

250 SW Taylor Street Portland, OR 97204 503-226-4211 nwnatural.com

July 31, 2023

NWN OPUC Advice No. 23-17 / UG 484 (UM 2192)

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: REQUEST FOR AMORTIZATION OF CERTAIN NON-GAS COST DEFERRED ACCOUNTS RELATING TO: Transportation Security Administration Security Directive 2 Start-Up O&M and Interim Period Cost of Service Costs

Northwest Natural Gas Company, dba NW Natural ("NW Natural" or "Company"), files herewith revisions and additions to its Tariff, P.U.C. Or. 25,¹ stated to become effective with service on and after November 1, 2023, as follows:

Seventh Revision of Sheet 180-1	Schedule 180	TSA Security Directive 2 Compliance Costs
First Revision of Sheet 189-1	Schedule 189	Adjustment for TSA Capital and Cost of Service Recovery

<u>Purpose</u>

The purpose of this filing is to amortize deferred costs related to the Transportation Security Administration's ("TSA") security directive 2 start-up costs and interim cost of service through proposed Schedule 180 – TSA Security Directive 2 Compliance Costs and Schedule 189 – Adjustment for TSA Capital and Cost of Service Recovery. These costs were incurred to comply with the security directive to (1) implement specific mitigation measures to protect against ransomware attacks and other related threats, (2) develop and implement a cybersecurity contingency and response plan, and (3) conduct a cybersecurity architecture design review. As an owner and operator of critical pipeline infrastructure, NW Natural is subject to this TSA security directive.

Background:

This filing is in compliance with ORS 757.259, which authorizes deferred utility expenses or revenues to be allowed (amortized) in rates to the extent authorized by the Public Utility Commission of Oregon ("Commission") in a proceeding to change rates. The Company filed a deferral application on September 2, 2022, which was docketed as UM 2192. In docket UG 435, NW Natural requested amortization of a portion of this deferral associated with the cost of service of the capital expenditures associated with TSA security directive 2 and was ordered in Commission Order No. 22-388 to amortize the cost of service deferral over a four year period starting on November 1, 2022. The request in this filing relates to the operations and maintenance expense of

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

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the start-up costs (Schedule 180) and the second year of the cost of service deferral (Schedule 189). The Company respectfully requests approval to amortize the costs included in this filing.

Proposed Changes

The effect of the new temporary adjustment proposed in the filing is to decrease the Company's annual revenues by \$463,301, or 0.05%.

The monthly bill of the average residential customer served under Rate Schedule 2 using 56 therms will decrease \$0.04. The monthly decrease for the average industrial Rate Schedule 3 customer using about 1,304 therms is \$0.67, the average industrial Rate Schedule 31 firm sales customer using 5,776 therms will see a monthly decrease of about \$1.59, and the average industrial Rate Schedule 32 firm sales customer using about 18,823 therms will see a monthly decrease of about \$4.06.

In compliance with OAR 860-022-0025 the Company states that the number of customers affected by the proposed change in this filing is 636,785 residential customers, 61,984 commercial customers, and 845 industrial customers.

Conclusion

In support of this filing, the Company includes supporting materials as part of this filing and will separately submit work papers in electronic format, all of which are incorporated herein by reference.

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

Please address correspondence on this matter to Lora Bourdo at lora.bourdo@nwnatural.com with copies to the following:

eFiling
Rates & Regulatory Affairs
NW Natural
250 SW Taylor Street
Portland, Oregon 97204
Fax: (503) 220-2579
Telephone: (503) 610-7330
eFiling@nwnatural.com

Sincerely,

NW NATURAL

/s/ Kyle Walker, CPA

Kyle Walker, CPA Rates/Regulatory Senior Manager

Attachment: Exhibit A – Supporting Materials

NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25

Seventh Revision of Sheet 180-1 Cancels Sixth Revision of Sheet 180-1

SCHEDULE 180 TSA Security Directive 2 Compliance Costs

PURPOSE:

To recover costs associated with NW Natural's compliance with the TSA Security Directive 2. These costs were directed to help NW Natural mitigate cyber security threats due to the Company owning and operating critical pipeline infrastructure.

APPLICABLE:

To all Sales and Transportation Service Customers on the Rate Schedules of this Tariff listed below:

Rate Schedule 2 Rate Schedule 27 Rate Schedule 32 Rate Schedule 31 Rate Schedule 33

GENERAL:

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

<u>APPLICATION TO RATE SCHEDULES:</u> Effective: November 1, 2023

The Total Adjustment amount shown below is included in the Temporary Adjustments reflected in the listed Rate Schedules. NO ADDITIONAL ADJUSTMENT TO RATES IS REQUIRED.

