

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. 23-13 / UG-_____

September 15, 2023

NW NATURAL

EXHIBIT A

Supporting Materials

Annual Purchased Gas Cost and Deferred Gas Cost Amortization Adjustments

NWN WUTC ADVICE NO. 23-13 / UG-_____

Description	Page
Summary of Temporary Increments	1
Calculation of Increments Allocated on the Equal Cent Per Therm Basis	2
Calculation of Effect on Customer Average Bill by Rate Schedule	3
Summary of Deferred Accounts	4
1515420 Washington WACOG Deferral	5
151545 Washington Amortization of WACOG	6
151550 Washington Demand Accrual	7
151555 Washington Amortization of Demand	8
232035 Washington Storage Sharing	9
Summary of Total Commodity Costs	10
Summary of Total Demand Charges	12
Derivation of Washington Per Therm Non-Commodity Charges	13
Calculation of Winter WACOG	14
Effects on Revenue	15
Customer Letter – PGA and Combined Effects Customer Notice	16

NW Natural
 Rates & Regulatory Affairs
 2023-2024 PGA Filing - Washington: September Filing
 Summary of TEMPORARY Increments

1
2
3
4
5
6
7
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		2022-23 PGA REMOVE	2022-23 PGA REMOVE	ADD	ADD	ADD		
		Current Temporaries	PGA Current Temporaries	WACOG Deferral	Demand Deferral FIRM	Demand Deferral INTERR	Total Proposed PGA Temporaries	Net Effect of PGA Temps
		A	B	C	D	E	F = C+D+E	G = F-B
Schedule	Block							
1R		0.19500	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
1C		0.18173	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
2R		0.29747	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
3 CFS		0.15700	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
3 IFS		0.12557	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
27		0.14933	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
41C Firm Sales	Block 1	0.14834	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
	Block 2	0.14462	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
41I Firm Sales	Block 1	0.12513	0.12476	0.00578	(0.04490)	0.00000	(0.03912)	(0.16388)
	Block 2	0.12418	0.12476	0.00578	(0.04490)	0.00000	(0.03912)	(0.16388)
41C Interr Sales	Block 1	0.14696	0.00000	0.00578	0.00000	(0.04131)	(0.03553)	(0.03553)
	Block 2	0.14335	0.00000	0.00578	0.00000	(0.04131)	(0.03553)	(0.03553)
41I Interr Sales	Block 1	0.12428	0.00000	0.00578	0.00000	(0.04131)	(0.03553)	(0.03553)
	Block 2	0.12334	0.00000	0.00578	0.00000	(0.04131)	(0.03553)	(0.03553)
41C Firm Trans	Block 1	0.00194	0.11708	0.00000	0.00000	0.00000	0.00000	(0.11708)
	Block 2	0.00170	0.11708	0.00000	0.00000	0.00000	0.00000	(0.11708)
41I Firm Trans	Block 1	0.00317	0.12476	0.00000	0.00000	0.00000	0.00000	(0.12476)
	Block 2	0.00281	0.12476	0.00000	0.00000	0.00000	0.00000	(0.12476)
42C Firm Sales	Block 1	0.12969	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
	Block 2	0.12836	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
	Block 3	0.12573	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
	Block 4	0.12401	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
	Block 5	0.12171	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
	Block 6	0.11881	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
42I Firm Sales	Block 1	0.11807	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
	Block 2	0.11795	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
	Block 3	0.11775	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
	Block 4	0.11762	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
	Block 5	0.11743	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
	Block 6	0.11721	0.11708	0.00578	(0.04490)	0.00000	(0.03912)	(0.15620)
42C Firm Trans	Block 1	(0.00130)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 2	(0.00116)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 3	(0.00090)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 4	(0.00071)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 5	(0.00048)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 6	(0.00017)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
42I Firm Trans	Block 1	(0.00118)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 2	(0.00106)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 3	(0.00082)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 4	(0.00066)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 5	(0.00043)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 6	(0.00016)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
42C Interr Sales	Block 1	0.12880	0.12476	0.00578	0.00000	(0.04131)	(0.03553)	(0.16029)
	Block 2	0.12750	0.12476	0.00578	0.00000	(0.04131)	(0.03553)	(0.16029)
	Block 3	0.12494	0.12476	0.00578	0.00000	(0.04131)	(0.03553)	(0.16029)
	Block 4	0.12322	0.12476	0.00578	0.00000	(0.04131)	(0.03553)	(0.16029)
	Block 5	0.12096	0.12476	0.00578	0.00000	(0.04131)	(0.03553)	(0.16029)
	Block 6	0.11813	0.12476	0.00578	0.00000	(0.04131)	(0.03553)	(0.16029)
42I Interr Sales	Block 1	0.11742	0.12476	0.00578	0.00000	(0.04131)	(0.03553)	(0.16029)
	Block 2	0.11731	0.12476	0.00578	0.00000	(0.04131)	(0.03553)	(0.16029)
	Block 3	0.11712	0.12476	0.00578	0.00000	(0.04131)	(0.03553)	(0.16029)
	Block 4	0.11697	0.12476	0.00578	0.00000	(0.04131)	(0.03553)	(0.16029)
	Block 5	0.11680	0.12476	0.00578	0.00000	(0.04131)	(0.03553)	(0.16029)
	Block 6	0.11657	0.12476	0.00578	0.00000	(0.04131)	(0.03553)	(0.16029)
42C Inter Trans	Block 1	0.00126	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 2	0.00112	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 3	0.00086	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 4	0.00069	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 5	0.00046	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 6	0.00017	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
42I Inter Trans	Block 1	(0.00094)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 2	(0.00084)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 3	(0.00064)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 4	(0.00051)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 5	(0.00034)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
	Block 6	(0.00013)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
43 Firm Trans		0.00007	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
43 Interr Trans		0.00030	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
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Sources:

Direct Inputs	22-23 PGA	22-23 PGA				
Equal C per therm			Column H	Column K	Column N	
Equal % of margin						
Equal % of Revenue						
Tariff Schedules:						
Schedule #			Sched 201	Sched 201	Sched 201	N/A N/A

