

July 31, 2023

NWN OPUC Advice No. 23-17 / UG 484  
(UM 2192)**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: Transportation Security Administration Security Directive 2 Start-Up O&M and Interim Period Cost of Service Costs**

Northwest Natural Gas Company, dba NW Natural (“NW Natural” or “Company”), files herewith revisions and additions to its Tariff, P.U.C. Or. 25,<sup>1</sup> stated to become effective with service on and after November 1, 2023, as follows:

Seventh Revision of Sheet 180-1	Schedule 180	TSA Security Directive 2 Compliance Costs
First Revision of Sheet 189-1	Schedule 189	Adjustment for TSA Capital and Cost of Service Recovery

**Purpose**

The purpose of this filing is to amortize deferred costs related to the Transportation Security Administration’s (“TSA”) security directive 2 start-up costs and interim cost of service through proposed Schedule 180 – TSA Security Directive 2 Compliance Costs and Schedule 189 – Adjustment for TSA Capital and Cost of Service Recovery. These costs were incurred to comply with the security directive to (1) implement specific mitigation measures to protect against ransomware attacks and other related threats, (2) develop and implement a cybersecurity contingency and response plan, and (3) conduct a cybersecurity architecture design review. As an owner and operator of critical pipeline infrastructure, NW Natural is subject to this TSA security directive.

**Background:**

This filing is in compliance with ORS 757.259, which authorizes deferred utility expenses or revenues to be allowed (amortized) in rates to the extent authorized by the Public Utility Commission of Oregon (“Commission”) in a proceeding to change rates. The Company filed a deferral application on September 2, 2022, which was docketed as UM 2192. In docket UG 435, NW Natural requested amortization of a portion of this deferral associated with the cost of service of the capital expenditures associated with TSA security directive 2 and was ordered in Commission Order No. 22-388 to amortize the cost of service deferral over a four year period starting on November 1, 2022. The request in this filing relates to the operations and maintenance expense of

<sup>1</sup> Tariff P.U.C. Or. 25 originated November 1, 2012 with docket UG 221; Order No. 12-408 as supplemented by Order No. 12-437 and was filed in accordance with ORS 767.205 and OAR 860-022-0005.

the start-up costs (Schedule 180) and the second year of the cost of service deferral (Schedule 189). The Company respectfully requests approval to amortize the costs included in this filing.

### **Proposed Changes**

The effect of the new temporary adjustment proposed in the filing is to decrease the Company's annual revenues by \$463,301, or 0.05%.

The monthly bill of the average residential customer served under Rate Schedule 2 using 56 therms will decrease \$0.04. The monthly decrease for the average industrial Rate Schedule 3 customer using about 1,304 therms is \$0.67, the average industrial Rate Schedule 31 firm sales customer using 5,776 therms will see a monthly decrease of about \$1.59, and the average industrial Rate Schedule 32 firm sales customer using about 18,823 therms will see a monthly decrease of about \$4.06.

In compliance with OAR 860-022-0025 the Company states that the number of customers affected by the proposed change in this filing is 636,785 residential customers, 61,984 commercial customers, and 845 industrial customers.

### **Conclusion**

In support of this filing, the Company includes supporting materials as part of this filing and will separately submit work papers in electronic format, all of which are incorporated herein by reference.

In accordance with ORS 757.205, 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](http://www.nwnatural.com).

Please address correspondence on this matter to Lora Bourdo at [lora.bourdo@nwnatural.com](mailto:lora.bourdo@nwnatural.com) with copies to the following:

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

Sincerely,

NW NATURAL

*/s/ Kyle Walker, CPA*

Kyle Walker, CPA  
Rates/Regulatory Senior Manager

Attachment: Exhibit A – Supporting Materials

# NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25

Seventh Revision of Sheet 180-1  
 Cancels Sixth Revision of Sheet 180-1

## SCHEDULE 180 TSA Security Directive 2 Compliance Costs

**PURPOSE:**

To recover costs associated with NW Natural's compliance with the TSA Security Directive 2. These costs were directed to help NW Natural mitigate cyber security threats due to the Company owning and operating critical pipeline infrastructure.

