08003					1.0		\$0.00349	
Block 1	4,763,986	\$0.05649					1.0		\$0.00247	
Block 2	8,983,218	\$0.03296					1.0		\$0.00144	
Block 3	4,316,607	\$0.01883					1.0		\$0.00082	
Block 4	0	\$0.00943					1.0		\$0.00044	
Block 5	8,025,070	\$0.09426	\$5,516,279	\$925.00	89	\$6,504,179	1.0	219,343	\$0.00375	2.19%
Block 6	13,347,959	\$0.08012					1.0		\$0.00319	
32 Interr Trans	10,296,468	\$0.05657					1.0		\$0.00225	
Block 1	32,663,184	\$0.03300					1.0		\$0.00131	
Block 2	65,455,540	\$0.01886					1.0		\$0.00075	
Block 3	84,185,134	\$0.00945					1.0		\$0.00038	
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33	0	\$0.00541	\$0	\$38,000.00		\$0	1.0	0	\$0.00024	100.00%
TOTALS	939,286,751		\$223,465,591			\$296,529,972		296,529,972	10,000,002	

Notes:  
 1. Allocation to rate schedules or blocks with zero volumes is calculated on an overall margin percentage change basis.  
 2. When expenditures are amortized, this calculation will reflect the PGA volumes and customers of the PGA filing in which this rate increment is included.  
 3. The calculations above are consistent with prior PGA calculations for increments allocated on equal percentage of margin basis.  
 4. Percentages in Column J have slight difference from Staff's workpaper due to use of end of period customers and because MDDV based margins are not included.

Attachment A to Rate Spread Stipulation 2 26 13.xlsx 08/07/2013 2:39 PM  
 Allocation equal % of margin

CERTIFICATE OF SERVICE

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I hereby certify that I served a true and correct copy of the foregoing document in Docket UM 1635 on the following named person(s) on the date indicated below by email addressed to said person(s) at his or her last-known address(es) indicated below.

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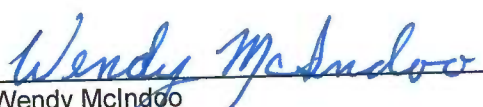
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DATED: August 7, 2013

  
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