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August 3, 2015

VIA ELECTRONIC FILING

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

Attn: ALJ Grant

Re: Dockets UM 1635 and UM 1706

Dear Judge Grant:

In your Ruling issued on July 2, you amended the procedural schedule by cancelling the prehearing conference and asking Staff to submit a status report following the then-planned July 14, 2015 workshop. As you may be aware, that workshop was rescheduled, and actually took place on July 24, 2015. The following provides an update on the parties' progress and agreements regarding the remaining schedule in this case:

- 1. The parties have entered into Stipulation resolving their dispute regarding the secure account. That settlement and supporting brief were filed on July 31, 2015.
- 2. The parties have agreed in principle that some level of deferred environmental remediation costs will be recovered through the 2015 PGA, subject to adjustment in future years if the ongoing dispute resolution regarding NW Natural's compliance filing results in any changes to the amounts recoverable by NW Natural through rates. NW Natural's upcoming PGA filing will reflect the Company's proposed approach.
- 3. NW Natural has agreed to update its compliance filing, based on the discussions with the parties to-date. NW Natural expects to make that update within about the next week and a half.
- 4. The parties would like to request that a prehearing conference be set for some time after the Company makes its updated compliance filing, to set a schedule for resolution of any remaining the issues. (NW Natural expects that these issues can be resolved on briefs.).

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Thank you for your attention, and please feel free to contact me with any questions.

Very truly yours,

Lisa Rackner

Enclosure

cc: Service List