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April 26, 2018

NWN OPUC Advice No. 18-02 / ADV_____

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: Advanced Automated Meter Reading (AAMR) and Charges for Special Metering Equipment, Rental Meters, and Metering Services

Northwest Natural Gas Company, dba NW Natural ("NW Natural" or "Company"), files herewith, the following revisions to its Tariff P.U.C. Or. 25¹ ("the Tariff"), stated to become effective on and after May 29, 2018:

PROPOSED	CANCELS	TITLE
REVISION	REVISION	
Second Revision of	First Revision of	General Rules and Regulations Rule 7 Bills and Bill Payments
Sheet RR-7.1	Sheet RR-7.1	(continued)
Third Revision of	Second Revision of	General Rules and Regulations Rule 17.1 Gas Delivery and
Sheet RR-17.1	Sheet RR-17.1	Measurement (continued)
First Revision of	Original Sheet 15-1	Rate Schedule 15 Charges for Special Metering Equipment, Rental
Sheet 15-1	-	Meters and Metering Services
First Revision of	Original Sheet 15-2	Rate Schedule 15 Charges for Special Metering Equipment, Rental
Sheet 15-2		Meters, and Metering Services (continued)
First Revision of	Original Sheet 15-3	Rate Schedule 15 Charges for Special Metering Equipment, Rental
Sheet 15-3		Meters, and Metering Services (continued)
Second Revision of	First Revision of	Rate Schedule 31 Non-Residential Firm Sales and Firm
Sheet 31-1	Sheet 31-1	Transportation Service
Third Revision of	Second Revision of	Rate Schedule 31 Non-Residential Firm Sales and Firm
Sheet 31-2	Sheet 31-2	Transportation Service (continued)
First Revision of	Original Sheet 31-8	Rate Schedule 31 Non-Residential Firm Sales and Firm
Sheet 31-8	-	Transportation Service (continued)
Second Revision of	First Revision of	Rate Schedule 32 Large Volume Non-Residential Sales and
Sheet 32-1	Sheet 32-1	Transportation Service
Fourth Revision of	Third Revision of	Rate Schedule 32 Large Volume Non-Residential Sales and
Sheet 32-2	Sheet 32-2	Transportation Service (continued)
Second Revision of	First Revision of	Rate Schedule 33 High Volume Non-Residential Firm and
Sheet 33-1	Sheet 33-1	Interruptible Transportation Service
Third Revision of	Second Revision	Schedule T Customer-Owned Natural Gas Transportation Service
Sheet T-1	of Sheet T-1	

This filing is made in accordance with OAR 860-022-0015 and OAR 860-022-0025. The first purpose of this filing is to revise the tariff to reflect changes to the operation of Advanced Automated Meter Reading (AAMR) devices for all customers required to have an

¹ Tariff P.U.C. Or. 25 originated November 1, 2012 with Docket UG 221; OPUC Order No. 12-408 as supplemented by Order No. 12-437, and was filed pursuant to ORS 767.205 and OAR 860-022-0005.

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AAMR device under Rate Schedule 31, Rate Schedule 32, and Rate Schedule 33. As a result of a 2012 FCC ruling, telecom utilities are planning to convert from analog technology to a digital infrastructure. Once these conversions occur, NW Natural will no longer be able to obtain usage data from existing analog phone lines and therefore is converting all AAMR devices to wireless technology. The wireless technology will no longer require a customer to provide telephone service to the AAMR device; however, customers will be required to provide continuous electric power for the AAMR device. As the installation of an AAMR device with wireless technology takes longer to complete than an analog AAMR, the Company is proposing a requirement for customers to activate electric power 45 days prior to the effective date of service.

The second purpose of this filing is to update the rates on Schedule 15 for optional meter rental and special metering equipment. For a charge, a customer may request additional meters and/or an AAMR device when the rate schedule does not require an AAMR device. The AAMR installation charge and monthly charge have been revised to reflect the cost of wireless technology. Currently there are 40 customers with a total of 64 optional AAMR devices in Oregon as some sites have multiple meters. Of these, 22 customers requested the device while the other devices remain in place due to the requirement under a previous rate schedule. Additionally the meter rental rates have been reviewed and updated to reflect actual costs. During the process of updating meter rental rates, it was discovered that nine meter types were not listed on Schedule 15 and they have been added as part of this filing.

The third purpose of this filing is to terminate the telemetry equipment charge in Schedule 15 while the Company reserves the ability to install telemetry equipment on the customer site for operational purposes.

