



DEPARTMENT OF JUSTICE
GENERAL COUNSEL DIVISION

April 24, 2024

PUC.FilingCenter@state.or.us

ATTN: Filing Center
Public Utility Commission of Oregon
201 High Street SE, Suite 100
Salem, OR 97301-1166

**Re: Docket UG 490 – In the Matter of NORTHWEST NATURAL GAS COMPANY,
dba NW Natural, Request for a General Rate Revision.**

To Filing Center:

The Public Utility Commission of Oregon Staff (Staff) submits for filing the enclosed errata to the Opening Testimony of Staff Witness Mitchell Moore, Exhibit Staff/1300, Moore/6. Also enclosed is a redline page with corrections identified. This errata corrects a typographical error in Staff's footnote 6 to reference the appropriate Exhibit.

Sincerely,

/s/ Marli Klass

Marli Klass
Assistant Attorney General
Business Activities Section

MK6/pjr
Enclosure

ISSUE 2. NON-FUEL MATERIALS AND SUPPLIES

Q. Please summarize NW Natural's proposal for non-fuel materials and supplies.

A. Northwest Natural proposes an average Test Year balance for materials and supplies in rate base of \$25,496,000 at a system level. The Oregon-allocated forecast Test Year rate base amount is \$21,810,000.⁵ This represents a 13.64 percent increase over the 2023 Base Year.

Q. Please summarize the Commission's historical treatment of non-fuel materials and supplies in rate base.

A. The Commission typically authorizes utilities to include an allowance for non-fuel materials and supplies in rate base.

Q. Please describe Staff's analysis of this issue.

A. Staff reviewed historical balances for the years 2021–2023 and compared the average of monthly average balances for each year with the year-end forecast for 2024. Staff believes that using an average of monthly averages balance for rate-based items provides an accurate picture of yearly rate-based components that earn a rate of return.

Using an average of monthly average balances for 2021, 2022, and 2023, escalated for inflation of 2.7 percent in 2024 and 2.0 for 2025 results in a forecast Test Year balance of \$17,783,000.⁶

Q. Does Staff propose an adjustment?

⁵ See Staff/1302, Moore/3, Company response to Staff DR No. 84.

⁶ See Staff/1304, Moore/Workpaper.

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⁶ ~~See Staff/1304, Moore/Workpaper.~~ See Staff/1302, Moore/3, Company response to Staff DR No. 84: Staff calculates average balance of 2021-2023 is \$16,975,549.