		Rate Adjustment	Schedule	Block	Rate Adjustment
2		\$0.00271	32 CSI	Block 1	\$0.00051
3 CSF		\$0.00201		Block 2	\$0.00043
3 ISF		\$0.00148		Block 3	\$0.00030
27		\$0.00222		Block 4	\$0.00017
31 CSF	Block 1	\$0.00139		Block 5	\$0.00009
	Block 2	\$0.00127		Block 6	\$0.00003
31 CTF	Block 1	\$0.00140	32 ISI	Block 1	\$0.00050
	Block 2	\$0.00128		Block 2	\$0.00042
31 ISF	Block 1	\$0.00096		Block 3	\$0.00030
	Block 2	\$0.00087		Block 4	\$0.00017
31 ITF	Block 1	\$0.00110		Block 5	\$0.00009
	Block 2	\$0.00099		Block 6	\$0.00003
32 CSF	Block 1	\$0.00087	32 CTI	Block 1	\$0.00042
	Block 2	\$0.00074		Block 2	\$0.00035
	Block 3	\$0.00052		Block 3	\$0.00025
	Block 4	\$0.00029		Block 4	\$0.00015
	Block 5	\$0.00013		Block 5	\$0.00009
	Block 6	\$0.00005		Block 6	\$0.00004
32 ISF	Block 1	\$0.00056	32 ITI	Block 1	\$0.00045
	Block 2	\$0.00047		Block 2	\$0.00038
	Block 3	\$0.00033		Block 3	\$0.00027
	Block 4	\$0.00019		Block 4	\$0.00016
	Block 5	\$0.00009		Block 5	\$0.00009
	Block 6	\$0.00004		Block 6	\$0.00005
32 CTF	Block 1	\$0.00061	33 (all)		\$0.00000
	Block 2	\$0.00052			
	Block 3	\$0.00037			
	Block 4	\$0.00022			
	Block 5	\$0.00012			
	Block 6	\$0.00006			
32 ITF	Block 1	\$0.00049			
	Block 2	\$0.00042			
	Block 3	\$0.00030			
	Block 4	\$0.00017			
	Plock 5	¢0.00010	1		

Issued July 31, 2023 NWN OPUC Advice No. 23-17 Effective with service on and after November 1, 2023

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SCHEDULE 189 ADJUSTMENT FOR TSA CAPITAL AND COST OF SERVICE COST **RECOVERY**

PURPOSE:

The purpose of this Schedule is to reflect the rate effects per year for the recovery of costs related to TSA capital and operations and maintenance expenses, in accordance with Order No. 22-388 in Docket UG 435 entered by the Public Utility Commission of Oregon on October 24, 2022.

To all Customers served under the following Rate Schedules of this Tariff:

Rate Schedule 2 Rate Schedule 3 Rate Schedule 31

Rate Schedule 32 Rate Schedule 33

APPLICATION TO RATE SCHEDULES:

Effective: November 1, 2023 The Adjustment amounts shown below are calculated based on equal percent of margin by Rate Schedule and Customer class, and the rate allocation adopted in Docket UG 435. The adjustment amount is embedded in the Base Rate reflected in the respective Rate Schedules listed above. NO ADDITIONAL ADJUSTMENT TO RATES IS REQUIRED.

Schedule	Block	Rate Adjustment	Schedule	Block	Rate Adjustment
2		\$0.00110	32 CSI	Block 1	\$0.00017
3 CSF		\$0.00090		Block 2	\$0.00015
3 ISF		\$0.00049		Block 3	\$0.00010
27		\$0.00106		Block 4	\$0.00006
31 CSF	Block 1	\$0.00047		Block 5	\$0.00003
	Block 2	\$0.00043		Block 6	\$0.00001
31 CTF	Block 1	\$0.00045	32 ISI	Block 1	\$0.00006
	Block 2	\$0.00041		Block 2	\$0.00005
31 ISF	Block 1	\$0.00033		Block 3	\$0.00003
	Block 2	\$0.00030		Block 4	\$0.00002
31 ITF	Block 1	\$0.00036		Block 5	\$0.00001
	Block 2	\$0.00033		Block 6	\$0.00000
32 CSF	Block 1	\$0.00034	32 CTI	Block 1	\$0.00004
	Block 2	\$0.00029		Block 2	\$0.00003
	Block 3	\$0.00020		Block 3	\$0.00002
	Block 4	\$0.00011		Block 4	\$0.00001
	Block 5	\$0.00005		Block 5	\$0.00001
	Block 6	\$0.00002		Block 6	\$0.00000
32 ISF	Block 1	\$0.00005	32 ITI	Block 1	\$0.00004
	Block 2	\$0.00004		Block 2	\$0.00003
	Block 3	\$0.00003		Block 3	\$0.00002
	Block 4	\$0.00002		Block 4	\$0.00001
	Block 5	\$0.00001		Block 5	\$0.00001
	Block 6	\$0.00000		Block 6	\$0.00000
32 CTF	Block 1	\$0.00006	33 (all)		\$0.00000
	Block 2	\$0.00005			
	Block 3	\$0.00004			
	Block 4	\$0.00002			
	Block 5	\$0.00001			
	Block 6	\$0.00001			
32 ITF	Block 1	\$0.00004			
	Block 2	\$0.00004			
	Block 3	\$0.00003			
	Block 4	\$0.00002			
	Block 5	\$0.00001			
	Block 6	\$0.00000			

GENERAL TERMS:

This Schedule is governed by the terms of this Schedule, the General Rules and Regulations contained in this Tariff, 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 July 31, 2023 NWN OPUC Advice No. 23-17 Effective with service on and after November 1, 2023

EXHIBIT A

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

NW NATURAL SUPPORTING MATERIALS

Non-Gas Cost Deferred Accounts
Transportation Security Administration Security Directive 2
O&M and Cost of Service Costs

UM 2192

NWN OPUC Advice No. 23-17 / UG 484 July 31, 2023

NW NATURAL

EXHIBIT A

Supporting Materials

Non-Gas Cost Deferred Accounts Transportation Security Administration Security Directive 2 O&M and Cost of Service Costs

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Effects on Average Bill by Rate Schedule	2
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Deferral of TSA Security Directive Cost of Service Costs	8