The final purpose of this filing is a housekeeping edit to correct references from AMR to AAMR. Automated Meter Reading (AMR) refers to the type of automated meter reading applicable to cycle-billed customers while AAMR devices are capable of obtaining hourly usage data and are applicable to non-residential month-end billed customers.

The Company respectfully requests that the tariff sheet filed herewith be permitted to become effective with service on and after May 29, 2018.

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 the Company's website at www.nwnatural.com.

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

eFiling NW Natural Rates and Regulatory Affairs 220 NW Second Avenue Portland, Oregon 97209 Telecopier: (503) 721-2516 Telephone: (503) 226-4211, ext. 3589 eFiling@nwnatural.com Public Utility Commission of Oregon NWN OPUC Advice No. 18-02 April 26, 2018; Page 3

Sincerely,

NW NATURAL

/s/ Gail Hammer

Gail Hammer Rates & Regulatory Affairs

enclosures

P.U.C. Or. 25

Second Revision of Sheet RR-7.1 Cancels First Revision of Sheet RR-7.1

GENERAL RULES AND REGULATIONS

(continued)

Rule 7. Bills and Bill Payments (continued).

Billing Period and Payment Due Date (continued).

A Non-Residential Customer may request that a bill be rendered based on a calendar month cycle. The Company will accommodate such requests, but Customer may be required to provide, at Customer's expense, any utility, electric power, or other services or devices that the Company deems necessary to support AAMR technology for the transmission of metered data to the Company. Customers must ensure that any service or devices installed by the Customer to support AAMR are continuously active at all times. Charges set forth in **Schedule 15** may apply.

Regular monthly bills are due when rendered, and become delinquent if not paid by the due date printed on the bill. Customer may select a payment due date different than the date normally designated for that customer's regular billing cycle, except that the Company may deny a customer's preferred due date if the requested date is later than the bill issue date in any billing month within the next 12-month period, or if such date would otherwise violate standard billing practices or Commission Rules. The Company may restrict a Customer from changing their bill due date more than once in a 12-month period. The Company may terminate a preferred due date billing arrangement with a Non-Residential Customer, if more than two late payment charges are assessed on the Customer's account within a 6-month period.

Prorated Bills.

A bill may be prorated when: (1) there is a change in billing rates within a billing cycle; (2) there is an opening bill with an initial meter read cycle that is less than 26 days or more than 35 days; (3) there is a closing bill with a final meter read cycle that is less than 26 days or more than 35 days; or (4) there is a need to re-bill more than one billing period on a single bill statement. Except where a change in billing rates occurs, a long or short bill that results from a change in meter read cycle will not be prorated.

Any bill proration will be computed as follows:

(1) A change in billing rates:

Old Rate:

- a. Monthly Fixed Charge(s) x # of days at old rate / # of days in Billing Month
- b. Metered service x # of days at old rate / # of days in Billing Month

New Rate:

- a. Monthly Fixed Charge(s) x # of days at new rate / # of days in Billing Month
- b. Metered service x # of days at new rate / # of days in Billing Month
- (2) Opening and closing bills or re-bills *:
 - a. Monthly Fixed Charge(s) x # of days / 30 days
 - b. Metered service for the amount metered during the bill period
 - c. For blocked rates: blocked volume x # of days at billed rate / 30 days

 * Month-end bills will be prorated based on the number of days in the Billing Month / # of days in the calendar month

(continue to Sheet 7.2)

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Third Revision of Sheet RR-17.1 Cancels Second Revision of Sheet RR-17.1

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GENERAL RULES AND REGULATIONS

(continued)

Rule 17. Gas Delivery and Measurement (continued).

Additionally, the use of sub-meters for purposes of billing a Customer on more than one different Rate Schedule is not allowed. However, any such sub-meters installed and used for billing purposes that were in place prior to September 1, 2003 may be grandfathered and allowed to continue at the Company's discretion until such time as the Customer further changes or terminates its service agreement or such agreement expires on its own terms, after which time, no new sub-metering arrangements for billing different rate schedules will be allowed with respect to such Customer.

The Company may require, at Customer's expense, that the Customer provide any utility, electric power, or other services or devices that the Company deems necessary to support Advanced Automated Meter Reading (AAMR) technology for the transmission of metered data to the Company for billing purposes. The charges set forth in **Schedule 15** may apply. Where the volume or type of use warrants, the Company may install telemetry equipment at Customer's Premise.

For any Participant Multi-Family Building where gas is delivered from a master meter to individual tenant units through Customer-owned houseline the Company will require, at Customer's expense, that the Customer install shut-off valves to each tenant unit and to any other locations specified by NW Natural. Shut-off valves must be readily accessible by NW Natural, and may not be located within tenant residences.

