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October 11, 2024

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, Oregon 97301-3398

**Re: UG 490 – NW Natural’s Request for a General Rate Revision
Response to Bench Request – THIRD UPDATE**

Northwest Natural Gas Company, dba NW Natural (“NW Natural” or the “Company”), hereby provides a third update to Administrative Law Judge Spruce’s March 7, 2024 Bench Request.

Correspondence relating to this filing should be directed to:

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Sincerely,

NW NATURAL

/s/ Eric W. Nelsen

Eric W. Nelsen
Senior Regulatory Attorney
OSB# 192566

Enclosure

NW Natural

Residential

Rate Adjustment	Filing Date (anticipated or actual)	Rate Impact in \$	Rate impact in %	Rate effective date	Schedule #
					Schedule P - PGA Forecast, Schedule 162 - PGA Gas Cost Differences, Schedule 168 - Curtailment and Entitlement Revenue, Schedule 172 - Intervenor Funding, Schedule 177 - CAT Deferral & Incremental, Schedule 178 - Regulatory Rate Adjustment, Schedule 180 - TSA Security Directive (O&M) Schedule 181 - Oregon Regulatory Fee, Schedule 183 - SRRM Adjustment, Schedule 188 - Industrial DSM, Schedule 187 - Mist Recall Schedule 189 - TSA Security Directive (CoS), Schedule 190 - Decoupling, Schedule 195 - WARM, Schedule 198 - RNG Adj Mechanism, Schedule 196 - Transportation EE [1],
PGA and Other Rate Filings	9/12/2024	\$ (32,655,945)	-5.6%	11/1/2024	AWEC Deferral [2]
Compliance Filing (Incl. PGA)	10/30/2024	\$ 32,200,494	4.8%	11/1/2024	UG 490

Overall Impact

Rate Adjustment	Filing Date (anticipated or actual)	Rate Impact in \$	Rate impact in %	Rate effective date	Schedule #
					Schedule P - PGA Forecast, Schedule 162 - PGA Gas Cost Differences, Schedule 168 - Curtailment and Entitlement Revenue, Schedule 172 - Intervenor Funding, Schedule 177 - CAT Deferral & Incremental, Schedule 178 - Regulatory Rate Adjustment, Schedule 180 - TSA Security Directive (O&M) Schedule 181 - Oregon Regulatory Fee, Schedule 183 - SRRM Adjustment, Schedule 188 - Industrial DSM, Schedule 187 - Mist Recall Schedule 189 - TSA Security Directive (CoS), Schedule 190 - Decoupling, Schedule 195 - WARM, Schedule 198 - RNG Adj Mechanism, Schedule 196 - Transportation EE [1],
PGA and Other Rate Filings	9/12/2024	\$ (50,397,022)	-5.4%	11/1/2024	AWEC Deferral [2]
Compliance Filing (Incl. PGA)	10/30/2024	\$ 44,607,461	4.8%	11/1/2024	UG 490

[1] NW Natural's Advice No. 23-29, New Schedules 169 and 361, Energy Efficiency Program for Transportation Customers, ADV 1582. Filed Dec. 18, 2023 (available at: <https://edocs.puc.state.or.us/efdocs/UAA/uaa325641023.pdf>).

[2] On December 27, 2023 AWEC filed an Application for an accounting order requiring NWN to defer costs and expenses associated with the Climate Protection Plan ("CPP") for transportation and special contract customers due to the invalidation of the CPP on December 20, 2023. The effect of this deferral has been included in Schedule P, 171 and 198.

NW Natural
Oregon Jurisdictional Rate Case
Test Year Twelve Months Ended October 31, 2025
Proposed Incremental Revenue Requirement Allocation by Rate Schedule:
Combined Revenue Requirement and Purchased Gas Adjustment (PGA) Effects
UG 490 - Bench Request (Third Update)

Stipulated UG 490 Revenue Requirement Impacts with Filed 2024-25 Purchased Gas Adjustment (PGA) Impacts
 Impacts of UG 490 Revenue Requirement Items, including the application of the Plant EDIT Amortization Credit