NW Natural Rates & Regulatory Affairs

2023-24 PGA - Oregon: August Filing

Calculation of Increments Allocated on the EQUAL PERCENTAGE OF MARGIN BASIS

Spread per UG 435 Order 22-388 < based on pct spread of incremental UG 435 RR >

		Oregon PGA	Billing Rate from	WACOG & Demand from	Temps from Temporary						Proposed Amount:		SA Cost of Service Temporary Increme	ent	1,633,370	TSA O&M Temporary Increm	nent
		Volumes page,	Rates page,	Rates page,	Increment page,	MARGIN	Volumetric	Customer		Total	Revenue Sensitive Multiplier:	N/	A rev sensitive factor	is built in	2.819%	add revenue sensit	itive fac
		Column F	Column A	Column B+C+D*	Column A	Rate	Margin	Charge	Customers	Margin	Amount to Amortize:		to all classes and so	hedules		to all classes and s	
Schedule	Block	Α	_		D	E=B-C-D E	F = E * A	G	н			Multiplier	Allocation to RS T	Increment	Multiplier	Allocation to RS W	Inci
2R	ыоск	425,261,320	\$1.43686	\$0.59247	\$0.16051	\$0.68388	\$290,827,712	\$8.00	636,785	\$351,959,072		1.0	\$469,267	\$0.00110	1.0	\$1,152,460	\$
3C Firm Sales		180,723,276	\$1.18666	\$0.59247	\$0.03780	\$0.55639	\$100,552,623	\$15.00	59,172	\$111,203,583	1	1.0	\$162,474	\$0.00090	1.0	\$364,127	\$
31 Firm Sales		5,242,606	\$1.13570	\$0.59247	\$0.10373	\$0.43950	\$2,304,125	\$15.00	335	\$2,364,425		1.0	\$2,594	\$0.00049	1.0	\$7,742	5
27 Dry Out		790,225	\$1.16589	\$0.59247	\$0.07702	\$0.49640	\$392,268	\$8.00	1,489	\$535,212		1.0	\$841	\$0.00106	1.0	\$1,753	Ş
31C Firm Sales	Block 1	10,541,198	\$0.85127	\$0.50676	\$0.04002	\$0.30449	\$6,414,403	\$325.00	653	\$8,961,103		1.0	\$10,006	\$0.00047	1.0	\$29,342	\$
	Block 2	11,528,162	\$0.82424	\$0.50676	\$0.03949	\$0.27799					4	1.0		\$0.00043	1.0		
31C Firm Trans	Block 1	1,150,855	\$0.28505	\$0.00000	\$0.01229	\$0.27276	\$718,332	\$575.00	59	\$1,125,432		1.0	\$1,188	\$0.00045	1.0	\$3,685	5
31I Firm Sales	Block 2 Block 1	1,621,395 3,851,855	\$0.26119 \$0.84102	\$0.00000 \$0.50676	\$0.01176 \$0.10141	\$0.24943 \$0.23285	\$2,752,651	\$325.00	183	\$3,466,351	-	1.0	\$3,920	\$0.00041 \$0.00033	1.0	\$11,350	5
311 FIIIII 3dies	Block 2	8,832,261	\$0.81786	\$0.50676	\$0.10099	\$0.23263	\$2,732,031	3323.00	103	\$3,400,331		1.0	33,320	\$0.00033	1.0	\$11,550	
31I Firm Trans	Block 1	153,988	\$0.24605	\$0.00000	\$0.01106	\$0.23499	\$113,434	\$575.00	7	\$161,734	1	1.0	\$174	\$0.00036	1.0	\$530	
	Block 2	363,573	\$0.22309	\$0.00000	\$0.01062	\$0.21247						1.0	,	\$0.00033	1.0	,	
32C Firm Sales ¹	Block 1	31,802,850	\$0.76861	\$0.50676	\$0.10105	\$0.16080	\$6,849,615	\$675.00	543	\$11,351,592	1	1.0	\$14,391	\$0.00034	1.0	\$37,170	
	Block 2	10,782,597	\$0.74322	\$0.50676	\$0.10042	\$0.13604						1.0		\$0.00029	1.0		9
	Block 3	2,237,041	\$0.70109	\$0.50676	\$0.09940	\$0.09493						1.0		\$0.00020	1.0		5
	Block 4	1,038,828	\$0.65879	\$0.50676	\$0.09836	\$0.05367						1.0		\$0.00011	1.0		\$
	Block 5	30,626	\$0.62840	\$0.50676	\$0.09761	\$0.02403						1.0		\$0.00005	1.0		5
	Block 6	0	\$0.61401	\$0.50676	\$0.09727	\$0.00998						1.0		\$0.00002	1.0		\$
32I Firm Sales ¹	Block 1	7,308,477	\$0.73013	\$0.50676	\$0.09833	\$0.12504	\$1,921,317	\$675.00	83	\$2,619,858		1.0	\$729	\$0.00005	1.0	\$8,579	
	Block 2	7,116,901	\$0.71078	\$0.50676	\$0.09815	\$0.10587						1.0		\$0.00004	1.0		5
	Block 3 Block 4	2,428,784 1,682,852	\$0.67847 \$0.64624	\$0.50676 \$0.50676	\$0.09787 \$0.09757	\$0.07384 \$0.04191						1.0 1.0		\$0.00003 \$0.00002	1.0 1.0		5
	Block 5	210,463	\$0.62372	\$0.50676	\$0.09734	\$0.04151						1.0		\$0.00002	1.0		
	Block 6	210,403	\$0.61239	\$0.50676	\$0.09723	\$0.00840						1.0		\$0.00000	1.0		,
32C Firm Trans	Block 1	2,586,658	\$0.13291	\$0.00000	\$0.00742	\$0.12549	\$633,055	\$925.00	26	\$937,359	1	1.0	\$303	\$0.00006	1.0	\$3,069	