(continue to Sheet RR-18)

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First Revision of Sheet 15-1 Cancels Original Sheet 15-1

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RATE SCHEDULE 15 CHARGES FOR SPECIAL METERING EQUIPMENT, RENTAL METERS AND METERING SERVICES

AVAILABLE:

In all territory served by the Company under the Tariff of which this Rate Schedule is a part.

TERM OF SERVICE:

The Term of Service for monthly meter rentals and metering services provided under this Schedule is twelve (12) consecutive billing months. At the end of a full Term of Service, service under this Rate Schedule will continue on a billing month basis until terminated by either the Customer or the Company upon one (1) billing month advance notice.

MONTHLY METER RENTAL RATES AND SPECIAL METERING EQUPMENT (OPTIONAL):

Any Customer may rent supplementary displacement type meters from the Company at the following rates:

Diaphragm Meters

	New Service Offers Meter Size	Monthly Charge		
	(Cubic Feet/hour)	Montiny Charge		
	250	\$2.30		(C)
	630	\$6.57		
	1000	\$11.27		(C)
No new service after September 24, 2008.		No new service after	April 26, 2018.	(M)
These charges are for service agreements		These charges are for service agreements		(C)
initiated prior to September 24, 2008.		initiated prior to April	26, 2018.	
175	\$0.81	200	\$0.81	
310	\$1.00	275	\$1.00	
425	\$1.70	415	\$1.70	
800	\$4.07	500	\$1.70	
1400	\$9.29	1450	\$9.29	
2300	\$14.68	2500	\$14.68	
5000	\$23.33	3000	\$23.33	
		11000	\$23.33	
		18000	\$23.33	(Ċ)

(continue to Sheet 15-2)

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RATE SCHEDULE 15 CHARGES FOR SPECIAL METERING EQUIPMENT, RENTAL METERS, AND METERING SERVICES

(continued)

Rotary Meters

	Meter Capacity		
Meter Size	(Cubic Feet/hour)	Monthly Charge	(C)
1.5M175/15C175	1500	\$ 30.26	
3M175	3000	\$ 32.67	
5M175	5000	\$ 36.75	
7M175	7000	\$ 37.76	
11M175	11000	\$ 58.50	
16M175	16000	\$ 75.81	
23M175	23000	\$ 102.53	
38M175	38000	\$ 278.97	(Ċ)
No new service after April 26, 2018. These charges are for service agreements initiated prior to April 26, 2018.			
8C175	800	\$ 13.00	(C)

Metering Services and Charges	One Time Charge	Installation Charge	Monthly Charge	
Rental Read			\$0.76	
Advanced Automated Meter Reading (AAMR) Device ¹		\$2,633.05	\$64.20	(C)
Remote Index		\$50.00	\$4.00	
Pulse Output		\$100.00	\$8.00	
Administrative Set-Up/Consultation Fee (all meters)	\$100.00			
Technical Assistance (Rotary meters only)	\$100.00			
				(D)

¹Site specific engineering design costs for AAMR will be added to the installation charge if needed. (N)

(continue to Sheet 15-3)

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RATE SCHEDULE 15 CHARGES FOR SPECIAL METERING EQUIPMENT, RENTAL METERS, AND METERING SERVICES

(continued)

SPECIAL PROVISIONS FOR RENTAL METERS AND SPECIAL METERING EQUIPMENT:

- Prior to receiving service under this section of the Schedule, the Customer must sign a rental agreement that requires a 12-month term. Customers who terminate service after less than 12 months will be required to pay all charges otherwise due to fulfill the 12-month obligation under the service agreement. This requirement protects non-participating Customers from absorbing costs associated with this service.
- 2. Service under this section of this Schedule is voluntary and separate from billing for or delivery of natural gas to a Customer's premise.
- 3. Since the Company does not maintain an inventory of all meter types offered under this Schedule, a delay may occur from the time a Customer requests service under this Schedule until the Company can provide it.
- 4. The Customer will be responsible for the meter pick-up and return of diaphragm meters.
- 5. The Customer will incur the Administrative Set-Up/Consultation Fee for each rental meter.
- 6. Upon delivery of a rotary meter, the Customer will incur the Technical Assistance charge listed above for each rental rotary meter. A Customer may not waive this provision or the associated fee. Technical assistance helps the Company ensure proper handling of rotary meters.
- 7. The Company will install AAMR Devices for the charge listed above. AAMR devices will only be installed on Company owned meters and the Company will require that the Customer provide active and continuous electric power per company specifications to enable meter communications.
- 8. Upon request, the Company will provide one differential test per calendar year on rotary meters. The testing will be scheduled at the Company's convenience.
- The Customer is responsible to protect all rental equipment from damage including but not limited to installing parking bollards to protect the rental equipment from vehicular or other damage.
- 10. Unless manufacturer error can be established, a Customer will be charged for damaged rental equipment. The charge will be the replacement cost less depreciation determined from the initiation date of the rental agreement to the present.
- 11. A new rental agreement is required each time rental equipment is replaced.
- 12. An Administrative Set-Up/Consultation Fee will be incurred each time a new rental agreement is initiated, except when the rental meter is being replaced because of manufacturer error.
- 13. Meter reads are available for the charge established above only when the Customer's service meter is remotely read with the Company's drive-by technology and that technology can easily receive transmitted reads from the rental meter. The Company may determine that meter reads are not available where these conditions are not met. Also, only the Company may choose the billing cycle on which the meter is read.

