

Rates and Regulatory Affairs
Facsimile: 503.721.2516



May 13, 2011

David Danner, Secretary and Executive Director
 Washington Utilities & Transportation Commission
 1300 Evergreen Park Drive, S.W.
 Post Office Box 47250
 Olympia, Washington 98504-7250

RECEIVED
 RECORDS MANAGEMENT
 2011 MAY 16 AM 8:15
 STATE OF WASH.
 UTIL. AND TRANSP.
 COMMISSION

Dear Mr. Danner,

Per WAC 480-90-275, attached are an original and two copies of the Company's Results of Operations for the First Quarter (January - March), 2011.

Included within each month's section is a summary of the rate of return on rate base, an income statement presentation of results, a report of operations and maintenance expense broken out by FERC account and a detailed report of operations and maintenance expense which shows the allocation methodology used. Each month's section also includes a report for the 12 months ending each month on the rate of return on rate base and the income statement presentation of results.

Also attached are a report of allocation factors and a report of gross plant and accumulated depreciation at December 31, 2009 and 2010. Finally, volumes, customers and use per customer are presented on monthly and 12-months ended bases for 2010 and 2011.

Reports are presented with system results, as well as with results for each state.

Please feel free to call me if you have any questions.

Sincerely,



Natasha Siores
 Senior Rates Analyst
 Rates & Regulatory Affairs
 Extension 3588

attachments

1st Quarter 2011 Results of Operations: January Detail

**NW Natural
Washington Results of Operations
12 Month Ended Reports**

Summary

Total Operating Revenue
Total Rate Base
Rate Of Return on Rate Base

Jan 2011

System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
		95,261,946			8,737,061			86,524,886
		1,015,599,273			119,936,255			895,663,017
		9.38%			7.28%			9.66%

NW Natural
Washington Results of Operations
12 Month Ended Reports

Acct	Description	Alloc. Ref.	System			Washington			Oregon		
			Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
Sales of Gas											
480.1	Residential		464,895,694	0	464,895,694	49,680,383	0	49,680,383	415,215,311	0	415,215,311
481.1	Commercial		231,967,882	0	231,967,882	20,603,996	0	20,603,996	211,363,886	0	211,363,886
481.2	Industrial Firm		31,010,723	0	31,010,723	2,640,432	0	2,640,432	28,370,291	0	28,370,291
481.3	Interruptible		0	0	0	3,114,025	0	3,114,025	(3,114,025)	0	(3,114,025)
481.5	Interruptible Incentive		36,126,596	0	36,126,596	0	0	0	36,126,596	0	36,126,596
495.20	Unbilled Revenue	A	0	(916,709)	(916,709)	0	436,125	436,125	0	(1,352,834)	(1,352,834)
	Total Sales of Gas		764,000,895	(916,709)	763,084,186	76,038,836	436,125	76,474,961	687,962,059	(1,352,834)	686,609,225
Transportation Revenue											
489.12	Industrial Firm		6,163,603	0	6,163,603	662,366	0	662,366	5,501,236	0	5,501,236
489.13	Interruptible		8,277,075	0	8,277,075	553,950	0	553,950	7,723,124	0	7,723,124
489.15	Interruptible Incentive		42	0	42	0	0	0	42	0	42
489.3	Agency Fee/Balancing		(25)	0	(25)	0	0	0	(25)	0	(25)
	Total Transportation Revenue		14,440,695	0	14,440,695	1,216,317	0	1,216,317	13,224,378	0	13,224,378
495.6	Rate Adjustments - Amortizations		13,123,357	0	13,123,357	(751,660)	0	(751,660)	13,875,017	0	13,875,017
Miscellaneous Revenues											
487	Late Payment Charge		2,609,913	0	2,609,913	133,929	0	133,929	2,475,984	0	2,475,984
488.1	Returned Check Charge		123,133	0	123,133	15,105	0	15,105	108,028	0	108,028
488.3	Recon Charge CR During Office Hours		240,509	0	240,509	20,950	0	20,950	219,559	0	219,559
488.4	Field Collection Charge		323,530	0	323,530	42,570	0	42,570	280,960	0	280,960
488.5	Recon Charge CR After Office Hours		404,900	0	404,900	48,650	0	48,650	356,250	0	356,250
488.6	Recon Charge Seas During Office Hours		17,775	0	17,775	1,775	0	1,775	16,000	0	16,000
488.7	Recon Charge Seas After Office Hours		6,300	0	6,300	875	0	875	5,425	0	5,425
488.8	Automated Payment Charge		135,620	0	135,620	18,480	0	18,480	117,140	0	117,140
493.2	Rent - Utility Property	B	0	420,146	420,146	0	33,980	33,980	0	386,166	386,166
495.1	Meter Rentals		200,275	0	200,275	22,456	0	22,456	177,818	0	177,818
495.2	Other Gas Revenue - Miscellaneous		110,627	0	110,627	837	0	837	109,790	0	109,790
	Total Miscellaneous Revenues		4,172,581	420,146	4,592,726	305,627	33,980	339,607	3,866,953	386,166	4,253,119
	Total Operating Revenue		795,737,528	(496,563)	795,240,964	76,809,120	470,105	77,279,225	718,928,408	(966,668)	717,961,739
Cost of Gas											
804.7	WACOG Incurred		368,189,802	0	368,189,802	35,587,654	0	35,587,654	332,602,148	0	332,602,148
805.7	WACOG Deferred		16,395,460	0	16,395,460	2,109,758	0	2,109,758	14,285,702	0	14,285,702
804.6	Demand Incurred		91,734,073	0	91,734,073	8,500,299	0	8,500,299	83,233,774	0	83,233,774
805.8	Demand Deferred		(10,375,942)	0	(10,375,942)	(783,125)	0	(783,125)	(9,592,816)	0	(9,592,816)
805.4	Amortization of Gas Costs		(31,761,703)	0	(31,761,703)	(4,442,508)	0	(4,442,508)	(27,319,196)	0	(27,319,196)
	Total Cost of Gas		434,181,690	0	434,181,690	40,972,078	0	40,972,078	393,209,612	0	393,209,612
Detail	Operations & Maintenance	O&M	12,383,687	102,789,647	115,173,334	725,394	10,350,916	11,076,311	11,658,293	92,438,731	104,097,023
Other Taxes											
408.11	Property		15,325,206	0	15,325,206	1,370,133	0	1,370,133	13,955,073	0	13,955,073
408.12	Franchise		20,141,713	0	20,141,713	3,045,349	0	3,045,349	17,096,365	0	17,096,365
408.13	Payroll	C	0	5,064,633	5,064,633	0	520,692	520,692	0	4,543,941	4,543,941
408.14	Other		333,225	0	333,225	1,813	0	1,813	331,412	0	331,412
408.15	Regulatory		2,432,537	0	2,432,537	198,503	0	198,503	2,234,034	0	2,234,034
	Total Other Taxes		38,232,682	5,064,633	43,297,314	4,615,797	520,692	5,136,489	33,616,884	4,543,941	38,160,825
403.1	Depreciation	D	0	62,775,222	62,775,222	0	7,664,056	7,664,056	0	55,111,166	55,111,166
Income Taxes											
409.11	Federal Income Taxes				(5,255,963)			3,061,937			(8,317,900)
410.1	Federal Income Taxes - Deferred				53,228,088			0			53,228,088
411.4	Federal Income Tax Credit				(11,153,531)			631,294			(11,784,825)
409.1	Oregon Income Taxes				1,472,473			0			1,472,473
410.1	Oregon Income Taxes - Deferred				8,722,443			0			8,722,443
411.1	Oregon Income Tax Credit				(2,462,052)			0			(2,462,052)
	Total Income Taxes				44,551,458			3,693,231			40,858,227
	Total Operating Revenue Deductions		484,798,059	170,629,502	699,979,018	46,313,270	18,535,664	68,542,165	438,484,789	152,093,838	631,436,853
	Net Operating Income				95,261,946			8,737,061			86,524,886

12 Month Ended Reports

Rate Base

101 Gross Plant

108.1X Accumulated Depreciation

117.X Storage Gas - Cushion

186.XX Leasehold Improvements

252.XX Customer Contributions

283.XX Deferred Taxes - Federal

283.XX Deferred Taxes - State

Total Rate Base

Rate Of Return on Rate Base

Allocation References:

- A Unbilled Revenue
- B Direct
- O&M See O&M Detail
- C Payroll Factor
- D Depreciation Factor

System		System	Washington	Washington	Washington	Oregon	Oregon	Oregon
Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
		2,211,132,450			229,993,615			1,981,138,835
		(957,533,921)			(88,798,643)			(868,735,278)
		14,067,129			1,357,468			12,709,661
		1,875,940			185,328			1,690,612
		(2,121,968)			(160,724)			(1,961,244)
		(208,995,967)			(22,640,790)			(186,355,177)
		(42,824,390)			0			(42,824,390)
		1,015,599,273			119,936,255			895,663,017
		9.38%			7.28%			9.66%
		100.00%			-47.58%			147.58%
		100.00%			8.09%			91.91%
		100.00%			10.28%			89.72%
		100.00%			12.21%			87.79%

NW Natural
Washington Quarterly Results of Operations Report
Operations and Maintenance Expense: Allocation of System Amounts
For the Period Ended January 31, 2011

Month

		<u>System</u>	<u>Washington</u>	<u>Oregon</u>
Natural Gas Storage				
Underground Storage Expense				
Operation				
816	Wells Expense	\$34,410	\$3,314	\$31,096
818	Compressor Station Expense	31,359	3,020	28,339
819	Compressor Station Fuel	0	-	0
820	Measuring and Regulator Station Expense	99,029	9,537	89,493
821	Purification Expense	1,183	114	1,069
Maintenance				
832	Wells Expense	14,257	1,373	12,884
	Total Underground Storage Expense	180,238	17,357	162,881
Other Storage Expense				
Operation				
840	Supervision and Engineering	6,987	673	6,315
	Total Other Storage Expense	6,987	673	6,315
Liquified Natural Gas Expense				
Operation				
844	Supervision and Engineering	142,539	13,729	128,810
845	LNG Fuel	-	-	-
Maintenance				
847	Supervision and Engineering	40,363	3,887	36,476
	Total Liquified Natural Gas Expense	182,902	17,616	165,286
	Total Natural Gas Storage	370,127	35,645	334,482
Transmission Expense				
Operation				
856	Mains Expense	65,549	7,053	58,496
Maintenance				
863	Maintenance of Mains	-	-	-
	Total Transmission Expense	65,549	7,053	58,496
Distribution Expense				
Operation				
870	Supervision and Engineering	240,858	19,096	221,761
874	Mains and Services Expense	703,754	60,011	643,743
875	Measuring and Regulator Station Expense - General	20,288	1,769	18,519
877	Measuring and Regulator Station Expense - City Gate	33,655	2,666	30,990
878	Meter and House Regulator Expense	364,532	36,385	328,147
879	Customer Installation Expense	830,953	84,656	746,297
880	Other Expense	112,195	10,498	101,697
881	Rents	14,471	1,430	13,041

	System	Washington	Oregon
Maintenance			
885	Supervision and Engineering	428,960	392,483
887	Mains	226,618	214,763
889	Measuring and Regulator Station Expense - General	80,452	73,263
891	Measuring and Regulator Station Expense - City Gate	3,397	3,127
892	Services	105,319	98,154
893	Meters and House Regulators	223,924	203,855
894	Other Equipment	1,561	1,424
	Total Distribution Expense	3,390,937	3,091,264
Customer Accounts Expense			
Operation			
901	Supervision	108,462	97,746
902	Meter Reading Expenses	54,362	48,854
903	Customer Records and Collection Expense	1,350,542	1,215,994
904	Uncollectible Accounts	508,718	457,901
	Total Customer Accounts Expense	2,022,084	1,820,495
Customer Service and Informational			
Operation			
907	Supervision	24,660	22,101
908	Customer Assistance Expense	284,658	257,340
909	Customer Information Expense	62,138	55,688
910	Miscellaneous Customer Service Expense	13,936	12,489
	Total Customer Service and Informational	385,392	347,617
Sales Expense			
Operation			
911	Supervision	26,882	24,116
912	Demonstration and Selling Expense	133,101	119,672
913	Advertising	107,399	98,196
916	Miscellaneous Sales Expense	-	-
	Total Sales Expense	267,382	241,985
Administrative and General Expense			
Operation			
921	Office Supplies and Expense	2,756,868	2,471,436
922	Administrative Expenses Transferred - Credit	(1,263,347)	(1,129,172)
924	Property Insurance Premium	204,957	184,707
925	Injuries and Damages	128,508	115,811
926	Employee Pensions and Benefits	692,743	619,016
930	Miscellaneous General Expense	358,790	323,341
931	Rents	360,497	315,937
Maintenance			
935	Maintenance of General Plant	257,660	238,087
	Total Administrative and General Expense	3,496,676	3,139,165
	Total Operations and Maintenance Expense	\$9,998,147	\$9,033,503

NW Natural
Rates & Regulatory Affairs
Operations and Maintenance Expense
State Allocation of System Amounts
For the Period Ended January 31, 2011

FERC Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	Jan	Jan	Jan	Jan	Jan	Jan	Jan	Jan	Jan	
	0.00	34,409.84	34,409.84	0.00	3,313.67	3,313.67	0.00	31,096.17	31,096.17	Firm Volumes Total
816 Wells Expense Total	0.00	34,409.84	34,409.84	0.00	3,313.67	3,313.67	0.00	31,096.17	31,096.17	Firm Volumes Total
	0.00	31,359.30	31,359.30	0.00	3,019.89	3,019.89	0.00	28,339.41	28,339.41	Firm Volumes Total
818 Compressor Station Expense Total	0.00	31,359.30	31,359.30	0.00	3,019.89	3,019.89	0.00	28,339.41	28,339.41	Firm Volumes Total
	0.00	0.01	0.01	0.00	0.00	0.00	0.00	0.01	0.01	Firm Volumes Total
819 Compressor Station Fuel Total	0.00	0.01	0.01	0.00	0.00	0.00	0.00	0.01	0.01	Firm Volumes Total
	0.00	99,029.18	99,029.18	0.00	9,536.51	9,536.51	0.00	89,492.67	89,492.67	Firm Volumes Total
820 Measuring and Regulator Station Expense Total	0.00	99,029.18	99,029.18	0.00	9,536.51	9,536.51	0.00	89,492.67	89,492.67	Firm Volumes Total
	0.00	1,182.80	1,182.80	0.00	113.90	113.90	0.00	1,068.90	1,068.90	Firm Volumes Total
821 Purification Expense Total	0.00	1,182.80	1,182.80	0.00	113.90	113.90	0.00	1,068.90	1,068.90	Firm Volumes Total
	0.00	14,256.80	14,256.80	0.00	1,372.93	1,372.93	0.00	12,883.87	12,883.87	Firm Volumes Total
832 Wells Expense Total	0.00	14,256.80	14,256.80	0.00	1,372.93	1,372.93	0.00	12,883.87	12,883.87	Firm Volumes Total
	0.00	6,987.49	6,987.49	0.00	672.90	672.90	0.00	6,314.59	6,314.59	Firm Volumes Total
840 Supervision and Engineering Total	0.00	6,987.49	6,987.49	0.00	672.90	672.90	0.00	6,314.59	6,314.59	Firm Volumes Total
	0.00	141,649.77	141,649.77	0.00	13,640.86	13,640.86	0.00	128,008.91	128,008.91	Firm Volumes Total
844 Supervision and Engineering Total	0.00	889.45	889.45	0.00	87.88	87.88	0.00	801.57	801.57	3-factor Total
	0.00	142,539.22	142,539.22	0.00	13,728.74	13,728.74	0.00	128,810.48	128,810.48	Firm Volumes Total
847 Supervision and Engineering Total	0.00	40,362.52	40,362.52	0.00	3,886.91	3,886.91	0.00	36,475.61	36,475.61	Firm Volumes Total
	0.00	64,908.55	64,908.55	0.00	6,412.96	6,412.96	0.00	58,495.59	58,495.59	3-factor Total
856 Mains Expense Total	640.17	64,908.55	65,548.72	640.17	6,412.96	7,053.13	0.00	58,495.59	58,495.59	Direct-WA Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3-factor Total
863 Maintenance of Mains Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3-factor Total
	0.00	238,400.17	238,400.17	0.00	18,881.30	18,881.30	0.00	219,518.87	219,518.87	Sendout Volumes Total
	0.00	2,457.66	2,457.66	0.00	215.05	215.05	0.00	2,242.61	2,242.61	Sales/Sendout Volumes Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Firm Volumes Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3-factor Total
870 Supervision and Engineering Total	0.00	240,857.83	240,857.83	0.00	19,096.35	19,096.35	0.00	221,761.48	221,761.48	Direct-OR Total
	455,443.88	0.00	455,443.88	0.00	0.00	0.00	455,443.88	0.00	455,443.88	sendout volumes Total
	0.00	208.24	208.24	0.00	16.50	16.50	0.00	191.74	191.74	3-factor Total
	0.00	170,702.56	170,702.56	0.00	16,865.40	16,865.40	0.00	153,837.16	153,837.16	Customers-All Total
	0.00	29,248.48	29,248.48	0.00	2,983.35	2,983.35	0.00	26,265.13	26,265.13	Customers Port/Van 80% Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers Port/Van Total
	0.00	9,310.12	9,310.12	0.00	1,305.28	1,305.28	0.00	8,004.84	8,004.84	Direct-WA Total
	38,840.94	0.00	38,840.94	38,840.94	0.00	38,840.94	0.00	0.00	0.00	Direct-WA Total
874 Mains and Services Expense Total	494,284.82	209,469.40	703,754.22	38,840.94	21,170.53	60,011.47	455,443.88	188,298.87	643,742.75	Sendout Volumes Total
	0.00	14,607.82	14,607.82	0.00	1,156.94	1,156.94	0.00	13,450.88	13,450.88	Telemetry Total
	0.00	5,680.34	5,680.34	0.00	611.77	611.77	0.00	5,068.57	5,068.57	Telemetry Total
875 Measuring and Regulator Station Expense - General Total	0.00	20,288.16	20,288.16	0.00	1,768.71	1,768.71	0.00	18,519.45	18,519.45	Sendout Volumes Total
	0.00	33,655.48	33,655.48	0.00	2,665.51	2,665.51	0.00	30,989.97	30,989.97	Sendout Volumes Total
877 Measuring and Regulator Station Expense - City Gate Total	0.00	33,655.48	33,655.48	0.00	2,665.51	2,665.51	0.00	30,989.97	30,989.97	Direct-OR Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Ind Total
	0.00	18,258.67	18,258.67	0.00	1,197.77	1,197.77	0.00	17,060.90	17,060.90	Sendout Volumes Total
	0.00	5,332.68	5,332.68	0.00	422.34	422.34	0.00	4,910.34	4,910.34	3-factor Total
	0.00	3,493.34	3,493.34	0.00	345.14	345.14	0.00	3,148.20	3,148.20	Customers-All Total
	0.00	337,447.56	337,447.56	0.00	34,419.65	34,419.65	0.00	303,027.91	303,027.91	Customers-Res Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Res Total
878 Meter and House Regulator Expense Total	0.00	364,532.25	364,532.25	0.00	36,384.90	36,384.90	0.00	328,147.35	328,147.35	Direct-OR Total
	353.13	0.00	353.13	0.00	0.00	0.00	353.13	0.00	353.13	Customers-Comm Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3-factor Total
	0.00	41,310.02	41,310.02	0.00	4,081.44	4,081.44	0.00	37,228.58	37,228.58	Customers-All Total
	0.00	773,963.61	773,963.61	0.00	78,944.27	78,944.27	0.00	695,019.34	695,019.34	Employee Cost Total
	0.00	15,326.57	15,326.57	0.00	1,630.75	1,630.75	0.00	13,695.82	13,695.82	Employee Cost Total
879 Customer Installation Expense Total	353.13	830,600.20	830,953.33	0.00	84,656.46	84,656.46	353.13	745,943.74	746,296.87	Direct-OR Total
	500.06	0.00	500.06	0.00	0.00	0.00	500.06	0.00	500.06	Sendout Volumes Total
	0.00	33,371.26	33,371.26	0.00	2,643.00	2,643.00	0.00	30,728.26	30,728.26	Firm Volumes Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3-factor Total
	0.00	41,901.29	41,901.29	0.00	4,139.87	4,139.87	0.00	37,761.42	37,761.42	Customers-All Total
	0.00	36,396.57	36,396.57	0.00	3,712.45	3,712.45	0.00	32,684.12	32,684.12	Employee Cost Total
	0.00	25.75	25.75	0.00	2.74	2.74	0.00	23.01	23.01	Employee Cost Total
880 Other Expense Total	500.06	111,694.87	112,194.93	0.00	10,498.06	10,498.06	500.06	101,196.81	101,696.87	3-factor Total
	0.00	14,470.85	14,470.85	0.00	1,429.72	1,429.72	0.00	13,041.13	13,041.13	3-factor Total
881 Rents Total	0.00	14,470.85	14,470.85	0.00	1,429.72	1,429.72	0.00	13,041.13	13,041.13	3-factor Total

