

UG-111468-SI

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August 12, 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

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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 Second Quarter (April - June), 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

attachments

2nd Quarter 2011 Results of Operations: April Detail

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

Summary

Total Operating Revenue

Total Rate Base

Rate Of Return on Rate Base

Apr 2011

System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
		97,154,368			10,519,810			86,634,558
		1,007,628,834			118,495,786			889,133,048
		9.64%			8.88%			9.74%

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

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		487,229,673	0	487,229,673	53,548,972	0	53,548,972	433,680,701	0	433,680,701
481.1	Commercial		244,054,369	0	244,054,369	22,059,308	0	22,059,308	221,995,062	0	221,995,062
481.2	Industrial Firm		31,151,862	0	31,151,862	2,678,988	0	2,678,988	28,472,873	0	28,472,873
481.3	Interruptible		13,729,472	0	13,729,472	3,173,524	0	3,173,524	10,555,948	0	10,555,948
481.5	Interruptible Incentive		22,435,609	0	22,435,609	0	0	0	22,435,609	0	22,435,609
495.20	Unbilled Revenue	A	0	2,619,156	2,619,156	0	496,310	496,310	0	2,122,846	2,122,846
	Total Sales of Gas		798,600,985	2,619,156	801,220,141	81,460,792	496,310	81,957,102	717,140,193	2,122,846	719,263,039
Transportation Revenue											
489.12	Industrial Firm		6,386,309	0	6,386,309	674,667	0	674,667	5,711,642	0	5,711,642
489.13	Interruptible		8,623,046	0	8,623,046	598,454	0	598,454	8,024,593	0	8,024,593
489.15	Interruptible Incentive		42	0	42	0	0	0	42	0	42
489.3	Agency Fee/Balancing		0	0	0	0	0	0	0	0	0
	Total Transportation Revenue		15,009,398	0	15,009,398	1,273,121	0	1,273,121	13,736,277	0	13,736,277
495.6	Rate Adjustments - Amortizations		8,402,612	0	8,402,612	(1,349,402)	0	(1,349,402)	9,752,014	0	9,752,014
Miscellaneous Revenues											
487	Late Payment Charge		2,670,278	0	2,670,278	135,652	0	135,652	2,534,626	0	2,534,626
488.1	Returned Check Charge		122,653	0	122,653	14,715	0	14,715	107,938	0	107,938
488.3	Recon Charge CR During Office Hours		233,834	0	233,834	19,225	0	19,225	214,609	0	214,609
488.4	Field Collection Charge		330,270	0	330,270	43,140	0	43,140	287,130	0	287,130
488.5	Recon Charge CR After Office Hours		427,225	0	427,225	49,575	0	49,575	377,650	0	377,650
488.6	Recon Charge Seas During Office Hours		17,825	0	17,825	1,775	0	1,775	16,050	0	16,050
488.7	Recon Charge Seas After Office Hours		7,275	0	7,275	1,325	0	1,325	5,950	0	5,950
488.8	Automated Payment Charge		131,533	0	131,533	17,785	0	17,785	113,748	0	113,748
493.2	Rent - Utility Property	B	0	304,826	304,826	0	21,759	21,759	0	283,067	283,067
495.1	Meter Rentals		208,896	0	208,896	22,368	0	22,368	186,528	0	186,528
495.2	Other Gas Revenue - Miscellaneous		146,853	0	146,853	1,077	0	1,077	145,776	0	145,776
	Total Miscellaneous Revenues		4,296,640	304,826	4,601,467	306,637	21,759	328,396	3,990,004	283,067	4,273,071
	Total Operating Revenue		826,309,634	2,923,983	829,233,617	81,691,147	518,069	82,209,216	744,618,487	2,405,914	747,024,401
Cost of Gas											
804.7	WACOG Incurred		377,821,801	0	377,821,801	36,853,500	0	36,853,500	340,968,301	0	340,968,301
805.7	WACOG Deferred		20,983,569	0	20,983,569	2,646,284	0	2,646,284	18,337,285	0	18,337,285
804.6	Demand Incurred		92,593,985	0	92,593,985	8,582,686	0	8,582,686	84,011,299	0	84,011,299
805.8	Demand Deferred		(3,534,603)	0	(3,534,603)	(167,121)	0	(167,121)	(3,367,482)	0	(3,367,482)
805.4	Amortization of Gas Costs		(26,795,070)	0	(26,795,070)	(4,558,763)	0	(4,558,763)	(22,236,307)	0	(22,236,307)
	Total Cost of Gas		461,069,682	0	461,069,682	43,356,586	0	43,356,586	417,713,096	0	417,713,096
Detail	Operations & Maintenance	O&M	12,687,794	101,332,708	114,020,502	679,984	10,176,727	10,856,711	12,007,810	91,155,981	103,163,791
Other Taxes											
408.11	Property		20,417,840	0	20,417,840	1,445,732	0	1,445,732	18,972,108	0	18,972,108
408.12	Franchise		21,039,121	0	21,039,121	3,257,093	0	3,257,093	17,782,028	0	17,782,028
408.13	Payroll	C	0	5,151,141	5,151,141	0	533,928	533,928	0	4,617,213	4,617,213
408.14	Other		294,526	0	294,526	6,004	0	6,004	288,522	0	288,522
408.15	Regulatory		1,953,819	0	1,953,819	151,060	0	151,060	1,802,759	0	1,802,759
	Total Other Taxes		43,705,306	5,151,141	48,856,446	4,859,889	533,928	5,393,816	38,845,417	4,617,213	43,462,630
403.1	Depreciation	D	0	63,109,597	63,109,597	0	7,422,577	7,422,577	0	55,687,020	55,687,020
Income Taxes											
409.11	Federal Income Taxes				(19,141,379)			4,018,637			(23,160,016)
410.11	Federal Income Taxes - Deferred				69,733,828			0			69,733,828
411.42	Federal Income Tax Credit				(13,274,991)			641,080			(13,916,071)
409.12	Oregon Income Taxes				(1,693,257)			0			(1,693,257)
410.12	Oregon Income Taxes - Deferred				10,466,592			0			10,466,592
411.12	Oregon Income Tax Credit				(1,067,770)			0			(1,067,770)
	Total Income Taxes				45,023,023			4,659,717			40,363,306
	Total Operating Revenue Deductions		517,462,782	169,593,445	732,079,250	48,896,458	18,133,232	71,689,407	468,566,323	151,460,214	660,389,843
	Net Operating Income				97,154,368			10,519,810			86,634,558