(continue to Sheet 15-4)

Issued April 26, 2018 NWN OPUC Advice No. 18-02 Effective with service on and after May 29, 2018

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RATE SCHEDULE 31 NON-RESIDENTIAL FIRM SALES AND FIRM TRANSPORTATION SERVICE

SERVICE AVAILABILITY:

Service under this Rate Schedule is available on the Company's Distribution System to Non-Residential Customers in all territory served by the Company under the Tariff of which this Rate Schedule is a part, provided that the Company determines, in its sole judgment, that adequate supply and capacity exists to accommodate a Customer's service requirements. Service under this Rate Schedule cannot be combined with service under any other Rate Schedule.

SELECTION OF RATE SCHEDULE AND SERVICE TYPES:

It is the responsibility of the Customer to select the Rate Schedule and Service Type (a Service Type Selection) that best meets the Customer's individual service requirements. A Customer's Service Type Selection is subject to the Company's approval as described in "SERVICE SELECTIONS – PROCESS AND PROCEDURE" of this Rate Schedule, and in the Company's applicable policies and procedures.

PRE-REQUISITES TO SERVICE:

- 1. An application for service must be made in accordance with the provisions of **General Rule 1** of this Tariff.
- 2. Any Customer may be required to establish or re-establish credit under the terms and conditions of **General Rule 2** of this Tariff;
- 3. A Customer may be required to pay the Company, in advance, for costs related to the Company's installation of any new or additional Distribution Facilities necessary to provide service to Customer under this Rate Schedule. See **Rule 20** and **Schedule X**.
- 4. When the installation of new or additional Distribution Facilities is necessary to provide service to Customer, the Company may require Customer enter into a written service agreement.
- 5. A New Customer must submit a Service Election Form specifying the Customer's Service Type Selection at the time the Customer initially applies for service with the Company.
- 6. A Customer must have an approved Service Type Selection under this Rate Schedule;
- 7. The Company may require that Company-owned telemetry equipment be installed at Customer's Premise and installation may be required prior to receiving gas service.
- 8. A Customer that requests or is required to install an AAMR device must, at Customer's expense, provide active and continuous electric power to enable meter communications. The electric power must be installed in accordance with the Company's specifications, and must be in place and activated 45 days in advance of the requested effective date of service.
- 9. Customers that elect Firm Transportation Service or Firm Sales Service with Firm Transportation Service must be able to receive notices via automatic electronic means acceptable to the Company.
- 10. Service to CNG vehicle fueling equipment is subject to "SPECIAL CONDITIONS FOR COMPRESSED NATURAL GAS ("CNG") SERVICE FOR VEHICULAR USE" of this Rate Schedule.

GENERAL OBLIGATIONS APPLICABLE TO EACH SERVICE TYPE:

The Company will bill a Customer and the Customer must pay the Company the rates according to: (a) the Customer's designated class of service, (b) the Customer's Service Type Selection, and (c) other options selected as shown under the Monthly Rates section at the end of this Rate Schedule. The two applicable classes of service are Commercial Customer Class or Industrial Customer Class. Except as provided in **General Rule 12** of this Tariff, no seasonal or temporary Disconnection of Service is permitted for any Service Selection under this Rate Schedule. Should the same Customer close and reactivate an account at the same premise twice within a 24-month period, upon the second occurrence, the Company will bill the Customer the minimum monthly bill obligations for the months that service was inactive during the most recent 12-months. Upon a third occurrence, the Company may involuntarily transfer the Customer to **Rate Schedule 3**.