For the Period Ended January 31, 2011

FERC Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	Jan	Jan	Jan	Jan	Jan	Jan	Jan	Jan	Jan	
	103,920.51	0.00	103,920.51	0.00	0.00	0.00	103,920.51	0.00	103,920.51	Direct-OR Total
	0.00	6,033.20	6,033.20	0.00	477.83	477.83	0.00	5,555.37	5,555.37	Sendout Volumes Total
	0.00	314,745.38	314,745.38	0.00	31,096.85	31,096.85	0.00	283,648.53	283,648.53	3-factor Total
	0.00	(714.44)	(714.44)	0.00	(72.87)	(72.87)	0.00	(641.57)	(641.57)	Customers-All Total
	4,974.90	0.00	4,974.90	4,974.90	0.00	4,974.90	0.00	0.00	0.00	Direct-WA Total
885 Supervision and Engineering Total	108,895.41	320,064.14	428,959.55	4,974.90	31,501.81	36,476.71	103,920.51	288,562.33	392,482.84	
	187,095.23	0.00	187,095.23	0.00	0.00	0.00	187,095.23	0.00	187,095.23	Direct-OR Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Sendout volumes Total
	0.00	29,684.01	29,684.01	0.00	2,932.78	2,932.78	0.00	26,751.23	26,751.23	3-factor Total
	0.00	1,032.10	1,032.10	0.00	115.80	115.80	0.00	916.30	916.30	Customers Port/Van 80% Total
	8,806.29	0.00	8,806.29	8,806.29	0.00	8,806.29	0.00	0.00	0.00	Direct-WA Total
887 Mains Total	195,901.52	30,716.11	226,617.63	8,806.29	3,048.58	11,854.87	187,095.23	27,667.53	214,762.76	
	0.00	50,913.35	50,913.35	0.00	4,032.34	4,032.34	0.00	46,881.01	46,881.01	Sendout Volumes Total
	0.00	2,805.22	2,805.22	0.00	277.16	277.16	0.00	2,528.06	2,528.06	3-factor Total
	0.00	26,733.02	26,733.02	0.00	2,879.15	2,879.15	0.00	23,853.87	23,853.87	Telemetry Total
889 Measuring and Regulator Station Expense - General Total	0.00	80,451.59	80,451.59	0.00	7,188.65	7,188.65	0.00	73,262.94	73,262.94	
	0.00	3,347.36	3,347.36	0.00	265.11	265.11	0.00	3,082.25	3,082.25	Sendout Volumes Total
	0.00	49.49	49.49	0.00	4.89	4.89	0.00	44.60	44.60	3-factor Total
891 Measuring and Regulator Station Expense - City Gate Total	0.00	3,396.85	3,396.85	0.00	270.00	270.00	0.00	3,126.85	3,126.85	
	60,435.47	0.00	60,435.47	0.00	0.00	0.00	60,435.47	0.00	60,435.47	Direct-OR Total
	0.00	4,523.49	4,523.49	0.00	358.26	358.26	0.00	4,165.23	4,165.23	Sendout Volumes Total
	0.00	37,231.94	37,231.94	0.00	3,678.51	3,678.51	0.00	33,553.43	33,553.43	3-factor Total
	3,128.42	0.00	3,128.42	3,128.42	0.00	3,128.42	0.00	0.00	0.00	Direct-WA Total
892 Services Total	63,563.89	41,755.43	105,319.32	3,128.42	4,036.77	7,165.19	60,435.47	37,718.66	98,154.13	
	0.00	35,564.94	35,564.94	0.00	2,333.06	2,333.06	0.00	33,231.88	33,231.88	Customers-Ind Total
	0.00	65,845.81	65,845.81	0.00	5,214.99	5,214.99	0.00	60,630.82	60,630.82	Sendout Volumes Total
	0.00	(793.08)	(793.08)	0.00	(67.41)	(67.41)	0.00	(725.67)	(725.67)	Customers-Comm Total
	0.00	7,695.70	7,695.70	0.00	760.33	760.33	0.00	6,935.37	6,935.37	3-factor Total
	0.00	95,701.40	95,701.40	0.00	9,761.54	9,761.54	0.00	85,939.86	85,939.86	Customers-All Total
	0.00	19,909.42	19,909.42	0.00	2,066.60	2,066.60	0.00	17,842.82	17,842.82	Customers-Res Total
893 Meters and House Regulators Total	0.00	223,924.19	223,924.19	0.00	20,069.11	20,069.11	0.00	203,855.08	203,855.08	
	167.95	0.00	167.95	0.00	0.00	0.00	167.95	0.00	167.95	Direct-OR Total
	0.00	1,393.27	1,393.27	0.00	137.66	137.66	0.00	1,255.61	1,255.61	3-factor Total
894 Other Equipment Total	167.95	1,393.27	1,561.22	0.00	137.66	137.66	167.95	1,255.61	1,423.56	
	0.00	108,462.15	108,462.15	0.00	10,716.06	10,716.06	0.00	97,746.09	97,746.09	3-factor Total
901 Supervision Total	0.00	108,462.15	108,462.15	0.00	10,716.06	10,716.06	0.00	97,746.09	97,746.09	
	0.00	1,009.86	1,009.86	0.00	66.25	66.25	0.00	943.61	943.61	Customers-Ind Total
	0.00	53,351.78	53,351.78	0.00	5,441.88	5,441.88	0.00	47,909.90	47,909.90	Customers-All Total
902 Meter Reading Expenses Total	0.00	54,361.64	54,361.64	0.00	5,508.13	5,508.13	0.00	48,853.51	48,853.51	
	0.00	31,757.58	31,757.58	0.00	2,083.30	2,083.30	0.00	29,674.28	29,674.28	Customers-Ind Total
	0.00	838,198.54	838,198.54	0.00	82,814.01	82,814.01	0.00	755,384.53	755,384.53	3-factor Total
	0.00	129,868.88	129,868.88	0.00	13,246.63	13,246.63	0.00	116,622.25	116,622.25	Customers-All Total
	0.00	350,717.04	350,717.04	0.00	36,404.43	36,404.43	0.00	314,312.61	314,312.61	Customers-Res Total
903 Customer Records and Collection Expense Total	0.00	1,350,542.04	1,350,542.04	0.00	134,548.37	134,548.37	0.00	1,215,993.67	1,215,993.67	
	3,609.71	0.00	3,609.71	0.00	0.00	0.00	3,609.71	0.00	3,609.71	Direct-OR Total
	0.00	10,204.69	10,204.69	0.00	669.43	669.43	0.00	9,535.26	9,535.26	Customers-Ind Total
	0.00	69,587.07	69,587.07	0.00	5,914.90	5,914.90	0.00	63,672.17	63,672.17	Customers-Comm Total
	0.00	(47,018.00)	(47,018.00)	0.00	(4,795.84)	(4,795.84)	0.00	(42,222.16)	(42,222.16)	Customers-All Total
	0.00	472,334.65	472,334.65	0.00	49,028.34	49,028.34	0.00	423,306.31	423,306.31	Customers-Res Total
904 Uncollectible Accounts Total	3,609.71	505,108.41	508,718.12	0.00	50,816.83	50,816.83	3,609.71	454,291.58	457,901.29	
	0.00	24,660.32	24,660.32	0.00	2,559.74	2,559.74	0.00	22,100.58	22,100.58	Customers-Res Total
907 Supervision Total	0.00	24,660.32	24,660.32	0.00	2,559.74	2,559.74	0.00	22,100.58	22,100.58	
	(2,292.60)	0.00	(2,292.60)	0.00	0.00	0.00	(2,292.60)	0.00	(2,292.60)	Direct-OR Total
	0.00	61,252.62	61,252.62	0.00	4,018.17	4,018.17	0.00	57,234.45	57,234.45	Customers-Ind Total
	0.00	19,273.65	19,273.65	0.00	1,638.26	1,638.26	0.00	17,635.39	17,635.39	Customers-Comm Total
	0.00	24,184.62	24,184.62	0.00	2,389.44	2,389.44	0.00	21,795.18	21,795.18	3-factor Total
	0.00	178,974.99	178,974.99	0.00	18,255.45	18,255.45	0.00	160,719.54	160,719.54	Customers-All Total
	0.00	2,508.05	2,508.05	0.00	260.34	260.34	0.00	2,247.71	2,247.71	Customers-Res Total
	756.18	0.00	756.18	756.18	0.00	756.18	0.00	0.00	0.00	Direct-WA Total
908 Customer Assistance Expense Total	(1,536.42)	286,193.93	284,657.51	756.18	26,561.66	27,317.84	(2,292.60)	259,632.27	257,339.67	
	0.00	62,137.92	62,137.92	0.00	6,449.92	6,449.92	0.00	55,688.00	55,688.00	Customers-Res Total
909 Customer Information Expense Total	0.00	62,137.92	62,137.92	0.00	6,449.92	6,449.92	0.00	55,688.00	55,688.00	
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-All Total
	0.00	13,935.75	13,935.75	0.00	1,446.53	1,446.53	0.00	12,489.22	12,489.22	Customers-Res Total
910 Miscellaneous Customer Service Expense Total	0.00	13,935.75	13,935.75	0.00	1,446.53	1,446.53	0.00	12,489.22	12,489.22	
	0.00	13,603.27	13,603.27	0.00	1,387.53	1,387.53	0.00	12,215.74	12,215.74	Customers-All Total
	0.00	13,278.62	13,278.62	0.00	1,378.32	1,378.32	0.00	11,900.30	11,900.30	Customers-Res Total
911 Supervision Total	0.00	26,881.89	26,881.89	0.00	2,765.85	2,765.85	0.00	24,116.04	24,116.04	

For the Period Ended January 31, 2011

FERC Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	Jan	Jan	Jan	Jan	Jan	Jan	Jan	Jan	Jan	
	81.00	0.00	81.00	0.00	0.00	0.00	81.00	0.00	81.00	Direct-OR Total
	0.00	7,349.57	7,349.57	0.00	624.71	624.71	0.00	6,724.86	6,724.86	Customers-Comm Total
	0.00	4,536.16	4,536.16	0.00	448.17	448.17	0.00	4,087.99	4,087.99	3-factor Total
	0.00	121,114.33	121,114.33	0.00	12,353.67	12,353.67	0.00	108,760.66	108,760.66	Customers-All Total
	0.00	20.00	20.00	0.00	2.08	2.08	0.00	17.92	17.92	Customers-Res Total
912 Demonstration and Selling Expense Total	81.00	133,020.06	133,101.06	0.00	13,428.63	13,428.63	81.00	119,591.43	119,672.43	
	0.00	103,480.02	103,480.02	0.00	8,795.80	8,795.80	0.00	94,684.22	94,684.22	Customers-Comm Total
	0.00	3,918.91	3,918.91	0.00	406.78	406.78	0.00	3,512.13	3,512.13	Customers-Res Total
913 Advertising Total	0.00	107,398.93	107,398.93	0.00	9,202.58	9,202.58	0.00	98,196.35	98,196.35	
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Res Total
916 Miscellaneous Sales Expense Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	91,140.64	0.00	91,140.64	0.00	0.00	0.00	91,140.64	0.00	91,140.64	Direct-OR Total
	0.00	2,158.00	2,158.00	0.00	170.91	170.91	0.00	1,987.09	1,987.09	Sendout Volumes Total
	0.00	(3,693.41)	(3,693.41)	0.00	(355.68)	(355.68)	0.00	(3,337.73)	(3,337.73)	Firm Volumes Total
	0.00	2,526,575.96	2,526,575.96	0.00	249,625.71	249,625.71	0.00	2,276,950.25	2,276,950.25	3-factor Total
	0.00	7,277.36	7,277.36	0.00	742.28	742.28	0.00	6,535.08	6,535.08	Customers-All Total
	0.00	8,033.88	8,033.88	0.00	833.92	833.92	0.00	7,199.96	7,199.96	Customers-Res Total
	0.00	1,410.48	1,410.48	0.00	149.65	149.65	0.00	1,260.83	1,260.83	Admin Tran Total
	0.00	17,330.42	17,330.42	0.00	1,843.95	1,843.95	0.00	15,486.47	15,486.47	Employee Cost Total
	0.00	106,018.71	106,018.71	0.00	31,805.62	31,805.62	0.00	74,213.09	74,213.09	regulatory Total
	616.35	0.00	616.35	616.35	0.00	616.35	0.00	0.00	0.00	Direct-WA Total
921 Office Supplies and Expense Total	91,756.99	2,665,111.40	2,756,868.39	616.35	284,816.36	285,432.71	91,140.64	2,380,295.04	2,471,435.68	
	0.00	(815,564.08)	(815,564.08)	0.00	(86,531.35)	(86,531.35)	0.00	(729,032.73)	(729,032.73)	Admin Tran Total
	0.00	(447,783.03)	(447,783.03)	0.00	(47,644.11)	(47,644.11)	0.00	(400,138.92)	(400,138.92)	Employee Cost Total
922 Administrative Expenses Transferred - Credit Total	0.00	(1,263,347.11)	(1,263,347.11)	0.00	(134,175.46)	(134,175.46)	0.00	(1,129,171.65)	(1,129,171.65)	
	0.00	204,957.23	204,957.23	0.00	20,249.77	20,249.77	0.00	184,707.46	184,707.46	3-factor Total
924 Property Insurance Premium Total	0.00	204,957.23	204,957.23	0.00	20,249.77	20,249.77	0.00	184,707.46	184,707.46	
	0.00	128,507.81	128,507.81	0.00	12,696.57	12,696.57	0.00	115,811.24	115,811.24	3-factor Total
925 Injuries and Damages Total	0.00	128,507.81	128,507.81	0.00	12,696.57	12,696.57	0.00	115,811.24	115,811.24	
	492.00	0.00	492.00	0.00	0.00	0.00	492.00	0.00	492.00	Direct-OR Total
	0.00	(9,305.02)	(9,305.02)	0.00	(919.33)	(919.33)	0.00	(8,385.69)	(8,385.69)	3-factor Total
	0.00	701,555.57	701,555.57	0.00	74,645.52	74,645.52	0.00	626,910.05	626,910.05	Employee Cost Total
926 Employee Pensions and Benefits Total	492.00	692,250.55	692,742.55	0.00	73,726.19	73,726.19	492.00	618,524.36	619,016.36	
	0.00	358,789.72	358,789.72	0.00	35,448.43	35,448.43	0.00	323,341.29	323,341.29	3-factor Total
930 Miscellaneous General Expense Total	0.00	358,789.72	358,789.72	0.00	35,448.43	35,448.43	0.00	323,341.29	323,341.29	
	3,989.18	0.00	3,989.18	0.00	0.00	0.00	3,989.18	0.00	3,989.18	Direct-OR Total
	0.00	344,293.82	344,293.82	0.00	34,016.23	34,016.23	0.00	310,277.59	310,277.59	3-factor Total
	0.00	1,860.00	1,860.00	0.00	189.72	189.72	0.00	1,670.28	1,670.28	Customers-All Total
	10,354.06	0.00	10,354.06	10,354.06	0.00	10,354.06	0.00	0.00	0.00	Direct-WA Total
931 Rents Total	14,343.24	346,153.82	360,497.06	10,354.06	34,205.95	44,560.01	3,989.18	311,947.87	315,937.05	
	82,885.92	0.00	82,885.92	0.00	0.00	0.00	82,885.92	0.00	82,885.92	Direct-OR Total
	0.00	1,150.12	1,150.12	0.00	110.76	110.76	0.00	1,039.36	1,039.36	Firm Volumes Total
	0.00	159,169.12	159,169.12	0.00	15,725.92	15,725.92	0.00	143,443.20	143,443.20	3-factor Total
	0.00	11,310.27	11,310.27	0.00	1,153.65	1,153.65	0.00	10,156.62	10,156.62	Customers-All Total
	0.00	106.45	106.45	0.00	11.33	11.33	0.00	95.12	95.12	Employee Cost Total
	0.00	625.23	625.23	0.00	158.18	158.18	0.00	467.05	467.05	Customers-The Dalles Total
	2,413.37	0.00	2,413.37	2,413.37	0.00	2,413.37	0.00	0.00	0.00	Direct-WA Total
935 Maintenance of General Plant Total	85,299.29	172,361.19	257,660.48	2,413.37	17,159.84	19,573.21	82,885.92	155,201.35	238,087.27	
Grand Total	1,058,352.76	8,939,793.98	9,998,146.74	70,530.68	894,113.18	964,643.86	987,822.08	8,045,680.80	9,033,502.88	