Apr 2011

12 Month Ended Reports

Rate Base

101	Gross Plant	2,225,817,053
108.1X	Accumulated Depreciation	(968,035,905)
117.X	Storage Gas - Cushion	14,040,707
186.XX	Leasehold Improvements	1,821,332
252.XX	Customer Contributions	(2,118,206)
283.XX	Deferred Taxes - Federal	(219,907,957)
283.XX	Deferred Taxes - State	(43,988,192)

Total Rate Base

System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
		2,225,817,053			231,145,711			1,994,671,342
		(968,035,905)			(90,257,453)			(877,778,452)
		14,040,707			1,363,326			12,677,381
		1,821,332			179,889			1,641,443
		(2,118,206)			(161,606)			(1,956,599)
		(219,907,957)			(23,774,080)			(196,133,876)
		(43,988,192)			0			(43,988,192)
		1,007,628,834			118,495,786			889,133,048
		9.64%			8.88%			9.74%
		100.00%			18.95%			81.05%
		100.00%			7.14%			92.86%
		100.00%			10.37%			89.63%
		100.00%			11.76%			88.24%

Allocation References:

A	Unbilled Revenue	100.00%
B	Direct	100.00%
O&M	See O&M Detail	
C	Payroll Factor	100.00%
D	Depreciation Factor	100.00%

NW Natural
Washington Quarterly Results of Operations Report
Operations and Maintenance Expense: Allocation of System Amounts
For the Month Ended April 30, 2011

Month

		<u>System</u>	<u>Washington</u>	<u>Oregon</u>
Natural Gas Storage				
Underground Storage Expense				
Operation				
816	Wells Expense	\$35,312	\$3,485	\$31,826
818	Compressor Station Expense	33,353	3,292	30,061
820	Measuring and Regulator Station Expense	155,289	16,205	139,084
821	Purification Expense	861	85	776
Maintenance				
832	Wells Expense	13,050	1,288	11,762
	Total Underground Storage Expense	237,865	24,355	213,510
Other Storage Expense				
Operation				
840	Supervision and Engineering	6,368	628	5,739
	Total Other Storage Expense	6,368	628	5,739
Liquified Natural Gas Expense				
Operation				
844	Supervision and Engineering	160,826	15,873	144,952
845	LNG Fuel	(19,141)	(1,889)	(17,252)
Maintenance				
847	Supervision and Engineering	53,089	5,240	47,849
	Total Liquified Natural Gas Expense	194,774	19,224	175,550
	Total Natural Gas Storage	439,007	44,208	394,799
Transmission Expense				
Operation				
856	Mains Expense	3,649	1,960	1,689
Maintenance				
863	Maintenance of Mains	6,052	597	5,455
	Total Transmission Expense	9,701	2,557	7,144
Distribution Expense				
Operation				
870	Supervision and Engineering	178,602	15,093	163,509
874	Mains and Services Expense	654,102	34,178	619,924
875	Measuring and Regulator Station Expense - General	13,012	1,285	11,727
877	Measuring and Regulator Station Expense - City Gate	52,087	3,995	48,092
878	Meter and House Regulator Expense	329,836	33,350	296,486
879	Customer Installation Expense	694,105	71,057	623,048
880	Other Expense	166,739	15,632	151,107
881	Rents	4,329	427	3,902

	System	Washington	Oregon
Maintenance			
885	Supervision and Engineering	523,357	478,477
887	Mains	172,822	150,233
889	Measuring and Regulator Station Expense - General	89,895	82,201
891	Measuring and Regulator Station Expense - City Gate	5,730	5,279
892	Services	79,985	71,278
893	Meters and House Regulators	148,076	134,170
894	Other Equipment	2,099	1,901
	Total Distribution Expense	3,114,777	2,841,333
Customer Accounts Expense			
Operation			
901	Supervision	112,662	101,542
902	Meter Reading Expenses	50,824	45,725
903	Customer Records and Collection Expense	1,388,646	1,249,696
904	Uncollectible Accounts	220,338	197,357
	Total Customer Accounts Expense	1,772,470	1,594,320
Customer Service and Informational			
Operation			
907	Supervision	24,303	21,768
908	Customer Assistance Expense	314,152	283,598
909	Customer Information Expense	118,748	106,367
910	Miscellaneous Customer Service Expense	19,255	17,247
	Total Customer Service and Informational	476,458	428,980
Sales Expense			
Operation			
911	Supervision	26,528	23,784
912	Demonstration and Selling Expense	174,828	157,107
913	Advertising	46,965	42,921
916	Miscellaneous Sales Expense	9	8
	Total Sales Expense	248,330	223,820
Administrative and General Expense			
Operation			
921	Office Supplies and Expense	2,993,850	2,683,423
922	Administrative Expenses Transferred - Credit	(1,314,804)	(1,176,747)
924	Property Insurance Premium	195,630	176,321
925	Injuries and Damages	118,026	106,377
926	Employee Pensions and Benefits	310,476	276,845
928	Regulatory Commission Expense		
930	Miscellaneous General Expense	488,670	440,438
931	Rents	333,043	290,840
Maintenance			
935	Maintenance of General Plant	332,647	303,636
	Total Administrative and General Expense	3,457,538	3,101,132
	Total Operations and Maintenance Expense	\$9,518,280	\$8,591,527