	Block 2	2,000,143	\$0.11396	\$0.00000	\$0.00721	\$0.10675						1.0		\$0.00005	1.0		9
	Block 3	713,689	\$0.08251	\$0.00000	\$0.00688	\$0.07563						1.0		\$0.00004	1.0		5
	Block 4	908,192	\$0.05102	\$0.00000	\$0.00656	\$0.04446						1.0		\$0.00002	1.0		\$
	Block 5	22,758	\$0.03209	\$0.00000	\$0.00636	\$0.02573						1.0		\$0.00001	1.0		5
	Block 6	0	\$0.01952	\$0.00000	\$0.00620	\$0.01332					4	1.0		\$0.00001	1.0		
32I Firm Trans	Block 1	11,491,095	\$0.13069	\$0.00000	\$0.00738	\$0.12331	\$5,621,582	\$925.00	99	\$6,858,498		1.0	\$1,950	\$0.00004	1.0	\$22,458	5
	Block 2 Block 3	16,722,073 10,683,887	\$0.11214 \$0.08125	\$0.00000 \$0.00000	\$0.00721 \$0.00694	\$0.10493 \$0.07431						1.0 1.0		\$0.00004 \$0.00003	1.0 1.0		9
	Block 4	22,101,234	\$0.05039	\$0.00000	\$0.00694	\$0.07431						1.0		\$0.00003	1.0		9
	Block 5	23,116,595	\$0.03179	\$0.00000	\$0.00649	\$0.02530						1.0		\$0.00001	1.0		3
	Block 6	7,997,925	\$0.01948	\$0.00000	\$0.00636	\$0.01312						1.0		\$0.00000	1.0		
32C Interr Sales	Block 1	4,812,286	\$0.74068	\$0.50676	\$0.09728	\$0.13664	\$2,138,838	\$675.00	39	\$2,454,738		1.0	\$2,704	\$0.00017	1.0	\$8,038	\$
	Block 2	6,912,175	\$0.71933	\$0.50676	\$0.09690	\$0.11567						1.0		\$0.00015	1.0		\$
	Block 3	3,915,818	\$0.68371	\$0.50676	\$0.09628	\$0.08067						1.0		\$0.00010	1.0		5
	Block 4	6,195,667	\$0.64806	\$0.50676	\$0.09565	\$0.04565						1.0		\$0.00006	1.0		\$
	Block 5	3,369,903	\$0.62665	\$0.50676	\$0.09525	\$0.02464						1.0		\$0.00003	1.0		9
32I Interr Sales	Block 6 Block 1	4,976,544	\$0.61101 \$0.72514	\$0.50676 \$0.50676	\$0.09497 \$0.09609	\$0.00928 \$0.12229	\$2,165,663	\$675.00	67	\$2,708,363	4	1.0	\$980	\$0.00001 \$0.00006	1.0	\$8,868	-
321 litteri 3ales	Block 2	6,358,575	\$0.70622	\$0.50676	\$0.09592	\$0.12225	\$2,103,003	3073.00	67	\$2,700,303		1.0	3500	\$0.00005	1.0	20,000	5
	Block 3	3,824,879	\$0.67469	\$0.50676	\$0.09566	\$0.07227						1.0		\$0.00003	1.0		
	Block 4	11,455,866	\$0.64312	\$0.50676	\$0.09538	\$0.04098						1.0		\$0.00003	1.0		,
	Block 5	6,274,793	\$0.62420	\$0.50676	\$0.09523	\$0.02221						1.0		\$0.00001	1.0		\$
	Block 6	1,589,833	\$0.61033	\$0.50676	\$0.09510	\$0.00847						1.0		\$0.00000	1.0		
32C Interr Trans	Block 1	787,487	\$0.12584	\$0.00000	\$0.00706	\$0.11878	\$470,528	\$925.00	3	\$503,828		1.0	\$156	\$0.00004	1.0	\$1,650	5
	Block 2	1,577,765	\$0.10802	\$0.00000	\$0.00693	\$0.10109						1.0		\$0.00003	1.0		5
	Block 3	946,128	\$0.07829	\$0.00000	\$0.00668	\$0.07161						1.0		\$0.00002	1.0		5
	Block 4	3,171,260	\$0.04854	\$0.00000	\$0.00643	\$0.04211						1.0		\$0.00001	1.0		
	Block 5	663,407	\$0.03070	\$0.00000	\$0.00628	\$0.02442						1.0		\$0.00001	1.0		5
32I Interr Trans	Block 6 Block 1	6,332,023	\$0.01883 \$0.12605	\$0.00000 \$0.00000	\$0.00617 \$0.00722	\$0.01266 \$0.11883	\$5,297,225	\$925.00	71	\$6,085,325		1.0	\$1,796	\$0.00000 \$0.00004	1.0	\$19,926	- 5
January Halls	Block 2	10,799,708	\$0.12805	\$0.00000	\$0.00722	\$0.11883	22,251,225	3323.00	/1	20,000,325		1.0	\$±,/90	\$0.00004	1.0	213,320	
	Block 3	7,423,918	\$0.07848	\$0.00000	\$0.00684	\$0.07164						1.0		\$0.00003	1.0		5
	Block 4	17,235,563	\$0.04873	\$0.00000	\$0.00661	\$0.04212						1.0		\$0.00001	1.0		5
	Block 5	38,975,154	\$0.03090	\$0.00000	\$0.00646	\$0.02444						1.0		\$0.00001	1.0		,
	Block 6	98,124,177	\$0.01900	\$0.00000	\$0.00634	\$0.01266						1.0		\$0.00000	1.0		
Special Contracts		51,198,641	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0	\$0.00	7	\$0		0.0	\$0	\$0.00000	0.0	\$0	
OTALS		1,109,965,950				\$	429,173,371 37,400,768		\$			\$ 513,296,473	\$ 673,474		\$ 513,296,473	\$ 1,680,747	
urces for line 2 abo																	