**APPLICABLE:**

To all Sales and Transportation Service Customers on the Rate Schedules of this Tariff listed below:

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

**GENERAL:**

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.

**APPLICATION TO RATE SCHEDULES:**

**Effective: November 1, 2023**

(C)

The Total Adjustment amount shown below is included in the Temporary Adjustments reflected in the listed Rate Schedules. NO ADDITIONAL ADJUSTMENT TO RATES IS REQUIRED.

Schedule	Block	Rate Adjustment	Schedule	Block	Rate Adjustment
2		\$0.00271	32 CSI	Block 1	\$0.00051
3 CSF		\$0.00201		Block 2	\$0.00043
3 ISF		\$0.00148		Block 3	\$0.00030
27		\$0.00222		Block 4	\$0.00017
31 CSF	Block 1	\$0.00139		Block 5	\$0.00009
	Block 2	\$0.00127		Block 6	\$0.00003
31 CTF	Block 1	\$0.00140	32 ISI	Block 1	\$0.00050
	Block 2	\$0.00128		Block 2	\$0.00042
31 ISF	Block 1	\$0.00096		Block 3	\$0.00030
	Block 2	\$0.00087		Block 4	\$0.00017
31 ITF	Block 1	\$0.00110		Block 5	\$0.00009
	Block 2	\$0.00099		Block 6	\$0.00003
32 CSF	Block 1	\$0.00087	32 CTI	Block 1	\$0.00042
	Block 2	\$0.00074		Block 2	\$0.00035
	Block 3	\$0.00052		Block 3	\$0.00025
	Block 4	\$0.00029		Block 4	\$0.00015
	Block 5	\$0.00013		Block 5	\$0.00009
	Block 6	\$0.00005		Block 6	\$0.00004
32 ISF	Block 1	\$0.00056	32 ITI	Block 1	\$0.00045
	Block 2	\$0.00047		Block 2	\$0.00038
	Block 3	\$0.00033		Block 3	\$0.00027
	Block 4	\$0.00019		Block 4	\$0.00016
	Block 5	\$0.00009		Block 5	\$0.00009
	Block 6	\$0.00004		Block 6	\$0.00005
32 CTF	Block 1	\$0.00061	33 (all)		\$0.00000
	Block 2	\$0.00052			
	Block 3	\$0.00037			
	Block 4	\$0.00022			
	Block 5	\$0.00012			
	Block 6	\$0.00006			
32 ITF	Block 1	\$0.00049			
	Block 2	\$0.00042			
	Block 3	\$0.00030			
	Block 4	\$0.00017			
	Block 5	\$0.00010			
	Block 6	\$0.00005			

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Issued July 31, 2023  
 NWN OPUC Advice No. 23-17

Effective with service on  
 and after November 1, 2023



EXHIBIT A

BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON

NW NATURAL SUPPORTING MATERIALS

Non-Gas Cost Deferred Accounts  
Transportation Security Administration Security Directive 2  
O&M and Cost of Service Costs

UM 2192

NWN OPUC Advice No. 23-17 / UG 484

July 31, 2023

# NW NATURAL

## EXHIBIT A

### Supporting Materials

#### Non-Gas Cost Deferred Accounts Transportation Security Administration Security Directive 2 O&M and Cost of Service Costs

NWN OPUC ADVICE NO. 23-17 / UG 484

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NW Natural  
 Rates & Regulatory Affairs

2023-24 PGA - Oregon: August Filing

Calculation of Increments Allocated on the EQUAL PERCENTAGE OF MARGIN BASIS

Spread per UG 435 Order 22-388  
 < based on pct spread of incremental UG 435 RR >