NW Natural
Rates & Regulatory Affairs
Operations and Maintenance Expense
State Allocation of System Amounts
For the Month Ended April 30, 2011

FERC Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	Apr	Apr	Apr	Apr	Apr	Apr	Apr	Apr	Apr	
	0.00	35,311.65	35,311.65	0.00	3,485.26	3,485.26	0.00	31,826.39	31,826.39	Firm Volumes Total
816 Wells Expense Total	0.00	35,311.65	35,311.65	0.00	3,485.26	3,485.26	0.00	31,826.39	31,826.39	Firm Volumes Total
	0.00	33,353.32	33,353.32	0.00	3,291.97	3,291.97	0.00	30,061.35	30,061.35	Firm Volumes Total
818 Compressor Station Expense Total	0.00	33,353.32	33,353.32	0.00	3,291.97	3,291.97	0.00	30,061.35	30,061.35	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	13,335.90	13,335.90	0.00	1,316.25	1,316.25	0.00	12,019.65	12,019.65	3-factor Total
	974.03	0.00	974.03	974.03	0.00	974.03	0.00	0.00	0.00	direct-wa Total
	0.00	140,979.22	140,979.22	0.00	13,914.65	13,914.65	0.00	127,064.57	127,064.57	Firm Volumes Total
820 Measuring and Regulator Station Expense Total	974.03	154,315.12	155,289.15	974.03	15,230.90	16,204.93	0.00	139,084.22	139,084.22	Firm Volumes Total
	0.00	861.31	861.31	0.00	85.01	85.01	0.00	776.30	776.30	Firm Volumes Total
821 Purification Expense Total	0.00	861.31	861.31	0.00	85.01	85.01	0.00	776.30	776.30	Firm Volumes Total
	0.00	13,049.80	13,049.80	0.00	1,288.02	1,288.02	0.00	11,761.78	11,761.78	Firm Volumes Total
832 Wells Expense Total	0.00	13,049.80	13,049.80	0.00	1,288.02	1,288.02	0.00	11,761.78	11,761.78	Firm Volumes Total
	0.00	6,367.63	6,367.63	0.00	628.48	628.48	0.00	5,739.15	5,739.15	Firm Volumes Total
840 Supervision and Engineering Total	0.00	6,367.63	6,367.63	0.00	628.48	628.48	0.00	5,739.15	5,739.15	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	160,825.59	160,825.59	0.00	15,873.47	15,873.47	0.00	144,952.12	144,952.12	Firm Volumes Total
844 Supervision and Engineering Total	0.00	160,825.59	160,825.59	0.00	15,873.47	15,873.47	0.00	144,952.12	144,952.12	Firm Volumes Total
	0.00	(19,141.05)	(19,141.05)	0.00	(1,889.22)	(1,889.22)	0.00	(17,251.83)	(17,251.83)	Firm Volumes Total
845 LNG Fuel Total	0.00	(19,141.05)	(19,141.05)	0.00	(1,889.22)	(1,889.22)	0.00	(17,251.83)	(17,251.83)	Firm Volumes Total
	0.00	53,089.26	53,089.26	0.00	5,239.91	5,239.91	0.00	47,849.35	47,849.35	Firm Volumes Total
847 Supervision and Engineering Total	0.00	53,089.26	53,089.26	0.00	5,239.91	5,239.91	0.00	47,849.35	47,849.35	Firm Volumes Total
	0.00	19,856.28	19,856.28	0.00	1,959.81	1,959.81	0.00	17,896.47	17,896.47	3-factor Total
	(16,207.44)	0.00	(16,207.44)	0.00	0.00	0.00	(16,207.44)	0.00	(16,207.44)	Direct-OR Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Direct-WA Total
856 Mains Expense Total	(16,207.44)	19,856.28	3,648.84	0.00	1,959.81	1,959.81	(16,207.44)	17,896.47	1,689.03	3-factor Total
	0.00	6,051.89	6,051.89	0.00	597.32	597.32	0.00	5,454.57	5,454.57	Firm Volumes Total
863 Maintenance of Mains Total	0.00	6,051.89	6,051.89	0.00	597.32	597.32	0.00	5,454.57	5,454.57	Firm Volumes Total
	0.00	54.83	54.83	0.00	5.41	5.41	0.00	49.42	49.42	3-factor Total
	0.00	61,295.22	61,295.22	0.00	6,049.83	6,049.83	0.00	55,245.39	55,245.39	Firm Volumes Total
