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November 16, 2023

NWN OPUC Advice No. 23-25

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Post Office Box 1088
Salem, Oregon 97308-1088

**Re: Schedule 301 – Oregon Low-Income Energy Efficiency (OLIEE) Programs
Schedule 335 – Bill Discount Program Cost Recovery**

Northwest Natural Gas Company, dba NW Natural (NW Natural or Company), files herewith the following revisions to its Tariff P.U.C. Or. 25, stated to become effective on January 1, 2024.

Eleventh Revision of Sheet 301-1	Schedule 301	Public Purpose Funding Surcharge
First Revision of Sheet 335-1	Schedule 335	Bill Discount Program Cost Recovery

Purpose

The purpose of this filing is twofold: 1) to revise Schedule 301-1 to update the rate to reflect the Energy Trust of Oregon’s forecasted budget and to pause the rate charged to customers for the Oregon Low Income Energy Efficiency (OLIEE) program portion of the rate, and 2) to revise Schedule 335 to reflect NW Natural’s current forecast for the Bill Discount Program.

Background

Through Schedule 301, costs are recovered to support three NW Natural programs: Schedule 310 Oregon Low-Income Gas Assistance (OLGA), Schedule 320 OLIEE, and Schedule 350 Energy Efficiency Services and Programs (delivered and administered by the Energy Trust of Oregon (ETO)). Schedule 335 Bill Discount Program Cost Recovery is an automatic adjustment clause tariff schedule that supports the cost of NW Natural’s Bill Discount Program, that was established November 1, 2022.

Proposed Changes

1. Schedule 301:
 - a. Change the rate from 3.93% to 3.34% for Schedule 350 Energy Efficiency Services and Programs – Residential and Commercial, to reflect the Energy Trust of Oregon forecasted budget.
 - b. Change the OLIEE rate from 0.85% to 0% for both Residential and Commercial customers.

2. Schedule 335 – Update the per-bill charges in this automatic adjustment clause tariff schedule as detailed below to reflect the current forecast for the bill discount program and true-up the prior year balance in the balancing account.

Schedule 301 – ETO Energy Efficiency Programs Update

NW Natural proposes to revise the portion of public purpose funds allocated to the ETO for the administration of residential and commercial energy efficiency programs from 3.93% to 3.34%. This change is intended to provide the ETO with approximately \$28 million dollars of total program funding in 2024, which is sufficient to acquire nearly 2.7 million of therm savings.

Schedule 301 – OLIEE Collections Update

Schedule 320 describes the OLIEE program, which is available to income-eligible residential dwellings location within NW Natural’s Oregon service territory. NW Natural proposes to temporarily pause collection of OLIEE funding by setting the current rate of 0.85% to zero. This change equates to an approximate reduction of \$7.1 million. Temporarily pausing collection for OLIEE funds is practical at this time due to a build-up of the balance in the OLIEE account. The build-up is the result of a deliberate increase in funding, which began in early 2020, intended to increase energy efficiency measures for low-income customer dwellings and to enable the OLIEE program to have broader reach to low-income residents that have not previously benefitted from the OLIEE program. This increased funding was developed with the OLIEE Advisory Committee and approved by the Commission in Advice No. 19-19, docketed as ADV 1056. Subsequently the COVID-19 pandemic severely impacted the delivery of OLIEE program benefits that rely on in-person and in-home projects and measures. While OLIEE project spending has since bounced back from pre-pandemic levels, the collection of OLIEE funds at the increased rate has resulted in a build-up of the OLIEE account. NW Natural has discussed this proposal with the OLIEE Advisory Council and will continue to monitor the account balance to determine when the collections for the OLIEE program should be resumed.

Schedule 335 – Bill Discount Program Update

NW Natural’s residential Bill Discount Program was launched on November 1, 2022. Since then, 34,622 customers have enrolled in the program. Collections for the cost of the bill discounts provided by the Bill Discount Program are achieved through a per-bill charge through Schedule 335, supported by a deferred balancing account that is updated annually. NW Natural estimates a forecast of \$7.93 million needed for 2024 bill discount funding, which, when added to the \$2.24 million balancing account balance, results in a total of \$10.18 million to be collected through Schedule 335, exclusive of revenue-sensitive impacts,

Combined Effects of All Changes

Attached are worksheets demonstrating the calculations of the proposed rates and the impacts this will have on customer bills. Bill impacts are summarized in the table below. Please see Exhibit A for the impacts for industrial rate schedules, as bill impacts for these schedules will vary by service and type.