(continue to Sheet 31-2)

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Issued by: NORTHWEST NATURAL GAS COMPANY d.b.a. NW Natural 220 N.W. Second Avenue Portland, Oregon 97209-3991 (C)

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RATE SCHEDULE 31 NON-RESIDENTIAL FIRM SALES AND FIRM TRANSPORTATION SERVICE

(continued)

GENERAL OBLIGATIONS APPLICABLE TO EACH SERVICE TYPE: (continued)

Where an AAMR device is installed and used for billing purposes, Customer must promptly restore electric power to the AAMR device following an outage, no matter the cause. If failure to restore electric power service to the AAMR device within thirty (30) days of notice from the Company can reasonably be assumed to be within the Customer's control, it is cause for the Company to reassign Customer to another Rate Schedule or another Service Type Selection that does not require an AAMR device.

Where the Customer premise is a Participant Multi-Family Building, Customer must ensure that the houseline, valves, and gas appliances installed under Schedule 405 remain in place and available for use at all times. NW Natural shall be granted free and unobstructed access to the valves installed on such houseline and shall be granted authority to place Company-owned locking devices on each valve as deemed necessary by the Company.

ANNUAL SERVICE ELECTION – July 31 Election for November 1 Service:

The Annual Service Election is the date by which a Customer may request to change all or a portion of their Service Type Selection for the following November 1 through October 31 period (PGA Year). All requests must be received by the Company on or before July 31 and will be effective the following November 1. Except as identified in this Rate Schedule under "OUT-OF-CYCLE TRANSFERS," a Customer may not make a change to their Service Type Selection at any other time.

This Annual Service Election Provision shall apply to Customer-requested changes to any or all of the following components of a Service Type Selection: (1) Service Type, (2) Commodity Component (Sales Service Types only); (3) Pipeline Capacity Charge billing option (Firm Sales Service Type only), or (4) Firm Sales Service daily delivery volumes (Combination Service Type only).

When there is no Customer requested change under this Annual Service Election provision, then for the next PGA Year commencing November 1 the Customer's Service Type and related billing options, including the Commodity Component option for Sales Service Types, will default to the same Service Type and billing options that are in effect at the close of the current Annual Service Election period.

Transfers between Sales Service and Transportation Service are further subject to the provisions in this Rate Schedule under "APPLICATION OF TEMPORARY ADJUSTMENTS TO RATES (Account 191 Adjustments)."

The Service Types available under this Rate Schedule and the required selections for each Service Type are set forth below. See "DESCRIPTION OF SERVICE TYPES AND REQUIREMENTS FOR SERVICE" in this Rate Schedule for additional information:

Sales Service Types:

Customer must select one of two Commodity Component options: (1) Annual Sales WACOG, or (2) Winter Sales WACOG. Customer will have until September 15 to select the Winter Sales WACOG option (for a term of November 1 through March 31). If no selection is made, the Commodity Component option will default to Annual Sales WACOG. The Customer that selects Winter Sales WACOG will be billed at Monthly Incremental Cost of Gas (Schedule 150) effective April 1 through October 31. If no other change in Service Type was previously requested, either as an Out-of-Cycle Transfer or with this Annual Service Election, the Winter Sales WACOG Commodity Component will automatically restart for billing effective the following November 1 through March 31 period.

Firm Sales Service

Customer must select one of two Pipeline Capacity Charge options:

- i. Volumetric
- ii. MDDV

(continue to Sheet 31-3)

Issued April 26, 2018 NWN OPUC Advice No. 18-02 Effective with service on and after May 29, 2018

Issued by: NORTHWEST NATURAL GAS COMPANY d.b.a. NW Natural 220 N.W. Second Avenue Portland, Oregon 97209-3991

First Revision of Sheet 31-8 **Cancels Original Sheet 31-8**

RATE SCHEDULE 31 NON-RESIDENTIAL FIRM SALES AND FIRM TRANSPORTATION SERVICE

(continued)

DESCRIPTION OF SERVICE TYPES AND REQUIREMENTS FOR SERVICE:

A Customer must make one Service Type Selection per billing meter from the list of five (5) available Service Types. The Service Types and the respective requirements of each Service Type are described below and elsewhere in this Rate Schedule, including, without limitation, Pre-Requisites To Service:

Sales Service Types:

Firm Sales Service. Firm Sales Service at Annual Sales WACOG does not require the installation of an AAMR device. However, the Company will install an AAMR device upon Customer request, and the Company will bill the Customer and the Customer will pay the installation charge and the ongoing monthly charges as set forth in Schedule 15.

Firm Sales Service at Winter Sales WACOG or Monthly Incremental Cost of Gas does require the installation of an AAMR device. The Customer must have active electric power per company specifications to the meter 45 days in advance of the requested effective date of service. Failure to meet this requirement may result in the Company's denial of service under this Service Type.