**NW Natural
Washington Results of Operations
Summary**

Total Operating Revenue
Total Rate Base
Rate Of Return on Rate Base

Jan 2011								
System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
		20,646,342			2,061,119			18,585,223
		1,001,138,338			116,251,303			884,887,034
		2.06%			1.77%			2.10%

NW Natural
Washington Quarterly Results of Operations Report

Jan 2011

Acct	Description	Alloc. Ref.	System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
			Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
Sales of Gas											
480.1	Residential		83,215,773		83,215,773	8,784,959		8,784,959	74,430,814		74,430,814
481.1	Commercial		38,835,333		38,835,333	3,437,985		3,437,985	35,397,347		35,397,347
481.2	Industrial Firm		3,218,152		3,218,152	291,464		291,464	2,926,688		2,926,688
481.3	Interruptible		0		0	240,513		240,513	(240,513)		(240,513)
481.5	Interruptible Incentive		3,662,157		3,662,157	0		0	3,662,157		3,662,157
495.20	Unbilled Revenue	A		(12,647,300)	(12,647,300)		(1,229,963)	(1,229,963)		(11,417,337)	(11,417,337)
	Total Sales of Gas		128,931,416	(12,647,300)	116,284,116	12,754,921	(1,229,963)	11,524,958	116,176,495	(11,417,337)	104,759,157
Transportation Revenue											
489.12	Industrial Firm		594,165		594,165	61,860		61,860	532,305		532,305
489.13	Interruptible		791,730		791,730	51,645		51,645	740,085		740,085
489.15	Interruptible Incentive		42		42	0		0	42		42
489.3	Agency Fee/Balancing		0		0	0		0	0		0
	Total Transportation Revenue		1,385,937	0	1,385,937	113,505	0	113,505	1,272,432	0	1,272,432
495.6	Rate Adjustments - Amortizations		(41,367)		(41,367)	(300,678)		(300,678)	259,311		259,311
Miscellaneous Revenues											
487	Late Payment Charge		300,088		300,088	15,377		15,377	284,711		284,711
488.1	Returned Check Charge		10,875		10,875	1,545		1,545	9,330		9,330
488.3	Recon Charge CR During Office Hours		15,325		15,325	1,125		1,125	14,200		14,200
488.4	Field Collection Charge		28,440		28,440	3,915		3,915	24,525		24,525
488.5	Recon Charge CR After Office Hours		43,200		43,200	5,100		5,100	38,100		38,100
488.6	Recon Charge Seas During Office Hours		1,175		1,175	100		100	1,075		1,075
488.7	Recon Charge Seas After Office Hours		800		800	50		50	750		750
488.8	Automated Payment Charge		9,878		9,878	1,355		1,355	8,523		8,523
493.2	Rent - Utility Property	B		23,574	23,574		1,654	1,654		21,920	21,920
495.1	Meter Rentals		17,387		17,387	1,861		1,861	15,526		15,526
495.2	Other Gas Revenue - Miscellaneous		40,543		40,543	0		0	40,543		40,543
	Total Miscellaneous Revenues		467,711	23,574	491,284	30,428	1,654	32,082	437,283	21,920	459,202
	Total Operating Revenue		130,743,697	(12,623,727)	118,119,970	12,598,176	(1,228,309)	11,369,867	118,145,521	(11,395,418)	106,750,103
Cost of Gas											
804.7	WACOG Incurred		54,067,169		54,067,169	5,406,447		5,406,447	48,660,722		48,660,722
805.7	WACOG Deferred		1,006,697		1,006,697	121,982		121,982	884,715		884,715
804.6	Demand Incurred		7,969,454		7,969,454	737,858		737,858	7,231,596		7,231,596
805.8	Demand Deferred		5,000,001		5,000,001	521,328		521,328	4,478,673		4,478,673
805.4	Amortization of Gas Costs		(3,174,486)		(3,174,486)	(697,534)		(697,534)	(2,476,952)		(2,476,952)
	Total Cost of Gas		64,868,836	0	64,868,836	6,090,081	0	6,090,081	58,778,755	0	58,778,755
Detail	Operations & Maintenance	O&M	1,058,353	8,939,794	9,998,147	70,531	894,113	964,644	987,822	8,045,681	9,033,503
Other Taxes											
408.11	Property		1,667,578		1,667,578	108,176		108,176	1,559,402		1,559,402
408.12	Franchise		2,951,454		2,951,454	511,923		511,923	2,439,532		2,439,532
408.13	Payroll	C		447,783	447,783		47,465	47,465		400,318	400,318
408.14	Other		(49,737)		(49,737)	1,813		1,813	(51,549)		(51,549)
408.15	Regulatory		0		0	0		0	0		0
	Total Other Taxes		4,569,295	447,783	5,017,079	621,912	47,465	669,377	3,947,384	400,318	4,347,702
403.1	Depreciation	D		5,285,181	5,285,181		559,436	559,436		4,725,744	4,725,744
Income Taxes											
409.11	Federal Income Taxes				2,027,601			969,612			1,057,989
410.1	Federal Income Taxes - Deferred				8,250,537			0			8,250,537
411.4	Federal Income Tax Credit				(130,253)			55,598			(185,851)
409.1	Oregon Income Taxes				420,340			0			420,340
410.1	Oregon Income Taxes - Deferred				1,736,161			0			1,736,161
411.1	Oregon Income Tax Credit				0			0			0
	Total Income Taxes				12,304,386			1,025,210			11,279,176
	Total Operating Revenue Deductions		70,496,485	14,672,758	97,473,628	6,782,524	1,501,015	9,308,748	63,713,961	13,171,743	88,164,880
	Net Operating Income				20,646,342			2,061,119			18,585,223

	System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
Rate Base									
101 Gross Plant			2,242,870,107			232,250,419			2,010,619,688
108.1X Accumulated Depreciation			(975,677,111)			(92,260,518)			(883,416,593)
117.X Storage Gas - Cushion			14,019,082			1,383,683			12,635,399
186.XX Leasehold Improvements			1,771,305			174,828			1,596,477
252.XX Customer Contributions			(2,168,677)			(166,772)			(2,001,905)
283.XX Deferred Taxes - Federal			(233,544,203)			(25,130,337)			(208,413,866)
283.XX Deferred Taxes - State			(46,132,165)			0			(46,132,165)
Total Rate Base			1,001,138,338			116,251,303			884,887,034
Rate Of Return on Rate Base			2.06%			1.77%			2.10%
<u>Allocation References:</u>									
A Unbilled Revenue			100.00%			9.73%			90.27%
B Follows plant split			100.00%			10.76%			89.24%
O&M See OO&M Detail									
C Payroll Factor			100.00%			10.60%			89.40%
D Depreciation Factor			100.00%			10.59%			89.42%

1st Quarter 2011 Results of Operations: Allocation Factors, Gross Plant and Accumulated Depreciation Reports

**NW Natural
State Allocation Factors
Updated for year ended 2010 data**

Customers

System	Washington	Oregon
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Total Customers		
December 20010	673,997	69,378
December 2009	667,794	68,270
Average	670,896	68,824
% of System	10.26%	89.74%

Residential Customers		
December 20010	610,598	63,899
December 2009	604,692	62,897
Average	607,645	63,398
% of System	10.43%	89.57%

Commercial Customers		
December 20010	62,476	5,414
December 2009	62,169	5,309
Average	62,323	5,362
% of System	8.60%	91.40%

Industrial Customers		
December 20010	923	65
December 2009	933	64
Average	928	65
% of System	6.95%	93.05%

The Dalles		
December 20010	7,291	1,863
December 2009	7,223	1,840
Average	7,257	1,852
% of System	25.51%	74.49%

Portland / Vancouver		
December 20010	477,468	67,515
December 2009	472,888	66,430
Average	475,178	66,973
% of System	14.09%	85.91%

Portland / Vancouver Commercial		
December 20010	40,562	5,210
December 2009	40,294	5,108
Average	40,428	5,159
% of System	12.76%	87.24%

Volumes - 12 Months Ended 12/31/10

Firm Delivered		
% of System	678,325,103	66,970,440
	9.87%	90.13%

Sales Volumes		
% of System	702,624,253	67,834,995
	9.65%	90.35%

Sendout Volumes		
% of System	1,061,970,485	81,401,596
	7.67%	92.33%

3-Factor formula (simple average)

Gross Plant Directly Assigned	10.76%	89.24%
Number of Employees Directly Assigned	8.60%	91.40%
Number of Customers	10.26%	89.74%

Average	9.87%	90.13%
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Derivation of factor for 3-factor - Gross Plant Directly Assigned

December 31, 2009	System		
	Washington	Washington	Oregon
Intangible - Other	84,795	447	84,348
Production	675,198	0	675,198
Transmission	29,410,425	723,441	28,686,985
Distribution	1,675,016,919	183,680,956	1,491,335,963
December 31, 2010	System Washington Oregon		
Intangible	84,795	447	84,348
Production	675,198	0	675,198
Transmission	41,671,188	764,903	40,906,285
Distribution	1,722,620,050	188,229,052	1,534,390,998
Average	System Washington Oregon		
Intangible - Other	84,795	447	84,348
Production	675,198	0	675,198
Transmission	35,540,806	744,172	34,796,635
Distribution	1,698,818,484	185,955,004	1,512,863,480
Gross Plant Directly Assigned	1,735,119,284	186,699,623	1,548,419,661
% of System		10.76%	89.24%

Allocation Factors - Summary	Washington		Oregon
	Washington	Washington	Oregon
Customers-all	10.260%		89.740%
Customers-Residential	10.430%		89.570%
Customers-Commercial	8.600%		91.400%
Customers-Industrial	6.950%		93.050%
Customers-The Dalles	25.510%		74.490%
3-factor	9.870%		90.130%
firm volumes	9.870%		90.130%
sales volumes	9.650%		90.350%
sendout volumes	7.670%		92.330%
sales/sendout volumes	8.660%		91.340%
Customers Portland/Vancouver	14.090%		85.910%
Customers Portland/Vancouver 80%	11.272%		88.728%
Customers Portland/Vancouver Cor	12.760%		87.240%
Payroll	10.600%		89.400%
Admin Transfer	10.330%		89.670%
Employee Cost	10.850%		89.150%
Regulatory	30.000%		70.000%
Telemetering	10.770%		89.230%
Direct-Wa	100.000%		0.000%
Direct-Or	0.000%		100.000%
Gross plant direct assign	10.760%		89.240%
Depreciation	10.585%		89.415%
Rate Base	11.771%		

NW Natural
Washington Annual Commission Basis Report
Test Year Based on Twelve Months Ended December 31, 2010
Rate Base Worksheets

SYSTEM	2009		2010		Dec 09 - Dec 10		Allocation Method
	System	Dec	System	December	System	12 month average	
Gross Plant							
Intangible	Software	86,087,640	84,433,570	86,438,504	Direct & Total Customers		
	Other	84,795	84,795	84,795	Direct		
Production		675,198	675,198	675,198	Direct		
Transmission		29,410,425	41,671,188	38,024,717	Direct		
Distribution		1,675,016,919	1,722,620,050	1,694,643,791	Direct		
General		104,879,931	105,686,249	105,351,883	3-Factor & Direct		
Storage and storage transmission		275,191,826	276,056,419	275,696,188	Firm Delivered Volumes		
CNG and LNG		2,567,634	2,567,634	2,567,634	3-Factor		
Total Gross Plant		2,173,914,368	2,233,795,103	2,203,482,710			
Accumulated Depreciation							
Intangible		(57,716,180)	(57,630,338)	(58,763,818)	Total Customers		
Production		(691,036)	(691,036)	(691,036)	Direct		
Transmission		(110,694,918)	(110,726,720)	(110,494,511)	Direct		
Distribution		(720,917,988)	(782,498,917)	(745,035,625)	Direct		
General		(54,358,222)	(54,812,129)	(55,317,805)	3-Factor		
Storage and storage transmission		(82,221,501)	(88,150,277)	(84,803,017)	Firm Delivered Volumes		
CNG and LNG		(2,567,634)	(2,567,634)	(2,567,634)	3-Factor		
Total Accumulated Depreciation		(928,527,460)	(977,077,051)	(957,675,285)			
Storage Gas Customer Advances Water Heater Program Leasehold Improvements							
Deferred Taxes							
State							
Federal							
Total Rate Base							
OREGON							
Gross Plant							
Intangible	Software	75,586,007	74,101,645	75,900,873			
	Other	84,348	84,348	84,348			
Production		675,198	675,198	675,198			
Transmission		28,686,985	40,906,285	36,906,098			
Distribution		1,491,335,963	1,534,390,998	1,508,720,522			
General		96,131,188	97,005,251	96,685,405			
Storage and storage transmission		251,287,493	252,066,750	251,742,074			
CNG and LNG		2,314,209	2,314,209	2,314,209			
Total Gross Plant		1,946,101,389	2,001,544,684	1,973,028,726			
Accumulated Depreciation							
Intangible		(50,688,887)	(50,495,687)	(51,572,749)			
Production		(691,036)	(691,036)	(691,036)			
Transmission		(110,947,711)	(110,714,868)	(110,477,097)			
Distribution		(653,765,480)	(690,201,399)	(675,168,563)			
General		(48,358,207)	(48,870,988)	(49,292,973)			
Storage and storage transmission		(76,044,945)	(81,528,346)	(78,432,535)			
CNG and LNG		(2,314,209)	(2,314,209)	(2,314,209)			
Total Accumulated Depreciation		(841,910,475)	(884,816,533)	(867,949,160)			
Storage Gas Customer Advances Water Heater Program Leasehold Improvements							
Deferred Taxes							
State							
Federal							
Total Rate Base							
WASHINGTON							
Gross Plant							
Intangible	Software	10,501,633	10,331,925	10,537,632			
	Other	447	447	447			
Production		0	0	0			
Transmission		723,441	764,903	1,118,620			
Distribution		183,680,956	188,229,052	185,923,269			
General		8,748,743	8,680,998	8,666,478			
Storage and storage transmission		23,904,333	23,989,669	23,954,114			
CNG and LNG		253,425	253,425	253,425			
Total Gross Plant		227,812,978	232,250,419	230,453,984			
Accumulated Depreciation							
Intangible		(7,027,293)	(7,134,651)	(7,193,068)			
Production		0	0	0			
Transmission		(7,207)	(11,852)	(17,254)			
Distribution		(67,152,488)	(72,297,518)	(69,867,063)			
General		(6,000,015)	(5,941,141)	(6,024,832)			
Storage and storage transmission		(6,176,556)	(6,621,931)	(6,370,482)			
CNG and LNG		(253,425)	(253,425)	(253,425)			
Total Accumulated Depreciation		(86,616,985)	(92,260,518)	(89,726,124)			

1st Quarter 2011 Results of Operations: Volumes, Customers and Use per Customer

**NW Natural
Washington Quarterly Results of Operations Report
Monthly Volumes, Customers, and Use/Customer**

	2011 January	2011 February	2011 March
<u>Volumes</u>			
Residential	7,988,912	6,277,874	6,745,014
Commercial	3,292,159	2,651,456	2,784,972
Industrial Firm	340,320	308,135	82,030
Interruptible	355,761	300,412	492,426
Transport Firm	683,894	629,760	637,988
Transport Interruptible	685,094	649,119	668,830
Total	13,346,140	10,816,756	11,411,260
<u>Customers</u>			
Residential	64,004	64,076	64,117
Commercial	5,430	5,441	5,451
Industrial Firm	38	37	38
Interruptible	10	10	10
Transport Firm	7	7	7
Transport Interruptible	9	9	9
Total	69,498	69,580	69,632
<u>Use per Customer</u>			
Residential	125	98	105
Commercial	606	487	511
Industrial Firm	8,956	8,328	2,159
Interruptible	35,576	30,041	49,243
	0	0	0
Transport Firm	97,699	89,966	91,141
Transport Interruptible	76,122	72,124	74,314

**NW Natural
Washington Quarterly Results of Operations Report
Monthly Volumes, Customers, and Use/Customer**

12 Months Ended	2011 January	2011 February	2011 March
Volumes			
Residential	42,009,461	43,108,905	45,448,983
Commercial	18,826,940	19,283,169	20,135,095
Industrial Firm	2,839,836	2,891,621	2,709,433
Interruptible	4,373,339	4,221,918	4,339,069
	0	0	0
Transport Firm	7,744,354	7,687,520	7,737,040
Transport Interruptible	8,306,483	8,311,164	8,504,382
	0	0	0
Total	84,100,413	85,504,297	88,874,002
Average Customers			
Residential	63,459	63,536	63,609
Commercial	5,353	5,359	5,366
Industrial Firm	39	39	39
Interruptible	11	11	11
Transport Firm	7	7	7
Transport Interruptible	7	8	8
Total	68,877	68,960	69,039
12 Month Use per Average Customer			
Residential	662	678	715
Commercial	3,517	3,599	3,753
Industrial Firm	72,047	73,672	69,177
Interruptible	391,642	383,811	400,529
Transport Firm	1,106,336	1,098,217	1,105,291
Transport Interruptible	1,113,240	1,091,365	1,094,623

NW Natural
Washington Quarterly Results of Operations Report
Monthly Volumes, Customers, and Use/Customer

