



e-FILING REPORT COVER SHEET

COMPANY NAME: NW Natural

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes If yes, submit a redacted public version (or a cover letter) by email. Submit the confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

Select report type: RE (Electric) RG (Gas) RW (Water) RT (Telecommunications)
 RO (Other, for example, industry safety information)

Did you previously file a similar report? No Yes, report docket number: RG 2

Report is required by: OAR
 Statute
 Order

Note: A one-time submission required by an order is a compliance filing and not a report (file compliance in the applicable docket)

Other Portfolio Options Committee request report annually
(For example, federal regulations, or requested by Staff)

Is this report associated with a specific docket/case? No Yes, docket number: RG 2

List Key Words for this report. We use these to improve search results.

NW Natural, Smart Energy, offsets, reconciliation report, POC, Portfolio Options Committee, 2018

Send the completed Cover Sheet and the Report in an email addressed to PUC.FilingCenter@state.or.us

Send confidential information, voluminous reports, or energy utility Results of Operations Reports to PUC Filing Center, PO Box 1088, Salem, OR 97308-1088 or by delivery service to 201 High Street SE Suite 100, Salem, OR 97301.

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March 13, 2019

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: RG 2 - NW Natural's 2018 Smart Energy™ Reconciliation Report

Northwest Natural Gas Company, dba NW Natural (Company), hereby files its Smart Energy™ Reconciliation Report for the program year of January 1, 2018 through December 31, 2018, as requested by the Portfolio Options Committee, which oversees and advises the Company's offset program.

Please contact me at (503) 721-2452 if you have any questions.

Sincerely,

/s/ Natasha Siores

Natasha Siores
Manager, Regulatory Compliance

Attachment

Smart Energy Product Reporting

Demand Reconciliation

For the period of January 1, 2018 – December 31, 2018

Table 1: Participating Customer Billings & Resulting Greenhouse Gas Offsets

Smart Energy	Therms to	Obligation
Funds Billed	be offset	short tons
\$2,533,206 ¹	24,157,984.46	141,324.21

11.7 pounds per therm based on the recognized standard of U.S. Energy Information Administration
170.94 therms per short ton

¹ Collections, net of uncollectable allowance

Smart Energy Product Reporting

Supply Reconciliation

For the period of January 1, 2018 – December 31, 2018

Table 2: Offset Obligations & Retirements

Offset Activity	Short Tons
Obligations ¹	23,715.99
Retirements ²	60,549.34

¹ The Climate Trust terminated the emissions reduction purchase agreement with Revolution Energy Solutions Lochmead Dairy project in August 2018 because the project was offline since October 2016. The project had 3,810 metric tons remaining on the Smart Energy authorization. Funds for the remaining offsets were released from obligation to the project and used to retire replacement offsets from the Moses Lake project.

² 3,810 metric tons were retired as replacement offsets for funds originally obligated to the Lochmead Dairy project.

Smart Energy Offset Project Obligations Totals By Project

Project	Authorized		Retired		Balance	
	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons
Bettencourt Dairy - B6	51,208	56,446.57	41,208	45,423.58	(10,000)	(11,022.99)
Castelanelli Brothers Dairy - Castelanelli	15,000	16,534.50	0	0.00	(15,000)	(16,534.50)
Revolution Energy Solutions - Lochmead Farms	17,199	18,958.46	17,199	18,958.46	0	0.00
Farm Power - Lynden	20,000	22,046.00	20,000	22,046.00	0	0.00
Farm Power - Misty Meadow	109,566	120,774.60	59,566	65,659.60	(50,000)	(55,115.00)
J.R. Simplot - Moses Lake	126,476	139,414.50	128,320	141,447.14	1,844	2,032.64
J.R. Simplot - Moses Lake 2	108,810	119,941.26	18,810	20,734.26	(90,000)	(99,207.00)
Revolution Energy Solutions - Oak Lea	23,250	25,628.46	11,507	12,684.17	(11,743)	(12,944.29)
Farm Power - Rexville	52,420	57,782.54	40,709	44,873.53	(11,711)	(12,909.01)
Farm Power - Tillamook	91,173	100,500.00	43,350	47,784.71	(47,823)	(52,715.30)
TMF Biofuels - TMF Biofuels	15,000	16,534.50	15,000	16,534.50	0	0.00
Mass Energy Works - Van Warmerdam	39,174	43,181.50	18,386	20,266.89	(20,788)	(22,914.61)
Intrepid Technology Resources - Whitesides Dairy	17,067	18,812.95	17,067	18,812.95	0	0.00
Total:	686,343	756,555.84	431,122	475,225.78	(255,221)	(281,330.06)