⁷⁴ Note: Allocation to rate schedules or blocks with zero volumes is calculated on an overall margin percentage change basis.

^{75 *} Since Billing Rates for all schedules above 31 do not include demand, column c for those schedules is WACOG only

¹Rate schedule 32 firm service includes as total margin the storage and distrubtion capacity charges and are derived using MDDV therm usages

NW Natural Rates & Regulatory Affairs 2023-24 PGA - Oregon: August Filing

Companies Comp	2023	2023-24 PGA - Oregon: August Filing													
Page				nedule [1]											
Part		OLUMES IN THERN	ΛS												
Part															
No. Processing Processing Process Pr	2			Normalized		Therms	Minimum	3/15/2023	3/15/2023	11/1/2023	11/1/2023	11/1/2023	11/1/2023	11/1/2023	11/1/2023
No. Processing Processing Process Pr										TCA C	TCA C+	TCA C1			
Company Comp	-			V-1	Thermore	Managhi.	A d a made by	DIIII	C				TCA ORM	TCA 08.44	TCA 00844
Second S	3			volumes page,	i nerms in	iviontniy	Monthly	Billing	Current	Service	3el vice	Service	13A Odivi	13A UQIVI	13A OQIVI
Second S	4			Column D	Block	Average use	Charge	Rates	Average Bill	Rates	Average Bill	% Bill Change	Rates	Average Bill	% Bill Change
Processor Proc	5		-				8-								
Part		Schedule	Block	Α	В	С	D	E	F	AH					
Part									\$88.46						
10 10 10 10 10 10 10 10	8	3C Firm Sales			N/A	255	\$15.00		\$317.60		\$317.58	0.0%	\$1.18606		0.0%
1															
10															
15 15 15 15 15 15 15 15		31C Firm Sales				2,816	\$325.00		\$2,700.12		\$2,700.10	0.0%		\$2,698.83	0.0%
Block Block 1,611.95		2405				2010	4575.00				44 444 44	0.00/		44 444 44	
15 15 16 16 16 16 16 17 18 18 18 18 18 18 18		31C Firm Trans				3,916	\$575.00		\$1,645.54		\$1,645.42	0.0%		\$1,643.68	-0.1%
Block Block Block Block Start Start Start Block Start Star		211 Eirm Salac				5 776	\$225.00		\$5 NOS 20		\$5.005.22	0.0%		\$5,002.76	0.0%
12 18 18 18 18 18 18 18		31111111 30163				3,770	\$323.00		33,033.23		33,033.23	0.076		\$5,055.70	0.070
18		31I Firm Trans				6.161	\$575.00		\$1,995,36		\$1,995,30	0.0%		\$1,993,33	-0.1%
Block 2 10,782,597 20,000 50,74912 50,74913 50,74918											. ,			, ,	
1	19	32C Firm Sales	Block 1	31,802,850	10,000	7,043	\$675.00	\$0.76861	\$6,088.29	\$0.76862	\$6,088.36	0.0%	\$0.76832	\$6,086.24	0.0%
	20		Block 2	10,782,597	20,000			\$0.74322		\$0.74323			\$0.74298		
Section Sect															
Section Sect															
25 25 25 25 25 26 26 26															
						10.000	4000.00		4		4444	0.00/		444 444 44	
Block Block Common Block Common Comm		321 Firm Sales				18,823	\$675.00		\$14,247.56		\$14,247.37	0.0%		\$14,243.69	0.0%
Block 1,82,825 100,000 50,6424 50,64624 50,64618 50,															
Block State Stat															
Block Q			Block 5												
32 22 Frim Trans Block 2 2,586,68 10,000 19,973 5925.00 50,13396 53,390.69 50,13396 53,390.69 50,13322 53,385.40 -0.2%	30		Block 6					\$0.61239					\$0.61239		
Second Color Seco	31	32C Firm Trans	Block 1	2,586,658		19,973	\$925.00		\$3,390.69		\$3,390.69	0.0%		\$3,385.40	-0.2%
Block 906,192 100,000 50,03209 50,															
Section															
Section Sect															
27 27 27 17 17 18 18 18 18 18 1															
Block 2		32I Firm Trans				77 536	\$925.00		\$7 487 37		\$7 487 27	0.0%		\$7 475 69	-0.2%
Second S						,	********		4.,		**,			**,***	
Second															
Solition	40		Block 4	22,101,234	100,000			\$0.05039		\$0.05039			\$0.05030		
As 32 Internal Block Color										\$0.03179					
44															
Second		32C Interr Sales				53,859	\$675.00		\$38,643.34		\$38,642.64	0.0%		\$38,635.81	0.0%
46 Block 5 3,369,003 600,000 S0,62806 S0,64806 S0,64806 S0,64806 S0,64806 S0,64800 S0,64806 S0,64800 S0,6480															
47															
48 Block 6															
49 321 Interr Sales Block 1 4,976,544 10,000 42,886 \$675.00 \$0,72514 \$30,744.73 \$0.72515 \$30,745.03 0.0% \$0.72495 \$30,738.34 0.0% \$0.70622 \$0.70623 \$0.70622 \$0.70623															