NW Natural
 Rates & Regulatory Affairs
 2023-2024 PGA Filing - Washington: September Filing
 Calculation of Increments Allocated on the EQUAL CENT PER THERM BASIS

Washington			WACOG Deferral				Demand Deferral - FIRM			Demand Deferral - INTERRUPTIBLE		
PGA	Proposed Amount:	504,205	Temporary Increment		(3,865,912)	Temporary Increment		(45,835)	Temporary Increment			
Volumes page,	Revenue Sensitive Multiplier:	4.357%	add revenue sensitive factor		4.357%	add revenue sensitive factor		4.357%	add revenue sensitive factor			
Column F	Amount to Amortize:	527,173	All sales		(4,042,019)	All firm sales		(47,923)	All interruptible sales			
Schedule	Block	A	Multiplier	Volumes	Increment	Multiplier	Volumes	Increment	Multiplier	Volumes	Increment	
			B	C	D	E	F	G	H	I	J	
1R		318,916	1.0	318,916	\$0.00578	1.0	318,916	(\$0.04490)	0.0		\$0.00000	
1C		22,569	1.0	22,569	\$0.00578	1.0	22,569	(\$0.04490)	0.0		\$0.00000	
2R		60,471,175	1.0	60,471,175	\$0.00578	1.0	60,471,175	(\$0.04490)	0.0		\$0.00000	
3 CFS		19,986,400	1.0	19,986,400	\$0.00578	1.0	19,986,400	(\$0.04490)	0.0		\$0.00000	
3 IFS		277,642	1.0	277,642	\$0.00578	1.0	277,642	(\$0.04490)	0.0		\$0.00000	
27		80,870	1.0	80,870	\$0.00578	1.0	80,870	(\$0.04490)	0.0		\$0.00000	
41C Firm Sales	Block 1	1,570,103	1.0	1,570,103	\$0.00578	1.0	1,570,103	(\$0.04490)	0.0		\$0.00000	
	Block 2	2,126,827	1.0	2,126,827	\$0.00578	1.0	2,126,827	(\$0.04490)	0.0		\$0.00000	
41I Firm Sales	Block 1	405,389	1.0	405,389	\$0.00578	1.0	405,389	(\$0.04490)	0.0		\$0.00000	
	Block 2	803,153	1.0	803,153	\$0.00578	1.0	803,153	(\$0.04490)	0.0		\$0.00000	
41C Interr Sales	Block 1	0	1.0	0	\$0.00578	0.0	0	\$0.00000	1.0		(\$0.04131)	
	Block 2	0	1.0	0	\$0.00578	0.0	0	\$0.00000	1.0		(\$0.04131)	
41I Interr Sales	Block 1	0	1.0	0	\$0.00578	0.0	0	\$0.00000	1.0		(\$0.04131)	
	Block 2	0	1.0	0	\$0.00578	0.0	0	\$0.00000	1.0		(\$0.04131)	
41C Firm Trans	Block 1	148,853	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 2	298,848	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
41I Firm Trans	Block 1	0	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 2	0	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
42C Firm Sales	Block 1	701,175	1.0	701,175	\$0.00578	1.0	701,175	(\$0.04490)	0.0		\$0.00000	
	Block 2	698,884	1.0	698,884	\$0.00578	1.0	698,884	(\$0.04490)	0.0		\$0.00000	
	Block 3	213,654	1.0	213,654	\$0.00578	1.0	213,654	(\$0.04490)	0.0		\$0.00000	
	Block 4	43,634	1.0	43,634	\$0.00578	1.0	43,634	(\$0.04490)	0.0		\$0.00000	
	Block 5	0	1.0	0	\$0.00578	1.0	0	(\$0.04490)	0.0		\$0.00000	
	Block 6	0	1.0	0	\$0.00578	1.0	0	(\$0.04490)	0.0		\$0.00000	
42I Firm Sales	Block 1	1,266,148	1.0	1,266,148	\$0.00578	1.0	1,266,148	(\$0.04490)	0.0		\$0.00000	
	Block 2	871,827	1.0	871,827	\$0.00578	1.0	871,827	(\$0.04490)	0.0		\$0.00000	
	Block 3	146,523	1.0	146,523	\$0.00578	1.0	146,523	(\$0.04490)	0.0		\$0.00000	
	Block 4	10,867	1.0	10,867	\$0.00578	1.0	10,867	(\$0.04490)	0.0		\$0.00000	
	Block 5	0	1.0	0	\$0.00578	1.0	0	(\$0.04490)	0.0		\$0.00000	
	Block 6	0	1.0	0	\$0.00578	1.0	0	(\$0.04490)	0.0		\$0.00000	
42C Firm Trans	Block 1	217,853	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 2	435,705	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 3	435,705	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 4	665,436	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 5	0	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 6	0	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
42I Firm Trans	Block 1	840,318	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 2	1,062,417	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 3	936,547	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 4	2,527,103	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 5	1,239,686	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 6	0	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
42C Interr Sales	Block 1	226,932	1.0	226,932	\$0.00578	0.0	0	\$0.00000	1.0		226,932 (\$0.04131)	
	Block 2	425,616	1.0	425,616	\$0.00578	0.0	0	\$0.00000	1.0		425,616 (\$0.04131)	
	Block 3	194,048	1.0	194,048	\$0.00578	0.0	0	\$0.00000	1.0		194,048 (\$0.04131)	
	Block 4	93,667	1.0	93,667	\$0.00578	0.0	0	\$0.00000	1.0		93,667 (\$0.04131)	
	Block 5	0	1.0	0	\$0.00578	0.0	0	\$0.00000	1.0		0 (\$0.04131)	
	Block 6	0	1.0	0	\$0.00578	0.0	0	\$0.00000	1.0		0 (\$0.04131)	
42I Interr Sales	Block 1	128,853	1.0	128,853	\$0.00578	0.0	0	\$0.00000	1.0		128,853 (\$0.04131)	
	Block 2	91,079	1.0	91,079	\$0.00578	0.0	0	\$0.00000	1.0		91,079 (\$0.04131)	
	Block 3	0	1.0	0	\$0.00578	0.0	0	\$0.00000	1.0		0 (\$0.04131)	
	Block 4	0	1.0	0	\$0.00578	0.0	0	\$0.00000	1.0		0 (\$0.04131)	
	Block 5	0	1.0	0	\$0.00578	0.0	0	\$0.00000	1.0		0 (\$0.04131)	
	Block 6	0	1.0	0	\$0.00578	0.0	0	\$0.00000	1.0		0 (\$0.04131)	
42C Inter Trans	Block 1	0	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 2	0	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 3	0	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 4	0	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 5	0	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 6	0	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
42I Inter Trans	Block 1	830,413	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 2	1,522,701	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 3	1,166,628	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 4	2,984,749	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 5	1,303,638	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
	Block 6	0	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
43 Firm Trans		0	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
43 Interr Trans		0	0.0	0	\$0.00000	0.0	0	\$0.00000	0.0		\$0.00000	
Intentionally blank												
Totals		107,792,550		91,175,949	\$0.00578		90,015,754	(\$0.04490)		1,160,196	(\$0.04131)	
Sources for line 2 above:		0										
Inputs page			Line 31			Line 33			Line 35			
Tariff Schedules:												
Schedule #			Sched 201			Sched 201			Sched 201			