	0.00	4,483.28	4,483.28	0.00	388.25	388.25	0.00	4,095.03	4,095.03	Sales/Sendout Volumes Total
	0.00	112,768.80	112,768.80	0.00	8,649.37	8,649.37	0.00	104,119.43	104,119.43	Sendout Volumes Total
870 Supervision and Engineering Total	0.00	178,602.13	178,602.13	0.00	15,092.86	15,092.86	0.00	163,509.27	163,509.27	Firm Volumes Total
	0.00	17,238.27	17,238.27	0.00	1,701.42	1,701.42	0.00	15,536.85	15,536.85	3-factor Total
	0.00	8,721.08	8,721.08	0.00	1,228.80	1,228.80	0.00	7,492.28	7,492.28	Customers Port/Van Total
	0.00	20.00	20.00	0.00	2.25	2.25	0.00	17.75	17.75	Customers Port/Van 80% Total
	0.00	30,142.14	30,142.14	0.00	3,092.58	3,092.58	0.00	27,049.56	27,049.56	Customers-All Total
	571,934.57	0.00	571,934.57	0.00	0.00	0.00	571,934.57	0.00	571,934.57	Direct-OR Total
	28,383.56	0.00	28,383.56	28,383.56	0.00	28,383.56	0.00	0.00	0.00	Direct-WA Total
	0.00	(2,337.70)	(2,337.70)	0.00	(230.73)	(230.73)	0.00	(2,106.97)	(2,106.97)	Firm Volumes Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	sendout volumes Total
874 Mains and Services Expense Total	600,318.13	53,783.79	654,101.92	28,383.56	5,794.32	34,177.88	571,934.57	47,989.47	619,924.04	Firm Volumes Total
	100.00	0.00	100.00	100.00	0.00	100.00	0.00	0.00	0.00	direct-wa Total
	0.00	6,645.85	6,645.85	0.00	509.73	509.73	0.00	6,136.12	6,136.12	Sendout Volumes Total
	0.00	6,265.99	6,265.99	0.00	674.85	674.85	0.00	5,591.14	5,591.14	Telemetry Total
875 Measuring and Regulator Station Expense - General Total	100.00	12,911.84	13,011.84	100.00	1,184.58	1,284.58	0.00	11,727.26	11,727.26	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	52,087.04	52,087.04	0.00	3,995.08	3,995.08	0.00	48,091.96	48,091.96	Sendout Volumes Total
877 Measuring and Regulator Station Expense - City Gate Total	0.00	52,087.04	52,087.04	0.00	3,995.08	3,995.08	0.00	48,091.96	48,091.96	Firm Volumes Total
	0.00	2,638.90	2,638.90	0.00	260.46	260.46	0.00	2,378.44	2,378.44	3-factor Total
	0.00	312,130.10	312,130.10	0.00	32,024.56	32,024.56	0.00	280,105.54	280,105.54	Customers-All Total
	0.00	12,634.50	12,634.50	0.00	878.10	878.10	0.00	11,756.40	11,756.40	Customers-Ind Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Res Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Direct-OR Total
	0.00	2,432.53	2,432.53	0.00	186.57	186.57	0.00	2,245.96	2,245.96	Sendout Volumes Total
878 Meter and House Regulator Expense Total	0.00	329,836.03	329,836.03	0.00	33,349.69	33,349.69	0.00	296,486.34	296,486.34	Firm Volumes Total
	0.00	42,366.12	42,366.12	0.00	4,181.53	4,181.53	0.00	38,184.59	38,184.59	3-factor Total
	0.00	639,724.42	639,724.42	0.00	65,635.73	65,635.73	0.00	574,088.69	574,088.69	Customers-All Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Comm Total
	584.59	0.00	584.59	0.00	0.00	0.00	584.59	0.00	584.59	Direct-OR Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Direct-WA Total
	0.00	11,429.98	11,429.98	0.00	1,240.15	1,240.15	0.00	10,189.83	10,189.83	Employee Cost Total
879 Customer Installation Expense Total	584.59	693,520.52	694,105.11	0.00	71,057.41	71,057.41	584.59	622,463.11	623,047.70	Firm Volumes Total