ALL VOLUMES IN THERMS

Schedule	Block	Oregon PGA Volumes page, Column F	Billing Rate from Rates page, Column A	WACOG & Demand from Rates page, Column B+C+D*	Temps from Temporary Increment page, Column A	MARGIN Rate	Volumetric Margin	Customer Charge	Customers	Total Margin	Proposed Amount: Revenue Sensitive Multiplier: Amount to Amortize:	TSA Cost of Service			TSA O&M			
												673,474	Temporary Increment	1,633,370	Temporary Increment	N/A	rev sensitive factor is built in	2.819%
												673,474	to all classes and schedules	1,680,746	to all classes and schedules			
												Multiplier S	Allocation to RS	Increment U	Multiplier V	Allocation to RS	Increment X	
2R		425,261,320	\$0.143686	\$0.59247	\$0.16051	\$0.68388	\$290,827,712	\$8.00	636,785	\$351,959,072	1.0	\$469,267	\$0.00110	1.0	\$1,152,460	\$0.00271		
3C Firm Sales		180,273,276	\$1.18666	\$0.59247	\$0.03780	\$0.55639	\$100,552,623	\$15.00	59,172	\$111,203,583	1.0	\$162,474	\$0.00090	1.0	\$364,127	\$0.00201		
3I Firm Sales		5,242,606	\$1.13570	\$0.59247	\$0.10373	\$0.43950	\$2,304,125	\$15.00	335	\$2,364,425	1.0	\$2,594	\$0.00049	1.0	\$7,742	\$0.00148		
27 Dry Out		790,225	\$1.16589	\$0.59247	\$0.07702	\$0.49640	\$392,268	\$8.00	1,489	\$535,212	1.0	\$841	\$0.00106	1.0	\$1,753	\$0.00222		
31C Firm Sales	Block 1	10,541,198	\$0.85127	\$0.50676	\$0.04002	\$0.30449	\$6,414,403	\$325.00	653	\$8,961,103	1.0	\$10,006	\$0.00047	1.0	\$29,342	\$0.00139		
	Block 2	11,528,162	\$0.82424	\$0.50676	\$0.03949	\$0.27799					1.0		\$0.00043	1.0		\$0.00127		
31C Firm Trans	Block 1	1,150,855	\$0.28505	\$0.00000	\$0.01229	\$0.27276	\$718,332	\$575.00	59	\$1,125,432	1.0	\$1,188	\$0.00045	1.0	\$3,685	\$0.00140		
	Block 2	1,621,395	\$0.26119	\$0.00000	\$0.01176	\$0.24943					1.0		\$0.00041	1.0		\$0.00128		
31I Firm Sales	Block 1	3,851,855	\$0.84102	\$0.50676	\$0.10141	\$0.23285	\$2,752,651	\$325.00	183	\$3,466,351	1.0	\$3,920	\$0.00033	1.0	\$11,350	\$0.00096		
	Block 2	8,832,261	\$0.81786	\$0.50676	\$0.10099	\$0.21011					1.0		\$0.00030	1.0		\$0.00087		
31I Firm Trans	Block 1	153,988	\$0.24605	\$0.00000	\$0.01106	\$0.23499	\$113,434	\$575.00	7	\$161,734	1.0	\$174	\$0.00036	1.0	\$530	\$0.00110		
	Block 2	363,573	\$0.22309	\$0.00000	\$0.01062	\$0.21247					1.0		\$0.00033	1.0		\$0.00099		
32C Firm Sales <sup>1</sup>	Block 1	31,802,850	\$0.76861	\$0.50676	\$0.10105	\$0.16080	\$6,849,615	\$675.00	543	\$11,351,592	1.0	\$14,391	\$0.00034	1.0	\$37,170	\$0.00087		
	Block 2	10,782,597	\$0.74322	\$0.50676	\$0.10042	\$0.13604					1.0		\$0.00029	1.0		\$0.00074		
	Block 3	2,237,041	\$0.70109	\$0.50676	\$0.09940	\$0.09493					1.0		\$0.00020	1.0		\$0.00052		
	Block 4	1,038,828	\$0.65879	\$0.50676	\$0.09836	\$0.05367					1.0		\$0.00011	1.0		\$0.00029		
