

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. 22-07 / UG-_____

September 14, 2022

NW NATURAL

EXHIBIT A

Supporting Materials

Annual Purchased Gas Cost and Deferred Gas Cost Amortization Adjustments

NWN WUTC ADVICE NO. 22-07 / UG-_____

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NW Natural
 Rates & Regulatory Affairs
 2022-2023 PGA Filing - Washington: September Filing
 Summary of TEMPORARY Increments

| | | UG 200994 | 2021-22 PGA | | | | | |
|--------------------------|---------|--------------|--------------|-----------|---------------|-----------|----------------|---------------|
| | | Rate Case | | | | | | |
| | | REMOVE | REMOVE | ADD | ADD | ADD | | |
| | | Current | PGA Current | WACOG | Demand | Demand | Total Proposed | Net Effect of |
| | | Temporarily | Temporarily | Deferral | Deferral FIRM | Deferral | PGA | PGA Temps |
| | | | | | | INTERR | Temporarily | |
| | | | | | | | F = C+D+E | G = F-B |
| Schedule | Block | A | B | C | D | E | F | G |
| 1R | | 0.11328 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| 1C | | 0.09633 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| 2R | | 0.07311 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| 3 CFS | | 0.06553 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| 3 IFS | | 0.00795 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| 27 | | 0.04711 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| 41C Firm Sales | Block 1 | 0.05114 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| | Block 2 | 0.04511 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| 41C Interr Sales | Block 1 | 0.08848 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| | Block 2 | 0.08233 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| 41C Firm Trans | Block 1 | 0.00182 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 2 | 0.00161 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 41I Firm Trans | Block 1 | 0.00277 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 2 | 0.00244 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 41I Firm Sales | Block 1 | 0.00689 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| | Block 2 | 0.00612 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| 41I Interr Sales | Block 1 | 0.04458 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| | Block 2 | 0.04366 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| 42C Firm Sales | Block 1 | 0.02702 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| | Block 2 | 0.02422 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| | Block 3 | 0.01865 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| | Block 4 | 0.01501 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| | Block 5 | 0.01015 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| | Block 6 | 0.00405 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| 42I Firm Sales | Block 1 | 0.00406 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| | Block 2 | 0.00368 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| | Block 3 | 0.00292 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| | Block 4 | 0.00241 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| | Block 5 | 0.00175 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| | Block 6 | 0.00092 | 0.00041 | 0.12476 | (0.00768) | 0.00000 | 0.11708 | 0.11667 |
| 42C Firm Trans | Block 1 | 0.00049 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 2 | 0.00043 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 3 | 0.00034 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 4 | 0.00027 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 5 | 0.00019 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 6 | 0.00007 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 42I Firm Trans | Block 1 | 0.00059 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 2 | 0.00052 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 3 | 0.00041 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 4 | 0.00033 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 5 | 0.00022 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 6 | 0.00008 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 42C Interr Sales | Block 1 | 0.05757 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| | Block 2 | 0.05538 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| | Block 3 | 0.05103 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| | Block 4 | 0.04817 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| | Block 5 | 0.04436 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| | Block 6 | 0.03960 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| 42I Interr Sales | Block 1 | 0.04187 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| | Block 2 | 0.04133 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| | Block 3 | 0.04026 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| | Block 4 | 0.03956 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| | Block 5 | 0.03862 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| | Block 6 | 0.03745 | 0.03674 | 0.12476 | 0.00000 | (0.00833) | 0.11643 | 0.07969 |
| 42C Inter Trans | Block 1 | 0.00099 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 2 | 0.00088 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 3 | 0.00068 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 4 | 0.00055 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 5 | 0.00037 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 6 | 0.00014 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 42I Inter Trans | Block 1 | 0.00073 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 2 | 0.00065 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 3 | 0.00050 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 4 | 0.00040 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 5 | 0.00027 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | Block 6 | 0.00010 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 43 Firm Trans | | 0.00004 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 43 Interr Trans | | 0.00004 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| Intentionally blank | | | | | | | | |
| Sources: | | | | | | | | |
| Direct Inputs | | 21-22 PGA+RC | 21-22 PGA+RC | | | | | |
| Equal ¢ per therm | | | | Column H | Column K | Column N | | |
| Equal % of margin | | | | | | | | |
| Tariff Schedules: | | | | | | | | |
| Schedule # | | Sched 201 | Sched 201 | Sched 201 | N/A | N/A | | |