Class	Rate Schedule	Customers	Average Monthly Bill Change (\$)	Average Monthly Bill Change (%)
Residential	Schedule 2	636,785	-\$0.38	-0.5%

Commercial	Schedule 3	59,507	-\$1.53	-0.5%
Commercial	Schedule 27	1,489	\$0.50	0.9%
Commercial Firm Sales	Schedule 31	653	-\$14.29	-0.6%

Conclusion

NW Natural respectfully requests that the Commission approve these tariff changes to become effective January 1, 2024.

In accordance with ORS 757.205, copies of this letter and the filing made herewith are available in the Company's main office in Portland, Oregon and on its website at www.nwnatural.com.

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

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Respectfully submitted,

/s/ Rebecca Trujillo

Rebecca Trujillo
Regulatory Consultant

NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25

Eleventh Revision of Sheet 301-1
Cancels Tenth Revision of Sheet 301-1

SCHEDULE 301 PUBLIC PURPOSES FUNDING SURCHARGE

PURPOSE:

To specify the method of billing of a Public Purposes surcharge that is to fund public purposes activities to be administered through one or more independent entities. Public purposes activities include, but may not necessarily be limited to, energy efficiency programs, market transformation programs, residential low-income energy efficiency programs, and residential low-income bill payment assistance programs designed to benefit Residential and Commercial Customers within NW Natural's service territory in Oregon.

APPLICABLE:

To Residential and Commercial Customers served on the following Rate Schedules of this Tariff:

Residential	Commercial
Rate Schedule 2	Rate Schedule 3 (03CSF)
	Rate Schedule 27 (27R)
	Rate Schedule 31 (31CSF)

ADJUSTMENT TO RATES: Effective: January 1, 2024

A Public Purposes surcharge will be assessed on the total energy use billed (the total of the Customer Charge plus the per therm usage charges) and shown as a line item on each customer's monthly bill as follows:

Residential: 4.09% of the total energy use billed
Commercial: 3.34% of the total energy use billed

(C)

(R)
(R)

The funds collected from such Public Purposes surcharge shall be allocated to specific separate accounts to fund the specified public purposes program(s) as follows:

RESIDENTIAL:

3.34% will support public purpose funding for **Schedule 350** energy efficiency programs delivered and administered by the Energy Trust of Oregon (Energy Trust).

(R)

0.75% will support public purpose funding for **Schedule 310** low-income bill payment assistance activities.

0.0% will support public purpose funding for **Schedule 320** low-income energy efficiency activities.

(R)

COMMERCIAL:

3.34% will support public purpose funding for **Schedule 350** energy efficiency programs delivered and administered by the Energy Trust.

(R)

0.0% will support public purpose funding for **Schedule 320** low-income energy efficiency activities.

(R)

(continue to Sheet 301-2)

Issued November 16, 2023
NWN OPUC Advice No. 23-25

Effective with service on
and after January 1, 2024

NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25

First Revision of Sheet 335-1
Cancels Original Sheet 335-1

SCHEDULE 335 BILL DISCOUNT PROGRAM COST RECOVERY

PURPOSE:

This Schedule recovers the costs of the Company's Bill Discount Program offered under **Schedule 330** "Residential Bill Discount Program – Optional for Qualifying Customers". This Adjustment Schedule is implemented as an automatic adjustment clause as provided for under ORS 757.210.

APPLICABILITY:

This Schedule applies to all bills of customers taking service on the rate schedules listed below:

Application to Rates:

Effective: **January 1, 2024**

(C)

A charge will be assessed on each bill for the applicable Rate Schedules:

Rate Schedule	Charge per Bill
2	\$0.94
3	\$3.24
27	\$0.61
31	\$25.90
32	\$62.77

(I)
|
(I)

GENERAL TERMS:

Service under this Schedule is governed by the terms of this Schedule, the General Rules and Regulations contained in this, 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.