NW Natural
 Rates & Regulatory Affairs
 2023-2024 PGA Filing - Washington: September Filing
 PGA Effects on Average Bill by Rate Schedule
 Calculation of Effect on Customer Average Bill by Rate Schedule [1]

		Washington PGA Normalized Volumes in Column D	Therms in Block	Normal Therms Monthly Average use	Minimum Monthly Charge	Current 11/1/2022 Billing Rates	11/1/2022 Current Average Bill[2]	Proposed 11/1/2023 PGA Effects Rates	Proposed 11/1/2023 PGA Effects Average Bill	Proposed 11/1/2023 PGA Effects % Bill Change
	Schedule	A	B	C	D	E	F=D+(C * E)	V	X=D+(C*V)	Y
	Block						F		X	
7	1R	318,916	N/A	16.0	\$5.50	\$1.59190	\$30.97	\$1.45184	\$28.73	-7.2%
8	1C	22,569	N/A	51.0	\$7.00	\$1.60601	\$88.91	\$1.46595	\$81.76	-8.0%
9	2R	60,471,175	N/A	58.0	\$8.00	\$1.41591	\$90.12	\$1.27585	\$82.00	-9.0%
10	3 CFS	19,986,400	N/A	249.0	\$22.00	\$1.25038	\$333.34	\$1.11032	\$298.47	-10.5%
11	3 IFS	277,642	N/A	1,218.0	\$22.00	\$1.22899	\$1,518.91	\$1.08893	\$1,348.32	-11.2%
12	27	80,870	N/A	23.0	\$9.00	\$1.02062	\$32.47	\$0.88056	\$29.25	-9.9%
13	41C Firm Sales	Block 1	1,570,103	2,000	3,712.0	\$250.00	\$1.03667	\$0.88192		
14		Block 2	2,126,827	all additional			\$0.98320	\$0.82845		
15		TOTAL					\$4,006.58	\$3,432.15		-14.3%
16	41I Firm Sales	Block 1	405,389	2,000	4,578.0	\$250.00	\$0.96687	\$0.80444		
17		Block 2	803,153	all additional			\$0.92170	\$0.75927		
18		TOTAL					\$4,559.88	\$3,816.28		-16.3%
19	41C Interr Sales	Block 1	0	2,000	0.0	\$250.00	\$1.01490	\$0.98082		
20		Block 2	0	all additional			\$0.96393	\$0.92985		
21		TOTAL					\$250.00	\$250.00		0.0%
22	41I Interr Sales	Block 1	0	2,000	0.0	\$250.00	\$0.95740	\$0.92332		
23		Block 2	0	all additional			\$0.91323	\$0.87915		
24		TOTAL					\$250.00	\$250.00		0.0%
25	41C Firm Trans	Block 1	148,853	2,000	4,664.0	\$500.00	\$0.38083	\$0.26375		
26		Block 2	298,848	all additional			\$0.33552	\$0.21844		
27		TOTAL					\$2,155.49	\$1,609.42		-25.3%
28	41I Firm Trans	Block 1	0	2,000	0.0	\$500.00	\$0.37098	\$0.37098		
29		Block 2	0	all additional			\$0.32687	\$0.32687		
30		TOTAL					\$500.00	\$500.00		0.0%
31	42C Firm Sales	Block 1	701,175	10,000	17,264.0	\$1,300.00	\$0.80750	\$0.65275		
32		Block 2	698,884	20,000			\$0.78434	\$0.62959		
33		Block 3	213,654	20,000			\$0.73831	\$0.58356		
34		Block 4	43,634	100,000			\$0.70801	\$0.55326		
35		Block 5	0	600,000			\$0.66761	\$0.51286		
36		Block 6	0	all additional			\$0.61709	\$0.46234		
37		TOTAL					\$15,072.45	\$12,400.84		-17.7%
38	42I Firm Sales	Block 1	1,266,148	10,000	19,128.0	\$1,300.00	\$0.75461	\$0.59986		
39		Block 2	871,827	20,000			\$0.73700	\$0.58225		
40		Block 3	146,523	20,000			\$0.70198	\$0.54723		
41		Block 4	10,867	100,000			\$0.67895	\$0.52420		
42		Block 5	0	600,000			\$0.64824	\$0.49349		
43		Block 6	0	all additional			\$0.60982	\$0.45507		
44		TOTAL					\$15,573.44	\$12,613.38		-19.0%
45	42C Firm Trans	Block 1	217,853	10,000	73,112.0	\$1,550.00	\$0.15376	\$0.15376		
46		Block 2	435,705	20,000			\$0.13764	\$0.13764		
47		Block 3	435,705	20,000			\$0.10553	\$0.10553		
48		Block 4	665,436	100,000			\$0.08445	\$0.08445		
49		Block 5	0	600,000			\$0.05629	\$0.05629		
50		Block 6	0	all additional			\$0.02111	\$0.02111		
51		TOTAL					\$9,902.81	\$9,902.81		0.0%
52	42I Firm Trans	Block 1	840,318	10,000	68,813.0	\$1,550.00	\$0.15086	\$0.15086		
53		Block 2	1,062,417	20,000			\$0.13503	\$0.13503		
54		Block 3	936,547	20,000			\$0.10354	\$0.10354		
55		Block 4	2,527,103	100,000			\$0.08283	\$0.08283		
56		Block 5	1,239,686	600,000			\$0.05523	\$0.05523		
57		Block 6	0	all additional			\$0.02071	\$0.02071		
58		TOTAL					\$9,388.28	\$9,388.28		0.0%
59	42C Interr Sales	Block 1	226,932	10,000	39,178.0	\$1,300.00	\$0.76839	\$0.60955		
60		Block 2	425,616	20,000			\$0.74928	\$0.59044		
61		Block 3	194,048	20,000			\$0.71125	\$0.55241		
62		Block 4	93,667	100,000			\$0.68621	\$0.52737		
63		Block 5	0	600,000			\$0.65288	\$0.49404		
64		Block 6	0	all additional			\$0.61118	\$0.45234		
65		TOTAL					\$30,497.35	\$24,274.32		-20.4%
66	42I Interr Sales	Block 1	128,853	10,000	18,328.0	\$1,300.00	\$0.75105	\$0.59221		
67		Block 2	91,079	20,000			\$0.73376	\$0.57492		
68		Block 3	0	20,000			\$0.69936	\$0.54052		
69		Block 4	0	100,000			\$0.67671	\$0.51787		
70		Block 5	0	600,000			\$0.64652	\$0.48768		
71		Block 6	0	all additional			\$0.60879	\$0.44995		
72		TOTAL					\$14,921.25	\$12,010.03		-19.5%
73	42C Inter Trans	Block 1	0	10,000	0.0	\$1,550.00	\$0.14295	\$0.14295		
74		Block 2	0	20,000			\$0.12797	\$0.12797		
75		Block 3	0	20,000			\$0.09813	\$0.09813		
76		Block 4	0	100,000			\$0.07851	\$0.07851		
77		Block 5	0	600,000			\$0.05235	\$0.05235		
78		Block 6	0	all additional			\$0.01961	\$0.01961		
79		TOTAL					\$1,550.00	\$1,550.00		0.0%
80	42I Inter Trans	Block 1	830,413	10,000	0.0	\$1,550.00	\$0.14372	\$0.14372		
81		Block 2	1,522,701	20,000			\$0.12865	\$0.12865		
82		Block 3	1,166,628	20,000			\$0.09865	\$0.09865		
83		Block 4	2,984,749	100,000			\$0.07894	\$0.07894		
84		Block 5	1,303,638	600,000			\$0.05263	\$0.05263		
85		Block 6	0	all additional			\$0.01973	\$0.01973		
86		TOTAL					\$1,550.00	\$1,550.00		0.0%
87	43 Firm Trans	0	N/A	0.0	\$38,000.00	\$0.00578	\$38,000.00	\$0.00578	\$38,000.00	0.0%
88	43 Interr Trans	0	N/A	0.0	\$38,000.00	\$0.00521	\$38,000.00	\$0.00521	\$38,000.00	0.0%
89	Intentionally blank									