NW Natural
Rates & Regulatory Affairs
2022-2023 PGA Filing - Washington: September Filing
Summary of Deferred Accounts

| | Balance | Sep-Oct | Sep-Oct | Estimated | Estimated | Total | Amounts | Amounts |
|---------|---|-------------|-----------|------------------|--------------|----------------|---------------|-------------|
| Account | 8/31/2022 | Estimated | Interest | Balance | Interest | Estimated | Excluded from | Included in |
| A | B | Activity | D | 10/31/2022 | Amortization | Amount for | PGA Filing | PGA Filing |
| | | C | | E | F | (Refund) or | H | I |
| | | | | E = sum B thru D | 3.60% | Collection | | |
| | | | | | | G | | |
| | | | | | | G = E + F | | |
| | | | | | | Excl. Rev Sens | | |
| 1 | | | | | | | | |
| 18 | Gas Cost Deferrals and Amortizations | | | | | | | |
| 19 | 191420 WACOG - ACCRUAL WA | 10,812,498 | 0 | 64,972 | 10,877,471 | | | |
| 20 | 191421 AMORT OF WACOG - WA | (72,827) | (449,754) | (1,558) | (524,139) | | | |
| 21 | | 10,739,672 | (449,754) | 63,414 | 10,353,331 | 202,999 | 10,556,330 | 10,556,330 |
| 22 | | | | | | | | |
| 23 | 191430 DEMAND ACCRUAL - WA | 19,128 | 0 | 115 | 19,243 | | | |
| 24 | 191431 AMORT OF DEMAND WA | 388,755 | 440,870 | 3,433 | 833,058 | | | |
| 25 | 254302 MARGIN SHARING - WA | (1,490,443) | 0 | 0 | (1,490,443) | | | |
| 26 | | (1,082,560) | 440,870 | 3,548 | (638,143) | (12,512) | (650,655) | (650,655) |

Company: Northwest Natural Gas Company
 State: Washington
 Description: Washington WACOG Deferral
 Account Number: 191420
 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 | | | | | | | | |
| 190 | Nov-21 | 1 | 356,574.92 | (4,163,525.51) | 3.25% | 4,303.65 | (3,802,646.94) | 1,771,631.20 |
| 191 | Dec-21 | | 1,043,088.50 | | 3.25% | 6,210.68 | 1,049,299.18 | 2,820,930.38 |
| 192 | Jan-22 | | 1,007,957.86 | | 3.25% | 9,004.96 | 1,016,962.82 | 3,837,893.20 |
| 193 | Feb-22 | | 794,853.75 | | 3.25% | 11,470.66 | 806,324.41 | 4,644,217.61 |
| 194 | Mar-22 | | 456,616.13 | | 3.25% | 13,196.42 | 469,812.55 | 5,114,030.16 |
| 195 | Apr-22 | | 1,212,367.10 | | 3.25% | 15,492.25 | 1,227,859.35 | 6,341,889.52 |
| 196 | May-22 | | 1,813,218.77 | | 3.25% | 19,631.35 | 1,832,850.12 | 8,174,739.64 |
| 197 | Jun-22 | | 1,073,287.40 | | 3.25% | 23,593.33 | 1,096,880.73 | 9,271,620.37 |
| 198 | Jul-22 | | 717,219.34 | | 3.60% | 28,890.69 | 746,110.03 | 10,017,730.40 |
| 199 | Aug-22 | | 763,569.40 | | 3.60% | 31,198.55 | 794,767.95 | 10,812,498.34 |
| 200 | Sep-22 | | | | 3.60% | 32,437.50 | 32,437.50 | 10,844,935.84 |
| 201 | Oct-22 | | | | 3.60% | 32,534.81 | 32,534.81 | 10,877,470.65 |

202

203 **History truncated for ease of viewing**

204

205 **Notes**

206 **1** - Transferred authorized balance to account 191421 for amortization.