A Customer that selects this Service Type must choose which of two Pipeline Capacity Charge options to pay. The first rate choice is volumetric (Firm Pipeline Capacity Charge - Volumetric option). For the volumetric choice, the rate stated for the Firm Pipeline Capacity Charge - Volumetric option in the Monthly Rates provision of this Rate Schedule 31 is multiplied by all therms used by Customer each Billing Month. The second rate choice is based on the Customer's Maximum Daily Delivery Volume (MDDV) (Firm Pipeline Capacity Charge - Peak Demand option). For the MDDV choice, each therm of Customer's MDDV is multiplied by the Firm Pipeline Capacity Charge - Peak Demand option each Billing Month. The provisions for determination of a Customer's MDDV are under "DETERMINATION OF MDDV" in this Rate Schedule.

Transportation Service Type:

Firm Transportation Service. This Service Type requires the installation of an AAMR device with no additional charge to the Customer. A Customer that selects this Service Type must secure the purchase and delivery of gas supplies from an Authorized Supplier/Agent of Customer's choosing. The Transportation of Customer-Owned Gas supplies is governed by the Terms and Conditions set forth in SCHEDULE T of this Tariff, and the Company's Gas Transportation Operating Policies and Procedures.

(continue to Sheet 31-9)

Issued April 26, 2018 NWN OPUC Advice No. 18-02 Effective with service on and after May 29, 2018

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RATE SCHEDULE 32

LARGE VOLUME NON-RESIDENTIAL SALES AND TRANSPORTATION SERVICE

SERVICE AVAILABILITY:

Service under this Rate Schedule is available on the Company's Distribution System to Non-Residential Customers in all territory served by the Company under the Tariff of which this Rate Schedule is a part, provided that the Company determines, in its sole judgment, that adequate supply and capacity exists to accommodate a Customer's service requirements. Service under this Rate Schedule cannot be combined with service under any other Rate Schedule.

SELECTION OF RATE SCHEDULE AND SERVICE TYPES:

It is the responsibility of the Customer to select the Rate Schedule and Service Type (a Service Type Selection) that best meets the Customer's individual service requirements. A Customer's Service Type Selection is subject to the Company's approval as described in "SERVICE SELECTIONS – PROCESS AND PROCEDURE" of this Rate Schedule, and in the Company's applicable policies and procedures.

PRE-REQUISITES TO SERVICE:

- 1. An application for service must be made in accordance with the provisions of General Rule 1 of this Tariff.
- 2. Any Customer may be required to establish or re-establish credit under the terms and conditions of **General Rule 2** of this Tariff.
- 3. A Customer may be required to pay the Company, in advance, for costs related to the Company's installation of any new or additional Distribution Facilities necessary to provide service to Customer under this Rate Schedule. See **Rule 20** and **Schedule X**.
- 4. When the installation of new or additional Distribution Facilities is necessary to provide service to Customer, the Company may require Customer enter into a written service agreement.
- 5. A New Customer must submit a Service Election Form specifying the Customer's Service Type Selection at the time the Customer initially applies for service with the Company.
- 6. A Customer must have an approved Service Type Selection under this Rate Schedule.
- 7. The Company may require that Company-owned telemetry equipment be installed at Customer's Premise and installation may be required prior to receiving gas service.
- 8. Except for the Firm Sales Service Type, an AAMR device is required, and Customer, at Customer's expense, must provide active and continuous electric power to enable meter communications. The electric power must be installed in accordance with the Company's specifications, and must be in place and activated 45 days in advance of the requested effective date of service.
- Customers that elect Interruptible Sales Service, Firm Transportation Service, Interruptible Transportation Service, Firm Sales Service with Interruptible Sales Service, Firm Sales Service with Firm Transportation Service, or Firm Sales Service with Interruptible Transportation Service must be able to receive notices via automatic electronic means acceptable to the Company.
- 10. Customers that elect an Interruptible Service Type must identify at least one authorized emergency contact that is accessible for notification 24-hours per day, 7-days per week and must notify the Company of any changes to the emergency contact as provided in this Rate Schedule, or at least annually, upon Company request.
- 11. Service to CNG fueling equipment is subject to "SPECIAL CONDITIONS FOR COMPRESSED NATURAL GAS ("CNG") SERVICE FOR VEHICULAR USE" of this Rate Schedule.

