

250 SW Taylor Street Portland, OR 97204 503-226-4211 nwnatural.com

January 24, 2022

## VIA ELECTRONIC FILING

Public Utility Commission of Oregon Attention: Filing Center 201 High Street SE, Suite 100 Salem, Oregon 97301-3398

## Re: UG 435 – NW Natural's Request for a General Rate Revision ERRATA

Enclosed for filing in the above-referenced docket is Northwest Natural Gas Company's, dba NW Natural ("NW Natural" or the "Company"), Errata to the Direct Testimony of Wayne K. Pipes Exhibit NW Natural/500, filed December 17, 2021.

The Company has identified one error to be corrected:

 Referring to NW Natural/500, Pipes 27:15-19, NW Natural included an incorrect amount for the anticipated cost of the Lincoln City Resource Center project in Mr. Pipes' Direct Testimony. The attached Errata includes the correct forecasted cost of \$15.3 million. Please note that the original filed revenue requirement as presented in NW Natural/1300, Walker, as well as the associated exhibits and workpapers reflected the correct forecasted project cost of \$15.3 million. As such, no other changes are required.

Please address correspondence on this matter to me with copies to the following:

eFiling Rates & Regulatory Affairs NW Natural 250 SW Taylor Street Portland, Oregon 97204 Phone: (503) 610-7330 Fax: (503) 220-2579 eFiling@nwnatural.com

Sincerely,

/s/ Kyle Walker Kyle Walker Manager, Rates and Regulatory Affairs NW Natural 250 SW Taylor Street Portland, Oregon 97204 Phone: (503) 610-7051 kyle.walker@nwnatural.com

## Q. Has NW Natural updated its budget for this project closer to beginning construction?

A. Yes. Like the other resource center projects, the Company's project requirements
expanded through project planning and increased stakeholder involvement.
Specifically, NW Natural refined the seismic requirements to ensure the facility
would be operational following a seismic event and expanded and more clearly
defined the project's scope of work, all of which enabled the Company to better
refine its cost estimates and project budget. Additionally, construction and
materials costs have increased.

10 Q. What will the Company do with any gains on the sale of the existing

## 11 Lincoln City site?

A. The Company will seek Commission approval to sell the existing property and treat
any gains or losses on the sale pursuant to the Commission's order authorizing
the sale.

15 Q. What is the Company's current forecasted cost for the Lincoln City

16 Resource Center Project?

17 A. Based on its most recent estimates, NW Natural forecasts the Lincoln City

- 18 Resource Center project to cost approximately <u>\$12.3 million</u>\$15.3 million.
- 19 C. Central Resource Center Phase 1 Project
- 20 Q. Please provide a summary of the Central Resource Center Project.
- 21 A. The Company is constructing a medium-sized resource center on Company-
- 22 owned property in Central Eastside Portland for operational, emergency response,
- and business continuity purposes. The project will be built in phases, and I am
  - 27 DIRECT TESTIMONY OF WAYNE K. PIPES