

EXHIBIT A

BEFORE THE
WASHINGTON UTILITIES & TRANSPORTATION COMMISSION

NW NATURAL
SUPPORTING MATERIALS

Annual Purchased Gas Cost and
Deferred Gas Cost Amortization Adjustments

NWN WUTC Advice No. 17-10 / UG-_____

September 12, 2017

NW NATURAL

EXHIBIT A

Supporting Materials

Annual Purchased Gas Cost and Deferred Gas Cost Amortization Adjustments

NWN WUTC ADVICE NO. 17-10 / UG-_____

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NW Natural
 Rates & Regulatory Affairs
 2017-2018 PGA Filing - Washington: September Filing
 Summary of TEMPORARY Increments

		REMOVE	REMOVE	ADD	ADD	ADD	Total	Net Effect of	
		Current	PGA Current	WACOG	Demand	Demand	Proposed	PGA Temps	
		Temporaries	Temporaries	Deferral	Deferral	Deferral	PGA	Temporaries	
					FIRM	INTERR			
							E = B+C+D	F = E-A	
		A	B	C	D	E		F	
1	Schedule								
2	Block								
3									
4	1R	0.02141	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)	
5	1C	0.01326	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)	
6	2R	0.00034	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)	
7	3 CFS	(0.00401)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)	
8	3 IFS	(0.02930)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)	
9	27	(0.01010)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)	
10	41C Firm Sales	Block 1	(0.01094)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
11		Block 2	(0.01385)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
12	41C Interr Sales	Block 1	(0.00306)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
13		Block 2	(0.00586)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
14	41 Firm Trans	Block 1	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
15		Block 2	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
16	41I Firm Sales	Block 1	(0.03009)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
17		Block 2	(0.03073)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
18	41I Interr Sales	Block 1	(0.02132)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
19		Block 2	(0.02195)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
20	42C Firm Sales	Block 1	(0.02202)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
21		Block 2	(0.02342)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
22		Block 3	(0.02623)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
23		Block 4	(0.02807)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
24		Block 5	(0.03052)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
25		Block 6	(0.03360)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
26	42I Firm Sales	Block 1	(0.03264)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
27		Block 2	(0.03293)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
28		Block 3	(0.03352)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
29		Block 4	(0.03390)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
30		Block 5	(0.03442)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
31		Block 6	(0.03506)	0.00000	(0.00397)	(0.03602)	0.00000	(0.03999)	(0.00455)
32	42 Firm Trans	Block 1	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
33		Block 2	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
34		Block 3	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
35		Block 4	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
36		Block 5	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
37		Block 6	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
38	42C Interr Sales	Block 1	(0.01621)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
39		Block 2	(0.01730)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
40		Block 3	(0.01946)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
41		Block 4	(0.02088)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
42		Block 5	(0.02278)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
43		Block 6	(0.02515)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
44	42I Interr Sales	Block 1	(0.02225)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
45		Block 2	(0.02270)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
46		Block 3	(0.02361)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
47		Block 4	(0.02420)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
48		Block 5	(0.02499)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
49		Block 6	(0.02598)	0.00000	(0.00397)	0.00000	(0.01259)	(0.01656)	0.01001
50	42 Inter Trans	Block 1	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
51		Block 2	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
52		Block 3	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
53		Block 4	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
54		Block 5	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
55		Block 6	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
56	43 Firm Trans		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
57	43 Interr Trans		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
58	Intentionally blank								

Sources:

Direct Inputs	16-17 PGA				
Equal ¢ per therm			Column D	Column G	Column J
Equal % of margin					
Tariff Schedules:					
Schedule #			Sched 201	Sched 201	Sched 201

Company: Northwest Natural Gas Company
 State: Washington
 Description: Washington WACOG Deferral
 Account Number: 191420
 Program under Schedule P
 Temp Increment under Schedule 203