Issued November 16, 2023
NWN OPUC Advice No. 23-25

Effective with service on
and after January 1, 2024

EXHIBIT A

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

NW NATURAL SUPPORTING MATERIALS

NWN OPUC Advice No. 23-25, ADV ____

November 16, 2023

NW NATURAL

EXHIBIT A

Supporting Materials

NWN'S OPUC ADVICE NO. 23-25 / ADV _____

Description	Page
Oregon Bill Impacts of 2023 Public Purpose Charges	1
ETO-Related PPC Calculation	2
Estimate for 2024 Oregon Bill Discount Program	3
Calculation of Temporary Rate Adjustments: Low Income Bill Discount Program	4
Development of Temporary Fixed Customer Charge Proposed Changes	5
Program Effects on Average Bill by Rate Schedule	6
Proposed Incremental Revenue Requirement Allocation by Rate Schedule – Program Effects	7

NW Natural
Rates & Regulatory Affairs
OPUC Advice No. 23-25 - Public Purpose Charges
Oregon Bill Impacts of 2023 Public Purpose Charges

1				
2		Monthly bill	ETO related	Monthly bill
3		<u>w/out PPC</u>	<u>PPC charge</u>	<u>w/ PPC</u>
4	<u>Residential</u>			
5	Current Bill (ETO PPC = 3.93%)	\$80.53	\$3.16	\$83.69
6	Proposed Bill (ETO PPC = 3.34%)	\$80.53	\$2.69	\$83.22
7	\$ Change		(\$0.47)	(\$0.47)
8	% Change		-14.9%	-0.6%
9	RS2 using average therms/month:	56		
10				
11				
12	<u>Commercial</u>			
13	Current Bill (ETO PPC = 3.93%)	\$292.32	\$11.49	\$303.81
14	Proposed Bill (ETO PPC = 3.34%)	\$292.32	\$9.76	\$302.08
15	\$ Change		(\$1.73)	(\$1.73)
16	% Change		-15.1%	-0.6%
17	RS3 using average therms/month:	255		
18				
19				
20	<u>Notes:</u>			
21	Current Bill (ETO PPC = 3.93%)			
22	Proposed Bill (ETO PPC = 3.34%)			

**NW Natural
 Schedule 301**

OLIEE-Related PPC Calculation

Schedule	customers	Estimated collection for tracker year	Addition for new PPC charge	Current average bill with new PPC	Current average bill with old PPC	Total % Bill Change
2R	636,785.0	611,925,569	\$0.00	\$80.53	\$81.21	-0.8%
27 dry-out	1,489.0	1,001,168.0	\$0.00	\$55.79	\$56.26	-0.8%
3C Firm Sales	59,172.0	207,192,944	\$0.00	\$292.32	\$294.80	-0.8%
31C Firm Sales	653.0	18,976,433	\$0.00	\$2,439.88	\$2,460.62	-0.9%
Total expected collection		<u>839,096,114</u>				
PPC 1 year		<u>0</u>				
Proposed OLIEE PPC Rate		0.00%				
Current OLIEE related PPC		0.85%				
Change		-0.85%				
% Change in Rate		-100.0%				

NW Natural
Rates & Regulatory Affairs
Estimate for 2024 Oregon Bill Discount Program

From PGA

Average Residential use	668
RS 2 Fixed	\$8.00
RS 2 Volumetric	\$1.29519
Average monthly bill	\$80.10
Average annual bill	\$961.19

From GL

Account 151919 balance Oct 2023	\$2,248,009.69	amount under-collected
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Analysis and other data

June 2023 residential customers	636,785
BDP count at Sep 2023	34,622
BDP count as % of res customers	5.44%