[1] Rate Schedule 41 and 42 customers may choose demand charges at a volumetric rate or based on MDDV. For convenience of presentation, demand charges are not included in the calculations for those schedules.

[2] Residential current bill as of April 1, 2023

[3] Proposed rates include the effect of removing the current Schedule 215 adjustment and applying the proposed Schedule 215 adjustment. The rate shown is for illustrative purposes only and assumes no other changes to rates occur November 1.

Sources:

Direct Inputs	per Tariff	per Tariff
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Rates in summary	Column A
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NW Natural
Rates & Regulatory Affairs
2023-2024 PGA Filing - Washington: September Filing
Summary of Deferred Accounts

	Account	Balance 8/31/2023	Sep-Oct Estimated Activity	Sep-Oct Interest	Estimated Balance 10/31/2023	Estimated Interest During Amortization	Total Estimated Amount for (Refund) or Collection	Amounts Excluded from PGA Filing	Amounts Included in PGA Filing
	A	B	C	D	E	F	G	H	I
					E = sum B thru D	8.02%	G = E + F Excl. Rev Sens		
1									
18	Gas Cost Deferrals and Amortizations								
19	151540 WACOG - ACCRUAL WA	783,976	0	14,869	798,845				
20	151545 AMORT OF WACOG - WA	680,851	(1,000,287)	3,559	(315,877)				
21		1,464,828	(1,000,287)	18,428	482,968	21,237	504,205		504,205
22									
23	151550 DEMAND ACCRUAL - WA	(580,324)	0	(7,783)	(588,107)				
24	151555 AMORT OF DEMAND WA	(1,426,766)	60,439	(18,799)	(1,385,127)				
25	232035 MARGIN SHARING - WA	(1,773,751)	0	0	(1,773,751)				
26		(3,780,841)	60,439	(26,582)	(3,746,984)	(164,763)	(3,911,747)		(3,911,747)

Company: Northwest Natural Gas Company
 State: Washington
 Description: Washington WACOG Deferral
 Account Number: 151540
 Program under Schedule P
 Temp Increment under Schedule 203

1 Debit (Credit)

2
 3
 4
 5
 6

Month/Year	Note	Accumulation	Transfers	Interest Rate	Interest	Activity	Balance
(a)	(b)	(c)	(d)	(e1)	(e2)	(f)	(g)
202	Nov-22	563,593.17	(10,877,470.65)	4.91%	4,384.45	(10,309,493.03)	1,357,736.31
203	Dec-22	2,585,838.78		4.91%	10,845.60	2,596,684.38	3,954,420.69
204	Jan-23	67,205.90		6.31%	20,970.36	88,176.26	4,042,596.95
205	Feb-23	(418,371.07)		6.31%	20,157.36	(398,213.71)	3,644,383.24
206	Mar-23	(713,533.21)		6.31%	17,287.38	(696,245.83)	2,948,137.41
207	Apr-23	(673,838.55)		7.50%	16,320.11	(657,518.44)	2,290,618.97
208	May-23	(454,705.93)		7.50%	12,895.41	(441,810.52)	1,848,808.45
209	Jun-23	(394,677.99)		7.50%	10,321.68	(384,356.31)	1,464,452.15
210	Jul-23	(364,354.56)		8.02%	8,569.87	(355,784.69)	1,108,667.45
211	Aug-23	(330,994.78)		8.02%	6,303.52	(324,691.26)	783,976.19
212	Sep-23			8.02%	7,409.59	7,409.59	1,116,077.04
213	Oct-23			8.02%	7,459.11	7,459.11	1,123,536.15

214

215 **History truncated for ease of viewing**

216

217 **Notes**

218 1 - Transferred authorized balance to account 191421 for amortization.

