

BEFORE THE
WASHINGTON UTILITIES & TRANSPORTATION COMMISSION

UG-__
GENERAL RATE APPLICATION
OF
NORTHWEST NATURAL GAS COMPANY

December 31, 2018

Direct Exhibit of Sean R. Borgerson

FEDERAL INCOME TAX REFORM

Exh. SRB-3

NW Natural - Excess Deferred Tax Remeasurement - 2017
Plant Deferred Taxes

| Plant: | Gross Balance before Remeasurement | Original Asset (Liability) | Remeasured Asset / (Liability) | Washington: | 9.4% | 0.0% | Washington Regulatory Deferral - New |
|----------------------|------------------------------------------|-------------------------------|--------------------------------------|---------------|-------------------------------|-----------------------------------------|--------------------------------------------|
| | | | | Change | Federal Deferred Change | Federal Detriment of State Change | |
| Fixed Assets - Plant | (1,112,377,819) | (363,035,929) | (217,821,557) | (145,214,372) | (155,732,895) | 10,518,523 | (14,592,172) A |

Plant, Washington Allocation of Remeasurement: (\$14.592) million
(Liability)

A - The relative proportions of the federal and federal detriment of state changes as noted in percentages above