	2010 January	2010 February	2010 March	2010 April	2010 May	2010 June	2010 July	2010 August	2010 September	2010 October	2010 November	2010 December
Volumes												
Residential	7,698,849	5,178,430	4,404,936	4,054,779	3,025,236	2,183,339	1,445,801	1,100,755	1,196,543	1,548,025	3,126,530	6,756,175
Commercial	3,238,151	2,195,227	1,933,046	1,762,561	1,441,577	1,066,846	776,644	672,255	721,430	855,121	1,346,345	2,763,729
Industrial Firm	303,372	256,350	264,218	249,329	221,673	201,952	176,521	175,005	177,548	216,709	247,439	312,772
Interruptible	522,203	451,833	375,275	301,257	258,795	443,441	380,834	323,231	374,360	408,020	365,615	334,917
Transport Firm	686,594	588,468	637,091	582,757	555,502	529,905	544,782	556,726	488,849	580,533	619,354	689,899
Transport Interruptible	644,438	475,612	596,538	552,732	558,222	625,234	549,823	724,107	640,502	750,933	773,651	729,597
Total	13,093,607	9,145,920	8,211,104	7,503,415	6,061,005	5,050,717	3,874,405	3,552,079	3,599,232	4,359,341	6,478,934	11,587,089
Customers												
Residential	63,245	63,154	63,245	63,213	63,279	63,343	63,398	63,398	63,437	63,501	63,642	63,899
Commercial	5,366	5,375	5,366	5,360	5,339	5,336	5,328	5,328	5,303	5,308	5,349	5,414
Industrial Firm	39	39	39	39	39	40	40	40	41	40	39	39
Interruptible	12	12	12	12	13	11	11	11	11	11	10	10
Transport Firm	7	7	7	7	7	7	7	7	7	7	7	7
Transport Interruptible	7	7	7	7	7	7	7	7	7	7	9	9
Total	68,676	68,594	68,676	68,638	68,684	68,744	68,791	68,791	68,806	68,874	69,056	69,378
	0	0	0	0	0	0	0	0	0	0	0	0
Use per Customer												
Residential	122	82	70	64	48	34	23	17	19	24	49	106
Commercial	603	408	360	329	270	200	146	126	136	161	252	510
Industrial Firm	7,779	6,573	6,775	6,393	5,684	5,049	4,413	4,375	4,330	5,418	6,345	8,020
Interruptible	43,517	37,653	31,273	25,105	19,907	40,313	34,621	29,385	34,033	37,093	36,562	33,492
	0	0	0	0	0	0	0	0	0	0	0	0
Transport Firm	98,085	84,067	91,013	83,251	79,357	75,701	77,826	79,532	69,836	82,933	88,479	98,557
Transport Interruptible	92,063	67,945	85,220	78,962	79,746	89,319	78,546	103,444	91,500	107,276	85,961	81,066

**NW Natural
Washington Quarterly Results of Operations Report
Monthly Volumes, Customers, and Use/Customer**

12 Months Ended	2010 January	2010 February	2010 March	2010 April	2010 May	2010 June	2010 July	2010 August	2010 September	2010 October	2010 November	2010 December
Volumes												
Residential	53,963,306	50,929,005	48,115,509	45,835,319	44,219,991	43,675,902	43,622,086	43,541,980	43,702,043	44,133,370	45,483,158	41,719,398
Commercial	24,099,609	22,889,689	21,752,352	20,761,497	20,143,753	19,848,018	19,752,242	19,701,763	19,788,876	19,942,446	20,354,592	18,772,932
Industrial Firm	3,121,630	2,985,089	2,938,097	2,857,699	2,847,745	2,862,981	2,877,966	2,899,619	2,928,457	2,988,726	3,042,752	2,802,888
Interruptible	6,113,674	5,914,820	5,786,198	5,533,590	5,373,096	5,410,452	5,391,213	5,359,598	5,291,131	5,253,380	5,143,730	4,539,781
	0	0	0	0	0	0	0	0	0	0	0	0
Transport Firm	15,267,340	14,258,268	14,048,389	13,361,963	12,691,421	12,067,272	11,563,826	11,090,290	10,468,548	9,893,644	9,120,019	8,565,484
Transport Interruptible	644,438	1,120,050	1,716,588	2,269,320	2,827,542	3,452,776	4,002,599	4,726,706	5,367,208	6,118,141	6,891,792	7,621,389
	0	0	0	0	0	0	0	0	0	0	0	0
Total	103,209,997	98,096,921	94,357,133	90,619,388	88,103,548	87,317,401	87,209,932	87,319,956	87,546,263	88,329,707	90,036,043	84,021,872
Average Customers												
Residential	62,447	62,513	62,581	62,639	62,700	62,772	62,857	62,950	63,052	63,155	63,257	63,396
Commercial	5,303	5,305	5,308	5,309	5,310	5,312	5,315	5,319	5,323	5,327	5,334	5,348
Industrial Firm	39	39	39	39	39	39	39	39	39	39	39	40
Interruptible	13	13	13	13	13	12	12	12	12	12	12	11
Transport Firm	10	10	10	10	10	9	9	9	9	8	8	7
Transport Interruptible	7	7	7	7	7	7	7	7	7	7	7	7
Total	67,820	67,887	67,957	68,016	68,078	68,152	68,239	68,336	68,441	68,549	68,657	68,809
12 Month Use per Average Customer												
Residential	864	815	769	732	705	696	694	692	693	699	719	658
Commercial	4,544	4,315	4,098	3,910	3,794	3,737	3,717	3,704	3,718	3,744	3,816	3,510
Industrial Firm	79,260	76,390	75,336	73,419	73,163	73,410	73,649	74,057	74,501	75,886	77,257	70,959
Interruptible	467,516	460,435	455,882	441,329	428,529	436,869	440,791	443,788	443,772	446,366	445,790	400,569
Transport Firm	1,481,160	1,393,665	1,383,553	1,325,996	1,299,122	1,275,403	1,263,275	1,253,685	1,226,046	1,202,032	1,151,070	1,147,951
Transport Interruptible	92,063	160,007	245,227	324,189	403,935	493,254	571,800	675,244	766,744	874,020	959,617	1,039,280

1st Quarter 2011 Results of Operations: February Detail

Feb 2011

**NW Natural
Washington Results of Operations
12 Month Ended Reports**

Summary

Total Operating Revenue
Total Rate Base
Rate Of Return on Rate Base

System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
		95,055,534			9,681,635			85,373,900
		1,013,976,174			119,547,544			894,428,630
		9.37%			8.10%			9.55%

NW Natural
Washington Results of Operations
12 Month Ended Reports

Acct	Description	Alloc. Ref.	System			Washington			Oregon		
			Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
Sales of Gas											
480.1	Residential		470,472,041	0	470,472,041	50,725,283	0	50,725,283	419,746,758	0	419,746,758
481.1	Commercial		235,492,882	0	235,492,882	20,998,776	0	20,998,776	214,494,106	0	214,494,106
481.2	Industrial Firm		31,156,917	0	31,156,917	2,660,007	0	2,660,007	28,496,910	0	28,496,910
481.3	Interruptible		0	0	0	2,997,872	0	2,997,872	(2,997,872)	0	(2,997,872)
481.5	Interruptible Incentive		36,126,811	0	36,126,811	0	0	0	36,126,811	0	36,126,811
495.20	Unbilled Revenue	A	0	11,193,606	11,193,606	0	1,818,138	1,818,138	0	9,375,468	9,375,468
	Total Sales of Gas		773,248,650	11,193,606	784,442,257	77,381,938	1,818,138	79,200,076	695,866,713	9,375,468	705,242,181
Transportation Revenue											
489.12	Industrial Firm		6,249,391	0	6,249,391	667,206	0	667,206	5,582,185	0	5,582,185
489.13	Interruptible		8,418,286	0	8,418,286	571,884	0	571,884	7,846,402	0	7,846,402
489.15	Interruptible Incentive		42	0	42	0	0	0	42	0	42
489.3	Agency Fee/Balancing		(25)	0	(25)	0	0	0	(25)	0	(25)
	Total Transportation Revenue		14,667,694	0	14,667,694	1,239,090	0	1,239,090	13,428,604	0	13,428,604
495.6	Rate Adjustments - Amortizations		10,935,370	0	10,935,370	(962,424)	0	(962,424)	11,897,793	0	11,897,793
Miscellaneous Revenues											
487	Late Payment Charge		2,625,320	0	2,625,320	133,190	0	133,190	2,492,130	0	2,492,130
488.1	Returned Check Charge		121,663	0	121,663	15,015	0	15,015	106,648	0	106,648
488.3	Recon Charge CR During Office Hours		239,769	0	239,769	20,800	0	20,800	218,969	0	218,969
488.4	Field Collection Charge		326,570	0	326,570	42,315	0	42,315	284,255	0	284,255
488.5	Recon Charge CR After Office Hours		414,675	0	414,675	48,350	0	48,350	366,325	0	366,325
488.6	Recon Charge Seas During Office Hours		17,825	0	17,825	1,800	0	1,800	16,025	0	16,025
488.7	Recon Charge Seas After Office Hours		6,650	0	6,650	1,225	0	1,225	5,425	0	5,425
488.8	Automated Payment Charge		133,668	0	133,668	18,128	0	18,128	115,540	0	115,540
493.2	Rent - Utility Property	B	0	413,471	413,471	0	33,411	33,411	0	380,060	380,060
495.1	Meter Rentals		206,542	0	206,542	22,333	0	22,333	184,210	0	184,210
495.2	Other Gas Revenue - Miscellaneous		139,580	0	139,580	1,091	0	1,091	138,489	0	138,489
	Total Miscellaneous Revenues		4,232,261	413,471	4,645,732	304,246	33,411	337,657	3,928,015	380,060	4,308,075
	Total Operating Revenue		803,083,975	11,607,077	814,691,053	77,962,850	1,851,549	79,814,399	725,121,125	9,755,529	734,876,654
Cost of Gas											
804.7	WACOG Incurred		375,919,474	0	375,919,474	36,213,227	0	36,213,227	339,706,247	0	339,706,247
805.7	WACOG Deferred		19,253,073	0	19,253,073	2,432,243	0	2,432,243	16,820,830	0	16,820,830
804.6	Demand Incurred		92,329,387	0	92,329,387	8,559,789	0	8,559,789	83,769,598	0	83,769,598
805.8	Demand Deferred		(6,824,427)	0	(6,824,427)	(486,416)	0	(486,416)	(6,338,010)	0	(6,338,010)
805.4	Amortization of Gas Costs		(29,803,107)	0	(29,803,107)	(4,445,956)	0	(4,445,956)	(25,357,152)	0	(25,357,152)
	Total Cost of Gas		450,874,400	0	450,874,400	42,272,887	0	42,272,887	408,601,513	0	408,601,513
Detail	Operations & Maintenance	O&M	12,538,711	101,099,618	113,638,330	697,862	10,167,548	10,865,410	11,840,849	90,932,070	102,772,920
Other Taxes											
408.11	Property		20,584,244	0	20,584,244	1,380,597	0	1,380,597	19,203,647	0	19,203,647
408.12	Franchise		20,638,848	0	20,638,848	3,100,141	0	3,100,141	17,538,707	0	17,538,707
408.13	Payroll	C	0	5,068,868	5,068,868	0	522,609	522,609	0	4,546,259	4,546,259
408.14	Other		335,576	0	335,576	4,887	0	4,887	330,688	0	330,688
408.15	Regulatory		2,432,537	0	2,432,537	198,503	0	198,503	2,234,034	0	2,234,034
	Total Other Taxes		43,991,204	5,068,868	49,060,072	4,684,129	522,609	5,206,738	39,307,075	4,546,259	43,853,334
403.1	Depreciation	D	0	62,899,747	62,899,747	0	7,585,241	7,585,241	0	55,314,506	55,314,506
Income Taxes											
409.11	Federal Income Taxes				(13,480,833)			3,567,932			(17,048,766)
410.1	Federal Income Taxes - Deferred				62,464,904			0			62,464,904
411.4	Federal Income Tax Credit				(13,225,671)			634,556			(13,860,227)
409.1	Oregon Income Taxes				2,767,653			0			2,767,653
410.1	Oregon Income Taxes - Deferred				7,121,582			0			7,121,582
411.1	Oregon Income Tax Credit				(2,484,665)			0			(2,484,665)
	Total Income Taxes				43,162,970			4,202,488			38,960,481
	Total Operating Revenue Deductions		507,404,316	169,068,233	719,635,518	47,654,878	18,275,398	70,132,764	459,749,438	150,792,835	649,502,754
	Net Operating Income				95,055,534			9,681,635			85,373,900

System		System	Washington	Washington	Washington	Oregon	Oregon	Oregon
Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
12 Month Ended Reports								
Rate Base								
101	Gross Plant	2,216,392,910			230,417,801			1,985,975,109
108.1X	Accumulated Depreciation	(961,028,790)			(89,283,682)			(871,745,108)
117.X	Storage Gas - Cushion	14,058,151			1,359,406			12,698,745
186.XX	Leasehold Improvements	1,856,712			183,414			1,673,299
252.XX	Customer Contributions	(2,125,731)			(162,080)			(1,963,651)
283.XX	Deferred Taxes - Federal	(212,159,489)			(22,967,315)			(189,192,174)
283.XX	Deferred Taxes - State	(43,017,590)			0			(43,017,590)
Total Rate Base		1,013,976,174			119,547,544			894,428,630
Rate Of Return on Rate Base		9.37%			8.10%			9.55%
Allocation References:								
A	Unbilled Revenue	100.00%			16.24%			83.76%
B	Direct	100.00%			8.08%			91.92%
O&M	See O&M Detail							
C	Payroll Factor	100.00%			10.31%			89.69%
D	Depreciation Factor	100.00%			12.06%			87.94%

NW Natural
Washington Quarterly Results of Operations Report
Operations and Maintenance Expense: Allocation of System Amounts
For the Period Ended February 28, 2011

		Month		
		<u>System</u>	<u>Washington</u>	<u>Oregon</u>
Natural Gas Storage				
Underground Storage Expense				
Operation				
816	Wells Expense	\$4,860	\$468	\$4,392
818	Compressor Station Expense	33,161	3,193	29,968
819	Compressor Station Fuel	-	-	-
820	Measuring and Regulator Station Expense	91,351	8,797	82,554
821	Purification Expense	141	14	127
Maintenance				
832	Wells Expense	14,850	1,430	13,420
	Total Underground Storage Expense	144,363	13,902	130,460
Other Storage Expense				
Operation				
840	Supervision and Engineering	6,142	592	5,551
	Total Other Storage Expense	6,142	592	5,551
Liquified Natural Gas Expense				
Operation				
844	Supervision and Engineering	165,900	15,976	149,924
845	LNG Fuel	-	-	-
Maintenance				
847	Supervision and Engineering	24,251	2,335	21,915
	Total Liquified Natural Gas Expense	190,150	18,311	171,839
	Total Natural Gas Storage	340,655	32,805	307,850
Transmission Expense				
Operation				
856	Mains Expense	36,660	3,622	33,038
Maintenance				
863	Maintenance of Mains	10,328	1,020	9,308
	Total Transmission Expense	46,989	4,642	42,346
Distribution Expense				
Operation				
870	Supervision and Engineering	244,213	19,348	224,865
874	Mains and Services Expense	638,465	25,596	612,870
875	Measuring and Regulator Station Expense - General	23,935	2,452	21,484
877	Measuring and Regulator Station Expense - City Gate	50,782	4,022	46,760
878	Meter and House Regulator Expense	349,404	34,614	314,790
879	Customer Installation Expense	670,911	68,336	602,575
880	Other Expense	89,689	8,660	81,030
881	Rents	9,874	976	8,898

	System	Washington	Oregon
Maintenance			
885	Supervision and Engineering	358,002	326,101
887	Mains	154,825	139,993
889	Measuring and Regulator Station Expense - General	79,779	72,770
891	Measuring and Regulator Station Expense - City Gate	5,871	5,405
892	Services	120,248	111,611
893	Meters and House Regulators	167,370	151,975
894	Other Equipment	1,360	1,231
	Total Distribution Expense	<u>2,964,727</u>	<u>2,722,357</u>
Customer Accounts Expense			
Operation			
901	Supervision	114,579	103,259
902	Meter Reading Expenses	53,153	47,796
903	Customer Records and Collection Expense	1,364,292	1,228,206
904	Uncollectible Accounts	191,122	168,877
	Total Customer Accounts Expense	<u>1,723,146</u>	<u>1,548,138</u>
Customer Service and Informational			
Operation			
907	Supervision	23,762	21,295
908	Customer Assistance Expense	260,409	235,732
909	Customer Information Expense	85,628	76,739
910	Miscellaneous Customer Service Expense	16,985	15,223
	Total Customer Service and Informational	<u>386,784</u>	<u>348,989</u>
Sales Expense			
Operation			
911	Supervision	26,691	23,945
912	Demonstration and Selling Expense	150,607	135,466
913	Advertising	9,479	8,667
916	Miscellaneous Sales Expense	61	55
	Total Sales Expense	<u>186,838</u>	<u>168,133</u>
Administrative and General Expense			
Operation			
921	Office Supplies and Expense	3,160,699	2,833,685
922	Administrative Expenses Transferred - Credit	(1,329,529)	(1,188,339)
924	Property Insurance Premium	200,929	181,077
925	Injuries and Damages	124,015	111,762
926	Employee Pensions and Benefits	(189,192)	(169,009)
930	Miscellaneous General Expense	162,925	146,828
931	Rents	367,248	322,409
Maintenance			
935	Maintenance of General Plant	348,081	323,713
	Total Administrative and General Expense	<u>2,845,176</u>	<u>2,562,127</u>
	Total Operations and Maintenance Expense	<u>\$8,494,316</u>	<u>\$7,699,941</u>

NW Natural
Rates & Regulatory Affairs
Operations and Maintenance Expense
State Allocation of System Amounts
For the Period Ended February 28, 2011