Company: Northwest Natural Gas Company
 State: Washington
 Description: Washington Amortization of WACOG
 Account Number: 151545
 Program under Schedule P
 Temp Increment under Schedule 203

1 Debit (Credit)

2
 3

4	Month/Year	Note	Amortization	Transfers	Interest Rate	Interest	Activity	Balance
5	(a)	(b)	(c)	(d)	(e1)	(e2)	(f)	(g)
217	Nov-22	NEW	(479,527.20)	10,877,470.65	4.91%	43,525.95	10,441,469.40	9,911,384.89
218	Dec-22		(1,752,529.00)		4.91%	36,968.70	(1,715,560.30)	8,195,824.59
219	Jan-23		(1,784,679.21)		6.31%	38,404.16	(1,746,275.05)	6,449,549.54
220	Feb-23		(1,561,125.17)		6.31%	29,809.42	(1,531,315.75)	4,918,233.79
221	Mar-23		(1,564,839.54)		6.31%	21,747.49	(1,543,092.05)	3,375,141.74
222	Apr-23		(1,148,662.62)		7.50%	17,505.07	(1,131,157.55)	2,243,984.19
223	May-23		(653,569.74)		7.50%	11,982.50	(641,587.24)	1,602,396.95
224	Jun-23		(375,984.87)		7.50%	8,840.03	(367,144.84)	1,235,252.11
225	Jul-23		(305,543.11)		8.02%	7,234.58	(298,308.53)	936,943.58
226	Aug-23		(261,480.34)		8.02%	5,388.13	(256,092.21)	680,851.37
227	Sep-23	<i>forecasted</i>	(332,482.36)		8.02%	3,439.31	(329,043.05)	351,808.32
228	Oct-23	<i>forecasted</i>	(667,804.54)		8.02%	119.67	(667,684.87)	(315,876.55)

229

230 **History truncated for ease of viewing**

231

232 **Notes**

233 1 - Transfer in amounts from account 191420 approved for amortization.

Company: Northwest Natural Gas Company
 State: Washington
 Description: Washington Demand Accrual
 Account Number: 151550
 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							
190	Nov-21	1	(128,604.43)	(304,778.70)	3.25%	1,140.38	(432,242.75)	357,902.51
191	Dec-21		(678,688.70)		3.25%	50.26	(678,638.44)	(320,735.93)
192	Jan-22		(637,677.36)		3.25%	(1,732.18)	(639,409.54)	(960,145.47)
193	Feb-22		(438,762.10)		3.25%	(3,194.55)	(441,956.65)	(1,402,102.12)
194	Mar-22		(130,502.48)		3.25%	(3,974.08)	(134,476.56)	(1,536,578.68)
195	Apr-22		(116,061.29)		3.25%	(4,318.73)	(120,380.02)	(1,656,958.70)
196	May-22		207,744.60		3.25%	(4,206.28)	203,538.32	(1,453,420.38)
197	Jun-22		424,476.19		3.25%	(3,361.54)	421,114.65	(1,032,305.73)
198	Jul-22		523,042.79		3.60%	(2,312.35)	520,730.44	(511,575.28)
199	Aug-22		531,440.50		3.60%	(737.57)	530,702.93	19,127.65
200	Sep-22		486,317.71		3.60%	786.86	487,104.57	506,232.22
201	Oct-22		334,628.93		4.91%	2,755.93	337,384.86	843,617.08
202	Nov-22		(2,111,410.92)	(19,242.59)	4.91%	(946.53)	(2,131,600.04)	(1,287,982.96)
203	Dec-22		(453,605.35)		4.91%	(6,198.00)	(459,803.35)	(1,747,786.31)
204	Jan-23		(348,080.40)		6.31%	(10,105.60)	(358,186.00)	(2,105,972.32)
205	Feb-23		(341,755.78)		6.31%	(11,972.44)	(353,728.22)	(2,459,700.53)
206	Mar-23		(195,464.15)		6.31%	(13,447.83)	(208,911.98)	(2,668,612.51)
207	Apr-23		69,037.13		7.50%	(16,463.09)	52,574.04	(2,616,038.47)
208	May-23		455,725.03		7.50%	(14,926.10)	440,798.93	(2,175,239.54)
209	Jun-23		508,417.19		7.50%	(12,006.44)	496,410.75	(1,678,828.79)
210	Jul-23		558,256.93		8.02%	(9,354.66)	548,902.27	(1,129,926.52)
211	Aug-23		555,298.80		8.02%	(5,696.05)	549,602.75	(580,323.78)
212	Sep-23				8.02%	(3,878.50)	(3,878.50)	(584,202.28)
213	Oct-23				8.02%	(3,904.42)	(3,904.42)	(588,106.70)

214

215 **History truncated for ease of viewing**

216

217 **Notes**

218 1 - Transferred authorized balance to account 191431 for amortization.