1	Debit (Credit)							
2								
3								
4	Month/Year	Note	Accumulation	Transfers	Interest Rate	Interest	Activity	Balance
5	(a)	(b)	(c)	(d)	(e1)	(e2)	(f)	(g)
6								
7	Beginning Balance							
129	Oct-16		(169,127.98)		3.50%	(4,011.90)	(173,139.88)	(1,464,085.91)
130	Nov-16	1	(86,960.09)	1,161,213.38	3.50%	(1,010.20)	1,073,243.09	(390,842.83)
131	Dec-16		397,271.75		3.50%	(560.60)	396,711.15	5,868.32
132	Jan-17		389,591.88		3.50%	585.27	390,177.15	396,045.47
133	Feb-17		(133,253.06)		3.50%	960.81	(132,292.25)	263,753.21
134	Mar-17		(303,716.84)		3.50%	326.36	(303,390.48)	(39,637.27)
135	Apr-17		(192,040.21)		3.71%	(419.41)	(192,459.62)	(232,096.89)
136	May-17		(79,605.55)		3.71%	(840.62)	(80,446.17)	(312,543.06)
137	Jun-17		(41,501.48)		3.71%	(1,030.43)	(42,531.91)	(355,074.97)
138	Jul-17		(122,679.40)		3.96%	(1,374.17)	(124,053.57)	(479,128.54)
139	Aug-17		(18,444.44)		3.96%	(1,611.56)	(20,056.00)	(499,184.54)
140	Sep-17				3.96%	(1,647.31)	(1,647.31)	(500,831.85)
141	Oct-17				3.96%	(1,652.75)	(1,652.75)	(502,484.60)

142

143 **History truncated for ease of viewing**

144

145 **Notes**

146 1 - Transferred authorized balance to account 191421 for amortization.

147 2 - Transfer represents a true-up of the balance to the General Ledger.

148 3 - Transfer represents an early WACOG refund approved by the WUTC. Amount was transferred to account 191421 for amortization.

Company: Northwest Natural Gas Company
 State: Washington
 Description: Washington Amortization of WACOG
 Account Number: 191421
 Program under Schedule P
 Temp Increment under Schedule 203

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Debit	(Credit)	Month/Year	Note	Amortization	Transfers	Interest Rate	Interest	Activity	Balance										
(a)	(b)	(c)	(d)	(e1)	(e2)	(f)	(g)												
Beginning Balance																			
137		Oct-16		119,384.21		3.50%	(1,164.78)	118,219.43	(340,824.18)										
138		Nov-16 old		99,870.19		3.50%	(848.43)	99,021.76	(241,802.42)										
139		Nov-16 new (1)		42,457.31	(1,161,213.38)	3.50%	(3,324.96)	(1,122,081.03)	(1,363,883.45)										
140		Dec-16		205,724.76		3.50%	(3,677.98)	202,046.78	(1,161,836.67)										
141		Jan-17		353,480.55		3.50%	(2,873.20)	350,607.35	(811,229.32)										
142		Feb-17		265,746.88		3.50%	(1,978.54)	263,768.34	(547,460.98)										
143		Mar-17		207,355.01		3.50%	(1,294.37)	206,060.64	(341,400.34)										
144		Apr-17		149,129.62		3.71%	(824.97)	148,304.65	(193,095.69)										
145		May-17		107,467.04		3.71%	(430.86)	107,036.18	(86,059.51)										
146		Jun-17		66,793.12		3.71%	(162.82)	66,630.30	(19,429.21)										
147		Jul-17		50,289.82		3.96%	18.86	50,308.68	30,879.47										
148		Aug-17		42,364.98		3.96%	171.80	42,536.78	73,416.25										
149		Sep-17	<i>Forecasted</i>	50,867.47		3.96%	326.20	51,193.67	124,609.92										
150		Oct-17	<i>Forecasted</i>	108,093.60		3.96%	589.57	108,683.17	233,293.09										

History truncated for ease of viewing

Notes

- 1 - Transfer in amounts from account 191420 approved for amortization.
- 2 - Transfer represents an early WACOG refund approved by the WUTC. Amount was transferred in from account 191420 for amortization.