FERC Descr	System			Washington			Oregon			Allocation Method
	Direct Feb	Allocated Feb	Total Feb	Direct Feb	Allocated Feb	Total Feb	Direct Feb	Allocated Feb	Total Feb	
	0.00	4,860.05	4,860.05	0.00	468.03	468.03	0.00	4,392.02	4,392.02	Firm Volumes Total
816 Wells Expense Total	0.00	4,860.05	4,860.05	0.00	468.03	468.03	0.00	4,392.02	4,392.02	
	0.00	33,161.13	33,161.13	0.00	3,193.41	3,193.41	0.00	29,967.72	29,967.72	Firm Volumes Total
818 Compressor Station Expense Total	0.00	33,161.13	33,161.13	0.00	3,193.41	3,193.41	0.00	29,967.72	29,967.72	
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Firm Volumes Total
819 Compressor Station Fuel Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	0.00	91,351.08	91,351.08	0.00	8,797.11	8,797.11	0.00	82,553.97	82,553.97	Firm Volumes Total
820 Measuring and Regulator Station Expense Total	0.00	91,351.08	91,351.08	0.00	8,797.11	8,797.11	0.00	82,553.97	82,553.97	
	0.00	140.60	140.60	0.00	13.54	13.54	0.00	127.06	127.06	Firm Volumes Total
821 Purification Expense Total	0.00	140.60	140.60	0.00	13.54	13.54	0.00	127.06	127.06	
	0.00	14,849.64	14,849.64	0.00	1,430.02	1,430.02	0.00	13,419.62	13,419.62	Firm Volumes Total
832 Wells Expense Total	0.00	14,849.64	14,849.64	0.00	1,430.02	1,430.02	0.00	13,419.62	13,419.62	
	0.00	6,142.36	6,142.36	0.00	591.51	591.51	0.00	5,550.85	5,550.85	Firm Volumes Total
840 Supervision and Engineering Total	0.00	6,142.36	6,142.36	0.00	591.51	591.51	0.00	5,550.85	5,550.85	
	0.00	165,899.78	165,899.78	0.00	15,976.15	15,976.15	0.00	149,923.63	149,923.63	Firm Volumes Total
844 Supervision and Engineering Total	0.00	165,899.78	165,899.78	0.00	15,976.15	15,976.15	0.00	149,923.63	149,923.63	
	0.00	24,250.65	24,250.65	0.00	2,335.33	2,335.33	0.00	21,915.32	21,915.32	Firm Volumes Total
847 Supervision and Engineering Total	0.00	24,250.65	24,250.65	0.00	2,335.33	2,335.33	0.00	21,915.32	21,915.32	
	0.00	36,660.27	36,660.27	0.00	3,622.03	3,622.03	0.00	33,038.24	33,038.24	3-factor Total
856 Mains Expense Total	0.00	36,660.27	36,660.27	0.00	3,622.03	3,622.03	0.00	33,038.24	33,038.24	Direct-WA Total
	0.00	10,328.41	10,328.41	0.00	1,020.45	1,020.45	0.00	9,307.96	9,307.96	3-factor Total
863 Maintenance of Mains Total	0.00	10,328.41	10,328.41	0.00	1,020.45	1,020.45	0.00	9,307.96	9,307.96	
	0.00	243,444.79	243,444.79	0.00	19,280.83	19,280.83	0.00	224,163.96	224,163.96	Sendout Volumes Total
870 Supervision and Engineering Total	0.00	243,444.79	243,444.79	0.00	19,280.83	19,280.83	0.00	224,163.96	224,163.96	Sales/Sendout Volumes Total
	0.00	768.35	768.35	0.00	67.23	67.23	0.00	701.12	701.12	Firm Volumes Total
874 Mains and Services Expense Total	0.00	768.35	768.35	0.00	67.23	67.23	0.00	701.12	701.12	3-factor Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Firm Volumes Total
870 Supervision and Engineering Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3-factor Total
	0.00	244,213.14	244,213.14	0.00	19,348.06	19,348.06	0.00	224,865.08	224,865.08	Direct-OR Total
874 Mains and Services Expense Total	524,219.07	0.00	524,219.07	0.00	0.00	0.00	524,219.07	0.00	524,219.07	Sendout Volumes Total
	0.00	1,847.83	1,847.83	0.00	146.35	146.35	0.00	1,701.48	1,701.48	3-factor Total
874 Mains and Services Expense Total	0.00	54,879.43	54,879.43	0.00	5,422.10	5,422.10	0.00	49,457.33	49,457.33	Customers-All Total
	0.00	30,839.44	30,839.44	0.00	3,145.62	3,145.62	0.00	27,693.82	27,693.82	Customers-Res Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Port/Van 80% Total
	0.00	11,395.70	11,395.70	0.00	1,597.68	1,597.68	0.00	9,798.02	9,798.02	Customers-Port/Van Total
	15,283.90	0.00	15,283.90	15,283.90	0.00	15,283.90	0.00	0.00	0.00	Direct-WA Total
874 Mains and Services Expense Total	539,502.97	98,962.40	638,465.37	15,283.90	10,311.75	25,595.65	524,219.07	88,650.65	612,869.72	
	0.00	4,419.60	4,419.60	0.00	350.04	350.04	0.00	4,069.56	4,069.56	Sendout Volumes Total
875 Measuring and Regulator Station Expense - General Total	0.00	19,515.83	19,515.83	0.00	2,101.85	2,101.85	0.00	17,413.98	17,413.98	Telemetry Total
	0.00	23,935.43	23,935.43	0.00	2,451.89	2,451.89	0.00	21,483.54	21,483.54	
	0.00	50,781.57	50,781.57	0.00	4,021.90	4,021.90	0.00	46,759.67	46,759.67	Sendout Volumes Total
877 Measuring and Regulator Station Expense - City Gate Total	0.00	50,781.57	50,781.57	0.00	4,021.90	4,021.90	0.00	46,759.67	46,759.67	
	162.00	0.00	162.00	0.00	0.00	0.00	162.00	0.00	162.00	Direct-OR Total
	0.00	23,031.39	23,031.39	0.00	1,510.85	1,510.85	0.00	21,520.54	21,520.54	Customers-Ind Total
	0.00	6,962.36	6,962.36	0.00	551.42	551.42	0.00	6,410.94	6,410.94	Sendout Volumes Total
	0.00	3,554.66	3,554.66	0.00	351.20	351.20	0.00	3,203.46	3,203.46	3-factor Total
	0.00	315,693.81	315,693.81	0.00	32,200.76	32,200.76	0.00	283,493.05	283,493.05	Customers-All Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Res Total
878 Meter and House Regulator Expense Total	162.00	349,242.22	349,404.22	0.00	34,614.23	34,614.23	162.00	314,627.99	314,789.99	
	157.22	0.00	157.22	0.00	0.00	0.00	157.22	0.00	157.22	Direct-OR Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Comm Total
	0.00	41,114.17	41,114.17	0.00	4,062.08	4,062.08	0.00	37,052.09	37,052.09	3-factor Total
	0.00	618,168.28	618,168.28	0.00	63,053.15	63,053.15	0.00	555,115.13	555,115.13	Customers-All Total
	0.00	11,471.07	11,471.07	0.00	1,220.52	1,220.52	0.00	10,250.55	10,250.55	Employee Cost Total
879 Customer Installation Expense Total	157.22	670,753.52	670,910.74	0.00	68,335.75	68,335.75	157.22	602,417.77	602,574.99	
	465.55	0.00	465.55	0.00	0.00	0.00	465.55	0.00	465.55	Direct-OR Total
	0.00	14,856.11	14,856.11	0.00	1,176.61	1,176.61	0.00	13,679.50	13,679.50	Sendout Volumes Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Firm Volumes Total
	0.00	32,042.47	32,042.47	0.00	3,165.80	3,165.80	0.00	28,876.67	28,876.67	3-factor Total
	0.00	42,325.14	42,325.14	0.00	4,317.16	4,317.16	0.00	38,007.98	38,007.98	Customers-All Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Employee Cost Total
880 Other Expense Total	465.55	89,223.72	89,689.27	0.00	8,659.57	8,659.57	465.55	80,564.15	81,029.70	
	0.00	9,873.86	9,873.86	0.00	975.54	975.54	0.00	8,898.32	8,898.32	3-factor Total
881 Rents Total	0.00	9,873.86	9,873.86	0.00	975.54	975.54	0.00	8,898.32	8,898.32	

For the Period Ended February 28, 2011

FERC_Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	
	62,137.56	0.00	62,137.56	0.00	0.00	0.00	62,137.56	0.00	62,137.56	Direct-OR Total
	0.00	3,588.31	3,588.31	0.00	284.19	284.19	0.00	3,304.12	3,304.12	Sendout Volumes Total
	0.00	289,235.77	289,235.77	0.00	28,576.50	28,576.50	0.00	260,659.27	260,659.27	3-factor Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-All Total
	3,040.41	0.00	3,040.41	3,040.41	0.00	3,040.41	0.00	0.00	0.00	Direct-WA Total
885 Supervision and Engineering Total	65,177.97	292,824.08	358,002.05	3,040.41	28,860.69	31,901.10	62,137.56	263,963.39	326,100.95	
	100,696.56	0.00	100,696.56	0.00	0.00	0.00	100,696.56	0.00	100,696.56	Direct-OR Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	sendout volumes Total
	0.00	39,796.78	39,796.78	0.00	3,931.94	3,931.94	0.00	35,864.84	35,864.84	3-factor Total
	0.00	3,865.69	3,865.69	0.00	433.73	433.73	0.00	3,431.96	3,431.96	Customers Port/Van 80% Total
	10,465.66	0.00	10,465.66	10,465.66	0.00	10,465.66	0.00	0.00	0.00	Direct-WA Total
887 Mains Total	111,162.22	43,662.47	154,824.69	10,465.66	4,365.67	14,831.33	100,696.56	39,296.80	139,993.36	
	0.00	54,776.39	54,776.39	0.00	4,338.29	4,338.29	0.00	50,438.10	50,438.10	Sendout Volumes Total
	0.00	2,515.10	2,515.10	0.00	248.49	248.49	0.00	2,266.61	2,266.61	3-factor Total
	0.00	22,487.29	22,487.29	0.00	2,421.88	2,421.88	0.00	20,065.41	20,065.41	Telemetry Total
889 Measuring and Regulator Station Expense - General Total	0.00	79,778.78	79,778.78	0.00	7,008.66	7,008.66	0.00	72,770.12	72,770.12	
	0.00	5,820.30	5,820.30	0.00	460.97	460.97	0.00	5,359.33	5,359.33	Sendout Volumes Total
	0.00	50.32	50.32	0.00	4.97	4.97	0.00	45.35	45.35	3-factor Total
891 Measuring and Regulator Station Expense - City Gate Total	0.00	5,870.62	5,870.62	0.00	465.94	465.94	0.00	5,404.68	5,404.68	
	54,712.97	0.00	54,712.97	0.00	0.00	0.00	54,712.97	0.00	54,712.97	Direct-OR Total
	0.00	10,156.38	10,156.38	0.00	804.39	804.39	0.00	9,351.99	9,351.99	Sendout Volumes Total
	0.00	52,758.06	52,758.06	0.00	5,212.49	5,212.49	0.00	47,545.57	47,545.57	3-factor Total
	2,620.32	0.00	2,620.32	2,620.32	0.00	2,620.32	0.00	0.00	0.00	Direct-WA Total
892 Services Total	57,333.29	62,914.44	120,247.73	2,620.32	6,016.88	8,637.20	54,712.97	56,897.56	111,610.53	
	0.00	16,975.54	16,975.54	0.00	1,113.59	1,113.59	0.00	15,861.95	15,861.95	Customers-Ind Total
	0.00	48,262.93	48,262.93	0.00	3,822.43	3,822.43	0.00	44,440.50	44,440.50	Sendout Volumes Total
	0.00	2,188.71	2,188.71	0.00	186.04	186.04	0.00	2,002.67	2,002.67	Customers-Comm Total
	0.00	(13,241.63)	(13,241.63)	0.00	(1,308.27)	(1,308.27)	0.00	(11,933.36)	(11,933.36)	3-factor Total
	0.00	93,012.23	93,012.23	0.00	9,487.25	9,487.25	0.00	83,524.98	83,524.98	Customers-All Total
	0.00	20,171.85	20,171.85	0.00	2,093.84	2,093.84	0.00	18,078.01	18,078.01	Customers-Res Total
893 Meters and House Regulators Total	0.00	167,369.63	167,369.63	0.00	15,394.88	15,394.88	0.00	151,974.75	151,974.75	
	58.11	0.00	58.11	0.00	0.00	0.00	58.11	0.00	58.11	Direct-OR Total
	0.00	1,302.00	1,302.00	0.00	128.64	128.64	0.00	1,173.36	1,173.36	3-factor Total
894 Other Equipment Total	58.11	1,302.00	1,360.11	0.00	128.64	128.64	58.11	1,173.36	1,231.47	
	0.00	114,579.17	114,579.17	0.00	11,320.42	11,320.42	0.00	103,258.75	103,258.75	3-factor Total
901 Supervision Total	0.00	114,579.17	114,579.17	0.00	11,320.42	11,320.42	0.00	103,258.75	103,258.75	
	0.00	1,781.11	1,781.11	0.00	116.84	116.84	0.00	1,664.27	1,664.27	Customers-Ind Total
	0.00	51,371.48	51,371.48	0.00	5,239.89	5,239.89	0.00	46,131.59	46,131.59	Customers-All Total
902 Meter Reading Expenses Total	0.00	53,152.59	53,152.59	0.00	5,356.73	5,356.73	0.00	47,795.86	47,795.86	
	0.00	28,669.50	28,669.50	0.00	1,880.72	1,880.72	0.00	26,788.78	26,788.78	Customers-Ind Total
	0.00	825,660.88	825,660.88	0.00	81,575.29	81,575.29	0.00	744,085.59	744,085.59	3-factor Total
	0.00	169,180.45	169,180.45	0.00	17,256.41	17,256.41	0.00	151,924.04	151,924.04	Customers-All Total
	0.00	340,781.16	340,781.16	0.00	35,373.08	35,373.08	0.00	305,408.08	305,408.08	Customers-Res Total
903 Customer Records and Collection Expense Total	0.00	1,364,291.99	1,364,291.99	0.00	136,085.50	136,085.50	0.00	1,228,206.49	1,228,206.49	
	(25,311.93)	0.00	(25,311.93)	0.00	0.00	0.00	(25,311.93)	0.00	(25,311.93)	Direct-OR Total
	0.00	4,319.27	4,319.27	0.00	283.34	283.34	0.00	4,035.93	4,035.93	Customers-Ind Total
	0.00	467.03	467.03	0.00	39.70	39.70	0.00	427.33	427.33	Customers-Comm Total
	0.00	26,044.00	26,044.00	0.00	2,656.49	2,656.49	0.00	23,387.51	23,387.51	Customers-All Total
	0.00	185,603.74	185,603.74	0.00	19,265.67	19,265.67	0.00	166,338.07	166,338.07	Customers-Res Total
904 Uncollectible Accounts Total	(25,311.93)	216,434.04	191,122.11	0.00	22,245.20	22,245.20	(25,311.93)	194,188.84	168,876.91	
	0.00	23,761.53	23,761.53	0.00	2,466.45	2,466.45	0.00	21,295.08	21,295.08	Customers-Res Total
907 Supervision Total	0.00	23,761.53	23,761.53	0.00	2,466.45	2,466.45	0.00	21,295.08	21,295.08	
	(1,510.96)	0.00	(1,510.96)	0.00	0.00	0.00	(1,510.96)	0.00	(1,510.96)	Direct-OR Total
	0.00	62,133.76	62,133.76	0.00	4,075.97	4,075.97	0.00	58,057.79	58,057.79	Customers-Ind Total
	0.00	24,859.65	24,859.65	0.00	2,113.07	2,113.07	0.00	22,746.58	22,746.58	Customers-Comm Total
	0.00	26,650.23	26,650.23	0.00	2,633.04	2,633.04	0.00	24,017.19	24,017.19	3-factor Total
	0.00	150,377.17	150,377.17	0.00	15,338.47	15,338.47	0.00	135,038.70	135,038.70	Customers-All Total
	0.00	(2,920.08)	(2,920.08)	0.00	(303.11)	(303.11)	0.00	(2,616.97)	(2,616.97)	Customers-Res Total
	819.48	0.00	819.48	819.48	0.00	819.48	0.00	0.00	0.00	Direct-WA Total
908 Customer Assistance Expense Total	(691.48)	261,100.73	260,409.25	819.48	23,857.44	24,676.92	(1,510.96)	237,243.29	235,732.33	
	0.00	85,627.60	85,627.60	0.00	8,888.14	8,888.14	0.00	76,739.46	76,739.46	Customers-Res Total
909 Customer Information Expense Total	0.00	85,627.60	85,627.60	0.00	8,888.14	8,888.14	0.00	76,739.46	76,739.46	
	0.00	104.73	104.73	0.00	10.68	10.68	0.00	94.05	94.05	Customers-All Total
	0.00	16,880.74	16,880.74	0.00	1,752.22	1,752.22	0.00	15,128.52	15,128.52	Customers-Res Total
910 Miscellaneous Customer Service Expense Total	0.00	16,985.47	16,985.47	0.00	1,762.90	1,762.90	0.00	15,222.57	15,222.57	
	0.00	13,895.92	13,895.92	0.00	1,417.38	1,417.38	0.00	12,478.54	12,478.54	Customers-All Total
	0.00	12,794.71	12,794.71	0.00	1,328.09	1,328.09	0.00	11,466.62	11,466.62	Customers-Res Total
911 Supervision Total	0.00	26,690.63	26,690.63	0.00	2,745.47	2,745.47	0.00	23,945.16	23,945.16	