Company: Northwest Natural Gas Company
 State: Washington
 Description: Washington Amortization of Demand
 Account Number: 151555
 Program under Schedule P
 Temp Increment under Schedule 203

1 Debit (Credit)

2

3

4	Month/Year	Note	Amortization	Transfers	Interest Rate	Interest	Activity	Balance
5	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
217	Nov-22	NEW	29,619.11	19,242.59	4.91%	139.33	49,001.03	889,675.46
218	Dec-22		108,030.43		4.91%	3,861.27	111,891.70	1,001,567.16
219	Jan-23		110,015.08	(2,827,158.73)	6.31%	(9,310.32)	(2,726,453.97)	(1,724,886.81)
220	Feb-23		96,238.75		6.31%	(8,817.00)	87,421.75	(1,637,465.06)
221	Mar-23		96,471.85		6.31%	(8,356.70)	88,115.15	(1,549,349.91)
222	Apr-23		70,821.81		7.50%	(9,462.12)	61,359.69	(1,487,990.22)
223	May-23		40,314.68		7.50%	(9,173.96)	31,140.72	(1,456,849.50)
224	Jun-23		23,206.40		7.50%	(9,032.79)	14,173.61	(1,442,675.89)
225	Jul-23		18,863.93		8.02%	(9,578.85)	9,285.08	(1,433,390.81)
226	Aug-23		16,150.26		8.02%	(9,525.86)	6,624.40	(1,426,766.41)
227	Sep-23	forecasted	19,957.99		8.02%	(9,468.86)	10,489.13	(1,416,277.28)
228	Oct-23	forecasted	40,480.83		8.02%	(9,330.18)	31,150.65	(1,385,126.63)

229

230

231 **History truncated for ease of viewing**

232

233 **Notes**

234 1 - Transfer in amounts from account 191430 approved for amortization.

235 2 - Transfer in from account 254302 (storage and optimization revenue sharing).

Company: Northwest Natural Gas Company
 State: Washington
 Description: Washington Storage Sharing
 Account Number: 232035
 Temp Increment under Schedule 220

1 Debit (Credit)

2

3

4	Month/Year	Note	Accumulation	Transfers	Activity	Balance
5	(a)	(b)	(c)	(d)	(e)	(f)
6						
201	Nov-22		(153,636.87)		(153,636.87)	(2,221,353.48)
202	Dec-22		(605,805.25)		(605,805.25)	(2,827,158.73)
203	Jan-23	1	(195,023.05)	2,827,158.73	2,632,135.68	(195,023.05)
204	Feb-23		(319,378.34)		(319,378.34)	(514,401.39)
205	Mar-23		(245,670.55)		(245,670.55)	(760,071.94)
206	Apr-23		(203,273.40)		(203,273.40)	(963,345.34)
207	May-23		(147,450.76)		(147,450.76)	(1,110,796.10)
208	Jun-23		(146,901.29)		(146,901.29)	(1,257,697.39)
209	Jul-23		(251,617.27)		(251,617.27)	(1,509,314.66)
210	Aug-23		(264,436.35)		(264,436.35)	(1,773,751.01)
211	Sep-23				0.00	(1,773,751.01)
212	Oct-23				0.00	(1,773,751.01)

213

214

215 **History truncated for ease of viewing**

216

217 **Notes**

218 1 - Transfer December balance to account 191431 for amortization.

NW Natural
 2023-2024 PGA - SYSTEM: September Filing
 Summary of Total Commodity Cost
 ALL VOLUMES IN THERMS

WASHINGTON COSTS															
	(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	
COSTS															
Commodity Cost from Supply			\$4,228,114	\$6,569,882	\$6,906,624	\$5,763,041	\$3,947,206	\$2,315,328	\$1,400,318	\$1,099,810	\$1,037,996	\$899,550	\$984,142	\$1,845,295	\$36,997,306
tab commodity cost from supply, column cd, lines 93-104 plus gen input line 80; and															
tab commodity cost from gas reserve, column q, lines 59-70															
Volumetric Pipeline Chgs			\$11,208	\$13,583	\$14,585	\$12,534	\$11,672	\$9,105	\$5,640	\$4,086	\$3,350	\$2,868	\$3,343	\$7,177	\$99,151
tab commodity cost from vol pipe, column e, line 78-89															
Commodity Cost from Storage			\$374,611	\$1,045,939	\$1,048,932	\$929,641	\$456,835	\$135,554	\$0	\$0	\$0	\$0	\$0	\$0	\$3,991,512
tab Commodity Cost from Storage, column k, line 61-72															
Commodity Cost from RNG			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
tab Commodity Cost from RNG, column i, line 61-72															
Total Commodity Cost			\$4,613,933	\$7,629,404	\$7,970,141	\$6,705,216	\$4,415,713	\$2,459,987	\$1,405,958	\$1,103,896	\$1,041,346	\$902,418	\$987,485	\$1,852,472	\$41,087,969
VOLUMES															
Commodity Volumes at Receipt Points			9,410,970	11,352,199	11,728,665	10,535,639	9,487,184	7,393,289	4,759,756	3,464,365	2,919,925	2,459,768	2,840,841	5,967,526	82,320,127
Pipeline Fuel Use			241,029	272,909	282,203	252,167	243,008	184,348	115,684	80,015	62,600	50,854	65,446	152,180	2,002,442
Gas Arriving at City Gate			9,169,941	11,079,290	11,446,462	10,283,472	9,244,176	7,208,941	4,644,073	3,384,350	2,857,326	2,408,914	2,775,395	5,815,346	80,317,685
RNG and Storage Gas Withdrawals			1,056,376	2,951,718	3,055,501	2,614,093	1,365,230	423,115	-	-	-	-	-	-	11,466,033
Pipeline Fuel Use for Off-site Storage			67	69	4,904	65	3,962	2,181	0	0	0	0	0	0	11,248
Storage Gas Deliveries at City Gate			1,056,309	2,951,649	3,050,598	2,614,028	1,361,268	420,934	0	0	0	0	0	0	11,454,786
Total Gas At City Gate (Storage and Commodity)			10,226,250	14,030,939	14,497,060	12,897,500	10,605,444	7,629,876	4,644,073	3,384,350	2,857,326	2,408,914	2,775,395	5,815,346	91,772,471
Unaccounted for Gas			68,105	82,286	85,013	76,376	68,657	53,541	34,492	25,136	21,221	17,891	20,613	43,191	596,521
Load Served			10,158,144	13,948,652	14,412,047	12,821,124	10,536,787	7,576,335	4,609,581	3,359,214	2,836,104	2,391,023	2,754,782	5,772,156	91,175,950