50 Block 2 6.388,575 20,000 \$0,70622 \$0,70623 \$0,70629 \$0,70669 \$0,67459 \$0,67459 \$0,67459 \$0,67459 \$0,67459 \$0,67459 \$0,67459 \$0,67459 \$0,67459 \$0,64312 \$0,		32I Interr Sales				42,886	\$675.00		\$30,744.73		\$30,745.03	0.0%		\$30,738.34	0.0%
52 Block 4 11,455,866 100,000 \$0,64312 \$0,64312 \$0,64307 \$0,64307 \$0,64307 \$0,64307 \$0,64307 \$0,64312 \$0,64312 \$0,64312 \$0,64312 \$0,64312 \$0,64317 \$0,64317 \$0,64312 \$0,64307 \$0,64312 \$															
53 Block 5 6,274,793 600,000 50,62420 \$0,62420 \$0,62427 \$0,62417 \$0,61033 \$0,61033 \$0,61033 \$0,61033 \$0,61033 \$0,61033 \$0,61033 \$0,61033 \$0,61033 \$0,61033 \$0,61033 \$0,61033 \$0,61033 \$0,61033 \$0,61033 \$0,61033 \$0,000															
54 Block 6 1,589,833 all additional \$0,6103 \$0,61033 \$0,61033 \$0,61032 \$0,61032 \$0,61032 \$0,61032 \$0,61032 \$0,61032 \$0,61032 \$0,61032 \$0,61032 \$0,61032 \$0,61032 \$0,000 \$0,000 \$0,000 \$0,10802 \$0,10802 \$0,10802 \$0,10802 \$0,10802 \$0,00076 \$0,00076 \$0,00002 \$0,000002 \$0,00002 \$0,00002 \$0,00002 \$0,00002 \$0,00002 \$0,00002 \$0,00002 \$0,00002 \$0,00002 \$															
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56 Block 2 1,577,765 20,000 \$0,10802 \$0,10802 \$0,1076 \$0,0776 \$0,0781 \$0,0781 \$0,0781 \$0,07829 \$0,07829 \$0,07829 \$0,07829 \$0,07829 \$0,07829 \$0,07829 \$0,07829 \$0,07829 \$0,07829 \$0,07829 \$0,07829 \$0,07829 \$0,07824 \$0,07829 \$0,07829 \$0,07824						100 501	4000.00		440.000.00		440.000.00	0.00/		4	
57 Block 3 946,128 20,000 \$0,07829 \$0,07829 \$0,07811 58 Block 4 3,171,260 100,000 \$0,04854		32C Interr Trans				198,501	\$925.00		\$12,252.01		\$12,252.01	0.0%		\$12,227.79	-0.2%
58 Block 4 3.171_260 100.000 \$0.04854 \$0.04854 \$0.04854 \$0.04854 \$0.04844 \$0.04844 \$0.04844 \$0.04844 \$0.01883 \$0.03070 \$0.03070 \$0.03070 \$0.03070 \$0.01883 \$0.01883 \$0.01883 \$0.01883 \$0.01883 \$0.01883 \$0.01883 \$0.01880 \$0.01880 \$0.01880 \$0.01880 \$0.01880 \$0.01881 \$0.01881 \$0.01881 \$0.01881 \$0.01881 \$0.01880 \$0															
59 Block 5 663,407 600,000 \$0,03070 \$0,03070 \$0,33070 \$0,33065 \$0 </td <td></td>															
61 32 Interr Trans Block 1 6.3 23.023 10,000 209,965 \$925.00 \$0.12605 \$12,645.11 \$0.12605 \$12,645.11 \$0.0% \$0.12855 \$12,627.91 \$0.136 \$12,645.11 \$0.00 \$1.0000 \$1.0000 \$1.0000 \$1.0000 \$1.0000 \$1.0000 \$1.0000 \$1.0000 \$1.0000 \$1.0000 \$1.0000 \$1.0000 \$1.000000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.000000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.000000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.000000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.000000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.000000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.000000 \$1.00000 \$1.00000 \$1.000000 \$1.00000 \$1.000000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.00000 \$1.000000 \$1.000000 \$1.00000 \$1.000000 \$1.000000 \$1.000000 \$1.000000 \$1.000000 \$1.00000000 \$1.000000 \$1.000000 \$1.000000 \$1.000000 \$1.00000000 \$1.00000000 \$1.0000000000															
62 Block 2 10,799,708 20,000 \$0.10821 \$0.10821 \$0.0084 \$0.0084 \$0.0084 \$0.0084 \$0.0084 \$0.0084 \$0.0084 \$0.0084 \$0.0084 \$0.0088 \$0.0084 \$0.0088	60		Block 6												
63 Block 3 7,423,918 20,000 S0,07848 S0,07848 S0,07836 B0 Block 5 17,235,563 100,000 S0,04873 S0,04873 S0,04873 S0,04876 S0,04866 S0 Block 5 38,975,154 600,000 S0,0390 S0,0390 S0,0390 S0,03086		32I Interr Trans				209,965	\$925.00		\$12,645.11		\$12,645.11	0.0%		\$12,627.91	-0.1%
64 Block 4 17,235,563 100,000 \$0.04873 \$0.04873 \$0.04873 \$0.04866 \$ 65 Block 5 38,775,154 600,000 \$0.03090 \$0.03090 \$0.03086 \$ 66 Block 6 98,124,177 all additional \$0.0190 \$0.01999 \$0.01999 \$ 67 Special Contracts \$1,198,641 N/A 0 \$0 \$0.00000 \$0.00 \$0.0000 \$0.00 \$0.000 \$0.000 \$0.00															
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67 Special Contracts 51,198,641 N/A 0 \$0 \$0.00000 \$0.00 \$0.00000 \$0.00 \$0.0000 \$0.00															
		Special Contracts	DIOCKO			0	Śn		\$0,00		\$0.00			\$0,00	
				. , , .	*				,	,	,			,	