Company: Northwest Natural Gas Company
 State: Washington
 Description: Washington Amortization of WACOG
 Account Number: 191421
 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) |
| 204 | Nov-21 | new (1) | (146,582.63) | 4,163,525.51 | 3.25% | 11,077.72 | 4,028,020.60 | 3,981,500.94 |
| 205 | Dec-21 | | (592,612.25) | | 3.25% | 9,980.74 | (582,631.51) | 3,398,869.43 |
| 206 | Jan-22 | | (869,864.25) | | 3.25% | 8,027.33 | (861,836.92) | 2,537,032.51 |
| 207 | Feb-22 | | (699,081.06) | | 3.25% | 5,924.46 | (693,156.60) | 1,843,875.91 |
| 208 | Mar-22 | | (594,672.44) | | 3.25% | 4,188.54 | (590,483.90) | 1,253,392.01 |
| 209 | Apr-22 | | (443,478.62) | | 3.25% | 2,794.06 | (440,684.56) | 812,707.45 |
| 210 | May-22 | | (385,978.38) | | 3.25% | 1,678.40 | (384,299.98) | 428,407.47 |
| 211 | Jun-22 | | (234,117.17) | | 3.25% | 843.24 | (233,273.93) | 195,133.54 |
| 212 | Jul-22 | | (153,033.25) | | 3.60% | 355.85 | (152,677.40) | 42,456.14 |
| 213 | Aug-22 | | (115,237.39) | | 3.60% | (45.49) | (115,282.88) | (72,826.74) |
| 214 | Sep-22 | forecast | (148,522.78) | | 3.60% | (441.26) | (148,964.04) | (221,790.78) |
| 215 | Oct-22 | forecast | (301,231.46) | | 3.60% | (1,117.22) | (302,348.68) | (524,139.46) |

216
217
218

219 **History truncated for ease of viewing**

220
221

Notes

222 **1** - Transfer in amounts from account 191420 approved for amortization.

Company: Northwest Natural Gas Company
 State: Washington
 Description: Washington Demand Accrual
 Account Number: 191430
 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 | | | | 3.60% | 57.38 | 57.38 | 19,185.03 |
| 201 | Oct-22 | | | | 3.60% | 57.56 | 57.56 | 19,242.59 |

202
 203 **History truncated for ease of viewing**

204
 205 **Notes**

206 **1** - Transferred authorized balance to account 191431 for amortization.

Company: Northwest Natural Gas Company
 State: Washington
 Description: Washington Amortization of Demand
 Account Number: 191431
 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) |
| 6 | | | | | | | | |
| 204 | Nov-21 | new (1) | 142,121.34 | 304,778.70 | 3.25% | 1,017.90 | 447,917.94 | 24,440.27 |
| 205 | Dec-21 | | 583,676.60 | | 3.25% | 856.59 | 584,533.19 | 608,973.46 |
| 206 | Jan-22 | (2) | 858,624.97 | (3,646,485.72) | 3.25% | (7,063.87) | (2,794,924.62) | (2,185,951.16) |
| 207 | Feb-22 | | 690,078.95 | | 3.25% | (4,985.80) | 685,093.15 | (1,500,858.01) |
| 208 | Mar-22 | | 586,374.29 | | 3.25% | (3,270.78) | 583,103.51 | (917,754.50) |
| 209 | Apr-22 | | 436,442.04 | | 3.25% | (1,894.57) | 434,547.47 | (483,207.03) |
| 210 | May-22 | | 379,874.57 | | 3.25% | (794.27) | 379,080.30 | (104,126.73) |
| 211 | Jun-22 | | 229,722.92 | | 3.25% | 29.07 | 229,751.99 | 125,625.26 |
| 212 | Jul-22 | | 149,496.10 | | 3.60% | 601.12 | 150,097.22 | 275,722.48 |
| 213 | Aug-22 | | 112,037.06 | | 3.60% | 995.22 | 113,032.28 | 388,754.76 |
| 214 | Sep-22 | forecast | 145,088.17 | | 3.60% | 1,383.90 | 146,472.07 | 535,226.83 |
| 215 | Oct-22 | forecast | 295,781.47 | | 3.60% | 2,049.35 | 297,830.82 | 833,057.65 |

216
 217 **History truncated for ease of viewing**

218
 219 **Notes**

- 220 **1** - Transfer in amounts from account 191430 approved for amortization.
 221 **2** - Transfer in from account 254302 (storage and optimization revenue sharing).