For the Month Ended April 30, 2011

FERC Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	Apr	Apr	Apr	Apr	Apr	Apr	Apr	Apr	Apr	
	0.00	38,971.36	38,971.36	0.00	3,846.47	3,846.47	0.00	35,124.89	35,124.89	3-factor Total
	0.00	79,614.15	79,614.15	0.00	8,168.42	8,168.42	0.00	71,445.73	71,445.73	Customers-All Total
	1,065.14	0.00	1,065.14	0.00	0.00	0.00	1,065.14	0.00	1,065.14	Direct-OR Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Employee Cost Total
	0.00	243.58	243.58	0.00	24.04	24.04	0.00	219.54	219.54	Firm Volumes Total
	0.00	46,844.89	46,844.89	0.00	3,593.00	3,593.00	0.00	43,251.89	43,251.89	Sendout Volumes Total
880 Other Expense Total	1,065.14	165,673.98	166,739.12	0.00	15,631.93	15,631.93	1,065.14	150,042.05	151,107.19	
	0.00	4,328.77	4,328.77	0.00	427.25	427.25	0.00	3,901.52	3,901.52	3-factor Total
881 Rents Total	0.00	4,328.77	4,328.77	0.00	427.25	427.25	0.00	3,901.52	3,901.52	
	0.00	427,069.55	427,069.55	0.00	42,151.78	42,151.78	0.00	384,917.77	384,917.77	3-factor Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-All Total
	88,356.15	0.00	88,356.15	0.00	0.00	0.00	88,356.15	0.00	88,356.15	Direct-OR Total
	2,296.17	0.00	2,296.17	2,296.17	0.00	2,296.17	0.00	0.00	0.00	Direct-WA Total
	0.00	5,634.83	5,634.83	0.00	432.19	432.19	0.00	5,202.64	5,202.64	Sendout Volumes Total
885 Supervision and Engineering Total	90,652.32	432,704.38	523,356.70	2,296.17	42,583.97	44,880.14	88,356.15	390,120.41	478,476.56	
	0.00	28,643.62	28,643.62	0.00	2,827.13	2,827.13	0.00	25,816.49	25,816.49	3-factor Total
	0.00	1,208.84	1,208.84	0.00	136.24	136.24	0.00	1,072.60	1,072.60	Customers-Port/Van 80% Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-All Total
	123,343.41	0.00	123,343.41	0.00	0.00	0.00	123,343.41	0.00	123,343.41	Direct-OR Total
	19,626.29	0.00	19,626.29	19,626.29	0.00	19,626.29	0.00	0.00	0.00	Direct-WA Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	sendout volumes Total
887 Mains Total	142,969.70	29,852.46	172,822.16	19,626.29	2,963.37	22,589.66	123,343.41	26,889.09	150,232.50	
	0.00	3,828.10	3,828.10	0.00	377.84	377.84	0.00	3,450.26	3,450.26	3-factor Total
	0.00	62,989.87	62,989.87	0.00	4,831.33	4,831.33	0.00	58,158.54	58,158.54	Sendout Volumes Total
	0.00	23,077.18	23,077.18	0.00	2,485.41	2,485.41	0.00	20,591.77	20,591.77	Telemetry Total
889 Measuring and Regulator Station Expense - General Total	0.00	89,895.15	89,895.15	0.00	7,694.58	7,694.58	0.00	82,200.57	82,200.57	
	0.00	554.68	554.68	0.00	54.75	54.75	0.00	499.93	499.93	3-factor Total
	0.00	5,175.61	5,175.61	0.00	396.97	396.97	0.00	4,778.64	4,778.64	Sendout Volumes Total
891 Measuring and Regulator Station Expense - City Gate Total	0.00	5,730.29	5,730.29	0.00	451.72	451.72	0.00	5,278.57	5,278.57	
	0.00	26,389.19	26,389.19	0.00	2,604.61	2,604.61	0.00	23,784.58	23,784.58	3-factor Total
	41,651.90	0.00	41,651.90	0.00	0.00	0.00	41,651.90	0.00	41,651.90	Direct-OR Total
	5,617.24	0.00	5,617.24	5,617.24	0.00	5,617.24	0.00	0.00	0.00	Direct-WA Total
	0.00	6,327.09	6,327.09	0.00	485.29	485.29	0.00	5,841.80	5,841.80	Sendout Volumes Total
892 Services Total	47,269.14	32,716.28	79,985.42	5,617.24	3,089.90	8,707.14	41,651.90	29,626.38	71,278.28	
	0.00	(6,482.58)	(6,482.58)	0.00	(639.82)	(639.82)	0.00	(5,842.76)	(5,842.76)	3-factor Total
	0.00	83,845.33	83,845.33	0.00	8,602.52	8,602.52	0.00	75,242.81	75,242.81	Customers-All Total
	0.00	943.52	943.52	0.00	81.14	81.14	0.00	862.38	862.38	Customers-Comm Total