Company: Northwest Natural Gas Company
 State: Washington
 Description: Washington Demand Accrual
 Account Number: 191430
 Program under Schedule P
 Temp Increment under Schedule 203

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Debit	(Credit)	Month/Year	Note	Accumulation	Transfers	Interest Rate	Interest	Activity	Balance												
		(a)	(b)	(c)	(d)	(e1)	(e2)	(f)	(g)												
	Beginning Balance																				
129		Oct-16		173,597.52		3.50%	2,830.56	176,428.08	1,060,107.23												
130		Nov-16	1	(34,090.79)	(508,349.64)	3.50%	1,559.58	(540,880.85)	519,226.37												
131		Dec-16		(902,608.86)		3.50%	198.11	(902,410.75)	(383,184.38)												
132		Jan-17		(1,177,911.35)		3.50%	(2,835.41)	(1,180,746.76)	(1,563,931.14)												
133		Feb-17		(591,296.57)		3.50%	(5,423.77)	(596,720.34)	(2,160,651.48)												
134		Mar-17		(313,110.61)		3.50%	(6,758.52)	(319,869.13)	(2,480,520.60)												
135		Apr-17		(38,832.13)		3.71%	(7,728.97)	(46,561.10)	(2,527,081.71)												
136		May-17		257,065.48		3.71%	(7,415.51)	249,649.97	(2,277,431.74)												
137		Jun-17		355,710.74		3.71%	(6,491.19)	349,219.55	(1,928,212.19)												
138		Jul-17		419,621.70		3.96%	(5,670.72)	413,950.98	(1,514,261.21)												
139		Aug-17		461,347.80		3.96%	(4,235.84)	457,111.96	(1,057,149.25)												
140		Sep-17				3.96%	(3,488.59)	(3,488.59)	(1,060,637.84)												
141		Oct-17				3.96%	(3,500.10)	(3,500.10)	(1,064,137.94)												

History truncated for ease of viewing

Notes

1 - Transferred authorized balance to account 191431 for amortization.

Company: Northwest Natural Gas Company
 State: Washington
 Description: Washington Amortization of Demand
 Account Number: 191431
 Program under Schedule P
 Temp Increment under Schedule 203

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Debit	(Credit)	Month/Year	Note	Amortization	Transfers	Interest Rate	Interest	Activity	Balance										
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)										
137		Beginning Balance																	
		Oct-16		1,284.16		3.50%	(1,318.16)	(34.00)	(452,618.34)										
138		Nov-16 old		1,094.17		3.50%	(1,318.54)	(224.37)	(452,842.71)										
139		Nov-16 new (1)		25,673.45	508,349.64	3.50%	1,520.13	535,543.22	82,700.51										
140		Dec-16		127,351.22		3.50%	426.93	127,778.15	210,478.66										
141		Jan-17	2	218,988.17	(1,448,926.12)	3.50%	(3,292.78)	(1,233,230.73)	(1,022,752.07)										
142		Feb-17		164,790.45		3.50%	(2,742.71)	162,047.74	(860,704.33)										
143		Mar-17		128,463.11		3.50%	(2,323.05)	126,140.06	(734,564.27)										
144		Apr-17		92,234.73		3.71%	(2,128.45)	90,106.28	(644,457.99)										
145		May-17		66,290.36		3.71%	(1,889.98)	64,400.38	(580,057.61)										
146		Jun-17		40,968.46		3.71%	(1,730.01)	39,238.45	(540,819.16)										
147		Jul-17		30,703.47		3.96%	(1,734.04)	28,969.43	(511,849.73)										
148		Aug-17		25,793.69		3.96%	(1,646.54)	24,147.15	(487,702.58)										
149		Sep-17	<i>Forecasted</i>	31,055.17		3.96%	(1,558.18)	29,496.99	(458,205.59)										
150		Oct-17	<i>Forecasted</i>	66,704.67		3.96%	(1,402.02)	65,302.65	(392,902.94)										

History truncated for ease of viewing

Notes

- 1 - Transfer in amounts from account 191430 approved for amortization.
- 2 - Transfer in from account 254302 (storage and optimization revenue sharing).