Company: Northwest Natural Gas Company
 State: Washington
 Description: Washington Storage Sharing
 Account Number: 254302
 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 | | | | | | |
| 189 | Nov-21 | | (113,168.27) | | (113,168.27) | (3,511,539.58) |
| 190 | Dec-21 | | (134,945.14) | | (134,945.14) | (3,646,485.72) |
| 191 | Jan-22 | 1 | (11,722.76) | 3,646,485.72 | 3,634,762.96 | (11,722.76) |
| 192 | Feb-22 | | (49,990.81) | | (49,990.81) | (61,713.57) |
| 193 | Mar-22 | | (139,455.28) | | (139,455.28) | (201,168.85) |
| 194 | Apr-22 | | (132,335.95) | | (132,335.95) | (333,504.80) |
| 195 | May-22 | | (160,287.86) | | (160,287.86) | (493,792.66) |
| 196 | Jun-22 | | (208,071.18) | | (208,071.18) | (701,863.84) |
| 197 | Jul-22 | | (356,421.55) | | (356,421.55) | (1,058,285.39) |
| 198 | Aug-22 | | (432,157.49) | | (432,157.49) | (1,490,442.88) |
| 199 | Sep-22 | | | | 0.00 | (1,490,442.88) |
| 200 | Oct-22 | | | | 0.00 | (1,490,442.88) |

201 **History truncated for ease of viewing**

202

203 **Notes**

204 **1** - Transfer December balance to account 191431 for amortization.

NW Natural
 2022-2023 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 | | | | | | | | | | | | | | | |
| 5 | Commodity Cost from Supply | \$ | 4,188,052 | \$4,639,195 | \$4,991,274 | \$4,337,096 | \$3,641,572 | \$2,832,105 | \$1,719,003 | \$1,261,491 | \$1,133,546 | \$959,031 | \$1,191,902 | \$2,434,071 | \$33,328,337 |
| 6 | tab commodity cost from supply, column cd, lines 93-104 plus gen input line 80; and | | | | | | | | | | | | | | |
| 7 | tab commodity cost from gas reserve, column q, lines 59-70 | | | | | | | | | | | | | | |
| 8 | Volumetric Pipeline Chgs | | \$10,420 | \$12,080 | \$12,752 | \$10,265 | \$10,367 | \$8,154 | \$5,156 | \$3,745 | \$3,094 | \$2,700 | \$3,117 | \$6,600 | \$88,450 |
| 9 | tab commodity cost from vol pipe, column e, line 78-89 | | | | | | | | | | | | | | |
| 10 | Commodity Cost from Storage | | \$336,843 | \$1,598,113 | \$1,774,503 | \$1,458,731 | \$974,114 | \$186,876 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$6,329,180 |
| 11 | tab Commodity Cost from Storage, column k, line 61-72 | | | | | | | | | | | | | | |
| 14 | Commodity Cost from RNG | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 15 | tab Commodity Cost from RNG, column i, line 61-72 | | | | | | | | | | | | | | |
| 18 | Total Commodity Cost | | \$4,535,315 | \$6,249,388 | \$6,778,529 | \$5,806,092 | \$4,626,053 | \$3,027,135 | \$1,724,159 | \$1,265,236 | \$1,136,640 | \$961,731 | \$1,195,019 | \$2,440,671 | \$39,745,967 |
| VOLUMES | | | | | | | | | | | | | | | |
| 21 | Commodity Volumes at Receipt Points | | 9,459,278 | 10,829,390 | 11,256,795 | 9,377,850 | 8,831,386 | 7,280,191 | 4,691,829 | 3,430,227 | 2,929,967 | 2,517,839 | 2,869,142 | 5,911,116 | 79,385,013 |
| 22 | Pipeline Fuel Use | | 241,178 | 255,393 | 266,343 | 225,413 | 225,053 | 184,473 | 113,758 | 81,149 | 67,557 | 56,998 | 67,143 | 149,402 | 1,933,861 |
| 23 | Gas Arriving at City Gate | | 9,218,099 | 10,573,997 | 10,990,453 | 9,152,437 | 8,606,334 | 7,095,718 | 4,578,071 | 3,349,078 | 2,862,411 | 2,460,842 | 2,801,999 | 5,761,714 | 77,451,152 |
| 24 | | | | | | | | | | | | | | | |
| 25 | RNG and Storage Gas Withdrawals | | 623,383 | 2,947,071 | 3,231,265 | 2,762,160 | 1,719,369 | 347,103 | - | - | - | - | - | - | 11,630,351 |
| 26 | Pipeline Fuel Use for Off-site Storage | | 0 | 0 | 3,220 | 0 | 6,159 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9,379 |
| 27 | Storage Gas Deliveries at City Gate | | 623,383 | 2,947,071 | 3,228,045 | 2,762,160 | 1,713,210 | 347,103 | 0 | 0 | 0 | 0 | 0 | 0 | 11,620,972 |
| 28 | | | | | | | | | | | | | | | |
| 29 | Total Gas At City Gate (Storage and Commodity) | | 9,841,482 | 13,521,068 | 14,218,498 | 11,914,597 | 10,319,544 | 7,442,822 | 4,578,071 | 3,349,078 | 2,862,411 | 2,460,842 | 2,801,999 | 5,761,714 | 89,072,124 |
| 30 | | | | | | | | | | | | | | | |
| 31 | Unaccounted for Gas | | 71,558 | 82,084 | 85,317 | 71,048 | 66,809 | 55,083 | 35,539 | 25,998 | 22,220 | 19,103 | 21,751 | 44,727 | 601,237 |
| 32 | | | | | | | | | | | | | | | |
| 33 | Load Served | | 9,769,924 | 13,438,984 | 14,133,181 | 11,843,548 | 10,252,735 | 7,387,739 | 4,542,532 | 3,323,080 | 2,840,191 | 2,441,739 | 2,780,248 | 5,716,987 | 88,470,888 |