For the Period Ended February 28, 2011

FERC_Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	
	81.00	0.00	81.00	0.00	0.00	0.00	81.00	0.00	81.00	Direct-OR Total
	0.00	11,629.60	11,629.60	0.00	988.51	988.51	0.00	10,641.09	10,641.09	Customers-Comm Total
	0.00	4,885.66	4,885.66	0.00	482.71	482.71	0.00	4,402.95	4,402.95	3-factor Total
	0.00	133,622.07	133,622.07	0.00	13,629.45	13,629.45	0.00	119,992.62	119,992.62	Customers-All Total
	0.00	388.83	388.83	0.00	40.36	40.36	0.00	348.47	348.47	Customers-Res Total
912 Demonstration and Selling Expense Total	81.00	150,526.16	150,607.16	0.00	15,141.03	15,141.03	81.00	135,385.13	135,466.13	
	0.00	9,103.80	9,103.80	0.00	773.82	773.82	0.00	8,329.98	8,329.98	Customers-Comm Total
	0.00	375.65	375.65	0.00	38.99	38.99	0.00	336.66	336.66	Customers-Res Total
913 Advertising Total	0.00	9,479.45	9,479.45	0.00	812.81	812.81	0.00	8,666.64	8,666.64	
	0.00	61.24	61.24	0.00	6.36	6.36	0.00	54.88	54.88	Customers-Res Total
916 Miscellaneous Sales Expense Total	0.00	61.24	61.24	0.00	6.36	6.36	0.00	54.88	54.88	
	78,814.94	0.00	78,814.94	0.00	0.00	0.00	78,814.94	0.00	78,814.94	Direct-OR Total
	0.00	5,632.95	5,632.95	0.00	446.13	446.13	0.00	5,186.82	5,186.82	Sendout Volumes Total
	0.00	2,328.56	2,328.56	0.00	224.24	224.24	0.00	2,104.32	2,104.32	Firm Volumes Total
	0.00	2,887,235.13	2,887,235.13	0.00	285,258.85	285,258.85	0.00	2,601,976.28	2,601,976.28	3-factor Total
	0.00	18,756.22	18,756.22	0.00	1,913.14	1,913.14	0.00	16,843.08	16,843.08	Customers-All Total
	0.00	9,780.79	9,780.79	0.00	1,015.25	1,015.25	0.00	8,765.54	8,765.54	Customers-Res Total
	0.00	8,743.80	8,743.80	0.00	927.72	927.72	0.00	7,816.08	7,816.08	Admin Tran Total
	0.00	41,450.89	41,450.89	0.00	4,410.37	4,410.37	0.00	37,040.52	37,040.52	Employee Cost Total
	0.00	107,339.60	107,339.60	0.00	32,201.89	32,201.89	0.00	75,137.71	75,137.71	regulatory Total
	615.96	0.00	615.96	615.96	0.00	615.96	0.00	0.00	0.00	Direct-WA Total
921 Office Supplies and Expense Total	79,430.90	3,081,267.94	3,160,698.84	615.96	326,397.59	327,013.55	78,814.94	2,754,870.35	2,833,685.29	
	0.00	(905,836.94)	(905,836.94)	0.00	(96,109.30)	(96,109.30)	0.00	(809,727.64)	(809,727.64)	Admin Tran Total
	0.00	(423,692.05)	(423,692.05)	0.00	(45,080.83)	(45,080.83)	0.00	(378,611.22)	(378,611.22)	Employee Cost Total
922 Administrative Expenses Transferred - Credit Total	0.00	(1,329,528.99)	(1,329,528.99)	0.00	(141,190.13)	(141,190.13)	0.00	(1,188,338.86)	(1,188,338.86)	
	0.00	200,928.56	200,928.56	0.00	19,851.74	19,851.74	0.00	181,076.82	181,076.82	3-factor Total
924 Property Insurance Premium Total	0.00	200,928.56	200,928.56	0.00	19,851.74	19,851.74	0.00	181,076.82	181,076.82	
	0.00	124,014.96	124,014.96	0.00	12,252.68	12,252.68	0.00	111,762.28	111,762.28	3-factor Total
925 Injuries and Damages Total	0.00	124,014.96	124,014.96	0.00	12,252.68	12,252.68	0.00	111,762.28	111,762.28	
	492.00	0.00	492.00	0.00	0.00	0.00	492.00	0.00	492.00	Direct-OR Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3-factor Total
	0.00	(189,683.59)	(189,683.59)	0.00	(20,182.34)	(20,182.34)	0.00	(169,501.25)	(169,501.25)	Employee Cost Total
926 Employee Pensions and Benefits Total	492.00	(189,683.59)	(189,191.59)	0.00	(20,182.34)	(20,182.34)	492.00	(169,501.25)	(169,009.25)	
	0.00	162,925.43	162,925.43	0.00	16,097.03	16,097.03	0.00	146,828.40	146,828.40	3-factor Total
930 Miscellaneous General Expense Total	0.00	162,925.43	162,925.43	0.00	16,097.03	16,097.03	0.00	146,828.40	146,828.40	
	7,978.36	0.00	7,978.36	0.00	0.00	0.00	7,978.36	0.00	7,978.36	Direct-OR Total
	0.00	345,195.61	345,195.61	0.00	34,105.32	34,105.32	0.00	311,090.29	311,090.29	3-factor Total
	0.00	3,720.00	3,720.00	0.00	379.44	379.44	0.00	3,340.56	3,340.56	Customers-All Total
	10,354.06	0.00	10,354.06	10,354.06	0.00	10,354.06	0.00	0.00	0.00	Direct-WA Total
931 Rents Total	18,332.42	348,915.61	367,248.03	10,354.06	34,484.76	44,838.82	7,978.36	314,430.85	322,409.21	
	126,322.45	0.00	126,322.45	0.00	0.00	0.00	126,322.45	0.00	126,322.45	Direct-OR Total
	0.00	449.56	449.56	0.00	43.29	43.29	0.00	406.27	406.27	Firm Volumes Total
	0.00	202,560.62	202,560.62	0.00	20,013.01	20,013.01	0.00	182,547.61	182,547.61	3-factor Total
	0.00	16,022.72	16,022.72	0.00	1,634.32	1,634.32	0.00	14,388.40	14,388.40	Customers-All Total
	0.00	(1,619.49)	(1,619.49)	0.00	(172.31)	(172.31)	0.00	(1,447.18)	(1,447.18)	Employee Cost Total
	0.00	2,002.57	2,002.57	0.00	506.65	506.65	0.00	1,495.92	1,495.92	Customers-The Dalles Total
	2,342.71	0.00	2,342.71	2,342.71	0.00	2,342.71	0.00	0.00	0.00	Direct-WA Total
935 Maintenance of General Plant Total	128,665.16	219,415.98	348,081.14	2,342.71	22,024.96	24,367.67	126,322.45	197,391.02	323,713.47	
Grand Total	975,017.40	7,519,298.35	8,494,315.75	45,542.50	748,832.37	794,374.87	929,474.90	6,770,465.98	7,699,940.88	

Feb 2011

**NW Natural
Washington Results of Operations
Summary**

Total Operating Revenue

Total Rate Base

Rate Of Return on Rate Base

System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
		16,657,015			1,985,522			14,671,493
		989,044,421			114,817,282			874,227,139
		1.68%			1.73%			1.68%

NW Natural
Washington Quarterly Results of Operations Report

		Feb 2011									
Acct	Description	Alloc. Ref.	System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
			Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
Sales of Gas											
480.1	Residential		66,658,184		66,658,184	6,997,068		6,997,068	59,661,116		59,661,116
481.1	Commercial		31,514,299		31,514,299	2,785,945		2,785,945	28,728,354		28,728,354
481.2	Industrial Firm		3,021,611		3,021,611	264,534		264,534	2,757,077		2,757,077
481.3	Interruptible		0		0	206,432		206,432	(206,432)		(206,432)
481.5	Interruptible Incentive		3,338,423		3,338,423	0		0	3,338,423		3,338,423
495.20	Unbilled Revenue	A		(465,367)	(465,367)		381,794	381,794		(847,161)	(847,161)
	Total Sales of Gas		104,532,517	(465,367)	104,067,150	10,253,980	381,794	10,635,774	94,278,538	(847,161)	93,431,376
Transportation Revenue											
489.12	Industrial Firm		576,023		576,023	59,614		59,614	516,409		516,409
489.13	Interruptible		758,657		758,657	51,839		51,839	706,819		706,819
489.15	Interruptible Incentive		0		0	0		0	0		0
489.3	Agency Fee/Balancing		0		0	0		0	0		0
	Total Transportation Revenue		1,334,680	0	1,334,680	111,452	0	111,452	1,223,228	0	1,223,228
495.6	Rate Adjustments - Amortizations		943,136		943,136	(238,006)		(238,006)	1,181,142		1,181,142
Miscellaneous Revenues											
487	Late Payment Charge		362,998		362,998	19,323		19,323	343,675		343,675
488.1	Returned Check Charge		12,315		12,315	1,620		1,620	10,695		10,695
488.3	Recon Charge CR During Office Hours		21,925		21,925	1,650		1,650	20,275		20,275
488.4	Field Collection Charge		38,565		38,565	5,040		5,040	33,525		33,525
488.5	Recon Charge CR After Office Hours		58,125		58,125	6,825		6,825	51,300		51,300
488.6	Recon Charge Seas During Office Hours		600		600	75		75	525		525
488.7	Recon Charge Seas After Office Hours		1,450		1,450	400		400	1,050		1,050
488.8	Automated Payment Charge		14,035		14,035	1,908		1,908	12,128		12,128
493.2	Rent - Utility Property	B		23,554	23,554		1,652	1,652		21,902	21,902
495.1	Meter Rentals		17,492		17,492	1,864		1,864	15,628		15,628
495.2	Other Gas Revenue - Miscellaneous		31,181		31,181	255		255	30,926		30,926
	Total Miscellaneous Revenues		558,685	23,554	582,240	38,959	1,652	40,611	519,726	21,902	541,629
	Total Operating Revenue		107,369,019	(441,813)	106,927,206	10,166,385	383,446	10,549,831	97,202,634	(825,259)	96,377,375
Cost of Gas											
804.7	WACOG Incurred		48,639,618		48,639,618	4,652,716		4,652,716	43,986,902		43,986,902
805.7	WACOG Deferred		3,719,476		3,719,476	395,599		395,599	3,323,877		3,323,877
804.6	Demand Incurred		7,586,121		7,586,121	702,416		702,416	6,883,705		6,883,705
805.8	Demand Deferred		4,835,863		4,835,863	460,274		460,274	4,375,589		4,375,589
805.4	Amortization of Gas Costs		(2,552,938)		(2,552,938)	(557,658)		(557,658)	(1,995,280)		(1,995,280)
	Total Cost of Gas		62,228,140	0	62,228,140	5,653,347	0	5,653,347	56,574,792	0	56,574,792
Detail	Operations & Maintenance	O&M	975,017	7,519,298	8,494,316	45,543	748,833	794,375	929,475	6,770,466	7,699,941
Other Taxes											
408.11	Property		1,667,541		1,667,541	108,176		108,176	1,559,365		1,559,365
408.12	Franchise		2,636,964		2,636,964	411,419		411,419	2,225,545		2,225,545
408.13	Payroll	C		423,692	423,692		44,911	44,911		378,781	378,781
408.14	Other		(44,846)		(44,846)	3,075		3,075	(47,921)		(47,921)
408.15	Regulatory		0		0	0		0	0		0
	Total Other Taxes		4,259,659	423,692	4,683,351	522,670	44,911	567,581	3,736,989	378,781	4,115,770
403.1	Depreciation	D		5,313,206	5,313,206		562,403	562,403		4,750,803	4,750,803
Income Taxes											
409.11	Federal Income Taxes				(4,325,332)			931,005			(5,256,337)
410.1	Federal Income Taxes - Deferred				14,467,431			0			14,467,431
411.4	Federal Income Tax Credit				(2,265,049)			55,598			(2,320,647)
409.1	Oregon Income Taxes				2,152,100			0			2,152,100
410.1	Oregon Income Taxes - Deferred				(455,358)			0			(455,358)
411.1	Oregon Income Tax Credit				(22,613)			0			(22,613)
	Total Income Taxes				9,551,179			986,603			8,564,576
	Total Operating Revenue Deductions		67,462,816	13,256,196	90,270,191	6,221,559	1,356,147	8,564,309	61,241,256	11,900,049	81,705,882
	Net Operating Income				16,657,015			1,985,522			14,671,493

Feb 2011

		System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
		Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
Rate Base										
101	Gross Plant			2,247,182,720			232,569,984			2,014,612,736
108.1X	Accumulated Depreciation			(980,224,526)			(92,686,565)			(887,537,961)
117.X	Storage Gas - Cushion			14,009,751			1,382,762			12,626,988
186.XX	Leasehold Improvements			1,749,846			172,710			1,577,136
252.XX	Customer Contributions			(2,171,480)			(167,465)			(2,004,015)
283.XX	Deferred Taxes - Federal			(245,847,695)			(26,454,144)			(219,393,551)
283.XX	Deferred Taxes - State			(45,654,194)			0			(45,654,194)
	Total Rate Base			989,044,421			114,817,282			874,227,139
	Rate Of Return on Rate Base			1.68%			1.73%			1.68%
<u>Allocation References:</u>										
A	Unbilled Revenue			100.00%			-82.04%			182.04%
B	Follows plant split			100.00%			10.76%			89.24%
O&M	See OO&M Detail									
C	Payroll Factor			100.00%			10.60%			89.40%
D	Depreciation Factor			100.00%			10.59%			89.42%

1st Quarter 2011 Results of Operations: March Detail

**NW Natural
Washington Results of Operations
12 Month Ended Reports**

Summary

Total Operating Revenue
Total Rate Base
Rate Of Return on Rate Base

Mar 2011								
System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
		96,732,772			10,273,330			86,459,441
		1,011,245,098			119,054,326			892,190,772
		9.57%			8.63%			9.69%

NW Natural
Washington Results of Operations
12 Month Ended Reports

			System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
			Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
Acct	Description	Alloc. Ref.									
Sales of Gas											
480.1	Residential		483,985,641	0	483,985,641	52,843,381	0	52,843,381	431,142,260	0	431,142,260
481.1	Commercial		242,725,891	0	242,725,891	21,811,649	0	21,811,649	220,914,242	0	220,914,242
481.2	Industrial Firm		31,289,177	0	31,289,177	2,677,868	0	2,677,868	28,611,308	0	28,611,308
481.3	Interruptible		0	0	0	3,205,856	0	3,205,856	(3,205,856)	0	(3,205,856)
481.5	Interruptible Incentive		36,265,123	0	36,265,123	0	0	0	36,265,123	0	36,265,123
495.20	Unbilled Revenue	A	0	1,739,274	1,739,274	0	398,816	398,816	0	1,340,458	1,340,458
Total Sales of Gas			794,265,833	1,739,274	796,005,107	80,538,755	398,816	80,937,571	713,727,078	1,340,458	715,067,536
Transportation Revenue											
489.12	Industrial Firm		6,318,969	0	6,318,969	670,490	0	670,490	5,648,479	0	5,648,479
489.13	Interruptible		8,521,580	0	8,521,580	583,557	0	583,557	7,938,023	0	7,938,023
489.15	Interruptible Incentive		42	0	42	0	0	0	42	0	42
489.3	Agency Fee/Balancing		(25)	0	(25)	0	0	0	(25)	0	(25)
Total Transportation Revenue			14,840,566	0	14,840,566	1,254,047	0	1,254,047	13,586,520	0	13,586,520
495.6	Rate Adjustments - Amortizations		7,872,655	0	7,872,655	(1,187,545)	0	(1,187,545)	9,060,200	0	9,060,200
Miscellaneous Revenues											
487	Late Payment Charge		2,640,799	0	2,640,799	133,156	0	133,156	2,507,643	0	2,507,643
488.1	Returned Check Charge		121,528	0	121,528	14,835	0	14,835	106,693	0	106,693
488.3	Recon Charge CR During Office Hours		237,394	0	237,394	19,875	0	19,875	217,519	0	217,519
488.4	Field Collection Charge		329,640	0	329,640	42,585	0	42,585	287,055	0	287,055
488.5	Recon Charge CR After Office Hours		420,475	0	420,475	48,000	0	48,000	372,475	0	372,475
488.6	Recon Charge Seas During Office Hours		18,075	0	18,075	1,825	0	1,825	16,250	0	16,250
488.7	Recon Charge Seas After Office Hours		7,150	0	7,150	1,275	0	1,275	5,875	0	5,875
488.8	Automated Payment Charge		132,160	0	132,160	17,753	0	17,753	114,408	0	114,408
493.2	Rent - Utility Property	B	0	310,870	310,870	0	22,328	22,328	0	288,542	288,542
495.1	Meter Rentals		208,949	0	208,949	22,359	0	22,359	186,590	0	186,590
495.2	Other Gas Revenue - Miscellaneous		141,287	0	141,287	1,233	0	1,233	140,054	0	140,054
Total Miscellaneous Revenues			4,257,457	310,870	4,568,327	302,896	22,328	325,224	3,954,561	288,542	4,243,103
Total Operating Revenue			821,236,511	2,050,144	823,286,656	80,908,152	421,144	81,329,296	740,328,359	1,629,001	741,957,360
Cost of Gas											
804.7	WACOG Incurred		378,285,729	0	378,285,729	36,677,800	0	36,677,800	341,607,929	0	341,607,929
805.7	WACOG Deferred		19,191,976	0	19,191,976	2,468,553	0	2,468,553	16,723,423	0	16,723,423
804.6	Demand Incurred		92,408,877	0	92,408,877	8,566,075	0	8,566,075	83,842,802	0	83,842,802
805.8	Demand Deferred		(4,814,138)	0	(4,814,138)	(285,642)	0	(285,642)	(4,528,495)	0	(4,528,495)
805.4	Amortization of Gas Costs		(28,516,087)	0	(28,516,087)	(4,559,403)	0	(4,559,403)	(23,956,684)	0	(23,956,684)
Total Cost of Gas			456,556,358	0	456,556,358	42,867,383	0	42,867,383	413,688,975	0	413,688,975
Detail	Operations & Maintenance	O&M	12,553,674	101,119,844	113,673,518	654,065	10,156,051	10,810,116	11,899,610	90,963,793	102,863,402
Other Taxes											
408.11	Property		20,487,758	0	20,487,758	1,391,070	0	1,391,070	19,096,689	0	19,096,689
408.12	Franchise		20,903,744	0	20,903,744	3,228,502	0	3,228,502	17,675,242	0	17,675,242
408.13	Payroll	C	0	5,102,729	5,102,729	0	527,459	527,459	0	4,575,269	4,575,269
408.14	Other		333,479	0	333,479	4,916	0	4,916	328,563	0	328,563
408.15	Regulatory		2,001,262	0	2,001,262	198,503	0	198,503	1,802,759	0	1,802,759
Total Other Taxes			43,726,244	5,102,729	48,828,972	4,822,991	527,459	5,350,450	38,903,253	4,575,269	43,478,522
403.1	Depreciation	D	0	63,009,328	63,009,328	0	7,504,534	7,504,534	0	55,504,794	55,504,794
Income Taxes											
409.11	Federal Income Taxes				(16,297,983)			3,885,665			(20,183,648)
410.1	Federal Income Taxes - Deferred				65,305,337			0			65,305,337
411.4	Federal Income Tax Credit				(12,122,234)			637,818			(12,760,052)
409.1	Oregon Income Taxes				1,907,347			0			1,907,347
410.1	Oregon Income Taxes - Deferred				6,984,415			0			6,984,415
411.1	Oregon Income Tax Credit				(1,291,174)			0			(1,291,174)
Total Income Taxes					44,485,708			4,523,483			39,962,225
Total Operating Revenue Deductions			512,836,276	169,231,900	726,553,884	48,344,439	18,188,044	71,055,966	464,491,837	151,043,856	655,497,918
Net Operating Income					96,732,772			10,273,330			86,459,441