WACOG Calculations

38	Total Load Served													
39	Washington	10,158,144	13,948,652	14,412,047	12,821,124	10,536,787	7,576,335	4,609,581	3,359,214	2,836,104	2,391,023	2,754,782	5,772,156	91,175,950
40	Total (same as line 25 +/- rounding)	10,158,144	13,948,652	14,412,047	12,821,124	10,536,787	7,576,335	4,609,581	3,359,214	2,836,104	2,391,023	2,754,782	5,772,156	91,175,950
41														
42	Washington WACOG Calculation													
43														
44	Total Washington commodity cost	\$4,613,933	\$7,629,404	\$7,970,141	\$6,705,216	\$4,415,713	\$2,459,987	\$1,405,958	\$1,103,896	\$1,041,346	\$902,418	\$987,485	\$1,852,472	\$41,087,969
45	Total commodity cost for Washington	\$4,613,933	\$7,629,404	\$7,970,141	\$6,705,216	\$4,415,713	\$2,459,987	\$1,405,958	\$1,103,896	\$1,041,346	\$902,418	\$987,485	\$1,852,472	\$41,087,969
46														
47	Washington Sales WACOG (line 45 ÷ line 39)	\$0.45421	\$0.54696	\$0.55302	\$0.52298	\$0.41908	\$0.32469	\$0.30501	\$0.32862	\$0.36717	\$0.37742	\$0.35846	\$0.32093	\$0.45064
48														
49	WASHINGTON BILLING WACOG	\$0.47490	\$0.57188	\$0.57821	\$0.54680	\$0.43817	\$0.33948	\$0.31890	\$0.34359	\$0.38390	\$0.39461	\$0.37479	\$0.33555	\$0.47117

NW Natural
 2023-2024 PGA - SYSTEM: September Filing
 Summary of Total Demand Charges
 Source: Detail in file "Capacity Contract Monthly Summary for 2022-2023 PGA.xls"

SYSTEM COSTS

	(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
			30	31	31	29	31	30	31	30	31	31	30	31	366
4	Transport charges by transporter (Washington):														
6	Northwest Pipeline		4,054,304	4,189,448	4,478,448	3,919,162	4,189,448	3,963,619	4,095,740	3,963,619	4,095,740	4,095,740	3,963,619	4,095,740	\$49,104,627
8	Alberta: NOVA		769,792	769,792	769,792	769,792	769,792	769,792	769,792	769,792	769,792	769,792	769,792	769,792	9,237,504
10	Alberta: Foothills		231,705	231,705	231,705	231,705	231,705	195,687	195,687	195,687	195,687	195,687	195,687	231,705	2,564,352
12	Alberta: GTN		404,283	417,759	417,759	390,806	417,759	340,228	351,569	340,228	351,569	351,569	340,228	417,759	4,541,514
14	BC: Southern Crossing														0
16	BC: Spectra (Westcoast)		1,280,609	1,297,125	1,297,125	1,264,092	1,297,125	1,280,609	1,297,125	1,280,609	1,297,125	1,297,125	1,280,609	1,297,125	15,466,403
18	KB Pipeline		18,688	18,688	18,688	18,688	18,688	18,688	18,688	18,688	18,688	18,688	18,688	18,688	224,258
20	Shell Capacity Release Premium		(238,016)	(238,016)	(238,016)	(238,016)	(238,016)	(238,016)	(238,016)	(238,016)	(238,016)	(238,016)	(238,016)	(238,016)	(2,856,191)
22	Total System Demand		<u>\$6,521,365</u>	<u>\$6,686,501</u>	<u>\$6,975,501</u>	<u>\$6,356,230</u>	<u>\$6,686,501</u>	<u>\$6,330,607</u>	<u>\$6,490,585</u>	<u>\$6,330,607</u>	<u>\$6,490,585</u>	<u>\$6,490,585</u>	<u>\$6,330,607</u>	<u>\$6,592,793</u>	<u>\$78,282,467</u>

NW Natural
 2023-2024 PGA - SYSTEM: September Filing
 Derivation of Washington per therm Non-Commodity Charges
 ALL VOLUMES IN THERMS

Washington Derivation of Demand Increments

1		Without	WITH
2		Revenue Sensitive	Revenue Sensitive
3	(a)	(b)	(c)
4	(b)	(c)	(d)
4	System Demand	\$78,282,467	
5	Washington Allocation Factor 1/	11.23%	
6	Washington Demand	\$8,791,121	
7			
8	Washington Firm Sales Forecasted Normal Volumes	90,015,754	
9	Washington Interruptible Sales Forecasted Normal Volumes	1,160,196	
10			
11			
12	Proposed Firm Demand Per Therm 2/	\$0.09722	\$0.10165
13	Proposed Interruptible Demand 2/	\$0.03397	\$0.03552
14	Proposed MDDV Demand Charge	\$1.45	\$1.52
15			
16	Current Firm Demand Per Therm	\$0.08317	\$0.08696
17	Current Interruptible Demand	\$0.02906	\$0.03038
18	Current MDDV Demand Charge	\$1.24	\$1.30
19			
20	Percent Change in Firm Demand	16.89%	
21			
22			
23	1/Allocation Factor: 2021-22 PGA forecast firm sales volumes:		
24		<u>Washington</u>	<u>Oregon</u>
25	Firm Sales	90,015,754	711,410,321
26		11.23%	88.77%
27			<u>System</u>
28	2/Calculation of Proposed Demand Rates:		
29			
30	Demand change factor	1.169	
31			
32	Firm Demand (line 16 * line 30)	\$0.09722	\$8,751,708
33	Interruptible Demand (line 17 * line 30)	\$0.03397	\$39,413
34			<u>\$8,791,121</u>
35			\$0

NW Natural

2023-2024 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	\$0.23297	
6	December	\$0.26338	
7	January	\$0.27000	
8	February	\$0.26770	
9	March	\$0.24798	
10	April	\$0.22866	
11	May	\$0.21898	
12	June	\$0.21323	
13	July	\$0.20826	
14	August	\$0.21080	
15	September	\$0.21495	
16	October	\$0.23168	
17			
18			
19	Average price, November-March	\$0.25641	average lines 5-9
20			
21	Annual average price, November-October	\$0.23405	average lines 5-16
22			
23	Ratio of winter to annual	1.09554	line 19 ÷ line 21
24			
25		Without Rev	WITH Rev
26		<u>Sensitive</u>	<u>Sensitive</u>
WA	Washington Annual WACOG	\$0.45064	\$0.47117
WA	Washington Winter WACOG	\$0.49369	\$0.51618
		line 23 * \$0.45064	