NW Natural
 2022-2023 PGA - SYSTEM: September Filing
 Summary of Total Commodity Cost
 ALL VOLUMES IN THERMS

| WACOG Calculations | | | | | | | | | | | | | | |
|--------------------|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------|-------------|-------------|--------------|
| 38 | Total Load Served | | | | | | | | | | | | | |
| 39 | Washington | 9,769,924 | 13,438,984 | 14,133,181 | 11,843,548 | 10,252,735 | 7,387,739 | 4,542,532 | 3,323,080 | 2,840,191 | 2,441,739 | 2,780,248 | 5,716,987 | 88,470,888 |
| 40 | Total (same as line 25 +/- rounding) | 9,769,924 | 13,438,984 | 14,133,181 | 11,843,548 | 10,252,735 | 7,387,739 | 4,542,532 | 3,323,080 | 2,840,191 | 2,441,739 | 2,780,248 | 5,716,987 | 88,470,888 |
| 41 | | | | | | | | | | | | | | |
| 42 | Washington WACOG Calculation | | | | | | | | | | | | | |
| 43 | | | | | | | | | | | | | | |
| 44 | Total Washington commodity cost | \$4,535,315 | \$6,249,388 | \$6,778,529 | \$5,806,092 | \$4,626,053 | \$3,027,135 | \$1,724,159 | \$1,265,236 | \$1,136,640 | \$961,731 | \$1,195,019 | \$2,440,671 | \$39,745,967 |
| 45 | Total commodity cost for Washington | \$4,535,315 | \$6,249,388 | \$6,778,529 | \$5,806,092 | \$4,626,053 | \$3,027,135 | \$1,724,159 | \$1,265,236 | \$1,136,640 | \$961,731 | \$1,195,019 | \$2,440,671 | \$39,745,967 |
| 46 | | | | | | | | | | | | | | |
| 47 | Washington Sales WACOG (line 45 ÷ line 39) | \$0.46421 | \$0.46502 | \$0.47962 | \$0.49023 | \$0.45120 | \$0.40975 | \$0.37956 | \$0.38074 | \$0.40020 | \$0.39387 | \$0.42982 | \$0.42692 | \$0.44925 |
| 48 | | | | | | | | | | | | | | |
| 49 | WASHINGTON BILLING WACOG | \$0.48536 | \$0.48620 | \$0.50147 | \$0.51256 | \$0.47175 | \$0.42842 | \$0.39685 | \$0.39808 | \$0.41843 | \$0.41181 | \$0.44940 | \$0.44637 | \$0.46972 |