	Block 5	30,626	\$0.62840	\$0.50676	\$0.09761	\$0.02403					1.0		\$0.00005	1.0		\$0.00013		
	Block 6	0	\$0.61401	\$0.50676	\$0.09727	\$0.00998					1.0		\$0.00002	1.0		\$0.00005		
32I Firm Sales <sup>1</sup>	Block 1	7,308,477	\$0.73013	\$0.50676	\$0.09833	\$0.12504	\$1,921,317	\$675.00	83	\$2,619,858	1.0	\$729	\$0.00005	1.0	\$8,579	\$0.00056		
	Block 2	7,116,901	\$0.71078	\$0.50676	\$0.09815	\$0.10587					1.0		\$0.00004	1.0		\$0.00047		
	Block 3	2,428,784	\$0.67847	\$0.50676	\$0.09787	\$0.07384					1.0		\$0.00003	1.0		\$0.00033		
	Block 4	1,682,852	\$0.64624	\$0.50676	\$0.09757	\$0.04191					1.0		\$0.00002	1.0		\$0.00019		
	Block 5	210,463	\$0.62372	\$0.50676	\$0.09734	\$0.01962					1.0		\$0.00001	1.0		\$0.00009		
	Block 6	0	\$0.61239	\$0.50676	\$0.09723	\$0.00840					1.0		\$0.00000	1.0		\$0.00004		
32C Firm Trans	Block 1	2,586,658	\$0.13291	\$0.00000	\$0.00742	\$0.12549	\$633,055	\$925.00	26	\$937,359	1.0	\$303	\$0.00006	1.0	\$3,069	\$0.00061		
	Block 2	2,000,143	\$0.11396	\$0.00000	\$0.00721	\$0.10675					1.0		\$0.00005	1.0		\$0.00052		
	Block 3	713,689	\$0.08251	\$0.00000	\$0.00688	\$0.07563					1.0		\$0.00004	1.0		\$0.00037		
	Block 4	908,192	\$0.05102	\$0.00000	\$0.00656	\$0.04446					1.0		\$0.00002	1.0		\$0.00022		
	Block 5	22,758	\$0.03209	\$0.00000	\$0.00636	\$0.02573					1.0		\$0.00001	1.0		\$0.00012		
	Block 6	0	\$0.01952	\$0.00000	\$0.00620	\$0.01332					1.0		\$0.00001	1.0		\$0.00006		
32I Firm Trans	Block 1	11,491,095	\$0.13069	\$0.00000	\$0.00738	\$0.12331	\$5,621,582	\$925.00	99	\$6,858,498	1.0	\$1,950	\$0.00004	1.0	\$22,458	\$0.00049		
	Block 2	16,722,073	\$0.11214	\$0.00000	\$0.00721	\$0.10493					1.0		\$0.00004	1.0		\$0.00042		
	Block 3	10,683,887	\$0.08125	\$0.00000	\$0.00694	\$0.07431					1.0		\$0.00003	1.0		\$0.00030		
	Block 4	22,101,234	\$0.05039	\$0.00000	\$0.00667	\$0.04372					1.0		\$0.00002	1.0		\$0.00017		
	Block 5	23,116,595	\$0.03179	\$0.00000	\$0.00649	\$0.02530					1.0		\$0.00001	1.0		\$0.00010		
	Block 6	7,997,925	\$0.01948	\$0.00000	\$0.00636	\$0.01312					1.0		\$0.00000	1.0		\$0.00005		
32C Interr Sales	Block 1	4,812,286	\$0.74068	\$0.50676	\$0.09728	\$0.13664	\$2,138,838	\$675.00	39	\$2,454,738	1.0	\$2,704	\$0.00017	1.0	\$8,038	\$0.00051		
	Block 2	6,912,175	\$0.71933	\$0.50676	\$0.09690	\$0.11567					1.0		\$0.00015	1.0		\$0.00043		
	Block 3	3,915,818	\$0.68371	\$0.50676	\$0.09628	\$0.08067					1.0		\$0.00010	1.0		\$0.00030		
	Block 4	6,195,667	\$0.64806	\$0.50676	\$0.09565	\$0.04565					1.0		\$0.00006	1.0		\$0.00017		
	Block 5	3,369,903	\$0.62665	\$0.50676	\$0.09525	\$0.02464					1.0		\$0.00003	1.0		\$0.00009		
	Block 6	0	\$0.61101	\$0.50676	\$0.09497	\$0.00928					1.0		\$0.00001	1.0		\$0.00003		