1,109,965,950

71 [1] For convenience of presentation, demand charges for Rate Schedules 31 and 32 have been removed.

72 [2] Tariff Advice Notice 23-05: Non-Gas Cost Deferral Amortizations - Intervenor Funding

73 [3] Tariff Advice Notice 23-06: Non-Gas Cost Deferral Amortizations - Oregon PUC Fee

74 [4] Tariff Advice Notice 23-07: Non-Gas Cost Deferral Amortizations - SRRM

75 [5] Tariff Advice Notice 23-08: Non-Gas Cost Deferral Amortizations - Industrial DSM

76 [6] Tariff Advice Notice 23-09: Non-Gas Cost Deferral Amortizations - Decoupling 77 [7] Tariff Advice Notice 23-10: Non-Gas Cost Deferral Amortizations - WARM

78 [8] Tariff Advice Notice 23-11: Non-Gas Cost Deferral Amortization - Corporate Activity Tax (CAT) Amortization

79 [9] Tariff Advice Notice 23-12: Non-Gas Cost Amortization - Net Curtaiment and Entitlement Revenues

80 [10] Tariff Advice Notice 23-13: Non-Gas Cost Amortization - Regulatory Rate Adjustment

81 [11] Tariff Advice Notice 23-14: Non-Gas Cost Amortization - Residenital Rate Mitigation

82 [12] Tariff Advice Notice 23-15: Non-Gas Cost Amortization - RNG Transport Allocation

83 [13] Tariff Advice Notice 23-16: COVID Years 2 & 3

84 [14] Tariff Advice Notice 23-17: Non-Gas Cost Amortization - TSA Security Directive

85 [15] Tariff Advice Notice 23-18: CCI's

86 [16] Tariff Advice Notice 23-19: PGA

87 [17] Tariff Advice Notice 23-20: RNG Adj Mechanism

NW Natural Rates and Regulatory Affairs 2023-2024 PGA Filing - OREGON Basis for Revenue Related Costs

		Twelve Months	
1		Ended 06/30/23	
2			
3	Total Billed Gas Sales Revenues	\$ 977,383,649	
4	Total Oregon Revenues	\$ 981,971,599	
5			
6	Regulatory Commission Fees [1]	n/a	0.430% Statutory rate
7	City License and Franchise Fees	\$ 22,573,887	2.299% Line 7 ÷ Line 4
8	Net Uncollectible Expense [2]	\$ 881,388	0.090% Line 8 ÷ Line 4
9		<u> </u>	
10	Total		2.819% Sum lines 8-9
11			

13 **Note:**

12

- 14 [1] Dollar figure is set at statutory level of 0.275% times Total Oregon Revenues (line 4).
- 15 Because the fee changed since our last general rate case, the difference between the previous fee of 0.375%
- 16 and the new fee of 0.430%, as it affects our base rates, is being captured as a temporary deferral.
- 17 [2] Represents the normalized net write-offs based on a three-year average.

NW Natural Rates & Regulatory Affairs

2023-2024 PGA Filing - Oregon: August Filing

PGA Effects on Revenue

UG 484: TSA Security Directive 2

1		Including Revenue Sensitive <u>Amount</u>
2	Temporary Increments	
3 4	Removal of Current Temporary Increments	
5 6	Amortization of TSA Security Directive 2 O&M and Cost of Service	(2,817,521)
7 8	Addition of Proposed Temporary Increments	
9 10	Amortization of TSA Security Directive 2 O&M and Cost of Service	2,354,220
11		
12	TOTAL OF ALL COMPONENTS OF RATE CHANGES	(\$463,301)
13 14		
15		
16 17	2022 Oregon Earnings Test Normalized Total Revenues	\$849,278,042
18	Effect of this filing, as a percentage change (line 12 \div line 16)	-0.05%

NW Natural Rates & Regulatory Affairs 2023-2024 PGA Filing - June Filing Summary of Deferred Accounts Included in the PGA

Juli	Account	Balance 6/30/2023	Jul-Oct Estimated Activity	Jul-Oct Interest	Estimated Balance 10/31/2023	Interest Rate During Amortization	Estimated Interest During Amortization	Total Estimated Amount for (Refund) or Collection	Amounts Excluded from PGA Filing	Amounts Included in PGA Filing
	A	В	С	D	E	F1	F2	G	Н	I
					E = sum B thru D	5.13%		G = E + F2		Excl. Rev Sens
36	151802 TSA SECURITY DIRECTIVE OM DEFERRAL 151803 TSA SECURITY DIRECTIVE OM AMORTIZATION	1,698,895 180,578	0 (329,927)	39,044 283	1,737,939 (149,065)	5.1207		4 622 270		
37	Total	1,879,473	(329,927)	39,328	1,588,874	5.13%	44,496	1,633,370		

Company: Northwest Natural Gas Company

State: Oregon

Description: TSA SEC DIR2 OM OR

Account Number: 151802

Docket: Docket UM 2192

Latest deferral authorization request is pending approving. Amort. of previous deferral balance was approved in

Docket UG 458.