NW Natural
 2022-2023 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 | 28 | 31 | 30 | 31 | 30 | 31 | 31 | 30 | 31 | 365 |
| 4 | Transport charges by transporter (Washington): | | | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | | | |
| 6 | Northwest Pipeline | | 4,228,445 | 4,369,393 | (11,810,552) | 3,784,017 | 4,189,448 | 3,963,619 | 4,095,740 | 3,963,619 | 4,095,740 | 4,095,740 | 3,963,619 | 4,095,740 | \$33,034,568 |
| 7 | | | | | | | | | | | | | | | |
| 8 | Alberta: NOVA | | 522,571 | 522,571 | 522,571 | 522,571 | 522,571 | 522,571 | 522,571 | 522,571 | 522,571 | 522,571 | 522,571 | 522,571 | 6,270,852 |
| 9 | | | | | | | | | | | | | | | |
| 10 | Alberta: Foothills | | 235,258 | 235,258 | 235,258 | 235,258 | 235,258 | 198,689 | 198,689 | 198,689 | 198,689 | 198,689 | 198,689 | 235,258 | 2,603,682 |
| 11 | | | | | | | | | | | | | | | |
| 12 | Alberta: GTN | | 404,283 | 417,759 | 417,759 | 377,330 | 417,759 | 340,228 | 351,569 | 340,228 | 351,569 | 351,569 | 340,228 | 417,759 | 4,528,038 |
| 13 | | | | | | | | | | | | | | | |
| 14 | BC: Southern Crossing | | | | | | | | | | | | | | 0 |
| 15 | | | | | | | | | | | | | | | |
| 16 | BC: Spectra (Westcoast) | | 1,699,368 | 1,720,356 | 1,720,356 | 1,657,393 | 1,720,356 | 1,699,368 | 1,720,356 | 1,699,368 | 1,720,356 | 1,720,356 | 1,699,368 | 1,720,356 | 20,497,357 |
| 17 | | | | | | | | | | | | | | | |
| 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 |
| 19 | | | | | | | | | | | | | | | |
| 20 | Shell Capacity Release Premium | | (218,254) | (225,529) | (225,529) | (203,704) | (225,529) | (218,254) | (225,529) | (218,254) | (225,529) | (225,529) | (218,254) | (225,529) | (2,655,422) |
| 21 | | | | | | | | | | | | | | | |
| 22 | Total System Demand | | \$6,890,358 | \$7,058,496 | (\$9,121,449) | \$6,391,554 | \$6,878,551 | \$6,524,909 | \$6,682,084 | \$6,524,909 | \$6,682,084 | \$6,682,084 | \$6,524,909 | \$6,784,843 | \$64,503,333 |

NW Natural
 2022-2023 PGA - SYSTEM: September Filing
 Derivation of Washington per therm Non-Commodity Charges
 ALL VOLUMES IN THERMS

Washington Derivation of Demand Increments

| | | Without | WITH |
|----|---|-------------------|--------------------|
| | | Revenue Sensitive | Revenue Sensitive |
| | (a) (b) | (c) | (d) |
| 1 | | | |
| 2 | | | |
| 3 | | | |
| 4 | System Demand | \$64,503,333 | |
| 5 | Washington Allocation Factor 1/ | 11.31% | |
| 6 | Washington Demand | \$7,295,327 | |
| 7 | | | |
| 8 | Washington Firm Sales Forecasted Normal Volumes | 87,302,514 | |
| 9 | Washington Interruptible Sales Forecasted Normal Volumes | 1,168,374 | |
| 10 | | | |
| 11 | | | |
| 12 | Proposed Firm Demand Per Therm 2/ | \$0.08317 | \$0.08696 |
| 13 | Proposed Interruptible Demand 2/ | \$0.02906 | \$0.03038 |
| 14 | Proposed MDDV Demand Charge | \$1.24 | \$1.30 |
| 15 | | | |
| 16 | Current Firm Demand Per Therm | \$0.10245 | \$0.10689 |
| 17 | Current Interruptible Demand | \$0.03579 | \$0.03734 |
| 18 | Current MDDV Demand Charge | \$1.53 | \$1.60 |
| 19 | | | |
| 20 | Percent Change in Firm Demand | -18.82% | |
| 21 | | | |
| 22 | | | |
| 23 | 1/Allocation Factor: 2021-22 PGA forecast firm sales volumes: | | |
| 24 | | <u>Washington</u> | <u>Oregon</u> |
| 25 | Firm Sales | 87,302,514 | 684,781,418 |
| 26 | | 11.31% | 88.69% |
| 27 | | | |
| 28 | 2/Calculation of Proposed Demand Rates: | | |
| 29 | | | |
| 30 | Demand change factor | 0.812 | |
| 31 | | | |
| 32 | Firm Demand (line 16 * line 30) | \$0.08317 | \$7,261,379 |
| 33 | Interruptible Demand (line 17 * line 30) | \$0.02906 | \$33,948 |
| 34 | | | <u>\$7,295,327</u> |
| 35 | | | \$0 |

