

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

June 9, 2023

NWN OPUC Advice No. 23-04A

## **VIA ELECTRONIC FILING**

Public Utility Commission of Oregon Attn: Filing Center 201 High Street SE, Suite 100 P.O. Box 1088 Salem, OR 97308-1088

Re: ADV 1502 / NWN OPUC Advice No. 23-04A Schedule 400 – Smart Energy™ Program – Renewable Natural Gas Option

On May 10, 2023, Northwest Natural Gas Company, dba NW Natural (NW Natural or Company), filed with the Public Utility Commission of Oregon Advice No. 23-04, docketed as ADV 1502 proposing changes to Schedule 400, Smart Energy Program, with a requested effective date of July 12, 2023.

After workshop discussions held June 8, 2023, and to facilitate further discussions with stakeholders, NW Natural submits this replacement filing to change the requested effective date to August 9, 2023.

The enclosed proposed tariff sheets reflect the new requested effective date of August 9, 2023, and replace the previous tariff sheets filed in this docket in their entirety.

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

eFiling NW Natural Rates & Regulatory Affairs 250 SW Taylor Street Portland, OR 97204 Phone: (503) 610-7330 eFiling@nwnatural.com

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Oregon Public Utility Commission NW Natural OPUC Advice No. 23-04A June 9, 2023; Page 2

Respectfully submitted,

/s/ Natasha Siores

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Enclosures

## NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25

Second Revision of Sheet 400-1 Cancels First Revision of Sheet 400-1

# SCHEDULE 400 SMART ENERGY™ PROGRAM

### **PURPOSE:**

To set forth the terms and conditions for billing, payment and disbursement of funds collected under the Smart Energy™ Program (Program).

## **AVAILABLE**:

This Program is available to all Customers receiving service within the State of Oregon.

#### PROGRAM DESCRIPTION:

Smart Energy™ is a voluntary program that enables all Customers to mitigate greenhouse gas emissions associated with their natural gas use by purchasing high quality project-based emission reductions from offset projects and renewable natural gas projects. Priority will be given to projects that help bring biogas to the region. All offsets purchased on behalf of Customers will be verified and retired.

(T)

(N)

Within twenty-four months of issuing a bill for Smart Energy™, the Company will contractually obligate the amount billed less uncollectibles for either an immediately available or a future stream of offsets and/or renewable natural gas.

(N)

#### PROGRAM PARTICIPATION:

Customers may enroll in the Program at any time. The rates for participation in this Program will be reflected on the Customer's next regular monthly bill following the date of enrollment.

Customers may terminate participation in the Program at any time by notifying NW Natural in writing, by telephone or by Internet. The termination will be reflected with the Customer's next regular monthly bill following the date of termination.

### **MONTHLY RATES:**

For each Customer class, the Monthly Rates for service under this Schedule are as follows:

#### **Residential Customer Class Options.**

Residential Customers may choose one of two rate options: (1) Fixed Rate, or (2) Volumetric Rate to mitigate their greenhouse gas emissions.

(T)

|                      | Available to Customers enrolled | Available to Customers       |
|----------------------|---------------------------------|------------------------------|
|                      | before January 1, 2024          | enrolled after July 12, 2023 |
| Mitigation resources | Offsets                         | Blend of Offsets and RNG     |
| Fixed Rate:          | \$5.50 per bill                 | \$8.00 per bill              |
| Volumetric Rate:     | \$0.10486 per therm             | \$0.15246 per therm          |

(T)(N) (C)(N) (N)(T)(N) (N) (N)

The Fixed Rate option is based on offsetting emissions associated with natural gas from an average residential home that uses 630 therms per year.

The Volumetric Rate provides the option to offset emissions associated with natural gas usage on the basis of the Customer's actual monthly usage.

(continue to Sheet 400-2)

Issued June 9, 2023 NWN OPUC Advice No. 23-04A Effective with service on and after August 9, 2023

## NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25

Third Revision of Sheet 400-2 Cancels Second Revision of Sheet 400-2

# SCHEDULE 400 SMART ENERGY™ PROGRAM

(continued)

## **MONTHLY RATES (continued):**

### **Commercial Customer Class Option.**

Commercial Customers may choose a Fixed Rate of their choice (not less than \$10 per bill) or a negotiated price, pursuant to the execution of a written contract, for non-residential customers who use an aggregate of 50,000 therms or more annually. Under the Fixed Rate Option, the Fixed Rate can be in any amount of Customer's choosing, but cannot be less than \$10 per monthly bill per account enrolled.

(C)

## **Industrial Customer Class Option.**

Monthly pricing for Industrial Customers will be subject to negotiation, pursuant to the execution of a written contract.

# **SMART ENERGY™ ACCOUNT:**

By the 20<sup>th</sup> of the month following the Billing Month, the amount billed for Smart Energy™, net of an allowance for uncollectibles, will be deposited into a market-based interest-bearing bank account dedicated to the Smart Energy™ Program (Smart Energy™ Account). The reserve for uncollectibles shall be in an amount equal to NW Natural's average percentage of residential net write-offs.

(T)

The Company will be reimbursed from the Smart Energy™ Account each month for actual program administration costs incurred.

### **REPORTS:**

1) Annual Report. The Company will file a report with the Commission within ninety (90) days following the end of the calendar year. The report will include annual participation details, program funding received for that year, demand of total offsets and renewable natural gas obligated per year, and a list of projects or sources from which the offsets and renewable natural gas have been secured.

(N)

- (N) (N)
- 2) <u>Customer Report</u>. The Company will annually provide participating Smart Energy™ Customers with a report detailing the current number of program participants and the volume of offsets and renewable natural gas that have been funded on behalf of Smart Energy™ Customers.

(N)

# **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.

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