

Exhibit No. KTW-10  
Docket UG-181053  
Witness: Kyle T. Walker

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION  
Complainant,

v.

NORTHWEST NATURAL GAS  
COMPANY,  
Respondent.

DOCKET UG-181053

**NORTHWEST NATURAL GAS COMPANY  
EXHIBIT OF KYLE T. WALKER**

**Rate Class Decoupling Impact**

**July 18, 2019**

<b>Total Costs for Serving New Customers</b>		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Cost per Customer		\$ 507.82	\$ 497.97	\$ 487.22	\$ 476.83	\$ 466.79	\$ 457.08	
Year	Number of New Customers							
2019	2,969	\$ 753,864	\$ 1,493,106	\$ 1,462,517	\$ 1,431,132	\$ 1,400,815	\$ 1,371,496	\$ 678,539
2020	3,219		\$ 817,342	\$ 1,618,831	\$ 1,585,666	\$ 1,551,638	\$ 1,518,768	\$ 751,306
2021	3,524			\$ 894,785	\$ 1,772,215	\$ 1,735,908	\$ 1,698,656	\$ 840,179
2022	3,604				\$ 915,098	\$ 1,812,447	\$ 1,775,315	\$ 877,966
2023	3,707					\$ 941,251	\$ 1,864,246	\$ 922,995
2024	3,801						\$ 965,118	\$ 965,118
<b>Total Cost for Serving New Customers</b>		<b>\$ 34,416,318</b>						

<b>Total Revenue for Serving New Customers</b>		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Revenue per Customer	\$338.94							
Year	Number of New Customers							
2019	2,969	\$ 503,161	\$ 1,006,322	\$ 1,006,322	\$ 1,006,322	\$ 1,006,322	\$ 1,006,322	\$ 503,161
2020	3,219		\$ 545,529	\$ 1,091,058	\$ 1,091,058	\$ 1,091,058	\$ 1,091,058	\$ 545,529
2021	3,524			\$ 597,218	\$ 1,194,436	\$ 1,194,436	\$ 1,194,436	\$ 597,218
2022	3,604				\$ 610,775	\$ 1,221,551	\$ 1,221,551	\$ 610,775
2023	3,707					\$ 628,231	\$ 1,256,462	\$ 628,231
2024	3,801						\$ 644,161	\$ 644,161

<b>Less: Volumetric Revenue</b>		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Annual Use per Cust	522.2							
Base Rate (Settlement) \$	0.46530							
Year	Number of New Customers							
2019	2,969	\$ 360,703	\$ 721,407	\$ 721,407	\$ 721,407	\$ 721,407	\$ 721,407	\$ 360,703
2020	3,219		\$ 391,076	\$ 782,152	\$ 782,152	\$ 782,152	\$ 782,152	\$ 391,076
2021	3,524			\$ 428,130	\$ 856,260	\$ 856,260	\$ 856,260	\$ 428,130
2022	3,604				\$ 437,849	\$ 875,699	\$ 875,699	\$ 437,849
2023	3,707					\$ 450,363	\$ 900,726	\$ 450,363
2024	3,801						\$ 461,783	\$ 461,783

Total Revenue per Customer	\$ 23,736,864
Less: Volumetric Revenue	\$ 17,016,352
<b>Total Revenue for Serving New Customers</b>	<b>\$ 6,720,512</b>

Revenue - Cost	\$ (27,695,806)
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