12 Month Ended Reports

Rate Base

101	Gross Plant	
108.1X	Accumulated Depreciation	
117.X	Storage Gas - Cushion	
186.XX	Leasehold Improvements	
252.XX	Customer Contributions	
283.XX	Deferred Taxes - Federal	
283.XX	Deferred Taxes - State	
	Total Rate Base	

Rate Of Return on Rate Base

Allocation References:

A	Unbilled Revenue
B	Direct
O&M	See O&M Detail
C	Payroll Factor
D	Depreciation Factor

System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
		2,221,192,302			230,793,101			1,990,399,200
		(964,508,730)			(89,768,026)			(874,740,705)
		14,049,037			1,361,328			12,687,709
		1,839,162			181,665			1,657,497
		(2,125,247)			(162,234)			(1,963,013)
		(215,855,651)			(23,351,509)			(192,504,142)
		(43,345,775)			0			(43,345,775)
		1,011,245,098			119,054,326			892,190,772
		9.57%			8.63%			9.69%
		100.00%			22.93%			77.07%
		100.00%			7.18%			92.82%
		100.00%			10.34%			89.66%
		100.00%			11.91%			88.09%

NW Natural
Washington Quarterly Results of Operations Report
Operations and Maintenance Expense: Allocation of System Amounts
For the Period Ended March 31, 2011

		Month		
		<u>System</u>	<u>Washington</u>	<u>Oregon</u>
Natural Gas Storage				
Underground Storage Expense				
Operation				
816	Wells Expense	\$8,556	\$824	\$7,732
818	Compressor Station Expense	32,230	3,104	29,126
819	Compressor Station Fuel	0	-	0
820	Measuring and Regulator Station Expense	107,083	10,312	96,771
821	Purification Expense	15,503	1,493	14,010
Maintenance				
832	Wells Expense	16,291	1,569	14,722
Total Underground Storage Expense		179,662	17,301	162,360
Other Storage Expense				
Operation				
840	Supervision and Engineering	6,488	625	5,863
Total Other Storage Expense		6,488	625	5,863
Liquified Natural Gas Expense				
Operation				
844	Supervision and Engineering	156,233	15,045	141,187
845	LNG Fuel	-	-	-
Maintenance				
847	Supervision and Engineering	29,597	2,850	26,747
Total Liquified Natural Gas Expense		185,830	17,895	167,935
Total Natural Gas Storage		371,980	35,822	336,158
Transmission Expense				
Operation				
856	Mains Expense	71,562	7,070	64,491
Maintenance				
863	Maintenance of Mains	7,312	722	6,589
Total Transmission Expense		78,873	7,793	71,080
Distribution Expense				
Operation				
870	Supervision and Engineering	224,759	18,325	206,433
874	Mains and Services Expense	816,304	41,642	774,662
875	Measuring and Regulator Station Expense - General	13,220	1,215	12,005
877	Measuring and Regulator Station Expense - City Gate	39,251	3,109	36,142
878	Meter and House Regulator Expense	349,005	34,781	314,224
879	Customer Installation Expense	742,363	75,623	666,740
880	Other Expense	153,663	15,026	138,637
881	Rents	4,776	472	4,304

	System	Washington	Oregon
Maintenance			
885	Supervision and Engineering	534,284	500,579
887	Mains	198,722	159,270
889	Measuring and Regulator Station Expense - General	84,103	76,640
891	Measuring and Regulator Station Expense - City Gate	10,948	10,080
892	Services	87,134	83,056
893	Meters and House Regulators	186,601	169,964
894	Other Equipment	1,769	1,624
	Total Distribution Expense	3,446,903	3,154,363
Customer Accounts Expense			
Operation			
901	Supervision	114,516	103,202
902	Meter Reading Expenses	57,323	51,585
903	Customer Records and Collection Expense	1,397,130	1,257,747
904	Uncollectible Accounts	85,120	74,616
	Total Customer Accounts Expense	1,654,090	1,487,150
Customer Service and Informational			
Operation			
907	Supervision	21,047	18,863
908	Customer Assistance Expense	321,524	291,679
909	Customer Information Expense	124,904	111,939
910	Miscellaneous Customer Service Expense	22,718	20,360
	Total Customer Service and Informational	490,193	442,841
Sales Expense			
Operation			
911	Supervision	25,305	22,704
912	Demonstration and Selling Expense	181,865	163,520
913	Advertising	59,597	54,515
916	Miscellaneous Sales Expense	-	-
	Total Sales Expense	266,767	240,739
Administrative and General Expense			
Operation			
921	Office Supplies and Expense	3,833,463	3,445,068
922	Administrative Expenses Transferred - Credit	(1,250,053)	(1,117,313)
924	Property Insurance Premium	196,730	177,293
925	Injuries and Damages	38,105	34,340
926	Employee Pensions and Benefits	478,684	427,852
930	Miscellaneous General Expense	469,737	423,327
931	Rents	350,143	306,606
Maintenance			
935	Maintenance of General Plant	296,445	270,742
	Total Administrative and General Expense	4,413,253	3,967,914
	Total Operations and Maintenance Expense	\$10,722,060	\$9,700,245

NW Natural
 Rates & Regulatory Affairs
 Operations and Maintenance Expense
 State Allocation of System Amounts
 For the Period Ended March 31, 2011

FERC Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	Mar	Mar	Mar	Mar	Mar	Mar	Mar	Mar	Mar	
	0.00	8,555.85	8,555.85	0.00	823.93	823.93	0.00	7,731.92	7,731.92	Firm Volumes Total
816 Wells Expense Total	0.00	8,555.85	8,555.85	0.00	823.93	823.93	0.00	7,731.92	7,731.92	
	0.00	32,229.82	32,229.82	0.00	3,103.73	3,103.73	0.00	29,126.09	29,126.09	Firm Volumes Total
818 Compressor Station Expense Total	0.00	32,229.82	32,229.82	0.00	3,103.73	3,103.73	0.00	29,126.09	29,126.09	
	0.00	0.01	0.01	0.00	0.00	0.00	0.00	0.01	0.01	Firm Volumes Total
819 Compressor Station Fuel Total	0.00	0.01	0.01	0.00	0.00	0.00	0.00	0.01	0.01	
	0.00	107,082.65	107,082.65	0.00	10,312.06	10,312.06	0.00	96,770.59	96,770.59	Firm Volumes Total
820 Measuring and Regulator Station Expense Total	0.00	107,082.65	107,082.65	0.00	10,312.06	10,312.06	0.00	96,770.59	96,770.59	
	0.00	15,503.04	15,503.04	0.00	1,492.94	1,492.94	0.00	14,010.10	14,010.10	Firm Volumes Total
821 Purification Expense Total	0.00	15,503.04	15,503.04	0.00	1,492.94	1,492.94	0.00	14,010.10	14,010.10	
	0.00	16,290.50	16,290.50	0.00	1,568.78	1,568.78	0.00	14,721.72	14,721.72	Firm Volumes Total
832 Wells Expense Total	0.00	16,290.50	16,290.50	0.00	1,568.78	1,568.78	0.00	14,721.72	14,721.72	
	0.00	6,487.98	6,487.98	0.00	624.79	624.79	0.00	5,863.19	5,863.19	Firm Volumes Total
840 Supervision and Engineering Total	0.00	6,487.98	6,487.98	0.00	624.79	624.79	0.00	5,863.19	5,863.19	
	0.00	156,232.67	156,232.67	0.00	15,045.20	15,045.20	0.00	141,187.47	141,187.47	Firm Volumes Total
844 Supervision and Engineering Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3-factor Total
	0.00	156,232.67	156,232.67	0.00	15,045.20	15,045.20	0.00	141,187.47	141,187.47	
847 Supervision and Engineering Total	0.00	29,597.37	29,597.37	0.00	2,850.23	2,850.23	0.00	26,747.14	26,747.14	Firm Volumes Total
	0.00	71,561.56	71,561.56	0.00	7,070.29	7,070.29	0.00	64,491.27	64,491.27	3-factor Total
856 Mains Expense Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Direct-WA Total
	0.00	71,561.56	71,561.56	0.00	7,070.29	7,070.29	0.00	64,491.27	64,491.27	
863 Maintenance of Mains Total	0.00	7,311.58	7,311.58	0.00	722.39	722.39	0.00	6,589.19	6,589.19	3-factor Total
	0.00	196,406.93	196,406.93	0.00	15,555.43	15,555.43	0.00	180,851.50	180,851.50	Sendout Volumes Total
870 Supervision and Engineering Total	0.00	2,755.33	2,755.33	0.00	241.09	241.09	0.00	2,514.24	2,514.24	Sales/Sendout Volumes Total
	0.00	96.41	96.41	0.00	9.28	9.28	0.00	87.13	87.13	Firm Volumes Total
	0.00	25,500.00	25,500.00	0.00	2,519.40	2,519.40	0.00	22,980.60	22,980.60	3-factor Total
	0.00	224,758.67	224,758.67	0.00	18,325.20	18,325.20	0.00	206,433.47	206,433.47	
874 Mains and Services Expense Total	560,861.77	0.00	560,861.77	0.00	0.00	0.00	560,861.77	0.00	560,861.77	Direct-OR Total
	0.00	195.91	195.91	0.00	15.52	15.52	0.00	180.39	180.39	Sendout volumes Total
	0.00	199,167.80	199,167.80	0.00	19,677.78	19,677.78	0.00	179,490.02	179,490.02	3-factor Total
	0.00	29,884.57	29,884.57	0.00	3,048.23	3,048.23	0.00	26,836.34	26,836.34	Customers-All Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Port/Van 80% Total
	0.00	8,483.32	8,483.32	0.00	1,189.36	1,189.36	0.00	7,293.96	7,293.96	Customers-Port/Van Total
	17,710.88	0.00	17,710.88	17,710.88	0.00	17,710.88	0.00	0.00	0.00	Direct-WA Total
	578,572.65	237,731.60	816,304.25	17,710.88	23,930.89	41,641.77	560,861.77	213,800.71	774,662.48	
875 Measuring and Regulator Station Expense - General Total	0.00	7,325.11	7,325.11	0.00	580.14	580.14	0.00	6,744.97	6,744.97	Sendout Volumes Total
	0.00	5,895.04	5,895.04	0.00	634.90	634.90	0.00	5,260.14	5,260.14	Telemetry Total
877 Measuring and Regulator Station Expense - City Gate Total	0.00	13,220.15	13,220.15	0.00	1,215.04	1,215.04	0.00	12,005.11	12,005.11	
	0.00	39,251.18	39,251.18	0.00	3,108.69	3,108.69	0.00	36,142.49	36,142.49	Sendout Volumes Total
	0.00	39,251.18	39,251.18	0.00	3,108.69	3,108.69	0.00	36,142.49	36,142.49	
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Direct-OR Total
	0.00	19,197.14	19,197.14	0.00	1,259.34	1,259.34	0.00	17,937.80	17,937.80	Customers-Ind Total
	0.00	4,610.32	4,610.32	0.00	365.14	365.14	0.00	4,245.18	4,245.18	Sendout Volumes Total
	0.00	4,228.78	4,228.78	0.00	417.80	417.80	0.00	3,810.98	3,810.98	3-factor Total
	0.00	321,168.84	321,168.84	0.00	32,759.22	32,759.22	0.00	288,409.62	288,409.62	Customers-All Total
	0.00	(200.00)	(200.00)	0.00	(20.76)	(20.76)	0.00	(179.24)	(179.24)	Customers-Res Total
878 Meter and House Regulator Expense Total	0.00	349,005.08	349,005.08	0.00	34,780.74	34,780.74	0.00	314,224.34	314,224.34	
	179.47	0.00	179.47	0.00	0.00	0.00	179.47	0.00	179.47	Direct-OR Total
	0.00	113.20	113.20	0.00	9.62	9.62	0.00	103.58	103.58	Customers-Comm Total
	0.00	40,205.78	40,205.78	0.00	3,972.33	3,972.33	0.00	36,233.45	36,233.45	3-factor Total
	0.00	690,393.02	690,393.02	0.00	70,420.09	70,420.09	0.00	619,972.93	619,972.93	Customers-All Total
	0.00	11,471.37	11,471.37	0.00	1,220.55	1,220.55	0.00	10,250.82	10,250.82	Employee Cost Total
879 Customer Installation Expense Total	179.47	742,183.37	742,362.84	0.00	75,622.59	75,622.59	179.47	666,560.78	666,740.25	
	2,025.14	0.00	2,025.14	0.00	0.00	0.00	2,025.14	0.00	2,025.14	Direct-OR Total
	0.00	15,529.62	15,529.62	0.00	1,229.95	1,229.95	0.00	14,299.67	14,299.67	Sendout Volumes Total
	0.00	179.38	179.38	0.00	17.27	17.27	0.00	162.11	162.11	Firm Volumes Total
	0.00	26,981.14	26,981.14	0.00	2,665.73	2,665.73	0.00	24,315.41	24,315.41	3-factor Total
	0.00	108,947.32	108,947.32	0.00	11,112.63	11,112.63	0.00	97,834.69	97,834.69	Customers-All Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Employee Cost Total
880 Other Expense Total	2,025.14	151,637.46	153,662.60	0.00	15,025.58	15,025.58	2,025.14	136,611.88	138,637.02	
	0.00	4,776.16	4,776.16	0.00	471.88	471.88	0.00	4,304.28	4,304.28	3-factor Total
881 Rents Total	0.00	4,776.16	4,776.16	0.00	471.88	471.88	0.00	4,304.28	4,304.28	