	0.00	22,108.39	22,108.39	0.00	1,536.54	1,536.54	0.00	20,571.85	20,571.85	Customers-Ind Total
	0.00	15,109.93	15,109.93	0.00	1,575.97	1,575.97	0.00	13,533.96	13,533.96	Customers-Res Total
	(3,306.19)	0.00	(3,306.19)	0.00	0.00	0.00	(3,306.19)	0.00	(3,306.19)	Direct-OR Total
	0.00	35,857.83	35,857.83	0.00	2,750.29	2,750.29	0.00	33,107.54	33,107.54	Sendout Volumes Total
893 Meters and House Regulators Total	(3,306.19)	151,382.42	148,076.23	0.00	13,906.64	13,906.64	(3,306.19)	137,475.78	134,169.59	
	0.00	1,392.61	1,392.61	0.00	137.45	137.45	0.00	1,255.16	1,255.16	3-factor Total
	0.00	582.18	582.18	0.00	59.73	59.73	0.00	522.45	522.45	Customers-All Total
	123.88	0.00	123.88	0.00	0.00	0.00	123.88	0.00	123.88	Direct-OR Total
894 Other Equipment Total	123.88	1,974.79	2,098.67	0.00	197.18	197.18	123.88	1,777.61	1,901.49	
	0.00	112,661.52	112,661.52	0.00	11,119.69	11,119.69	0.00	101,541.83	101,541.83	3-factor Total
901 Supervision Total	0.00	112,661.52	112,661.52	0.00	11,119.69	11,119.69	0.00	101,541.83	101,541.83	
	0.00	47,342.82	47,342.82	0.00	4,857.37	4,857.37	0.00	42,485.45	42,485.45	Customers-All Total
	0.00	3,481.66	3,481.66	0.00	241.98	241.98	0.00	3,239.68	3,239.68	Customers-Ind Total
902 Meter Reading Expenses Total	0.00	50,824.48	50,824.48	0.00	5,099.35	5,099.35	0.00	45,725.13	45,725.13	
	0.00	812,617.07	812,617.07	0.00	80,205.31	80,205.31	0.00	732,411.76	732,411.76	3-factor Total
	0.00	183,852.00	183,852.00	0.00	18,863.22	18,863.22	0.00	164,988.78	164,988.78	Customers-All Total
	0.00	29,390.18	29,390.18	0.00	2,042.62	2,042.62	0.00	27,347.56	27,347.56	Customers-Ind Total
	0.00	362,786.66	362,786.66	0.00	37,838.65	37,838.65	0.00	324,948.01	324,948.01	Customers-Res Total
903 Customer Records and Collection Expense Total	0.00	1,388,645.91	1,388,645.91	0.00	138,949.80	138,949.80	0.00	1,249,696.11	1,249,696.11	
	0.00	(18,765.00)	(18,765.00)	0.00	(1,925.29)	(1,925.29)	0.00	(16,839.71)	(16,839.71)	Customers-All Total
	0.00	23,882.25	23,882.25	0.00	2,053.87	2,053.87	0.00	21,828.38	21,828.38	Customers-Comm Total
	0.00	7,120.89	7,120.89	0.00	494.90	494.90	0.00	6,625.99	6,625.99	Customers-Ind Total
	0.00	214,361.58	214,361.58	0.00	22,357.91	22,357.91	0.00	192,003.67	192,003.67	Customers-Res Total
	(6,261.56)	0.00	(6,261.56)	0.00	0.00	0.00	(6,261.56)	0.00	(6,261.56)	Direct-OR Total
904 Uncollectible Accounts Total	(6,261.56)	226,599.72	220,338.16	0.00	22,981.39	22,981.39	(6,261.56)	203,618.33	197,356.77	
	0.00	24,302.99	24,302.99	0.00	2,534.80	2,534.80	0.00	21,768.19	21,768.19	Customers-Res Total
907 Supervision Total	0.00	24,302.99	24,302.99	0.00	2,534.80	2,534.80	0.00	21,768.19	21,768.19	
	0.00	26,719.02	26,719.02	0.00	2,637.17	2,637.17	0.00	24,081.85	24,081.85	3-factor Total
	0.00	179,996.73	179,996.73	0.00	18,467.66	18,467.66	0.00	161,529.07	161,529.07	Customers-All Total
	0.00	26,082.59	26,082.59	0.00	2,243.11	2,243.11	0.00	23,839.48	23,839.48	Customers-Comm Total
	0.00	64,682.38	64,682.38	0.00	4,495.43	4,495.43	0.00	60,186.95	60,186.95	Customers-Ind Total
	0.00	18,617.10	18,617.10	0.00	1,941.77	1,941.77	0.00	16,675.33	16,675.33	Customers-Res Total
	(2,714.45)	0.00	(2,714.45)	0.00	0.00	0.00	(2,714.45)	0.00	(2,714.45)	Direct-OR Total
	768.67	0.00	768.67	768.67	0.00	768.67	0.00	0.00	0.00	Direct-WA Total
908 Customer Assistance Expense Total	(1,945.78)	316,097.82	314,152.04	768.67	29,785.14	30,553.81	(2,714.45)	286,312.68	283,598.23	