GENERAL OBLIGATIONS APPLICABLE TO EACH SERVICE TYPE:

The Company will bill a Customer and the Customer must pay the Company the rates according to: (a) the Customer's designated class of service, (b) the Customer's Service Type Selection, and (c) other options selected as shown under the Monthly Rates section at the end of this Rate Schedule. Except as provided in General Rule 12 of this Tariff, no seasonal or temporary Disconnection of Service is permitted for any Service Selection under this Rate Schedule. Should the same Customer close and reactivate an account at the same premise twice within a 24-month period, upon the second occurrence, the Company will bill the Customer the minimum monthly bill obligations for the months that service was inactive during the most recent 12-months. Upon a third occurrence, the Company may involuntarily transfer the Customer to Rate Schedule 3.

(continue to Sheet 32-2)

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RATE SCHEDULE 32 LARGE VOLUME NON-RESIDENTIAL SALES AND TRANSPORTATION SERVICE

(continued)

GENERAL OBLIGATIONS APPLICABLE TO EACH SERVICE TYPE: (continued)

Where an AAMR device is installed and used for billing purposes, Customer must promptly restore electric power service to the AAMR device following an outage, no matter the cause. If failure to restore electric power to the AAMR device within thirty (30) days of notice from the Company can reasonably be assumed to be within the customer's control, it is cause for the Company to reassign Customer to another rate schedule or another Service Type Selection that does not require an AAMR device.

Where the Customer premise is a Participant Multi-Family Building, Customer must ensure that the houseline, valves, and gas appliances installed under Schedule 405 remain in place and available for use at all times. NW Natural shall be granted free and unobstructed access to the valves installed on such houseline and shall be granted authority to place Company-owned locking devices on each valve as deemed necessary by the Company.

ANNUAL SERVICE ELECTION – July 31 Election for November 1 Service:

The Annual Service Election is the date by which a Customer may request to change all or a portion of their Service Type Selection for the following November 1 through October 31 period (PGA Year). All requests must be received by the Company on or before July 31, and will be effective the following November 1. Except as identified in this Rate Schedule under "OUT-OF-CYCLE TRANSFERS," a Customer may not make a change to their Service Type Selection at any other time.

This Annual Service Election Provision shall apply to Customer-requested changes to any or all of the following components of a Service Type Selection: (1) Service Type, (2) Commodity Component (Sales Service Types only); (3) Pipeline Capacity Charge billing option (Firm Sales Service Type only), or (4) Firm Sales Service daily delivery volumes (Combination Service Type only).

When there is no Customer requested change under this Annual Service Election provision, then for the next PGA Year commencing November 1 the Customer's Service Type and related billing options, including the Commodity Component option for Sales Service Types, will default to the same Service Type and billing options that are in effect at the close of the current Annual Service Election period.

Transfers between Sales Service and Transportation Service are further subject to the provisions in this Rate Schedule under "APPLICATION OF TEMPORARY ADJUSTMENTS TO RATES (ACCOUNT 191 ADJUSTMENTS)."

The Service Types available under this Rate Schedule, and the required selections for each Service Type, are set forth below. See "DESCRIPTION OF SERVICE TYPES AND REQUIREMENTS FOR SERVICE" in this Rate Schedule for additional information:

Sales Service Type*:

Customer must select one of two Commodity Component options: (1) Annual Sales WACOG, or (2) Winter Sales WACOG. Customer will have until September 15 to select the Winter Sales WACOG option (for a term of November 1 through March 31). If no selection is made, the Commodity Component option will default to Annual Sales WACOG. The Customer that selects Winter Sales WACOG will be billed at Monthly Incremental Cost of Gas (Schedule 150) effective April 1 through October 31. If no other change in Service Type was previously requested, either as an Out-of-Cycle Transfer or with this Annual Service Election, the Winter Sales WACOG Commodity Component will automatically restart for billing effective the following November 1 through March 31 period.

Firm Sales Service:

Customer must select one of two Pipeline Capacity Charge options:

- Volumetric
 - MDDV

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RATE SCHEDULE 33 HIGH VOLUME NON-RESIDENTIAL FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE

SERVICE AVAILABILITY:

Service under this Rate Schedule is available on the Company's Distribution System to Non-Residential Customers in all territory served by the Company under the Tariff of which this Rate Schedule is a part. Firm Service under this Rate Schedule is available provided that the Company determines, in its sole judgment, that adequate supply and capacity exists to accommodate a Customer's service requirements. Interruptible Service under this Rate Schedule may be offered on a limited basis at Company's sole discretion. Service under this Rate Schedule cannot be combined with service under any other Rate Schedule.