Line No.	Rate Schedule	Margin Revenue at Present Rates	Total Revenue at Present Rates	Revenue Requirement		Plant EDIT Credits		Total Rev. Req. Items		PGA and Other Filings		Margin Revenue at Proposed Rates	Total Revenue at Proposed Rates	Combined Effects			
				Base Rate		Base Rate		Margin Increase (\$)	Margin Increase (%)	Revenue Change (\$)	Revenue Change (%)			Total Revenue Increase (\$)	Margin Revenue Increase (%)	Total Revenue Increase (%)	Average Bill Increase (%)
				Margin Increase (\$)	Margin Increase (%)	Margin Increase (\$)	Margin decrease (%)										
A	B	C	D	(1)	(2)	(3)	(4)	G=C+E	H	I	J	K=A+G	L=B+G+I	M=G+I	N	O	P
1	02R	\$ 360,714,887	\$ 584,697,334	\$ 67,850,271	18.8%	\$ (2,993,832)	-0.8%	\$ 64,856,439	18.0%	\$ (32,655,945)	-5.6%	\$ 425,571,326	\$ 616,897,828	\$ 32,200,494	18.0%	5.5%	4.8%
2	02R - SF	\$ 319,667,295	\$ 518,161,633	\$ 61,273,933	19.2%	\$ (2,659,886)	-0.8%	\$ 58,614,048	18.3%	\$ (29,013,341)	-5.6%	\$ 377,143,387	\$ 547,762,340	\$ 28,536,235	18.0%	5.7%	5.1%
3	02R - MF	\$ 39,289,450	\$ 63,685,856	\$ 5,847,302	14.9%	\$ (326,940)	-0.8%	\$ 5,520,362	14.1%	\$ (3,566,176)	-5.6%	\$ 46,353,682	\$ 65,640,043	\$ 3,507,312	18.0%	3.1%	2.6%
4	02R - NP SF	\$ 1,338,204	\$ 2,169,149	\$ 568,957	42.5%	\$ (5,353)	-0.4%	\$ 563,604	42.1%	\$ (58,388)	-2.7%	\$ 1,578,813	\$ 2,674,365	\$ 119,460	18.0%	23.3%	N/A
5	02R - NP MF	\$ 419,939	\$ 680,695	\$ 160,079	38.1%	\$ (1,654)	-0.4%	\$ 158,425	37.7%	\$ (18,040)	-2.7%	\$ 495,443	\$ 821,081	\$ 37,487	18.0%	20.6%	N/A
6	03C	\$ 113,389,442	\$ 207,588,681	\$ 27,613,303	24.4%	\$ (1,217,814)	-1.1%	\$ 26,395,489	23.3%	\$ (10,406,327)	-5.0%	\$ 139,784,931	\$ 223,577,843	\$ 15,989,162	23.3%	7.7%	8.4%
7	03I	\$ 2,405,057	\$ 5,088,420	\$ 202,759	8.4%	\$ (8,931)	-0.4%	\$ 193,828	8.1%	\$ (208,743)	-4.1%	\$ 2,598,884	\$ 5,073,505	\$ (14,915)	8.1%	-0.3%	-0.3%
8	27R	\$ 593,328	\$ 1,051,370	\$ 144,488	24.4%	\$ (6,375)	-1.1%	\$ 138,113	23.3%	\$ (47,758)	-4.5%	\$ 731,441	\$ 1,141,726	\$ 90,355	23.3%	8.6%	7.5%
9	31CSF	\$ 10,045,606	\$ 22,561,649	\$ 846,802	8.4%	\$ (37,320)	-0.4%	\$ 809,482	8.1%	\$ (1,022,529)	-4.5%	\$ 10,855,089	\$ 22,348,602	\$ (213,047)	8.1%	-0.9%	-1.7%
10	31CTF	\$ 1,140,610	\$ 1,133,412	\$ 96,148	8.4%	\$ (4,241)	-0.4%	\$ 91,908	8.1%	\$ (34,552)	-3.0%	\$ 1,232,517	\$ 1,190,768	\$ 57,356	8.1%	5.1%	4.6%
11	31ISF	\$ 3,467,751	\$ 9,636,781	\$ 292,337	8.4%	\$ (12,929)	-0.4%	\$ 279,408	8.1%	\$ (414,172)	-4.3%	\$ 3,747,160	\$ 9,502,018	\$ (134,764)	8.1%	-1.4%	-2.0%
12	31ITF	\$ 156,930	\$ 155,940	\$ 13,228	8.4%	\$ (585)	-0.4%	\$ 12,644	8.1%	\$ (5,600)	-3.6%	\$ 169,574	\$ 162,983	\$ 7,044	8.1%	4.5%	4.2%
