



# Work Session Summary Minutes

OREGON

## NW Natural Gas

October 31, 2024. 2:30 PM

Courthouse Square, 555 Court St. NE, Salem  
5th Floor, Suite 5232, Commissioners Board Room

### ATTENDANCE:

**Commissioners:** Kevin Cameron, Colm Willis, and Danielle Bethell.

**Board's Office:** Matt Lawyer, Chris Eppley, Alvin Klausen, Trevor Lane.

**Legal Counsel:** Steve Elzinga.

**NW Natural Gas:** Dan Kaiser, Zachary Sielicky, Catherine Williams, Cliff Hazen, Celina Russell, and Matt Carlson.

Kevin Cameron called the meeting to order at 2:32 p.m.

### **Summary**

The Marion County Board of Commissioners discussed Northwest Natural Gas's infrastructure and potential upgrades with a focus on the Santiam canyon area. Key points included the impact of the Public Utilities Commission's (PUC) decision to phase out the line extension allowance, which will make residential growth more costly. The proposed upgrade involves increasing pressure from 225 to 385 Pounds per Square Inch (PSI), which could support 1800 new homes and increase firm and interruptible gas capacity. The project costs range from \$7.5 to \$10 million for Option 1 and \$11 million for Option 2. The possibility of integrating gas lines with a sewer project was also discussed, with a timeline for completion by December 2026.

### NW Natural Gas Service Extension for the Santiam Canyon:

- Options to upgrade the gas distribution system in the Santiam Canyon area to increase firm and interruptible capacity:
  - Option 1 would upgrade the system to Kingdom Road at a cost of \$7.5-\$10 million, providing 600 therms/hour of additional firm capacity.
  - Option 2 would extend the upgrade further to Mehama at a cost of \$11 million, providing 800 therms/hour of additional firm capacity.
- The upgrades would significantly increase the interruptible capacity as well, reducing the frequency of curtailments during cold weather.
- Challenges around the PUC's decision to phase out the residential line extension allowance, making the economics more difficult for new home construction.
- Opportunities include coordinating the gas line upgrades with the county's planned sewer system project in the Santiam Canyon.

Other:

- The commissioners are interested in exploring a third option to extend the gas line all the way to Gates, given the potential for commercial and residential development in that area.
- Concerns about the timeline for the sewer project, which needs to be completed by December 2026 using ARPA funding.

Next Steps:

- NW Natural Gas will develop an Option 3 proposal to extend the gas line to Gates and provide an estimate.
- NW Natural Gas will coordinate with the county's Public Works department to discuss the sewer project timeline and potential synergies for the gas line installation.
- The parties will further explore the feasibility and timeline for NW Natural Gas to install the gas line in the same trench as the county's sewer project.

**Adjourned** – time: 2:17 p.m.

**Minutes by:** Mary Vityukova

**Reviewed by:** Gary White

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