For the Month Ended April 30, 2011

FERC Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	Apr	Apr	Apr	Apr	Apr	Apr	Apr	Apr	Apr	
	0.00	687.57	687.57	0.00	67.86	67.86	0.00	619.71	619.71	3-factor Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Comm Total
	0.00	118,060.59	118,060.59	0.00	12,313.72	12,313.72	0.00	105,746.87	105,746.87	Customers-Res Total
909 Customer Information Expense Total	0.00	118,748.16	118,748.16	0.00	12,381.58	12,381.58	0.00	106,366.58	106,366.58	
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-All Total
	0.00	19,254.93	19,254.93	0.00	2,008.29	2,008.29	0.00	17,246.64	17,246.64	Customers-Res Total
910 Miscellaneous Customer Service Expense Total	0.00	19,254.93	19,254.93	0.00	2,008.29	2,008.29	0.00	17,246.64	17,246.64	
	0.00	13,442.09	13,442.09	0.00	1,379.16	1,379.16	0.00	12,062.93	12,062.93	Customers-All Total
	0.00	13,086.28	13,086.28	0.00	1,364.90	1,364.90	0.00	11,721.38	11,721.38	Customers-Res Total
911 Supervision Total	0.00	26,528.37	26,528.37	0.00	2,744.06	2,744.06	0.00	23,784.31	23,784.31	
	0.00	4,829.39	4,829.39	0.00	476.66	476.66	0.00	4,352.73	4,352.73	3-factor Total
	0.00	158,780.08	158,780.08	0.00	16,290.85	16,290.85	0.00	142,489.23	142,489.23	Customers-All Total
	0.00	10,979.46	10,979.46	0.00	944.23	944.23	0.00	10,035.23	10,035.23	Customers-Comm Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Ind Total
	0.00	89.44	89.44	0.00	9.33	9.33	0.00	80.11	80.11	Customers-Res Total
	149.52	0.00	149.52	0.00	0.00	0.00	149.52	0.00	149.52	Direct-OR Total
912 Demonstration and Selling Expense Total	149.52	174,678.37	174,827.89	0.00	17,721.07	17,721.07	149.52	156,957.30	157,106.82	
	0.00	46,694.20	46,694.20	0.00	4,015.70	4,015.70	0.00	42,678.50	42,678.50	Customers-Comm Total
	0.00	270.35	270.35	0.00	28.20	28.20	0.00	242.15	242.15	Customers-Res Total
913 Advertising Total	0.00	46,964.55	46,964.55	0.00	4,043.90	4,043.90	0.00	42,920.65	42,920.65	
	0.00	9.43	9.43	0.00	0.98	0.98	0.00	8.45	8.45	Customers-Res Total
916 Miscellaneous Sales Expense Total	0.00	9.43	9.43	0.00	0.98	0.98	0.00	8.45	8.45	
	0.00	2,727,951.58	2,727,951.58	0.00	269,248.84	269,248.84	0.00	2,458,702.74	2,458,702.74	3-factor Total
	0.00	5,077.14	5,077.14	0.00	524.47	524.47	0.00	4,552.67	4,552.67	Admin Tran Total
	0.00	(2,179.72)	(2,179.72)	0.00	(223.64)	(223.64)	0.00	(1,956.08)	(1,956.08)	Customers-All Total
	0.00	10,408.03	10,408.03	0.00	1,085.56	1,085.56	0.00	9,322.47	9,322.47	Customers-Res Total
	105,779.59	0.00	105,779.59	0.00	0.00	0.00	105,779.59	0.00	105,779.59	Direct-OR Total
	615.33	0.00	615.33	615.33	0.00	615.33	0.00	0.00	0.00	Direct-WA Total
	0.00	17,120.97	17,120.97	0.00	1,857.62	1,857.62	0.00	15,263.35	15,263.35	Employee Cost Total
	0.00	769.28	769.28	0.00	75.93	75.93	0.00	693.35	693.35	Firm Volumes Total
	0.00	122,714.31	122,714.31	0.00	36,814.29	36,814.29	0.00	85,900.02	85,900.02	regulatory Total
	0.00	5,593.97	5,593.97	0.00	429.06	429.06	0.00	5,164.91	5,164.91	Sendout Volumes Total
921 Office Supplies and Expense Total	106,394.92	2,887,455.56	2,993,850.48	615.33	309,812.13	310,427.46	105,779.59	2,577,643.43	2,683,423.02	
	0.00	(884,476.57)	(884,476.57)	0.00	(91,366.43)	(91,366.43)	0.00	(793,110.14)	(793,110.14)	Admin Tran Total
	0.00	(430,327.64)	(430,327.64)	0.00	(46,690.55)	(46,690.55)	0.00	(383,637.09)	(383,637.09)	Employee Cost Total
922 Administrative Expenses Transferred - Credit Total	0.00	(1,314,804.21)	(1,314,804.21)	0.00	(138,056.98)	(138,056.98)	0.00	(1,176,747.23)	(1,176,747.23)	
	0.00	195,629.56	195,629.56	0.00	19,308.64	19,308.64	0.00	176,320.92	176,320.92	3-factor Total
924 Property Insurance Premium Total	0.00	195,629.56	195,629.56	0.00	19,308.64	19,308.64	0.00	176,320.92	176,320.92	
	0.00	118,026.41	118,026.41	0.00	11,649.20	11,649.20	0.00	106,377.21	106,377.21	3-factor Total
925 Injuries and Damages Total	0.00	118,026.41	118,026.41	0.00	11,649.20	11,649.20	0.00	106,377.21	106,377.21	
	0.00	195.00	195.00	0.00	19.25	19.25	0.00	175.75	175.75	3-factor Total
	492.00	0.00	492.00	0.00	0.00	0.00	492.00	0.00	492.00	Direct-OR Total
	0.00	309,789.04	309,789.04	0.00	33,612.12	33,612.12	0.00	276,176.92	276,176.92	Employee Cost Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Payroll Total
926 Employee Pensions and Benefits Total	492.00	309,984.04	310,476.04	0.00	33,631.37	33,631.37	492.00	276,352.67	276,844.67	
	0.00	488,669.59	488,669.59	0.00	48,231.68	48,231.68	0.00	440,437.91	440,437.91	3-factor Total
930 Miscellaneous General Expense Total	0.00	488,669.59	488,669.59	0.00	48,231.68	48,231.68	0.00	440,437.91	440,437.91	
	0.00	322,689.34	322,689.34	0.00	31,849.44	31,849.44	0.00	290,839.90	290,839.90	3-factor Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-All Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Direct-OR Total
	10,354.06	0.00	10,354.06	10,354.06	0.00	0.00	0.00	0.00	0.00	Direct-WA Total
931 Rents Total	10,354.06	322,689.34	333,043.40	10,354.06	31,849.44	42,203.50	0.00	290,839.90	290,839.90	
	0.00	236,397.62	236,397.62	0.00	23,332.46	23,332.46	0.00	213,065.16	213,065.16	3-factor Total
	0.00	9,584.53	9,584.53	0.00	983.37	983.37	0.00	8,601.16	8,601.16	Customers-All Total
	0.00	2,764.18	2,764.18	0.00	705.14	705.14	0.00	2,059.04	2,059.04	Customers-The Dalles Total
	66,903.15	0.00	66,903.15	0.00	0.00	0.00	66,903.15	0.00	66,903.15	Direct-OR Total
	2,543.69	0.00	2,543.69	2,543.69	0.00	2,543.69	0.00	0.00	0.00	Direct-WA Total
	0.00	2,044.26	2,044.26	0.00	221.80	221.80	0.00	1,822.46	1,822.46	Employee Cost Total
	0.00	12,409.37	12,409.37	0.00	1,224.81	1,224.81	0.00	11,184.56	11,184.56	Firm Volumes Total
935 Maintenance of General Plant Total	69,446.84	263,199.96	332,646.80	2,543.69	26,467.58	29,011.27	66,903.15	236,732.38	303,635.53	
Grand Total	1,043,173.30	8,475,107.18	9,518,280.48	71,279.04	855,474.52	926,753.56	971,894.26	7,619,632.66	8,591,526.92	