Company: Northwest Natural Gas Company
 State: Washington
 Description: Washington Storage Sharing
 Account Number: 254302
 Temp Increment under Schedule 220

1	2	3	4	5	6	7	8	9	10	11	12	
Debit	(Credit)	Month/Year	Note	Accumulation	Transfers	Activity	Balance					
(a)		(b)	(c)	(d)	(e)	(f)						
Beginning Balance												
128		Oct-16		(129,136.34)		(129,136.34)	(1,231,021.55)					
129		Nov-16		(90,004.41)		(90,004.41)	(1,321,025.96)					
130		Dec-16		(109,930.55)		(109,930.55)	(1,430,956.51)					
131		Jan-17	1	0.00	1,430,956.51	1,430,956.51	0.00					
132		Feb-17		(41,988.90)		(41,988.90)	(41,988.90)					
133		Mar-17		(79,377.49)		(79,377.49)	(121,366.39)					
134		Apr-17		(132,510.79)		(132,510.79)	(253,877.18)					
135		May-17		(145,262.17)		(145,262.17)	(399,139.35)					
136		Jun-17		(154,709.62)		(154,709.62)	(553,848.97)					
137		Jul-17		(203,656.90)		(203,656.90)	(757,505.87)					
138		Aug-17		(201,865.84)		(201,865.84)	(959,371.71)					
139		Sep-17				0.00	(959,371.71)					
140		Oct-17				0.00	(959,371.71)					

History truncated for ease of viewing

Notes

1 - Transfer December balance to account 191431 for amortization.

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NW Natural
 2017-2018 PGA - SYSTEM: September Filing
 Summary of Total Commodity Cost
 ALL VOLUMES IN THERMS

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
			November	December	January	February	March	April	May	June	July	August	September	October	TOTAL
			1	2	3	4	5	6	7	8	9	10	11	12	
SYSTEM COSTS															
1															
2															
3															
4	COSTS														
5	Commodity Cost from Supply		\$18,951,067	\$21,159,770	\$19,918,131	\$12,423,374	\$14,759,884	\$10,604,562	\$7,365,529	\$5,032,648	\$4,289,158	\$3,766,934	\$4,400,051	\$9,219,337	\$131,890,445
6	tab commodity cost from supply, column cd, lines 93-104 plus														
7	tab commodity cost from gas reserve, column q, lines 59-70														
8	Volumetric Pipeline Chgs		\$265,780	\$296,008	\$94,112	\$69,218	\$73,605	\$56,734	\$40,750	\$29,526	\$26,177	\$23,615	\$26,313	\$49,331	\$1,051,169
9	tab commodity cost from vol pipe, column e, line 76-89														
10	Commodity Cost from Storage		\$444,641	\$10,868,363	\$10,874,850	\$12,391,936	\$5,179,554	\$94,546	\$222,956	\$219,804	\$97,697	\$1,080,041	\$1,078,984	\$97,697	\$42,651,069
11	tab Commodity Cost from Storage, column k, line 61-72														
12	Other Costs & Miscellaneous Changes														
13															
12	Commodity Cost from Gas Reserves		\$2,563,265	\$2,749,136	\$2,561,384	\$2,368,729	\$2,498,044	\$2,414,492	\$2,471,856	\$2,371,904	\$2,365,549	\$2,340,435	\$2,266,758	\$2,290,794	\$29,262,347
13	tab Commodity Cost from Gas Reserve, column p, line 59-70														
14	Total Commodity Cost		\$22,224,753	\$35,073,277	\$33,448,478	\$27,253,256	\$22,511,087	\$13,170,334	\$10,101,091	\$7,653,883	\$6,778,580	\$7,211,025	\$7,772,106	\$11,657,159	\$204,855,030
15															
16	VOLUMES														
17	Commodity Volumes at Receipt Points		82,125,185	85,151,833	80,702,673	52,532,039	63,414,222	58,162,663	40,852,525	28,902,022	25,215,445	22,465,941	25,454,256	50,128,685	615,107,491
18	Pipeline Fuel Use		2,201,839	2,284,264	2,145,316	1,291,929	1,604,561	1,768,774	1,159,910	790,434	671,563	585,697	682,760	1,516,285	16,703,333
19	Gas Arriving at City Gate		79,923,347	82,867,569	78,557,357	51,240,110	61,809,661	56,393,889	39,692,615	28,111,588	24,543,882	21,880,244	24,771,496	48,612,400	598,404,158
20															
21	Storage Gas Withdrawals		1,760,584	35,319,635	34,868,597	40,193,590	16,461,753	240,000	561,000	553,000	248,000	2,593,000	2,590,000	248,000	135,637,160
22	Pipeline Fuel Use for Off-site Storage		61,959	248,900	214,479	227,334	88,588	0	0	0	0	0	0	0	841,260
23	Storage Gas Deliveries at City Gate		1,698,625	35,070,735	34,654,118	39,966,256	16,373,164	240,000	561,000	553,000	248,000	2,593,000	2,590,000	248,000	134,795,899
24															
25	Total Gas At City Gate (Storage and Commodity)		81,621,972	117,938,304	113,211,476	91,206,366	78,182,826	56,633,889	40,253,615	28,664,588	24,791,882	24,473,244	27,361,496	48,860,400	733,200,057
26															
27	Unaccounted for Gas		626,731	649,819	616,020	401,807	484,690	442,222	311,256	220,441	192,465	171,577	194,250	381,202	4,692,480
28															
29	Load Served		80,995,240	117,288,485	112,595,456	90,804,559	77,698,135	56,191,667	39,942,359	28,444,147	24,599,417	24,301,667	27,167,246	48,479,198	728,507,577

