

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-8

Line No.	Total Yr2 Pro Forma
Line No.	Post Test Year 2 Capital & O&M Adjustment (w)
Operating Revenues	
1 Sale of Gas	0
2 Transportation	0
3 Miscellaneous Revenues	0
4 Total Operating Revenues	0
Operating Revenue Deductions	
5 Gas Purchased	0
6 Uncollectible Accrual	0
7 Other Operating & Maintenance Expenses	459,932
8 Total Operating & Maintenance Expense	459,932
9 Federal Income Tax	(371,753)
10 Property Taxes	0
11 Other Taxes	0
12 Depreciation & Amortization	816,146
13 Total Operating Revenue Deductions	904,324
14 Net Operating Revenues	(904,324)
Average Rate Base	
15 Utility Plant in Service	21,420,708
16 Accumulated Depreciation	
17 Net Utility Plant	21,420,708
18 Storage Gas	
19 Aid in Advance of Construction	
20 Leasehold Improvements	
21 Accumulated Deferred Income Taxes	
22 Total Rate Base	21,420,708
23 Interest Coordination	494,176
24 Estimated Revenue Requirement	3,150,099

Northwest Natural Gas Company
 Adjustments to Test Period
 Test Year Based on Twelve Months Ended September 30, 2020
 (\$000)

Exh. KTW-8
 Page 2

Line No.	Income Tax Calculations	Post Test Year 2 Capital & O&M Adjustment (w)
1	Book Revenues	0
2	Book Expenses before Deprec. & Interest	459,932
3	State Tax Depreciation	816,146
4	Interest Expense (Income)	494,176
5	Book/Tax Differences (Sched. M)	0
6	Federal Taxable Income	(1,770,253)
7	Federal Income Tax [1]	(371,753)
8	ITC	0
9	Current Federal Tax	(371,753)
10	Deferred Income Tax - Federal	0
11	Deferred Income Tax - State	0
12	ITC Restored (Deferred)	0
13	Total Federal Tax	(371,753)

**NW Natural
Test Year Based on Twelve Months Ended September 30, 2020
Washington Post Test-Year Capital Projects**

**Exh. KTW-8
Page 3**

<u>Line No.</u>		<u>Year 2 Amount</u>
1	Addition to Rate Base (Net Book Value)	\$21,420,708
2	Addition to O&M	\$459,932
3	Addition to Depreciation Expense 1/	\$ 816,146

1/ Year 2 amount is net of depreciation expense savings from retirement of current SAP application