Amount to collect 2024

Previous under-collection	\$2,248,009.69
Forecast for 2024	\$7,930,984.25
Total	\$10,178,993.94

excludes revenue-sensitive costs

Forecast 6.5% for 2024

6.5% forecast	41,391
Growth	6,769
half-year convention on growth	3,385

Disc tiers	% at Sep 2023	Annual cost of current participants	Incremental Cost for 2024	Total cost for 2024 update
Level - 40%	14.2%	1,890,209	184,779	2,074,988
Level - 25%	20.4%	1,697,194	165,911	1,863,105
Level - 20%	22.4%	1,490,869	145,742	1,636,610
Level - 15%	43.0%	2,146,452	209,829	2,356,280
		7,224,723	706,261	7,930,984

NW Natural
 Rates & Regulatory Affairs
 Bill Discount Program - Rate Spread and Rate Allocation
 For Rates Effective January 1, 2024
 Calculation of Temporary Rate Adjustments: Low Income Bill Discount Program
 Allocated on an EQUAL PERCENTAGE OF MARGIN Basis

		11/1/2023					11/1/2023		Bill Discount Program -- Allocation for Fixed Rate	
		2023-24	Current	CURRENT	CURRENT	Test Year	CURRENT	Proposed Amount:	10,178,994	Temp Rate Adjustment
		OR PGA	MARGIN	Volumetric	Customer	Customers	Total	Revenue Sensitive Multiplier:	2.819%	add revenue sensitive factor
		Volumes	Rate	Margin	Charge	Customers	Margin	Amount to Amortize:	10,474,263	to all customers
								Multiplier	Allocation to RS	
Schedule	Block	A	B	C	D	E	F	G	H	
2 R		425,261,320	\$0.68627	\$ 291,844,086	8.00	636,785	\$ 352,975,446	1.0	\$7,166,823	
3 CFS		180,723,276	\$0.55878	\$ 100,984,552	15.00	59,172	\$ 111,635,512	1.0	\$2,266,650	
3 IFS		5,242,606	\$0.44189	\$ 2,316,655	15.00	335	\$ 2,376,955	1.0	\$48,262	
27		790,225	\$0.49879	\$ 394,156	8.00	1,489	\$ 537,100	1.0	\$10,905	
31C Firm Sales	Block 1	10,541,198	\$0.30688	\$ 3,234,883	325.00	653	\$ 9,013,849	1.0	\$183,017	
	Block 2	11,528,162	\$0.28038	\$ 3,232,266				1.0		
31C Firm Transpt	Block 1	1,150,855	\$0.27629	\$ 317,970	575.00	59	\$ 1,135,218	1.0	\$23,049	
	Block 2	1,621,395	\$0.25296	\$ 410,148				1.0		
31I Firm Sales	Block 1	3,851,855	\$0.23524	\$ 906,110	325.00	183	\$ 3,496,665	1.0	\$70,996	
	Block 2	8,832,261	\$0.21250	\$ 1,876,855				1.0		
31I Firm Transpt	Block 1	153,988	\$0.23852	\$ 36,729	575.00	7	\$ 163,561	1.0	\$3,321	
	Block 2	363,573	\$0.21600	\$ 78,532				1.0		
32C Firm Sales	Block 1	31,802,850	\$0.16319	\$ 5,189,907	675.00	543	\$ 11,357,597	1.0	\$230,605	
	Block 2	10,782,597	\$0.13843	\$ 1,492,635				1.0		
	Block 3	2,237,041	\$0.09732	\$ 217,709				1.0		
	Block 4	1,038,828	\$0.05606	\$ 58,237				1.0		
	Block 5	30,626	\$0.02642	\$ 809				1.0		
	Block 6	0	\$0.01237	\$ -				1.0		
32I Firm Sales	Block 1	7,308,477	\$0.12743	\$ 931,319	675.00	83	\$ 2,638,423	1.0	\$53,571	