Debit (Credit)

	Month/Year	Note	Deferral	Transfers	Interest Rate	Interest	Activity	Balance
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Beginning Balance							
11	Jun-22		(653,948.85)		6.965%	13,793.09	(640,155.76)	2,063,230.08
12	Jul-22		143,498.94		6.965%	12,391.78	155,890.72	2,219,120.80
13	Aug-22		357,608.28		6.965%	13,917.96	371,526.24	2,590,647.04
14	Sep-22		242,347.86		6.965%	15,739.86	258,087.72	2,848,734.76
15	Oct-22		216,750.34		6.965%	17,163.56	233,913.90	3,082,648.66
16	Nov-22	1	47,965.12	(2,063,230.08)	6.836%	5,943.91	(2,009,321.05)	1,073,327.61
17	Dec-22		513,439.50		6.836%	7,576.84	521,016.34	1,594,343.95
18	Jan-23		0.00		6.836%	9,082.45	9,082.45	1,603,426.40
19	Feb-23		0.00		6.836%	9,134.19	9,134.19	1,612,560.59
20	Mar-23		48,304.02		6.836%	9,323.81	57,627.83	1,670,188.42
21	Apr-23		0.00		6.836%	9,514.51	9,514.51	1,679,702.93
22	May-23		0.00		6.836%	9,568.71	9,568.71	1,689,271.64
23	Jun-23		0.00		6.836%	9,623.22	9,623.22	1,698,894.86
24	Jul-23				6.836%	9,678.04	9,678.04	1,708,572.90
25	Aug-23				6.836%	9,733.17	9,733.17	1,718,306.07
26	Sep-23				6.836%	9,788.62	9,788.62	1,728,094.69
27	Oct-23				6.836%	9,844.38	9,844.38	1,737,939.07

History truncated for ease of viewing

32 **NOTES**

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1 -Transferred June balance to account 151803 for amortization.

Company: Northwest Natural Gas Company

State: Oregon

Description: OR TSA SECURITY DIRECTIVE OM AMORT

Account Number: 151803

Dockets UM 2192 and UG 458

Amortization of 2021-22 deferrals approved in Order 22-399

Debit (Credit)

	Month/Year	Note	Amortization	Transfers	Interest Rate	Interest	Activity	Balance
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Beginning Balance							
2	Nov-22	1	(115,222.63)	2,063,230.08	1.820%	3,041.86	1,951,049.31	1,951,049.31
3	Dec-22		(356,250.51)		1.820%	2,688.93	(353,561.58)	1,597,487.73
4	Jan-23		(344,680.48)		1.820%	2,161.47	(342,519.01)	1,254,968.72
5	Feb-23		(321,175.07)		1.820%	1,659.81	(319,515.26)	935,453.46
6	Mar-23		(314,816.99)		1.820%	1,180.03	(313,636.96)	621,816.50
7	Apr-23		(242,290.08)		1.820%	759.35	(241,530.73)	380,285.77
8	May-23		(128,812.13)		1.820%	479.08	(128,333.05)	251,952.72
9	Jun-23		(71,702.23)		1.820%	327.75	(71,374.48)	180,578.24
10	Jul-23 <i>fd</i>	orecasted	(61,301.66)		1.820%	227.39	(61,074.27)	119,503.97
11	Aug-23 fd	orecasted	(61,111.99)		1.820%	134.90	(60,977.09)	58,526.88
12	Sep-23 fc	orecasted	(65,407.29)		1.820%	39.17	(65,368.12)	(6,841.24)
13	Oct-23 ft	precasted	(142,105.85)		1.820%	(118.14)	(142,223.99)	(149,065.23)

History truncated for ease of viewing

NOTES

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18 **1** - Transferred in authorized balance from account 151802 for amortization.

NW Natural Rates & Regulatory Affairs

2023-24 PGA - Oregon: August Filing

TSA Security Directive Cost of Service Deferral

	Novem	ber 2023 - October 2024					
Depreciation	\$	535,589					
O&M	\$	1,533,761					
Property Taxes	\$	65,656					
Taxes on Equity Return							
State	\$	20,428					
Federal	\$ \$ \$	52,156					
Total Taxes	\$	72,584					
Return on Rate Base							
Debt	\$	101,970					
Preferred Equity							
Common Equity	\$	268,791					
Total Return	\$	370,761					
Subtotal Cost of Service	\$	2,578,351					
Revenue Sensitive Items	\$	72,658					
Total Cost of Service	\$	2,651,009					
Amortization Interest (1.82%) [1]	\$	42,887					
Total Embedded in Rates	\$	2,693,896					
Amount to include in single year of							
rates		\$673,473.93					
[1] Reflects a four year amortization period							