NW Natural

2022-2023 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 | \$0.49862 | |
| 6 | December | \$0.53559 | |
| 7 | January | \$0.54387 | |
| 8 | February | \$0.54032 | |
| 9 | March | \$0.46862 | |
| 10 | April | \$0.38261 | |
| 11 | May | \$0.36660 | |
| 12 | June | \$0.35949 | |
| 13 | July | \$0.35444 | |
| 14 | August | \$0.35081 | |
| 15 | September | \$0.35274 | |
| 16 | October | \$0.36588 | |
| 17 | | | |
| 18 | | | |
| 19 | Average price, November-March | \$0.51740 | average lines 5-9 |
| 20 | | | |
| 21 | Annual average price, November-October | \$0.42663 | average lines 5-16 |
| 22 | | | |
| 23 | Ratio of winter to annual | 1.21276 | line 19 ÷ line 21 |
| 24 | | | |
| 25 | | Without Rev | WITH Rev |
| 26 | | <u>Sensitive</u> | <u>Sensitive</u> |
| WA | Washington Annual WACOG | \$0.44925 | \$0.46972 |
| WA | Washington Winter WACOG | \$0.54483 | \$0.56965 |
| | | line 23 * \$0.44925 | |

NW Natural
Rates & Regulatory Affairs
2022-23 PGA - Washington: September Filing
Tariff Advice 22-07: PGA Effects on Revenue

| | <u>Amount</u> | <u>Reference</u> |
|----|---------------|------------------|
| 1 | | |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
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| 24 | | |
| 25 | | |

Purchased Gas Cost Adjustment (PGA)

| | | |
|-------------------------|--------------------|---|
| Gas Cost Change | \$10,639,473 | NWN PGA gas cost development file September filing_WA.xls |
| Capacity Cost Change | <u>(1,476,323)</u> | NWN PGA gas cost development file September filing_WA.xls |
| Total PGA Change | <u>9,163,150</u> | |

Temporary Rate Adjustments

| | | |
|---|-------------------|--|
| Proposed PGA Temporary Increments | 10,356,915 | NWN 2021-22 Washington PGA rate development file.xls |
| Removal of PGA Current Temporary Increments | <u>(81,273)</u> | NWN 2020-21 Washington PGA rate development file.xls |
| Total Net Temporary Rate Adjustment | <u>10,275,642</u> | |

TOTAL OF ALL COMPONENTS OF ALL RATE CHANGES **\$19,438,792**

2021 Washington CBR Normalized Total Revenues **\$83,232,693**

Effect of this filing, as a percentage change **23.35%**

Billing Update

New rates begin in November

To true-up differences between estimated and actual natural gas costs, NW Natural filed an annual Purchased Gas Adjustment with the Washington Utilities and Transportation Commission (WUTC) on Sept. 14, 2022.

Rates will be further impacted by a separate NW Natural general rate case filed with the WUTC last year. If approved, customers will see new rates on monthly bills starting as early as Nov. 1:

Rates for residential customers in Washington will be about \$11.75 more a month for customers using an average of 57 therms per month.

Rates for small-commercial customers in Washington will be about \$50.14 more a month for customers using an average of 242 therms per month.

This year's PGA comes at a time of increases in the wholesale cost of natural gas due to inflationary pressures, global disruption and overall fluctuations in the energy market. Changes also include other year-to-year adjustments and costs approved by regulators.

Reason for new rates

The combined effects of the following four filings for the PGA contribute to rate changes for Washington customers:

1. Purchased Gas Adjustment. A \$12.41 increase on the average monthly residential bill, and a \$52.69 increase 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, 2022–Oct. 31, 2023.
2. Energy-Efficiency Programs. A \$1.07 decrease on the average monthly residential bill, and a \$4.12 decrease on the average monthly small-commercial bill for energy efficiency programs that support cost effective natural gas conservation.
3. Low-Income Assistance. A \$0.02 decrease on the average monthly residential bill, and a \$0.10 decrease on the average monthly small-commercial bill for programs that help low-income residential customers make energy improvements and stay warm.
4. Other year-to-year adjustments and costs pending approval by regulators. A \$0.43 increase on the average monthly residential bill, and a \$1.67 increase for small commercial.

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, send a letter to NW Natural Rates and Regulatory, 250 SW Taylor St., Portland, OR 97204, call 800-422-4012, or email from nwnatural.com/ContactUs/Email.