13	32CSF	\$ 14,016,743	\$ 39,678,850	\$ 1,050,097	7.5%	\$ (46,553)	-0.3%	\$ 1,003,544	7.2%	\$ (1,702,499)	-4.3%	\$ 15,020,287	\$ 38,979,894	\$ (698,955)	7.2%	-1.8%	-2.4%
14	32ISF	\$ 3,667,040	\$ 14,798,305	\$ 188,958	5.2%	\$ (8,318)	-0.2%	\$ 180,640	4.9%	\$ (693,981)	-4.7%	\$ 3,847,680	\$ 14,284,964	\$ (513,341)	4.9%	-3.5%	-3.8%
15	32CTF	\$ 994,454	\$ 988,178	\$ 74,524	7.5%	\$ (3,297)	-0.3%	\$ 71,227	7.2%	\$ (34,585)	-3.5%	\$ 1,065,681	\$ 1,024,821	\$ 36,642	7.2%	3.7%	4.4%
16	32ITF	\$ 6,714,797	\$ 6,672,424	\$ 345,865	5.2%	\$ (15,304)	-0.2%	\$ 330,562	4.9%	\$ (431,920)	-6.5%	\$ 7,045,359	\$ 6,571,066	\$ (101,359)	4.9%	-1.5%	0.5%
17	32CSI	\$ 2,566,247	\$ 13,398,486	\$ 192,303	7.5%	\$ (8,555)	-0.3%	\$ 183,748	7.2%	\$ (915,593)	-6.8%	\$ 2,749,995	\$ 12,666,641	\$ (731,845)	7.2%	-5.5%	-4.5%
18	32ISI	\$ 2,990,958	\$ 16,774,985	\$ 154,004	5.1%	\$ (6,806)	-0.2%	\$ 147,198	4.9%	\$ (1,032,432)	-6.2%	\$ 3,138,156	\$ 15,889,751	\$ (885,234)	4.9%	-5.3%	-4.9%
19	32CTI	\$ 515,000	\$ 511,750	\$ 38,567	7.5%	\$ (1,715)	-0.3%	\$ 36,851	7.2%	\$ (33,619)	-6.6%	\$ 551,851	\$ 514,982	\$ 3,232	7.2%	0.6%	-1.2%
20	32ITI	\$ 5,539,411	\$ 5,504,455	\$ 285,767	5.2%	\$ (12,364)	-0.2%	\$ 273,403	4.9%	\$ (756,767)	-13.7%	\$ 5,812,813	\$ 5,021,090	\$ (483,364)	4.9%	-8.8%	-3.1%
21	33T	\$ 0	\$ 0	\$ 0	0.0%	\$ 0	0.0%	\$ 0	0.0%	\$ 0	0.0%	\$ 0	\$ 0	\$ 0	0.0%	0.0%	0.5%
Total		\$ 528,918,261	\$ 930,241,019	\$ 99,389,421	18.8%	\$ (4,384,938)	-0.8%	\$ 95,004,483	18.0%	\$ (50,397,022)	-5.42%	\$ 623,922,744	\$ 974,848,481	\$ 44,607,461	17.96%	4.80%	(5)

NOTE (1): Revenue Requirement spread based on the spread presented in Attachment 1 to the UG 490 Second Multi-Party Stipulation.
 NOTE (2): Plant excess deferred income taxes (EDIT) amortization credit spread to all rate schedules based on the revenue requirement spread noted above.
 NOTE (3): 02R indicates the entire Residential rate class. Below it are the four proposed Residential sub-classes that make-up the class-wide total. They are as follow. 02R - SF : Existing Single-Family;
 02R - MF : Existing Multi-Family; 02R - NP SF: New Premise Single-Family; 02R - NP MF: New Premise Multi-Family.
 NOTE (4): The proposed margin revenue increase is based on volumetric billing rates rounded to the fifth decimal as necessitated by the Company's tariff. Therefore, there may be a small discrepancy with the indicated revenue requirement.
 NOTE (5): 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 impacts for these schedules are overstated.
 NOTE (6): Revenue change is based on current (2023-24) revenues from the Purchased Gas Adjustment filings and the newly forecasted revenue for 11/1/2024.