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December 18, 2018

Via Electronic Filing

OREGON PUBLIC UTILITY COMMISSION ATTENTION: FILING CENTER PO BOX: 1088 SALEM OR 97308-1088

RE: <u>Docket No. UG 344 Ph 2</u> – In the Matter of NORTHWEST NATURAL GAS COMPANY, dba NW NATURAL, Request for a General Rate Revision.

This filing is to correct Staff Rebuttal Testimony filed December 12, 2018:

Staff/1700, Fox/23, lines 15-17 as filed: "Changing the gross up factor to 1.41 as advocated by Staff would increase these amounts to \$6.671 million and \$6.750 million, respectively."

Staff/1700, Fox/23, lines 15-17 as revised: "Changing the gross up factor to 1.41 as advocated by Staff would increase these amounts to \$6.916 million and \$6.750 million, respectively."

A copy of the corrected filing is attached.

/s/ Kay Barnes Kay Barnes PUC- Utility Program (503) 378-5763 kay.barnes@state.or.us

## Docket No. UG 344 Phase 2

## Errata Page

assets. EDIT (Gas Reserves) is not subject to normalization rules, commonly referred to as "unprotected". This means the Commission could choose to return the entire amount to customers immediately or over time using any reasonable amortization method. The EDIT (Gas Reserves) was earmarked for return to sales customers in the Second Partial Stipulation and also the Company's revised proposal. The Commission could choose to offset the EDIT (Gas Reserves) against the outstanding PBA balance or return them to a different class of customers although this would likely generate objections as the return to sales customers is supported by all parties.

## Return of EDIT (Other) Benefits

These amounts are valued at \$6.671 million and immediately offset against the outstanding PBA balance under the provisions of the Second Partial Stipulation. Under the Company's new revised proposal, the amounts are valued at \$6.511 million and immediately offset against the outstanding PBA balance as well. Changing the gross up factor to 1.41 as advocated by Staff would increase these amounts to \$6.671 million and \$6.750 million, 6-916

As it is for EDIT (Gas Reserves), EDIT (Other) is "unprotected" or not subject to IRS normalization rules. This means the Commission could choose to return the entire amount to customers immediately or over time using any reasonable amortization method.

The decision to offset EDIT (Other) against the outstanding PBA balance in the Second Partial Stipulation remains controversial with AWEC. AWEC advocates

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