	Block 2	7,116,901	\$0.10826	\$ 770,476				1.0		
	Block 3	2,428,784	\$0.07623	\$ 185,146				1.0		
	Block 4	1,682,852	\$0.04430	\$ 74,550				1.0		
	Block 5	210,463	\$0.02201	\$ 4,632				1.0		
	Block 6	0	\$0.01079	\$ -				1.0		
32C Firm Transpt	Block 1	2,586,658	\$0.12902	\$ 333,731	925.00	26	\$ 943,653	1.0	\$19,160	
	Block 2	2,000,143	\$0.11028	\$ 220,576				1.0		
	Block 3	713,689	\$0.07916	\$ 56,496				1.0		
	Block 4	908,192	\$0.04799	\$ 43,584				1.0		
	Block 5	22,758	\$0.02926	\$ 666				1.0		
	Block 6	0	\$0.01685	\$ -				1.0		
32I Firm Transpt	Block 1	11,491,095	\$0.12684	\$ 1,457,530	925.00	99	\$ 7,045,639	1.0	\$143,055	
	Block 2	16,722,073	\$0.10846	\$ 1,813,676				1.0		
	Block 3	10,683,887	\$0.07784	\$ 831,634				1.0		
	Block 4	22,101,234	\$0.04725	\$ 1,044,283				1.0		
	Block 5	23,116,595	\$0.02883	\$ 666,451				1.0		
	Block 6	7,997,925	\$0.01665	\$ 133,165				1.0		
32C Interr Sales	Block 1	4,812,286	\$0.13903	\$ 669,052	675.00	39	\$ 2,514,979	1.0	\$51,064	
	Block 2	6,912,175	\$0.11806	\$ 816,051				1.0		
	Block 3	3,915,818	\$0.08306	\$ 325,248				1.0		
	Block 4	6,195,667	\$0.04804	\$ 297,640				1.0		
	Block 5	3,369,903	\$0.02703	\$ 91,088				1.0		
	Block 6	0	\$0.01167	\$ -				1.0		
32I Interr Sales	Block 1	4,976,544	\$0.12468	\$ 620,475	675.00	67	\$ 2,790,771	1.0	\$56,664	
	Block 2	6,358,575	\$0.10593	\$ 673,564				1.0		
	Block 3	3,824,879	\$0.07466	\$ 285,565				1.0		
	Block 4	11,455,866	\$0.04337	\$ 496,841				1.0		
	Block 5	6,274,793	\$0.02460	\$ 154,360				1.0		
	Block 6	1,589,833	\$0.01086	\$ 17,266				1.0		
32C Inter Transpt	Block 1	787,487	\$0.12231	\$ 96,317	925.00	3	\$ 529,053	1.0	\$10,742	
	Block 2	1,577,765	\$0.10462	\$ 165,066				1.0		
	Block 3	946,128	\$0.07514	\$ 71,092				1.0		
	Block 4	3,171,260	\$0.04564	\$ 144,736				1.0		
	Block 5	663,407	\$0.02795	\$ 18,542				1.0		
	Block 6	0	\$0.01619	\$ -				1.0		
32I Inter Transpt	Block 1	6,332,023	\$0.12236	\$ 774,786	925.00	71	\$ 6,716,807	1.0	\$136,378	
	Block 2	10,799,708	\$0.10466	\$ 1,130,297				1.0		
	Block 3	7,423,918	\$0.07517	\$ 558,056				1.0		
	Block 4	17,235,563	\$0.04565	\$ 786,803				1.0		
	Block 5	38,975,154	\$0.02797	\$ 1,090,135				1.0		
	Block 6	98,124,177	\$0.01619	\$ 1,588,630				1.0		
33 Transpt		0	\$0.01009	\$ -	\$38,250.00	0	\$ -	0.0	\$0	
Intentionally blank										
Intentionally blank										
Totals		1,058,767,309		\$ 432,031,764		699,614	\$ 515,871,228	515,871,228	\$10,474,262	

Sources for line 2 above:
 Inputs page
 Tariff Schedules:
 Schedule #

Note: Allocation to rate schedules or blocks with zero volumes is calculated on an overall margin percentage change basis.