For the Period Ended March 31, 2011

FERC Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	Mar	Mar	Mar	Mar	Mar	Mar	Mar	Mar	Mar	
	216,983.72	0.00	216,983.72	0.00	0.00	0.00	216,983.72	0.00	216,983.72	Direct-OR Total
	0.00	12,458.48	12,458.48	0.00	986.72	986.72	0.00	11,471.76	11,471.76	Sendout Volumes Total
	0.00	301,956.60	301,956.60	0.00	29,833.33	29,833.33	0.00	272,123.27	272,123.27	3-factor Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-All Total
	2,884.98	0.00	2,884.98	2,884.98	0.00	2,884.98	0.00	0.00	0.00	Direct-WA Total
885 Supervision and Engineering Total	219,868.70	314,415.08	534,283.78	2,884.98	30,820.05	33,705.03	216,983.72	283,595.03	500,578.75	
	148,467.63	0.00	148,467.63	0.00	0.00	0.00	148,467.63	0.00	148,467.63	Direct-OR Total
	0.00	259.48	259.48	0.00	20.55	20.55	0.00	238.93	238.93	Sendout Volumes Total
	0.00	9,964.83	9,964.83	0.00	984.53	984.53	0.00	8,980.30	8,980.30	3-factor Total
	0.00	1,783.55	1,783.55	0.00	200.11	200.11	0.00	1,583.44	1,583.44	Customers Port/Van 80% Total
	38,246.99	0.00	38,246.99	38,246.99	0.00	38,246.99	0.00	0.00	0.00	Direct-WA Total
887 Mains Total	186,714.62	12,007.86	198,722.48	38,246.99	1,205.19	39,452.18	148,467.63	10,802.67	159,270.30	
	0.00	54,246.53	54,246.53	0.00	4,296.33	4,296.33	0.00	49,950.20	49,950.20	Sendout Volumes Total
	0.00	5,468.93	5,468.93	0.00	540.33	540.33	0.00	4,928.60	4,928.60	3-factor Total
	0.00	24,387.55	24,387.55	0.00	2,626.54	2,626.54	0.00	21,761.01	21,761.01	Telemetry Total
889 Measuring and Regulator Station Expense - General Total	0.00	84,103.01	84,103.01	0.00	7,463.20	7,463.20	0.00	76,639.81	76,639.81	
	0.00	10,918.11	10,918.11	0.00	864.71	864.71	0.00	10,053.40	10,053.40	Sendout Volumes Total
	0.00	30.00	30.00	0.00	2.96	2.96	0.00	27.04	27.04	3-factor Total
891 Measuring and Regulator Station Expense - City Gate Total	0.00	10,948.11	10,948.11	0.00	867.67	867.67	0.00	10,080.44	10,080.44	
	53,251.76	0.00	53,251.76	0.00	0.00	0.00	53,251.76	0.00	53,251.76	Direct-OR Total
	0.00	6,329.38	6,329.38	0.00	501.29	501.29	0.00	5,828.09	5,828.09	Sendout Volumes Total
	0.00	26,605.14	26,605.14	0.00	2,628.59	2,628.59	0.00	23,976.55	23,976.55	3-factor Total
	948.04	0.00	948.04	948.04	0.00	948.04	0.00	0.00	0.00	Direct-WA Total
892 Services Total	54,199.80	32,934.52	87,134.32	948.04	3,129.88	4,077.92	53,251.76	29,804.64	83,056.40	
	0.00	30,132.66	30,132.66	0.00	1,976.70	1,976.70	0.00	28,155.96	28,155.96	Customers-Ind Total
	0.00	57,782.18	57,782.18	0.00	4,576.34	4,576.34	0.00	53,205.84	53,205.84	Sendout Volumes Total
	0.00	(1,181.17)	(1,181.17)	0.00	(100.40)	(100.40)	0.00	(1,080.77)	(1,080.77)	Customers-Comm Total
	0.00	10,739.78	10,739.78	0.00	1,061.09	1,061.09	0.00	9,678.69	9,678.69	3-factor Total
	0.00	71,197.44	71,197.44	0.00	7,262.13	7,262.13	0.00	63,935.31	63,935.31	Customers-All Total
	0.00	17,930.52	17,930.52	0.00	1,861.18	1,861.18	0.00	16,069.34	16,069.34	Customers-Res Total
893 Meters and House Regulators Total	0.00	186,601.41	186,601.41	0.00	16,637.04	16,637.04	0.00	169,964.37	169,964.37	
	300.23	0.00	300.23	0.00	0.00	0.00	300.23	0.00	300.23	Direct-OR Total
	0.00	1,468.58	1,468.58	0.00	145.10	145.10	0.00	1,323.48	1,323.48	3-factor Total
894 Other Equipment Total	300.23	1,468.58	1,768.81	0.00	145.10	145.10	300.23	1,323.48	1,623.71	
	0.00	114,515.95	114,515.95	0.00	11,314.18	11,314.18	0.00	103,201.77	103,201.77	3-factor Total
901 Supervision Total	0.00	114,515.95	114,515.95	0.00	11,314.18	11,314.18	0.00	103,201.77	103,201.77	
	0.00	2,991.72	2,991.72	0.00	196.26	196.26	0.00	2,795.46	2,795.46	Customers-Ind Total
	0.00	54,331.70	54,331.70	0.00	5,541.84	5,541.84	0.00	48,789.86	48,789.86	Customers-All Total
902 Meter Reading Expenses Total	0.00	57,323.42	57,323.42	0.00	5,738.10	5,738.10	0.00	51,585.32	51,585.32	
	0.00	31,379.63	31,379.63	0.00	2,058.50	2,058.50	0.00	29,321.13	29,321.13	Customers-Ind Total
	0.00	829,711.82	829,711.82	0.00	81,975.53	81,975.53	0.00	747,736.29	747,736.29	3-factor Total
	0.00	161,858.49	161,858.49	0.00	16,509.57	16,509.57	0.00	145,348.92	145,348.92	Customers-All Total
	0.00	374,180.16	374,180.16	0.00	38,839.90	38,839.90	0.00	335,340.26	335,340.26	Customers-Res Total
903 Customer Records and Collection Expense Total	0.00	1,397,130.10	1,397,130.10	0.00	139,383.50	139,383.50	0.00	1,257,746.60	1,257,746.60	
	13,027.33	0.00	13,027.33	0.00	0.00	0.00	13,027.33	0.00	13,027.33	Direct-OR Total
	0.00	(92,231.69)	(92,231.69)	0.00	(6,050.40)	(6,050.40)	0.00	(86,181.29)	(86,181.29)	Customers-Ind Total
	0.00	31,457.44	31,457.44	0.00	2,673.88	2,673.88	0.00	28,783.56	28,783.56	Customers-Comm Total
	0.00	(49,510.00)	(49,510.00)	0.00	(5,050.02)	(5,050.02)	0.00	(44,459.98)	(44,459.98)	Customers-All Total
	0.00	182,377.40	182,377.40	0.00	18,930.77	18,930.77	0.00	163,446.63	163,446.63	Customers-Res Total
904 Uncollectible Accounts Total	13,027.33	72,093.15	85,120.48	0.00	10,504.23	10,504.23	13,027.33	61,588.92	74,616.25	
	0.00	21,047.43	21,047.43	0.00	2,184.72	2,184.72	0.00	18,862.71	18,862.71	Customers-Res Total
907 Supervision Total	0.00	21,047.43	21,047.43	0.00	2,184.72	2,184.72	0.00	18,862.71	18,862.71	
	(1,625.64)	0.00	(1,625.64)	0.00	0.00	0.00	(1,625.64)	0.00	(1,625.64)	Direct-OR Total
	0.00	71,575.78	71,575.78	0.00	4,695.37	4,695.37	0.00	66,880.41	66,880.41	Customers-Ind Total
	0.00	27,023.54	27,023.54	0.00	2,297.00	2,297.00	0.00	24,726.54	24,726.54	Customers-Comm Total
	0.00	25,205.54	25,205.54	0.00	2,490.31	2,490.31	0.00	22,715.23	22,715.23	3-factor Total
	0.00	183,282.50	183,282.50	0.00	18,694.81	18,694.81	0.00	164,587.69	164,587.69	Customers-All Total
	0.00	16,062.42	16,062.42	0.00	1,667.28	1,667.28	0.00	14,395.14	14,395.14	Customers-Res Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Direct-WA Total
908 Customer Assistance Expense Total	(1,625.64)	323,149.78	321,524.14	0.00	29,844.77	29,844.77	(1,625.64)	293,305.01	291,679.37	
	0.00	124,903.65	124,903.65	0.00	12,965.00	12,965.00	0.00	111,938.65	111,938.65	Customers-Res Total
909 Customer Information Expense Total	0.00	124,903.65	124,903.65	0.00	12,965.00	12,965.00	0.00	111,938.65	111,938.65	
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-All Total
	0.00	22,718.17	22,718.17	0.00	2,358.15	2,358.15	0.00	20,360.02	20,360.02	Customers-Res Total
910 Miscellaneous Customer Service Expense Total	0.00	22,718.17	22,718.17	0.00	2,358.15	2,358.15	0.00	20,360.02	20,360.02	
	0.00	13,972.02	13,972.02	0.00	1,425.15	1,425.15	0.00	12,546.87	12,546.87	Customers-All Total
	0.00	11,333.21	11,333.21	0.00	1,176.39	1,176.39	0.00	10,156.82	10,156.82	Customers-Res Total
911 Supervision Total	0.00	25,305.23	25,305.23	0.00	2,601.54	2,601.54	0.00	22,703.69	22,703.69	

For the Period Ended March 31, 2011

FERC Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	Mar	Mar	Mar	Mar	Mar	Mar	Mar	Mar	Mar	
	81.00	0.00	81.00	0.00	0.00	0.00	81.00	0.00	81.00	Direct-OR Total
	0.00	10,787.68	10,787.68	0.00	916.95	916.95	0.00	9,870.73	9,870.73	3-factor Comm Total
	0.00	4,197.38	4,197.38	0.00	414.70	414.70	0.00	3,782.68	3,782.68	3-factor Total
	0.00	166,766.81	166,766.81	0.00	17,010.20	17,010.20	0.00	149,756.61	149,756.61	Customers-All Total
	0.00	32.56	32.56	0.00	3.38	3.38	0.00	29.18	29.18	Customers-Res Total
912 Demonstration and Selling Expense Total	81.00	181,784.43	181,865.43	0.00	18,345.23	18,345.23	81.00	163,439.20	163,520.20	
	0.00	58,742.00	58,742.00	0.00	4,993.07	4,993.07	0.00	53,748.93	53,748.93	Customers-Comm Total
	0.00	854.63	854.63	0.00	88.71	88.71	0.00	765.92	765.92	Customers-Res Total
913 Advertising Total	0.00	59,596.63	59,596.63	0.00	5,081.78	5,081.78	0.00	54,514.85	54,514.85	
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Res Total
916 Miscellaneous Sales Expense Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	91,652.07	0.00	91,652.07	0.00	0.00	0.00	91,652.07	0.00	91,652.07	Direct-OR Total
	0.00	2,646.09	2,646.09	0.00	209.57	209.57	0.00	2,436.52	2,436.52	Sendout Volumes Total
	0.00	2,889.22	2,889.22	0.00	278.23	278.23	0.00	2,610.99	2,610.99	Firm Volumes Total
	0.00	2,752,860.59	2,752,860.59	0.00	271,982.55	271,982.55	0.00	2,480,878.04	2,480,878.04	3-factor Total
	0.00	15,415.93	15,415.93	0.00	1,572.43	1,572.43	0.00	13,843.50	13,843.50	Customers-All Total
	0.00	10,277.20	10,277.20	0.00	1,066.77	1,066.77	0.00	9,210.43	9,210.43	Customers-Res Total
	0.00	5,077.14	5,077.14	0.00	538.68	538.68	0.00	4,538.46	4,538.46	Admin Tran Total
	0.00	896,062.01	896,062.01	0.00	95,341.00	95,341.00	0.00	800,721.01	800,721.01	Employee Cost Total
	0.00	55,966.43	55,966.43	0.00	16,789.93	16,789.93	0.00	39,176.50	39,176.50	regulatory Total
	616.77	0.00	616.77	616.77	0.00	616.77	0.00	0.00	0.00	Direct-WA Total
921 Office Supplies and Expense Total	92,268.84	3,741,194.61	3,833,463.45	616.77	387,779.16	388,395.93	91,652.07	3,353,415.45	3,445,067.52	
	0.00	(886,097.32)	(886,097.32)	0.00	(94,014.93)	(94,014.93)	0.00	(792,082.39)	(792,082.39)	Admin Tran Total
	0.00	(363,955.30)	(363,955.30)	0.00	(38,724.84)	(38,724.84)	0.00	(325,230.46)	(325,230.46)	Employee Cost Total
922 Administrative Expenses Transferred - Credit Total	0.00	(1,250,052.62)	(1,250,052.62)	0.00	(132,739.77)	(132,739.77)	0.00	(1,117,312.85)	(1,117,312.85)	
	0.00	196,729.56	196,729.56	0.00	19,436.88	19,436.88	0.00	177,292.68	177,292.68	3-factor Total
924 Property Insurance Premium Total	0.00	196,729.56	196,729.56	0.00	19,436.88	19,436.88	0.00	177,292.68	177,292.68	
	0.00	38,104.64	38,104.64	0.00	3,764.74	3,764.74	0.00	34,339.90	34,339.90	3-factor Total
925 Injuries and Damages Total	0.00	38,104.64	38,104.64	0.00	3,764.74	3,764.74	0.00	34,339.90	34,339.90	
	492.00	0.00	492.00	0.00	0.00	0.00	492.00	0.00	492.00	Direct-OR Total
	0.00	6,317.10	6,317.10	0.00	624.13	624.13	0.00	5,692.97	5,692.97	3-factor Total
	0.00	471,874.78	471,874.78	0.00	50,207.48	50,207.48	0.00	421,667.30	421,667.30	Employee Cost Total
926 Employee Pensions and Benefits Total	492.00	478,191.88	478,683.88	0.00	50,831.61	50,831.61	492.00	427,360.27	427,852.27	
	0.00	469,736.64	469,736.64	0.00	46,409.99	46,409.99	0.00	423,326.65	423,326.65	3-factor Total
930 Miscellaneous General Expense Total	0.00	469,736.64	469,736.64	0.00	46,409.99	46,409.99	0.00	423,326.65	423,326.65	
	3,989.18	0.00	3,989.18	0.00	0.00	0.00	3,989.18	0.00	3,989.18	Direct-OR Total
	0.00	333,939.76	333,939.76	0.00	32,993.25	32,993.25	0.00	300,946.51	300,946.51	3-factor Total
	0.00	1,860.00	1,860.00	0.00	189.72	189.72	0.00	1,670.28	1,670.28	Customers-All Total
	10,354.06	0.00	10,354.06	10,354.06	0.00	10,354.06	0.00	0.00	0.00	Direct-WA Total
931 Rents Total	14,343.24	335,799.76	350,143.00	10,354.06	33,182.97	43,537.03	3,989.18	302,616.79	306,605.97	
	67,276.08	0.00	67,276.08	0.00	0.00	0.00	67,276.08	0.00	67,276.08	Direct-OR Total
	0.00	8,487.73	8,487.73	0.00	817.37	817.37	0.00	7,670.36	7,670.36	Firm Volumes Total
	0.00	206,912.33	206,912.33	0.00	20,442.96	20,442.96	0.00	186,469.37	186,469.37	3-factor Total
	0.00	9,577.93	9,577.93	0.00	976.95	976.95	0.00	8,600.98	8,600.98	Customers-All Total
	0.00	255.26	255.26	0.00	27.16	27.16	0.00	228.10	228.10	Employee Cost Total
	0.00	665.48	665.48	0.00	168.37	168.37	0.00	497.11	497.11	Customers-The Dalles Total
	3,270.04	0.00	3,270.04	3,270.04	0.00	3,270.04	0.00	0.00	0.00	Direct-WA Total
935 Maintenance of General Plant Total	70,546.12	225,898.73	296,444.85	3,270.04	22,432.81	25,702.85	67,276.08	203,465.92	270,742.00	
Grand Total	1,230,993.50	9,491,066.41	10,722,059.91	74,031.76	947,782.67	1,021,814.43	1,156,961.74	8,543,283.74	9,700,245.48	

**NW Natural
Washington Results of Operations
Summary**

Total Operating Revenue
Total Rate Base
Rate Of Return on Rate Base

Mar 2011

System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
		11,112,858			1,533,580			9,579,278
		985,894,115			114,495,850			871,398,266
		1.13%			1.34%			1.10%

NW Natural
Washington Quarterly Results of Operations Report

Mar 2011

Acct	Description	Alloc. Ref.	System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
			Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
Sales of Gas											
480.1	Residential		64,280,874		64,280,874	7,247,316		7,247,316	57,033,557		57,033,557
481.1	Commercial		31,696,178		31,696,178	2,930,739		2,930,739	28,765,439		28,765,439
481.2	Industrial Firm		2,966,674		2,966,674	265,117		265,117	2,701,557		2,701,557
481.3	Interruptible		0		0	320,698		320,698	(320,698)		(320,698)
481.5	Interruptible Incentive		3,481,954		3,481,954	0		0	3,481,954		3,481,954
495.20	Unbilled Revenue	A		(9,250,890)	(9,250,890)		(1,208,197)	(1,208,197)		(8,042,693)	(8,042,693)
	Total Sales of Gas		102,425,680	(9,250,890)	93,174,790	10,763,871	(1,208,197)	9,555,674	91,661,809	(8,042,693)	83,619,116
Transportation Revenue											
489.12	Industrial Firm		578,350		578,350	59,715		59,715	518,635		518,635
489.13	Interruptible		759,221		759,221	51,986		51,986	707,235		707,235
489.15	Interruptible Incentive		0		0	0		0	0		0
489.3	Agency Fee/Balancing		0		0	0		0	0		0
	Total Transportation Revenue		1,337,571	0	1,337,571	111,702	0	111,702	1,225,869	0	1,225,869
495.6	Rate Adjustments - Amortizations		(2,469,987)		(2,469,987)	(248,348)		(248,348)	(2,221,640)		(2,221,640)
Miscellaneous Revenues											
487	Late Payment Charge		326,434		326,434	15,995		15,995	310,438		310,438
488.1	Returned Check Charge		11,310		11,310	1,290		1,290	10,020		10,020
488.3	Recon Charge CR During Office Hours		20,825		20,825	1,350		1,350	19,475		19,475
488.4	Field Collection Charge		37,575		37,575	4,995		4,995	32,580		32,580
488.5	Recon Charge CR After Office Hours		52,575		52,575	5,750		5,750	46,825		46,825
488.6	Recon Charge Seas During Office Hours		875		875	125		125	750		750
488.7	Recon Charge Seas After Office Hours		1,500		1,500	150		150	1,350		1,350
488.8	Automated Payment Charge		14,670		14,670	1,953		1,953	12,718		12,718
493.2	Rent - Utility Property	B		23,396	23,396		1,635	1,635		21,761	21,761
495.1	Meter Rentals		17,621		17,621	1,887		1,887	15,734		15,734
495.2	Other Gas Revenue - Miscellaneous		3,230		3,230	298		298	2,932		2,932
	Total Miscellaneous Revenues		486,615	23,396	510,011	33,793	1,635	35,428	452,822	21,761	474,583
	Total Operating Revenue		101,779,879	(9,227,494)	92,552,385	10,661,018	(1,206,562)	9,454,456	91,118,861	(8,020,932)	83,097,929
Cost of Gas											
804.7	WACOG Incurred		43,437,146		43,437,146	4,344,159		4,344,159	39,092,987		39,092,987
805.7	WACOG Deferred		2,119,645		2,119,645	239,077		239,077	1,880,568		1,880,568
804.6	Demand Incurred		8,106,308		8,106,308	751,256		751,256	7,355,052		7,355,052
805.8	Demand Deferred		2,539,523		2,539,523	261,705		261,705	2,277,818		2,277,818
805.4	Amortization of Gas Costs		(2,689,530)		(2,689,530)	(588,273)		(588,273)	(2,101,258)		(2,101,258)
	Total Cost of Gas		53,513,091	0	53,513,091	5,007,924	0	5,007,924	48,505,167	0	48,505,167
Detail	Operations & Maintenance	O&M	1,230,994	9,491,066	10,722,060	74,032	947,782	1,021,814	1,156,962	8,543,284	9,700,246
Other Taxes											
408.11	Property		1,667,541		1,667,541	108,176		108,176	1,559,365		1,559,365
408.12	Franchise		2,366,693		2,366,693	434,754		434,754	1,931,938		1,931,938
408.13	Payroll	C		394,144	394,144		41,779	41,779		352,365	352,365
408.14	Other		(51,534)		(51,534)	29		29	(51,563)		(51,563)
408.15	Regulatory		1,787,695		1,787,695	0		0	1,787,695		1,787,695
	Total Other Taxes		5,770,395	394,144	6,164,539	542,960	41,779	584,739	5,227,435	352,365	5,579,800
403.1	Depreciation	D		5,315,810	5,315,810		562,678	562,678		4,753,131	4,753,131
Income Taxes											
409.11	Federal Income Taxes				2,524,127			688,122			1,836,005
410.1	Federal Income Taxes - Deferred				6,882,574			0			6,882,574
411.4	Federal Income Tax Credit				(4,685,587)			55,598			(4,741,185)
409.1	Oregon Income Taxes				318,651			0			318,651
410.1	Oregon Income Taxes - Deferred				684,262			0			684,262
411.1	Oregon Income Tax Credit				0			0			0
	Total Income Taxes				5,724,027			743,720			4,980,307
	Total Operating Revenue Deductions		60,514,480	15,201,020	81,439,527	5,624,916	1,552,240	7,920,876	54,889,564	13,648,780	73,518,651
	Net Operating Income				11,112,858			1,533,580			9,579,278

Rate Base
101 Gross Plant
108.1X Accumulated Depreciation
117.X Storage Gas - Cushion
186.XX Leasehold Improvements
252.XX Customer Contributions
283.XX Deferred Taxes - Federal
283.XX Deferred Taxes - State

Total Rate Base

Rate Of Return on Rate Base

Allocation References:

A Unbilled Revenue
 B Follows plant split
 O&M See OO&M Detail
 C Payroll Factor
 D Depreciation Factor

	System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
			2,249,927,278			232,773,355			2,017,153,922
			(984,846,319)			(93,119,581)			(891,726,738)
			13,999,860			1,381,786			12,618,074
			1,750,946			172,818			1,578,128
			(2,176,879)			(165,091)			(2,011,789)
			(246,714,455)			(26,547,439)			(220,167,017)
			(46,046,315)			0			(46,046,315)
			985,894,115			114,495,850			871,398,266
			1.13%			1.34%			1.10%
			100.00%			13.06%			86.94%
			100.00%			10.76%			89.24%
			100.00%			10.60%			89.40%
			100.00%			10.59%			89.42%