

NW Natural  
Washington Quarterly Results of Operations Report  
Operations and Maintenance Expense: Allocation of System Amounts  
For the twelve month ended December 31, 2019

	<u>System</u>	<u>Washington</u>	<u>Oregon</u>
<b>Natural Gas Storage</b>			
<b>Underground Storage Expense</b>			
<b>Operation</b>			
816 Wells Expense	\$ 425,943	\$ 45,406	\$ 380,538
818 Compressor Station Expense	\$ 141,754	\$ 15,111	\$ 126,643
819 Compressor Station Fuel	\$ 0	\$ 0	\$ 0
820 Measuring and Regulator Station Expense	\$ 2,564,402	\$ 271,825	\$ 2,292,576
821 Purification Expense	\$ (284)	\$ (30)	\$ (253)
<b>Maintenance</b>			
832 Wells Expense	\$ 199,145	\$ 21,229	\$ 177,916
834 Compressor Expense	\$ 322,417	\$ 34,370	\$ 288,047
<b>Total Underground Storage Expense</b>	<b>\$ 3,653,378</b>	<b>\$ 387,910</b>	<b>\$ 3,265,468</b>
<b>Other Storage Expense</b>			
<b>Operation</b>			
840 Supervision and Engineering	\$ 111,566	\$ 11,893	\$ 99,673
<b>Total Other Storage Expense</b>	<b>\$ 111,566</b>	<b>\$ 11,893</b>	<b>\$ 99,673</b>
<b>Liquified Natural Gas Expense</b>			
<b>Operation</b>			
844 Supervision and Engineering	\$ 1,880,908	\$ 200,505	\$ 1,680,403
845 LNG Fuel	\$ (175,451)	\$ (18,703)	\$ (156,748)
<b>Maintenance</b>			
847 Supervision and Engineering	\$ 1,145,296	\$ 122,089	\$ 1,023,207
<b>Total Liquified Natural Gas Expense</b>	<b>\$ 1,705,453</b>	<b>\$ 283,891</b>	<b>\$ 1,421,562</b>
<b>Total Natural Gas Storage</b>	<b>\$ 6,615,696</b>	<b>\$ 703,693</b>	<b>\$ 5,912,003</b>
<b>Transmission Expense</b>			
<b>Operation</b>			
856 Mains Expense	\$ 2,367,236	\$ 157,511	\$ 2,209,725
<b>Maintenance</b>			
863 Maintenance of Mains	\$ 220,891	\$ 23,407	\$ 197,484
<b>Total Transmission Expense</b>	<b>\$ 2,588,127</b>	<b>\$ 180,919</b>	<b>\$ 2,407,209</b>
<b>Distribution Expense</b>			
<b>Operation</b>			
870 Supervision and Engineering	\$ 3,509,225	\$ 301,511	\$ 3,207,714
874 Mains and Services Expense	\$ 12,834,986	\$ 1,456,280	\$ 11,378,707
875 Measuring and Regulator Station Expense - General	\$ 223,637	\$ 22,682	\$ 200,956
877 Measuring and Regulator Station Expense - City Gate	\$ 609,033	\$ 54,377	\$ 554,656
878 Meter and House Regulator Expense	\$ 6,160,866	\$ 699,494	\$ 5,461,372
879 Customer Installation Expense	\$ 10,871,229	\$ 1,229,563	\$ 9,641,667
880 Other Expense	\$ 1,454,532	\$ 139,621	\$ 1,314,911
881 Rents	\$ 212,649	\$ 28,422	\$ 184,227
<b>Maintenance</b>			
885 Supervision and Engineering	\$ 6,933,554	\$ 326,452	\$ 6,607,102
887 Mains	\$ 2,734,314	\$ 121,373	\$ 2,612,941
889 Measuring and Regulator Station Expense - General	\$ 1,634,410	\$ 150,970	\$ 1,483,440
891 Measuring and Regulator Station Expense - City Gate	\$ 187,161	\$ 12,610	\$ 174,551
892 Services	\$ 627,763	\$ 42,008	\$ 585,755
893 Meters and House Regulators	\$ 3,215,125	\$ 326,252	\$ 2,888,873
894 Other Equipment	\$ 35,113	\$ 2,255	\$ 32,858
<b>Total Distribution Expense</b>	<b>\$ 51,243,598</b>	<b>\$ 4,913,869</b>	<b>\$ 46,329,729</b>

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**Operations and Maintenance Expense: Allocation of System Amounts**  
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	<u>System</u>	<u>Washington</u>	<u>Oregon</u>	
<b>Customer Accounts Expense</b>				
<b>Operation</b>				
901	Supervision	\$ 1,957,147	\$ 222,723	\$ 1,734,423
902	Meter Reading Expenses	\$ 986,501	\$ 111,977	\$ 874,524
903	Customer Records and Collection Expense	\$ 17,095,049	\$ 1,931,599	\$ 15,163,451
904	Uncollectible Accounts	\$ 449,187	\$ 49,233	\$ 399,954
	<b>Total Customer Accounts Expense</b>	<b>\$ 20,487,884</b>	<b>\$ 2,315,532</b>	<b>\$ 18,172,352</b>
<b>Customer Service and Informational</b>				
<b>Operation</b>				
907	Supervision	\$ 4,464	\$ 512	\$ 3,951
908	Customer Assistance Expense	\$ 3,428,508	\$ 336,321	\$ 3,092,187
909	Customer Information Expense	\$ 2,917,936	\$ 332,061	\$ 2,585,875
910	Miscellaneous Customer Service Expense	\$ 360,145	\$ 41,343	\$ 318,802
	<b>Total Customer Service and Informational</b>	<b>\$ 6,711,053</b>	<b>\$ 710,238</b>	<b>\$ 6,000,815</b>
<b>Sales Expense</b>				
<b>Operation</b>				
911	Supervision	\$ 13,871	\$ 1,578	\$ 12,292
912	Demonstration and Selling Expense	\$ 2,089,995	\$ 236,291	\$ 1,853,705
913	Advertising	\$ 513,581	\$ 58,445	\$ 455,136
916	Miscellaneous Sales Expense	\$ -	\$ -	\$ -
	<b>Total Sales Expense</b>	<b>\$ 2,617,447</b>	<b>\$ 296,314</b>	<b>\$ 2,321,133</b>
<b>Administrative and General Expense</b>				
<b>Operation</b>				
921	Office Supplies and Expense	\$ 63,520,953	\$ 7,528,907	\$ 55,992,046
922	Administrative Expenses Transferred - Credit	\$ (20,751,704)	\$ (2,337,917)	\$ (18,413,786)
924	Property Insurance Premium	\$ 3,239,827	\$ 366,424	\$ 2,873,403
925	Injuries and Damages	\$ 217,867	\$ 24,641	\$ 193,226
926	Employee Pensions and Benefits	\$ 46,947,841	\$ 2,056,431	\$ 44,891,409
928	Regulatory Commission Expense	\$ -	\$ -	\$ -
930	Miscellaneous General Expense	\$ 3,550,735	\$ 401,589	\$ 3,149,146
931	Rents	\$ 4,723,236	\$ 534,219	\$ 4,189,017
<b>Maintenance</b>				
935	Maintenance of General Plant	\$ 4,254,111	\$ 468,238	\$ 3,785,873
	<b>Total Administrative and General Expense</b>	<b>\$ 105,702,866</b>	<b>\$ 9,042,532</b>	<b>\$ 96,660,334</b>
	<b>Total Operations and Maintenance Expense</b>	<b>\$ 195,966,672</b>	<b>\$ 18,163,097</b>	<b>\$ 177,803,575</b>