NW Natural

Rates & Regulatory Affairs

Bill Discount Program - Rate Spread and Rate Allocation

For Rates Effective January 1, 2024

Development of Temporary Fixed Customer Charge Proposed Changes

Proposal: Apply the temporary fixed charge changes based on the following rate classes

- 02 Residential
- 03 General Service Commercial and Industrial
- 27 Residential Dry-Out
- 31 Rate Class 31: All Schedules
- 32 Rate Class 32: All Schedules

	Equal % Margin	Test Year Avg Customers	Fixed Charge Per Bill	Annual Per Customer	Forecasted Collection
2 R	\$7,166,823	636,785	\$ 0.94	\$ 11.28	\$ 7,182,935
3C/3I	\$2,314,912	59,507	\$ 3.24	\$ 38.88	\$ 2,313,632
27	\$10,905	1,489	\$ 0.61	\$ 7.32	\$ 10,899
31 Rate Class	\$280,383	902	\$ 25.90	\$ 310.80	\$ 280,342
32 Rate Class	\$701,239	931	\$ 62.77	\$ 753.24	\$ 701,266
TOTALS	\$10,474,262	699,614			\$10,489,074

projected overall collection (shortfall)

\$14,812 --> Note: Over collection (shortfall) in collection is due to the fact that fixed customer charges must be rounded to the full cent.

For Rates Effective January 1, 2024
 Program Effects on Average Bill by Rate Schedule [1]

