

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-7

Line No.	Washington Allocated Results					
	Test Year Results	Adjustments	Test Year Adjusted	Proposed Rate Increase	Test Year at 9.40% Equity Return	
	(a)	(b)	(c)	(d)	(e)	
Operating Revenues						
1	Sale of Gas	\$71,678,740	\$4,211,998	\$75,890,738	\$6,255,810	\$82,146,548
2	Transportation	2,292,849	149,867	2,442,716	0	2,442,716
3	Miscellaneous Revenues	(2,096,029)	2,363,457	267,428	0	267,428
4	Total Operating Revenues	71,875,561	6,725,322	78,600,883	6,255,810	84,856,693
Operating Revenue Deductions						
5	Gas Purchased	24,325,147	4,403,405	28,728,552	0	28,728,552
6	Uncollectible Accrual for Gas Sales	110,387	(21,698)	88,689	6,560	95,249
7	Other Operating & Maintenance Expenses	18,749,534	696,464	19,445,998	0	19,445,998
8	Total Operating & Maintenance Expense	43,185,068	5,078,170	48,263,238	6,560	48,269,799
9	Federal Income Tax	1,405,066	(155,881)	1,249,185	1,259,110	2,508,295
10	Property Taxes	1,671,587	(50,455)	1,621,132	0	1,621,132
11	Other Taxes	3,814,799	303,466	4,118,265	253,485	4,371,750
12	Depreciation & Amortization	10,935,860	1,535,701	12,471,561	0	12,471,561
13	Total Operating Revenue Deductions	61,012,380	6,711,001	67,723,381	1,519,156	69,242,537
14	Net Operating Revenues	\$10,863,181	\$14,321	\$10,877,502	\$4,736,653	\$15,614,155
15	Total Rate Base	\$194,666,559	\$31,200,184	\$225,866,743	\$0	\$225,866,743
16	Rate of Return	<u>5.58%</u>		<u>4.82%</u>		<u>6.913%</u>
17	Return on Common Equity	<u>6.68%</u>		<u>5.12%</u>		<u>9.40%</u>