Smart Energy Offset Vintage Obligations

Totals By Project and Authorization

Begin Date: 1/1/18 End Date: 12/31/18

Castelanelli Brothers Dairy - Castelanelli, Site Location: Lodi CA					Project Type: Dairy		
CBD-CBD-SE-1 8/21/2018	Vintage	Authorized		Retired		Balance	
		Metric Tonnes	Short Tons	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons
	2018	7,500	8,267.25	0	0.00	(7,500)	(8,267.25)
	2019	7,500	8,267.25	0	0.00	(7,500)	(8,267.25)
	Total Auth:	15,000	16,534.50	0	0.00	(15,000)	(16,534.50)

Project Total: 15,000 16,534.50 0 0.00 (15,000) (16,534.50)

Revolution Energy Solutions - Lochmead Farms, Site Location: Junction City OR					Project Type: Dairy		
RES-LF-SE-2 8/2/2018	Vintage	Authorized		Retired		Balance	
		Metric Tonnes	Short Tons	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons
	2017	(2,100)	(2,314.83)	0	0.00	2,100	2,314.83
	2018	(1,710)	(1,884.93)	0	0.00	1,710	1,884.93
	Total Auth:	(3,810)	(4,199.76)	0	0.00	3,810	4,199.76

Project Total: (3,810) (4,199.76) 0 0.00 3,810 4,199.76

Farm Power - Misty Meadow, Site Location: Tillamook OR					Project Type: Dairy		
FP-MM-SE-6 5/4/2018	Vintage	Authorized		Retired		Balance	
		Metric Tonnes	Short Tons	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons
	2017	3,838	4,230.63	3,838	4,230.63	0	0.00
	Total Auth:	3,838	4,230.63	3,838	4,230.63	0	0.00

Project Total: 3,838 4,230.63 3,838 4,230.63 0 0.00

J.R. Simplot - Moses Lake 2, Site Location: Moses Lake WA					Project Type: OWD		
JRS-ML2-SE-2 12/12/2018	Vintage	Authorized		Retired		Balance	
		Metric Tonnes	Short Tons	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons
	2017	3,810	4,199.76	3,810	4,199.76	0	0.00

Smart Energy Offset Vintage Obligations

Totals By Project and Authorization

Begin Date: 1/1/18 End Date: 12/31/18

J.R. Simplot - Moses Lake 2, Site Location: Moses Lake WA					Project Type: OWD	
Total Auth:	3,810	4,199.76	3,810	4,199.76	0	0.00

Project Total: 3,810 4,199.76 3,810 4,199.76 0 0.00

Mass Energy Works - Van Warmerdam, Site Location: Galt CA					Project Type: Dairy		
MEW-VW-SE-5 8/3/2018	Vintage	Authorized		Retired		Balance	
		Metric Tonnes	Short Tons	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons
	2017	2,677	2,950.86	2,677	2,950.86	0	0.00
Total Auth:		2,677	2,950.86	2,677	2,950.86	0	0.00

Project Total: 2,677 2,950.86 2,677 2,950.86 0 0.00

Grand Total: 21,515 23,715.99 10,325 11,381.25 (11,190) (12,334.74)

Smart Energy Offset Projects
Retirement Detail (1/1/2018 - 12/31/2018)

Farm Power - Misty Meadow		Site Location: Tillamook		Project Type: Dairy							
<table border="1"> <tr> <th align="left" colspan="2">Estimated Total Project Volume</th> </tr> <tr> <td align="center">Metric Tonnes</td> <td align="center">Short Tons</td> </tr> <tr> <td align="center">93,100</td> <td align="center">102,624.13</td> </tr> </table>		Estimated Total Project Volume		Metric Tonnes	Short Tons	93,100	102,624.13	Standard: Climate Action Reserve	Registry: Climate Action Reserve	Duration: 10 years	
Estimated Total Project Volume											
Metric Tonnes	Short Tons										
93,100	102,624.13										
		Protocol: U.S. Livestock Project Protocol, Version 3.0	Crediting Period: Initial	Greenhouse Gas: Methane							

Project Authorizations	Authorized		Retired		Balance	
	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons
Buyer: Smart Energy	109,566	120,774.60	59,566	65,659.60	(50,000)	(55,115.00)

Project Retirements								
Vintage	Reporting Start Date	Reporting End Date	Verifier	Verification Start Date	Verification End Date	Metric Tonnes	Short Tons	Retirement Effective Date
2017	1/1/2017	12/31/2017	First Environment, Inc.	1/26/2018	3/26/2018	13,838	15,253.63	5/17/2018
Serial Number: CAR1US9965212OR201754471 to 13838 Registry Listing URL: https://thereserve2.apx.com/mymodule/mypage.asp								

J.R. Simplot - Moses Lake 2		Site Location: Moses Lake			Project Type: OWD	
Estimated Total Project Volume		Standard: Verified Carbon Standard	Registry: Markit	Duration: 7 years		
Metric Tonnes	Short Tons	Protocol:	Crediting Period: Second	Greenhouse Gas: Methane		
196,000	216,050.80					