										BILL DISCOUNT PROGRAM PGA 2023-24 VOLUMES		
		PGA 2023-24 Oregon Normalized Volumes	Therms in Block	CURRENT Normal Therms Monthly Average use	CURRENT Minimum Monthly Charge	CURRENT Temporary Monthly Charge	PROPOSED Temporary Monthly Charge	Current 11/1/2023 Billing Rates	Current 11/1/2023 Current Average Bill I=E+F+(D *H)	CURRENT 11/1/2023 Rates	PROPOSED 1/1/2024 Average Bill	PROPOSED 1/1/2024 % Bill Change
Schedule	Block	A	C	D	E	F	G	H	I	J	K	L
2 R		425,261,320	N/A	56.0	\$8.00	\$0.17	\$0.94	\$1.29519	\$80.70	\$1.29519	\$81.47	1.00%
3 CFS		180,723,276	N/A	255.0	\$15.00	\$0.56	\$3.24	\$1.08753	\$292.88	\$1.08753	\$295.56	0.90%
3 IFS		5,242,606	N/A	1,304.0	\$15.00	\$0.56	\$3.24	\$1.05830	\$1,395.58	\$1.05830	\$1,398.26	0.20%
27		790,225	N/A	44.0	\$8.00	\$0.11	\$0.61	\$1.08605	\$55.90	\$1.08605	\$56.40	0.90%
31C Firm Sales	Block 1	10,541,198	2,000	2,816.0	\$325.00	\$5.05	\$25.90	\$0.75920		\$0.75920		
	Block 2	11,528,162	all additional					\$0.73098		\$0.73098		
	TOTAL								\$2,444.93		\$2,465.78	0.9%
31C Firm Transpt	Block 1	1,150,855	2,000	3,916.0	\$575.00	\$5.05	\$25.90	\$0.29503		\$0.29503		
	Block 2	1,621,395	all additional					\$0.26998		\$0.26998		
	TOTAL								\$1,687.39		\$1,708.24	1.2%
31I Firm Sales	Block 1	3,851,855	2,000	5,776.0	\$325.00	\$5.05	\$25.90	\$0.74421		\$0.74421		
	Block 2	8,832,261	all additional					\$0.72013		\$0.72013		
	TOTAL								\$4,537.68		\$4,558.53	0.5%
31I Firm Transpt	Block 1	153,988	2,000	6,161.0	\$575.00	\$5.05	\$25.90	\$0.25351		\$0.25351		
	Block 2	363,573	all additional					\$0.22946		\$0.22946		
	TOTAL								\$2,041.85		\$2,062.70	1.0%
32C Firm Sales	Block 1	31,802,850	10,000	7,043.0	\$675.00	\$13.28	\$62.77	\$0.67131		\$0.67131		
	Block 2	10,782,597	20,000					\$0.64449		\$0.64449		
	Block 3	2,237,041	20,000					\$0.59997		\$0.59997		
	Block 4	1,038,828	100,000					\$0.55528		\$0.55528		
	Block 5	30,626	600,000					\$0.52318		\$0.52318		
	Block 6	0	all additional					\$0.50796		\$0.50796		
	TOTAL								\$5,416.32		\$5,465.81	0.9%
32I Firm Sales	Block 1	7,308,477	10,000	18,823.0	\$675.00	\$13.28	\$62.77	\$0.62727		\$0.62727		
	Block 2	7,116,901	20,000					\$0.60740		\$0.60740		
	Block 3	2,428,784	20,000					\$0.57416		\$0.57416		
	Block 4	1,682,852	100,000					\$0.54104		\$0.54104		
	Block 5	210,463	600,000					\$0.51791		\$0.51791		
	Block 6	0	all additional					\$0.50628		\$0.50628		
	TOTAL								\$12,320.07		\$12,369.56	0.4%
32C Firm Transpt	Block 1	2,586,658	10,000	19,973.0	\$925.00	\$13.28	\$62.77	\$0.13325		\$0.13325		
	Block 2	2,000,143	20,000					\$0.11366		\$0.11366		
	Block 3	713,689	20,000					\$0.08114		\$0.08114		
	Block 4	908,192	100,000					\$0.04857		\$0.04857		
	Block 5	22,758	600,000					\$0.02899		\$0.02899		
	Block 6	0	all additional					\$0.01601		\$0.01601		
	TOTAL								\$3,404.31		\$3,453.80	1.50%
32I Firm Transpt	Block 1	11,491,095	10,000	77,536.0	\$925.00	\$13.28	\$62.77	\$0.13029		\$0.13029		
	Block 2	16,722,073	20,000					\$0.11125		\$0.11125		
	Block 3	10,683,887	20,000					\$0.07953		\$0.07953		
	Block 4	22,101,234	100,000					\$0.04783		\$0.04783		
	Block 5	23,116,595	600,000					\$0.02874		\$0.02874		
	Block 6	7,997,925	all additional					\$0.01613		\$0.01613		
	TOTAL								\$7,373.83		\$7,423.32	0.7%
32C Interr Sales	Block 1	4,812,286	10,000	53,859.0	\$675.00	\$13.28	\$62.77	\$0.64462		\$0.64462		
	Block 2	6,912,175	20,000					\$0.62250		\$0.62250		
	Block 3	3,915,818	20,000					\$0.58557		\$0.58557		
	Block 4	6,195,667	100,000					\$0.54861		\$0.54861		
	Block 5	3,369,903	600,000					\$0.52644		\$0.52644		
	Block 6	0	all additional					\$0.51023		\$0.51023		
	TOTAL								\$33,412.97		\$33,462.46	0.1%
32I Interr Sales	Block 1	4,976,544	10,000	42,886.0	\$675.00	\$13.28	\$62.77	\$0.62793		\$0.62793		
	Block 2	6,358,575	20,000					\$0.60846		\$0.60846		
	Block 3	3,824,879	20,000					\$0.57596		\$0.57596		
	Block 4	11,455,866	100,000					\$0.54347		\$0.54347		
	Block 5	6,274,793	600,000					\$0.52396		\$0.52396		
	Block 6	1,589,833	all additional					\$0.50968		\$0.50968		
	TOTAL								\$26,558.60		\$26,608.09	0.20%
32C Inter Transpt	Block 1	787,487	10,000	198,501.0	\$925.00	\$13.28	\$62.77	\$0.12471		\$0.12471		
	Block 2	1,577,765	20,000					\$0.10645		\$0.10645		
	Block 3	946,128	20,000					\$0.07601		\$0.07601		
	Block 4	3,171,260	100,000					\$0.04557		\$0.04557		
	Block 5	663,407	600,000					\$0.02730		\$0.02730		
	Block 6	0	all additional					\$0.01517		\$0.01517		
	TOTAL								\$11,715.66		\$11,765.15	0.40%
32I Inter Transpt	Block 1	6,332,023	10,000	209,965.0	\$925.00	\$13.28	\$62.77	\$0.12543		\$0.12543		
	Block 2	10,799,708	20,000					\$0.10713		\$0.10713		
	Block 3	7,423,918	20,000					\$0.07662		\$0.07662		
	Block 4	17,235,563	100,000					\$0.04610		\$0.04610		
	Block 5	38,975,154	600,000					\$0.02781		\$0.02781		
	Block 6	98,124,177	all additional					\$0.01563		\$0.01563		
	TOTAL								\$12,145.21		\$12,194.70	0.40%
33 Transpt		0	N/A	0.0	\$38,250.00	\$0.00	\$0.00	\$0.00862	\$38,250.00	\$0.00862	\$38,250.00	0.0%
TOTAL		1,058,767,309										