32I Interr Sales	Block 1	4,976,544	\$0.72514	\$0.50676	\$0.09609	\$0.12229	\$2,165,663	\$675.00	67	\$2,708,363	1.0	\$980	\$0.00006	1.0	\$8,868	\$0.00050		
	Block 2	6,358,575	\$0.70622	\$0.50676	\$0.09592	\$0.10354					1.0		\$0.00005	1.0		\$0.00042		
	Block 3	3,824,879	\$0.67469	\$0.50676	\$0.09566	\$0.07227					1.0		\$0.00003	1.0		\$0.00030		
	Block 4	11,455,866	\$0.64312	\$0.50676	\$0.09538	\$0.04098					1.0		\$0.00002	1.0		\$0.00017		
	Block 5	6,274,793	\$0.62420	\$0.50676	\$0.09523	\$0.02221					1.0		\$0.00001	1.0		\$0.00009		
	Block 6	1,589,833	\$0.61033	\$0.50676	\$0.09510	\$0.00847					1.0		\$0.00000	1.0		\$0.00003		
32C Interr Trans	Block 1	787,487	\$0.12584	\$0.00000	\$0.00706	\$0.11878	\$470,528	\$925.00	3	\$503,828	1.0	\$156	\$0.00004	1.0	\$1,650	\$0.00042		
	Block 2	1,577,765	\$0.10802	\$0.00000	\$0.00693	\$0.10109					1.0		\$0.00003	1.0		\$0.00035		
	Block 3	946,128	\$0.07829	\$0.00000	\$0.00668	\$0.07161					1.0		\$0.00002	1.0		\$0.00025		
	Block 4	3,171,260	\$0.04854	\$0.00000	\$0.00643	\$0.04211					1.0		\$0.00001	1.0		\$0.00015		
	Block 5	663,407	\$0.03070	\$0.00000	\$0.00628	\$0.02442					1.0		\$0.00001	1.0		\$0.00009		
	Block 6	0	\$0.01883	\$0.00000	\$0.00617	\$0.01266					1.0		\$0.00000	1.0		\$0.00004		
32I Interr Trans	Block 1	6,332,023	\$0.12605	\$0.00000	\$0.00722	\$0.11883	\$5,297,225	\$925.00	71	\$6,085,325	1.0	\$1,796	\$0.00004	1.0	\$19,926	\$0.00045		
	Block 2	10,799,708	\$0.10821	\$0.00000	\$0.00708	\$0.10113					1.0		\$0.00003	1.0		\$0.00038		
	Block 3	7,423,918	\$0.07848	\$0.00000	\$0.00684	\$0.07164					1.0		\$0.00002	1.0		\$0.00027		
	Block 4	17,235,563	\$0.04873	\$0.00000	\$0.00661	\$0.04212					1.0		\$0.00001	1.0		\$0.00016		
	Block 5	38,975,154	\$0.03090	\$0.00000	\$0.00646	\$0.02444					1.0		\$0.00001	1.0		\$0.00009		
	Block 6	98,124,177	\$0.01900	\$0.00000	\$0.00634	\$0.01266					1.0		\$0.00000	1.0		\$0.00005		
Special Contracts		51,198,641	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0	\$0.00	7	\$0	1.0	\$0	\$0.00000	0.0	\$0	\$0.00000		
TOTALS		1,109,965,950					\$ 429,173,371			\$ 513,296,473		\$ 513,296,473		\$ 673,474	\$ 513,296,473	\$ 1,680,747		
Sources for line 2 above:							\$ 37,400,768			\$ 49,598,606								
Inputs page											Line 75				Line 77			
Tariff Schedules																		
Rate Adjustment Schedule											Sched 189				Sched 180			
Note:	Allocation to rate schedules or blocks with zero volumes is calculated on an overall margin percentage change basis.																	
*	Since Billing Rates for all schedules above 31 do not include demand, column c for those schedules is WACOG only																	
†	Rate schedule 32 firm service includes as total margin the storage and distribution capacity charges and are derived using MDDV therm uses																	