NW Natural
2017-2018 PGA - SYSTEM: September Filing
Derivation of Washington per therm Non-Commodity Charges
ALL VOLUMES IN THERMS

Washington Derivation of Demand Increments

		Without Revenue Sensitive	WITH Revenue Sensitive
	(a)	(b)	(c)
1			
2			
3			
4	System Demand	\$79,266,586	
5	Washington Allocation Factor 1/	10.51%	
6	Washington Demand	\$8,330,918	
7			
8	Washington Firm Sales Normal Volumes	71,202,188	
9	Washington Interruptible Sales Normal Volumes	1,308,179	
10			
11			
12	Proposed Firm Demand Per Therm 2/	\$0.11626	\$0.12158
13	Proposed Interruptible Demand 2/	\$0.04062	\$0.04248
14	Proposed MDDV Demand Charge	\$1.74	\$1.82
15			
16	Current Firm Demand Per Therm	\$0.11839	\$0.12380
17	Current Interruptible Demand	\$0.04136	\$0.04325
18	Current MDDV Demand Charge	\$1.77	\$1.85
19			
20	Percent Change in Firm Demand	-1.80%	
21			
22			
23	1/Allocation Factor: 2017-18 PGA forecast firm sales volumes:		
24		<u>Washington</u>	<u>Oregon</u>
25	Firm Sales	71,202,188	606,239,575
26		10.51%	89.49%
27			<u>System</u>
28	2/Calculation of Proposed Demand Rates:		
29			
30	Demand change factor	0.982	
31			
32	Firm Demand (line 16 * line 30)	\$0.11626	\$8,277,786
33	Interruptible Demand (line 17 * line 30)	\$0.04062	\$53,132
34			<u>\$8,330,918</u>