Intentionally blank
 [1] Rate Schedule 31 and 32 customers may choose demand charges at a volumetric rate or based on MDDV. For convenience of presentation, demand charges are not included in the calculations for those schedules.

Sources:

Direct Inputs	per Tariff	per Tariff
Rates in summary	Column A	

NW Natural
Rates & Regulatory Affairs
Bill Discount Program
Proposed Incremental Revenue Requirement Allocation by Rate Schedule - Program Effects
Based on Proposed Changes to the Temporary Fixed Customer Charge

				Bill Discount Program		Bill Discount Program Impacts		
Line No.	Rate Schedule	Margin Revenue at Present Rates	Total Revenue at Present Rates	Revenue Increase (\$)	Margin Revenue Increase (%)	Total Revenue Increase (%)	Average Bill Increase (%)	
		A	B	C	D	E	F	
1	02R	\$ 302,743,546	\$ 468,913,370	\$ 7,166,823	0.0%	1.5%	1.0%	
2	03C	\$ 92,803,627	\$ 162,351,317	\$ 2,266,650	0.0%	1.4%	0.9%	
3	03I	\$ 2,141,772	\$ 4,226,612	\$ 48,262	0.0%	1.1%	0.2%	
4	27R	\$ 471,508	\$ 796,163	\$ 10,905	0.0%	1.4%	0.9%	
5	31CSF	\$ 8,261,800	\$ 17,117,489	\$ 183,017	0.0%	1.1%	1.5%	
6	31CTF	\$ 981,292	\$ 981,292	\$ 23,049	0.0%	2.3%	1.2%	
7	31ISF	\$ 3,237,130	\$ 8,236,625	\$ 70,996	0.0%	0.9%	0.5%	
8	31ITF	\$ 143,836	\$ 143,836	\$ 3,321	0.0%	2.3%	1.0%	
9	32CSF	\$ 11,882,484	\$ 30,465,691	\$ 230,605	0.0%	0.8%	0.90%	
10	32ISF	\$ 2,462,192	\$ 8,156,582	\$ 53,571	0.0%	0.7%	0.40%	
11	32CTF	\$ 1,024,698	\$ 1,024,698	\$ 19,160	0.0%	1.9%	1.50%	
12	32ITF	\$ 6,584,741	\$ 6,584,741	\$ 143,055	0.0%	2.2%	0.70%	
13	32CSI	\$ 2,232,839	\$ 10,222,297	\$ 51,064	0.0%	0.5%	0.10%	
14	32ISI	\$ 3,307,718	\$ 14,833,805	\$ 56,664	0.0%	0.4%	0.20%	
15	32CTI	\$ 525,889	\$ 525,889	\$ 10,742	0.0%	2.0%	0.40%	
16	32ITI	\$ 6,064,679	\$ 6,064,679	\$ 136,378	0.0%	2.2%	0.40%	
17	33T	\$ 0	\$ 0	\$ 0	0.0%	0.0%	0.00%	
Total		\$ 444,869,752	\$ 740,645,087	\$ 10,474,262	0.0%	1.41%	(3)	

NOTE (1): Bill Discount Program rate spread based on an equal percentage of margin basis.

NOTE (2): The proposed revenue increase is based on base charges that must be rounded to a full cent. Therefore, there may be a small discrepancy with the indicated amounts spread to each schedule as presented here and actual collections.

NOTE (3): The average customer bill percentage impact figure calculation excludes pipeline capacity charges for RS 31 and RS 32 rate classes, and thus the bill rate impa