**NW Natural**  
**Rates and Regulatory Affairs**  
**2023-2024 PGA Filing - OREGON**  
**Basis for Revenue Related Costs**

	Twelve Months <u>Ended 06/30/23</u>	
1		
2		
3	\$ 977,383,649	
4	\$ 981,971,599	
5		
6	n/a	0.430% Statutory rate
7	\$ 22,573,887	2.299% Line 7 ÷ Line 4
8	<u>\$ 881,388</u>	<u>0.090% Line 8 ÷ Line 4</u>
9		
10		<u><b>2.819%</b></u> Sum lines 8-9
11		
12		

13 **Note:**

- 14 [1] Dollar figure is set at statutory level of 0.275% times Total Oregon Revenues (line 4).  
 15 Because the fee changed since our last general rate case, the difference between the previous fee of 0.375%  
 16 and the new fee of 0.430%, as it affects our base rates, is being captured as a temporary deferral.  
 17 [2] Represents the normalized net write-offs based on a three-year average.

**NW Natural**  
**Rates & Regulatory Affairs**  
**2023-2024 PGA Filing - Oregon: August Filing**  
**PGA Effects on Revenue**  
**UG 484: TSA Security Directive 2**

	<b>Including Revenue Sensitive Amount</b>
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<b><u>Temporary Increments</u></b>	
<u>Removal of Current Temporary Increments</u>	
Amortization of TSA Security Directive 2 O&M and Cost of Service	<u>(2,817,521)</u>
<u>Addition of Proposed Temporary Increments</u>	
Amortization of TSA Security Directive 2 O&M and Cost of Service	<u>2,354,220</u>
<b>TOTAL OF ALL COMPONENTS OF RATE CHANGES</b>	<b><u><u>(\$463,301)</u></u></b>
2022 Oregon Earnings Test Normalized Total Revenues	\$849,278,042
Effect of this filing, as a percentage change (line 12 ÷ line 16)	-0.05%

**NW Natural**  
**Rates & Regulatory Affairs**  
**2023-2024 PGA Filing - June Filing**  
**Summary of Deferred Accounts Included in the PGA**

Account	Balance 6/30/2023	Jul-Oct Estimated Activity	Jul-Oct Interest	Estimated Balance 10/31/2023	Interest Rate During Amortization	Estimated Interest During Amortization	Total Estimated Amount for (Refund) or Collection	Amounts Excluded from PGA Filing	Amounts Included in PGA Filing
A	B	C	D	E	F1	F2	G	H	I
				E = sum B thru D	5.13%		G = E + F2		Excl. Rev Sens
34 <b>Miscellaneous Amortizations</b>									
35 151802 TSA SECURITY DIRECTIVE OM DEFERRAL	1,698,895	0	39,044	1,737,939					
36 151803 TSA SECURITY DIRECTIVE OM AMORTIZATION	180,578	(329,927)	283	(149,065)					
37 Total	1,879,473	(329,927)	39,328	1,588,874	5.13%	44,496	1,633,370		

Company: Northwest Natural Gas Company  
 State: Oregon  
 Description: TSA SEC DIR2 OM OR  
 Account Number: 151802  
 Docket: Docket UM 2192

Latest deferral authorization request is pending approving. Amort. of previous deferral balance was approved in Docket UG 458.

Debit (Credit)