APPLICATION FOR SERVICE AND SELECTION OF RATE SCHEDULE AND SERVICE TYPES:

An application for service must be made in accordance with the provisions of **Rule 2** of this Tariff, including the requirements to establish or re-establish credit.

It is the responsibility of the Customer to select the Rate Schedule and Service Type that best meets the Customer's individual service requirements. A Customer's Service Type must be stated on the Service Election Form, and is subject to the Company's approval as described in "SERVICE SELECTIONS – PROCESS AND PROCEDURE" of this Rate Schedule and in the Company's applicable policies and procedures.

PRE-REQUISITES TO SERVICE:

- 1. A Customer may be required to pay the Company, in advance, for costs related to the Company's installation of any new or additional Distribution Facilities necessary to provide service to Customer under this Schedule. See **Rule 20** and **Schedule X**.
- 2. When the installation of new or additional Distribution Facilities is necessary to provide service to Customer, the Company may require Customer enter into a written service agreement.
- 3. A New Customer must submit a Service Election Form specifying the Customer's Service Type Selection at the time the Customer initially applies for service with the Company.
- 4. A Customer must have an approved Service Type Selection under this rate schedule.
- 5. The Company may require that Company-owned telemetry equipment be installed at Customer's Premise and installation may be required prior to receiving gas service.
- 6. Customer, at Customer's expense, must provide any utility, electric power, or other services or devices that the Company deems necessary to support Advanced Automated Meter Reading (AAMR) technology for the transmission of metered data to the Company for billing purposes. All installations must comply with the Company's specifications, must be in place and activated 45 days prior to the requested effective date of service, and must remain continuously active at all times.
- 7. A Customer must be able to access and receive notices via automatic electronic means acceptable to the Company.
- 8. Customers approved for Interruptible Service must complete the Company's Customer Emergency Contact List Form. Customer may name multiple authorized emergency contacts. At least one authorized emergency contact must be accessible for notification 24-hours per day, 7-days per week. Customer must notify the Company of any change in emergency contacts or of any change in the contact information as provided in this Rate Schedule, or at least annually upon Company request.
- Service to CNG fueling equipment is subject to "SPECIAL CONDITIONS FOR COMPRESSED NATURAL GAS ("CNG") SERVICE FOR VEHICULAR USE" of this Rate Schedule.

(continue to Sheet 33-2)

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SCHEDULE T CUSTOMER-OWNED NATURAL GAS TRANSPORTATION SERVICE

SERVICE AVAILABILITY:

Service under this Schedule is available on the Company's Distribution System to Non-Residential Customers in all territory served by the Company under the Tariff of which this Schedule is a part, provided that Customer has an approved Service Election for Transportation Service under one of the following Rate Schedules:

Rate Schedule 31 Rate Schedule 32 Rate Schedule 33 Rate Schedule 60

TERM OF SERVICE:

The minimum term for the Transportation of Customer-Owned Gas supplies is as set forth in the applicable Rate Schedule under which the Customer shall pay for Transportation Service. Upon termination of Transportation Service, any Imbalances in gas receipts and deliveries will be cleared in accordance with the Imbalance buy-out provisions of this Schedule.

PREREQUISITES TO SERVICE:

- 1. A Customer must have an approved Service Election Form for service under the Rate Schedule under which Customer shall pay for Transportation Service.
- A Customer must have the capability to receive notices via automatic electronic means acceptable by the Company. Customer must provide any utility, electric power, or other (C) services or devices that the Company deems necessary to support Advanced Automated Meter Metering (AAMR) technology for the transmission of metered data to the Company for billing purposes. All installations must comply with the Company's specifications, must be in place and activated not less than 45 days prior to the effective date of service, and must remain continuously active at all times. The Company may require the installation of telemetry equipment at the Customer's Premise and installation may be (C) required prior to receiving gas service.
- 3. Customer must have secured the purchase and delivery of gas supplies, which may include supplies secured from an Authorized Supplier/Agent of their choosing. An authorized supplier of Biomethane is one that has an approved Interconnection Agreement in effect with the Company. For Transportation Service elections made during the Annual Election Period to be effective November 1, Customer must complete and return the Company's Transportation Service: Supplier/Agent Authorization Form ("Authorized Agent Form") and name such Authorized Supplier/Agent by October 1. For out-of-cycle transfers to Transportation Service, or where there is a change in an Authorized Supplier/Agent, Customer must complete and return the Authorized Agent Form not less than five (5) Business Days prior to the effective date of the change.
- 4. The Company must receive the completed Transportation Service: Supplier/Agent Authorization Form before the Company will accept any nominations on behalf of the Customer.

(continue to Sheet T-2)

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