NW Natural
2017-2018 PGA - SYSTEM: September Filing
Calculation of Winter WACOG

Prices are per therm

1	Forecast price for AECO gas:		
2			
3		<u>AECO/NIT</u>	
4			
5	November	\$0.19711	
6	December	\$0.20936	
7	January	\$0.21528	
8	February	\$0.21599	
9	March	\$0.21224	
10	April	\$0.18691	
11	May	\$0.18614	
12	June	\$0.18631	
13	July	\$0.18784	
14	August	\$0.18871	
15	September	\$0.18735	
16	October	\$0.19201	
17			
18			
19	Average price, November-March	\$0.21000	average lines 5-9
20			
21	Annual average price, November-October	\$0.19710	average lines 5-16
22			
23	Ratio of winter to annual	1.06545	line 19 ÷ line 21
24			
25		Without Rev	WITH Rev
26		<u>Sensitive</u>	<u>Sensitive</u>
OR	Oregon Annual WACOG	\$0.28370	\$0.29186
OR	Oregon Winter WACOG	\$0.30227	\$0.31096
		line 23 * \$0.2837	
WA	Washington Annual WACOG	\$0.25856	\$0.27038
WA	Washington Winter WACOG	\$0.27548	\$0.28807
		line 23 * \$0.25856	

**NW Natural
 Rates & Regulatory Affairs
 2017-18 Washington: September Filing Updating Energy Efficiency Schedules 201 & 203
 Tariff Advice 17-10: Schedules 201 & 203 Effects on Revenue**

	<u>Amount</u>	<u>Reference</u>
1		
2		
3		
4		
5		
6	2,484,604	NWN 2016-17 Washington PGA rate development file September.xlsx
7		
8		
9	(2,868,992)	NWN 2017-18 Washington PGA rate development file September.xlsx
10		
11		
12		
13	0	
14		
15	<u>(\$384,388)</u>	
16		
17		
18	\$65,337,329	
19		
20	-0.59%	

WASHINGTON COMFORT ZONE – September 2017

Lower rates headed your way – again!

NW Natural files for a rate reduction for the third year in a row

On Sept. 12, 2017, NW Natural asked the Washington Utilities and Transportation Commission (WUTC) to approve lower rates. If approved, starting Nov. 1 customers' rates will drop for the third year in a row.

Residential customers will see a rate reduction of 3.1% or about \$1.60 for the average home using 53 therms a month.

Small-commercial customers will see a rate reduction of 3.4% or about \$7.52 for the average business using 248 therms a month.

"We're proud to pass cost savings on to our customers while providing the same high-quality service, reliability and safety that they expect," said David H. Anderson, NW Natural President and CEO. "Once again, our customers will be paying less for their natural gas than they did 15 years ago."

What's the reason for lower rates?

The combined effects of these three filings contribute to the drop in rates:

1. **Purchased Gas Adjustment (PGA)** – A 3.1% or \$1.60 reduction on the average monthly residential bill and a 3.4% or \$7.49 reduction on the average small-commercial bill. The filing trues up differences between the estimated and actual cost of natural gas, and it establishes the customer costs for natural gas from Nov. 1, 2017 - Oct. 31, 2018.
2. **Energy efficiency programs** – A 0.2% or 10 cent increase on the average monthly residential bill and a 0.2% or 38 cent increase on the average monthly small-commercial bill for energy-efficiency programs that support cost effective natural gas conservation.
3. **Low income assistance** – A 0.2% or 10 cent reduction on the average monthly residential bill, and a 0.2% or 42 cent reduction on the average monthly small-commercial bill for programs that help low-income residential customers install energy-efficiency improvements and stay warm during the winter.

The Company files for changes in rates for these reasons every year at this time. The filings are requests that are subject to public review and a decision by the WUTC. Customers may submit comments, request more information, review the filing, and find out about open meetings at www.utc.wa.gov, comments@utc.wa.gov, 1-888-333-9882, or WUTC, PO Box 47250, Olympia, WA 98504-7250.

Customers can also get more information at www.nwnatural.com in the Rates & Regulations section or by calling 503-226-4211 and asking for the Rates & Regulatory Department.

E-COMFORT ZONE COPY

What's up with rates? Actually, they're going down – again!

For the third year in a row, NW Natural has filed to reduce customer rates starting Nov. 1. That means you'll continue to pay less for natural gas than you did 15 years ago!