	Month/Year	Note	Deferral	Transfers	Interest Rate	Interest	Activity	Balance
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Beginning Balance							
11	Jun-22		(653,948.85)		6.965%	13,793.09	(640,155.76)	2,063,230.08
12	Jul-22		143,498.94		6.965%	12,391.78	155,890.72	2,219,120.80
13	Aug-22		357,608.28		6.965%	13,917.96	371,526.24	2,590,647.04
14	Sep-22		242,347.86		6.965%	15,739.86	258,087.72	2,848,734.76
15	Oct-22		216,750.34		6.965%	17,163.56	233,913.90	3,082,648.66
16	Nov-22	<b>1</b>	47,965.12	(2,063,230.08)	6.836%	5,943.91	(2,009,321.05)	1,073,327.61
17	Dec-22		513,439.50		6.836%	7,576.84	521,016.34	1,594,343.95
18	Jan-23		0.00		6.836%	9,082.45	9,082.45	1,603,426.40
19	Feb-23		0.00		6.836%	9,134.19	9,134.19	1,612,560.59
20	Mar-23		48,304.02		6.836%	9,323.81	57,627.83	1,670,188.42
21	Apr-23		0.00		6.836%	9,514.51	9,514.51	1,679,702.93
22	May-23		0.00		6.836%	9,568.71	9,568.71	1,689,271.64
23	Jun-23		0.00		6.836%	9,623.22	9,623.22	1,698,894.86
24	Jul-23				6.836%	9,678.04	9,678.04	1,708,572.90
25	Aug-23				6.836%	9,733.17	9,733.17	1,718,306.07
26	Sep-23				6.836%	9,788.62	9,788.62	1,728,094.69
27	Oct-23				6.836%	9,844.38	9,844.38	1,737,939.07

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30 **History truncated for ease of viewing**

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32 **NOTES**

33 **1** -Transferred June balance to account 151803 for amortization.

Company: Northwest Natural Gas Company  
 State: Oregon  
 Description: OR TSA SECURITY DIRECTIVE OM AMORT  
 Account Number: 151803  
 Docket: Dockets UM 2192 and UG 458  
 Amortization of 2021-22 deferrals approved in Order 22-399

Debit (Credit)

Month/Year	Note	Amortization	Transfers	Interest Rate	Interest	Activity	Balance
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Beginning Balance						
2	Nov-22	<b>1</b>	(115,222.63)	2,063,230.08	1.820%	3,041.86	1,951,049.31
3	Dec-22		(356,250.51)		1.820%	2,688.93	(353,561.58)
4	Jan-23		(344,680.48)		1.820%	2,161.47	(342,519.01)
5	Feb-23		(321,175.07)		1.820%	1,659.81	(319,515.26)
6	Mar-23		(314,816.99)		1.820%	1,180.03	(313,636.96)
7	Apr-23		(242,290.08)		1.820%	759.35	(241,530.73)
8	May-23		(128,812.13)		1.820%	479.08	(128,333.05)
9	Jun-23		(71,702.23)		1.820%	327.75	(71,374.48)
10	Jul-23 <i>forecasted</i>		(61,301.66)		1.820%	227.39	(61,074.27)
11	Aug-23 <i>forecasted</i>		(61,111.99)		1.820%	134.90	(60,977.09)
12	Sep-23 <i>forecasted</i>		(65,407.29)		1.820%	39.17	(65,368.12)
13	Oct-23 <i>forecasted</i>		(142,105.85)		1.820%	(118.14)	(142,223.99)

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 15 **History truncated for ease of viewing**

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 17 **NOTES**

18 **1** - Transferred in authorized balance from account 151802 for amortization.

**NW Natural**  
**Rates & Regulatory Affairs**  
**2023-24 PGA - Oregon: August Filing**  
**TSA Security Directive Cost of Service Deferral**

	<b>November 2023 - October 2024</b>	
Depreciation	\$	535,589
O&M	\$	1,533,761
Property Taxes	\$	65,656
<b>Taxes on Equity Return</b>		
State	\$	20,428
Federal	\$	52,156
<b>Total Taxes</b>	\$	<b>72,584</b>
<b>Return on Rate Base</b>		
Debt	\$	101,970
Preferred Equity		
Common Equity	\$	268,791
<b>Total Return</b>	\$	<b>370,761</b>
<b>Subtotal Cost of Service</b>	\$	<b>2,578,351</b>
<b>Revenue Sensitive Items</b>	\$	<b>72,658</b>
<b>Total Cost of Service</b>	<b>\$</b>	<b>2,651,009</b>
<b>Amortization Interest (1.82%) [1]</b>	\$	42,887
<b>Total Embedded in Rates</b>	<b>\$</b>	<b>2,693,896</b>
<b>Amount to include in single year of rates</b>		<b>\$673,473.93</b>

[1] Reflects a four year amortization period