

BEFORE THE
WASHINGTON UTILITIES & TRANSPORTATION COMMISSION

UG-__
GENERAL RATE APPLICATION
OF
NORTHWEST NATURAL GAS COMPANY

December 18, 2020

Direct Exhibit of Kyle W. Walker

REVENUE REQUIREMENT

Exh. KTW-2

Washington Allocated Results

Line No.	Test Year Results	Year 1 Adjustments	Year 1 Test Year Adjusted	Proposed Year 1 Rate Increase	Year 1 Test Year 9.40% Equity Return	Year 2 Adjustments	Year 2 Test Year Adjusted	Proposed Year 2 Rate Increase	Year 2 Test Year at 9.40% Equity Return	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
Operating Revenues										
1	Sale of Gas	\$71,678,740	\$4,211,998	\$75,890,738	\$6,255,810	\$82,146,548	\$0	\$82,146,548	\$3,150,116	\$85,296,664
2	Transportation	2,292,849	149,867	2,442,716		2,442,716	0	2,442,716		2,442,716
3	Miscellaneous Revenues	(2,096,029)	2,363,457	267,428		267,428	0	267,428		267,428
4	Total Operating Revenues	71,875,561	6,725,322	78,600,883	6,255,810	84,856,693	0	84,856,693	3,150,116	88,006,809
Operating Revenue Deductions										
5	Gas Purchased	24,325,147	4,403,405	28,728,552		28,728,552	0	28,728,552		28,728,552
6	Uncollectible Accrual for Gas Sales	110,387	(21,698)	88,689	6,560	95,249	0	95,249	3,304	98,553
7	Other Operating & Maintenance Expenses	18,749,534	696,464	19,445,998		19,445,998	459,932	19,905,929		19,905,929
8	Total Operating & Maintenance Expense	43,185,068	5,078,170	48,263,238	6,560	48,269,799	459,932	48,729,731	3,304	48,733,034
9	Federal Income Tax	1,405,066	(155,881)	1,249,185	1,259,110	2,508,295	(371,753)	2,136,542	634,026	2,770,568
10	Property Taxes	1,671,587	(50,455)	1,621,132	0	1,621,132	0	1,621,132	0	1,621,132
11	Other Taxes	3,814,799	303,466	4,118,265	253,485	4,371,750	0	4,371,750	127,643	4,499,393
12	Depreciation & Amortization	10,935,860	1,535,701	12,471,561	0	12,471,561	816,146	13,287,706	0	13,287,706
13	Total Operating Revenue Deductions	61,012,380	6,711,001	67,723,381	1,519,156	69,242,537	904,324	70,146,862	764,972	70,911,833
14	Net Operating Revenues	\$10,863,181	\$14,321	\$10,877,502	\$4,736,653	\$15,614,155	(\$904,324)	\$14,709,831	\$2,385,144	\$17,094,975
15	Total Rate Base	194,666,559	\$31,200,184	\$225,866,743	\$0	\$225,866,743	\$21,420,708	\$247,287,451	\$0	\$247,287,451
16	Rate of Return	<u>5.58%</u>		<u>4.82%</u>		<u>6.913%</u>		<u>5.95%</u>		<u>6.913%</u>
17	Return on Common Equity	<u>6.68%</u>		<u>5.12%</u>		<u>9.40%</u>		<u>7.43%</u>		<u>9.40%</u>