Project Authorizations	Authorized		Retired		Balance	
	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons
Buyer: Smart Energy	108,810	119,941.26	18,810	20,734.26	(90,000)	(99,207.00)

Project Retirements								
Vintage	Reporting Start Date	Reporting End Date	Verifier	Verification Start Date	Verification End Date	Metric Tonnes	Short Tons	Retirement Effective Date
2017	1/1/2017	10/31/2017	Ruby Canyon Engineering	8/23/2018	11/21/2018	15,000	16,534.50	12/6/2018
Serial Number: 6229-286650234-286665233-VCU-043-MER-US-13-448-01012017-07102017-0 Registry Listing URL:								
2017	1/1/2017	10/31/2017	Ruby Canyon Engineering	8/23/2018	11/21/2018	3,810	4,199.76	12/13/2018
Serial Number: 62219-286665234-286669043-VCU-043-MER-US-13-448-01012017-07102017-0 Registry Listing URL:								

Farm Power - Rexville		Site Location: Mt. Vernon			Project Type: Dairy	
Estimated Total Project Volume		Standard: Climate Action Reserve	Registry: Climate Action Reserve	Duration: 10 years		
Metric Tonnes	Short Tons	Protocol: Climate Action Reserve Livestock Protocol 2.0	Crediting Period: Initial	Greenhouse Gas: Methane		
116,524	128,444.41					

Project Authorizations	Authorized		Retired		Balance	
	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons
Buyer: Smart Energy	52,420	57,782.54	40,709	44,873.53	(11,711)	(12,909.01)

Project Retirements								
Vintage	Reporting Start Date	Reporting End Date	Verifier	Verification Start Date	Verification End Date	Metric Tonnes	Short Tons	Retirement Effective Date
2016	9/1/2016	12/31/2016	Ruby Canyon Engineering	9/19/2017	3/7/2018	2,175	2,397.50	3/20/2018
Serial Number: CAR1US4165212WA201654231 to 2175 Registry Listing URL: https://thereserve2.apx.com/mymodule/mypage.asp								
2017	1/1/2017	8/31/2017	Ruby Canyon Engineering	9/19/2017	3/7/2018	5,626	6,201.54	3/20/2018
Serial Number: CAR1US4165212WA201754221 to 5626 Registry Listing URL: https://thereserve2.apx.com/mymodule/mypage.asp								

Farm Power - Tillamook		Site Location: Tillamook			Project Type: Dairy	
Estimated Total Project Volume		Standard: Climate Action Reserve	Registry: Climate Action Reserve	Duration: 10 years		
Metric Tonnes	Short Tons	Protocol: U.S. Livestock Project Protocol, Version 3.0	Crediting Period: Initial	Greenhouse Gas: Methane		
88,400	97,443.32					

Project Authorizations	Authorized		Retired		Balance	
	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons
Buyer: Smart Energy	91,173	100,500.00	43,350	47,784.71	(47,823)	(52,715.30)

Project Retirements								
Vintage	Reporting Start Date	Reporting End Date	Verifier	Verification Start Date	Verification End Date	Metric Tonnes	Short Tons	Retirement Effective Date
2017	1/1/2017	12/31/2017	First Environment, Inc.	1/26/2018	3/26/2018	7,424	8,183.48	5/17/2018
Serial Number: CAR1US9885212OR201754511 to 7424								
Registry Listing URL: https://thereserve2.apx.com/mymodule/mypage.asp								

Mass Energy Works - Van Warmerdam		Site Location: Galt		Project Type: Dairy	
Estimated Total Project Volume		Standard: Climate Action Reserve	Registry: Climate Action Reserve	Duration: 10 years	
Metric Tonnes	Short Tons	Protocol: U.S. Livestock Project Protocol, Version 4.0	Crediting Period: Initial	Greenhouse Gas: Methane	
60,227	66,388.22				

Project Authorizations	Authorized		Retired		Balance	
	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons	Metric Tonnes	Short Tons
Buyer: Smart Energy	39,174	43,181.50	18,386	20,266.89	(20,788)	(22,914.61)

Project Retirements								
Vintage	Reporting Start Date	Reporting End Date	Verifier	Verification Start Date	Verification End Date	Metric Tonnes	Short Tons	Retirement Effective Date
2017	5/1/2017	12/31/2017	First Environment, Inc.	5/21/2018	8/1/2018	5,345	5,891.79	8/27/2018
Serial Number: CAR-1-US-998-5-212-CA-2017-5545-1 to 5345 Registry Listing URL: https://thereserve2.apx.com/mymodule/mypage.asp								
2018	1/1/2018	4/30/2018	First Environment, Inc.	5/21/2018	8/1/2018	1,712	1,887.14	8/27/2018
Serial Number: CAR-1-US-998-5-212-CA-2018-5544-1 to 1712 Registry Listing URL: https://thereserve2.apx.com/mymodule/mypage.asp								