NW Natural
Rates & Regulatory Affairs
2023-24 Washington: September Filing
Tariff Advice 23-13: PGA Effects on Revenue

	<u>Amount</u>
1	
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	<u>Amount</u>
<u>Purchased Gas Cost Adjustment (PGA)</u>	
Gas Cost Change	\$132,508
Capacity Cost Change	<u>1,563,933</u>
Total PGA Change	<u>1,696,441</u>
<u>Temporary Rate Adjustments</u>	
Proposed PGA Temporary Increments	(3,562,769)
Removal of PGA Current Temporary Increments	<u>(10,356,915)</u>
Total Net Temporary Rate Adjustment	<u>(13,919,684)</u>
TOTAL OF ALL COMPONENTS OF ALL RATE CHANGES	<u><u>(\$12,223,243)</u></u>
2022 Washington CBR Normalized Total Revenues	\$102,022,644
Effect of this filing, as a percentage change	-11.98%

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September 15, 2023

Bills going down for most Washington customers

Good news: Washington customers can expect lower natural gas bills starting November 1. This year's Purchased Gas Adjustment (PGA) for Washington reflects stabilizing wholesale costs for natural gas.

"Customers will be seeing some financial relief through lower gas bills, even as the cost of groceries, gas and housing continues to rise," said David Anderson, NW Natural CEO. "While this is primarily due to lower wholesale natural gas prices, we make decisions every day with the end goal of keeping energy prices affordable."

If approved as initially filed, the average Washington residential customer using 58 therms per month is expected to see their bill go down by about \$12 per month. The average small-commercial customer can expect a reduction of about \$22 per month.

How – and why – gas rates are going down

NW Natural filed its annual PGA and other associated filings with the Washington Utilities and Transportation Commission (WUTC) on September 15, 2023. If approved, Washington customers will see new rates on monthly bills starting as early as November 1.

New rates for Washington customers will reflect changes in the expected cost of natural gas for the upcoming winter heating season, and account for differences between the estimated and actual cost of natural gas from the previous year. NW Natural does not mark-up the price of gas; the PGA is a passthrough of costs for the wholesale price and delivery of natural gas.

How NW Natural is keeping natural gas affordable

The company has taken several steps to maximize affordability, such as locking in gas purchases at lower rates, smart investments in energy storage, and energy efficiency measures. The combined effects of the following filings contribute to rate changes for customers in Washington as shown on the next page.

- Purchased Gas Adjustment: A \$8.12 decrease on the average monthly residential bill, and a \$34.87 decrease on the average small-commercial bill. The filing trues up the differences between the estimated and actual cost of natural gas, and it establishes the customer costs for natural gas from Nov. 1, 2023–Oct. 31, 2024.
- New depreciation rates: A \$0.24 decrease on the average monthly residential bill, and a \$0.93 decrease on the average monthly small-commercial bill for a reduction in costs associated with spreading investment costs over the useful lives of the related assets.
- Energy-Efficiency Programs: A \$2.73 increase on the average monthly residential bill, and a \$10.44 increase on the average monthly small-commercial bill for energy efficiency programs that support cost effective natural gas conservation.
- Low-Income Assistance: A \$0.03 decrease on the average monthly residential bill, and a \$0.11 decrease on the average monthly small-commercial bill for programs that help low-income residential customers make energy improvements and stay warm.
- New bill discount program: A \$0.83 increase on the average monthly residential bill, and a \$3.18 increase on the average monthly small-commercial bill for a new bill discount program for income-qualified customers.
- Environmental remediation costs: A \$0.54 decrease on the average monthly residential bill, and \$2.10 decrease on the average monthly small-commercial bill for costs associated with environmental site remediation costs.

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- Regulatory fees: A \$0.16 increase on the average monthly residential bill, and \$0.58 increase on the average monthly small-commercial bill for costs associated with an increase in regulatory fees.
- Industrial customer energy efficiency: A \$1.01 increase on the average monthly small industrial bill for an industrial customer energy efficiency audit program. There is no impact of this program on residential or commercial customers.
- Other year-to-year adjustments and true-ups related to previously approved rate adjustments (including for property sale proceeds and rate mitigation). A \$7 decrease in the average monthly residential bill, and a \$1 increase for small commercial.

Type of Service	Schedule Number	Percent Change
General Residential Sales Service	1	-2.4%
General Commercial Sales Service	1	-3.4%
Residential Sales Service	2	-13.4%
Commercial Sales Service	3	-6.7%
Industrial Sales Service	3	-10.5%
Residential Heating Dry-Out Service	27	-4.9%
Commercial Firm Sales	41	-10.9%
Non-Residential Firm Transportation	41	1.9%
Industrial Firm Sales	41	-15.0%
Large Volume Commercial Firm Sales	42	-14.5%
Large Volume Commercial Interruptible Sales	42	-17.3%
Large Volume Industrial Firm Sales	42	-18.1%
Large Volume Industrial Interruptible Sales	42	-17.5%
Large Volume Commercial Firm Transportation	42	3.3%
Large Volume Industrial Firm Transportation	42	3.5%

Additional relief for income-qualified customers

Even with this good news for NW Natural customers, households are still facing financial pressures with continued cost increases for everyday goods and services. For income-qualified customers, NW Natural will begin offering a bill discount program on November 1, pending WUTC approval. It offers 15-80% reductions to cut energy costs for customers whose household income is at or below 80% of area median income.

Our Equal Pay payment plan is another way to make the winter heating season more affordable. Equal Pay is designed to take the ups and downs out of monthly gas bills, which would typically rise and fall depending on the weather and gas use. With Equal Pay, customers can receive predictable bills 11 months of the year.

NW Natural's filings are requests, subject to public review and a decision by the WUTC. Customers may comment on the proposed rate changes by clicking "Submit a Comment" at www.utc.wa.gov, emailing comments@utc.wa.gov, calling 1-888-333-9882 (WUTC), or mailing Washington Utilities and Transportation Commission, PO Box 47250, Olympia, WA 98504-7250. Customers can also request more information, review the filing, and find out about open meetings. For more information, visit the Rates and Regulations section of nwnatural.com.