**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
		8,228,742			999,861			7,228,882
		977,631,826			113,944,020			863,687,806
		0.84%			0.88%			0.84%

NW Natural
Washington Quarterly Results of Operations Report

Apr 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		48,825,550		48,825,550	5,461,986		5,461,986	43,363,564		43,363,564
481.1	Commercial		24,095,668		24,095,668	2,180,721		2,180,721	21,914,947		21,914,947
481.2	Industrial Firm		2,620,486		2,620,486	235,040		235,040	2,385,446		2,385,446
481.3	Interruptible		3,246,937		3,246,937	349,970		349,970	2,896,968		2,896,968
481.5	Interruptible Incentive		0		0	0		0	0		0
495.20	Unbilled Revenue	A		(6,734,512)	(6,734,512)		(587,608)	(587,608)		(6,146,904)	(6,146,904)
	Total Sales of Gas		78,788,641	(6,734,512)	72,054,129	8,227,717	(587,608)	7,640,109	70,560,924	(6,146,904)	64,414,020
Transportation Revenue											
489.12	Industrial Firm		563,075		563,075	58,549		58,549	504,526		504,526
489.13	Interruptible		760,307		760,307	53,172		53,172	707,135		707,135
489.15	Interruptible Incentive		0		0	0		0	0		0
489.3	Agency Fee/Balancing		0		0	0		0	0		0
	Total Transportation Revenue		1,323,382	0	1,323,382	111,721	0	111,721	1,211,661	0	1,211,661
495.6	Rate Adjustments - Amortizations		289,261		289,261	(183,551)		(183,551)	472,813		472,813
Miscellaneous Revenues											
487	Late Payment Charge		327,226		327,226	16,880		16,880	310,346		310,346
488.1	Returned Check Charge		12,540		12,540	1,410		1,410	11,130		11,130
488.3	Recon Charge CR During Office Hours		20,225		20,225	1,725		1,725	18,500		18,500
488.4	Field Collection Charge		35,055		35,055	4,845		4,845	30,210		30,210
488.5	Recon Charge CR After Office Hours		48,100		48,100	6,625		6,625	41,475		41,475
488.6	Recon Charge Seas During Office Hours		550		550	25		25	525		525
488.7	Recon Charge Seas After Office Hours		1,175		1,175	200		200	975		975
488.8	Automated Payment Charge		13,048		13,048	1,853		1,853	11,195		11,195
493.2	Rent - Utility Property	B		23,574	23,574		1,653	1,653		21,922	21,922
495.1	Meter Rentals		17,409		17,409	1,869		1,869	15,540		15,540
495.2	Other Gas Revenue - Miscellaneous		8,563		8,563	0		0	8,563		8,563
	Total Miscellaneous Revenues		483,891	23,574	507,465	35,431	1,653	37,084	448,459	21,922	470,381
	Total Operating Revenue		80,885,175	(6,710,938)	74,174,237	8,191,318	(585,955)	7,605,362	72,693,857	(6,124,983)	66,568,874
Cost of Gas											
804.7	WACOG Incurred		32,752,966		32,752,966	3,212,806		3,212,806	29,540,160		29,540,160
805.7	WACOG Deferred		3,949,007		3,949,007	423,467		423,467	3,525,540		3,525,540
804.6	Demand Incurred		7,825,656		7,825,656	725,015		725,015	7,100,641		7,100,641
805.8	Demand Deferred		691,040		691,040	62,039		62,039	629,000		629,000
805.4	Amortization of Gas Costs		(2,042,159)		(2,042,159)	(445,231)		(445,231)	(1,596,928)		(1,596,928)
	Total Cost of Gas		43,176,510	0	43,176,510	3,978,096	0	3,978,096	39,198,413	0	39,198,413
Detail	Operations & Maintenance	O&M	1,043,173	8,475,073	9,518,247	71,279	855,475	926,754	971,894	7,619,598	8,591,493
Other Taxes											
408.11	Property		1,711,735		1,711,735	152,370		152,370	1,559,365		1,559,365
408.12	Franchise		1,844,868		1,844,868	330,108		330,108	1,514,760		1,514,760
408.13	Payroll	C		430,328	430,328		45,615	45,615		384,713	384,713
408.14	Other		(50,462)		(50,462)	1,087		1,087	(51,549)		(51,549)
408.15	Regulatory		151,060		151,060	151,060		151,060	0		0
	Total Other Taxes		3,657,201	430,328	4,087,529	634,626	45,615	680,240	3,022,576	384,713	3,407,289
403.1	Depreciation	D		5,321,409	5,321,409		563,271	563,271		4,758,138	4,758,138
Income Taxes											
409.11	Federal Income Taxes				548,655			401,542			147,113
410.11	Federal Income Taxes - Deferred				4,862,742			0			4,862,742
411.42	Federal Income Tax Credit				(2,278,917)			55,598			(2,334,515)
409.12	Oregon Income Taxes				(2,851,791)			0			(2,851,791)
410.12	Oregon Income Taxes - Deferred				3,567,778			0			3,567,778
411.12	Oregon Income Tax Credit				(6,667)			0			(6,667)
	Total Income Taxes				3,841,800			457,140			3,384,660
	Total Operating Revenue Deductions		47,876,884	14,226,810	65,945,494	4,684,001	1,464,361	6,605,502	43,192,883	12,762,449	59,339,993
	Net Operating Income				8,228,742			999,861			7,228,882

	System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
Rate Base									
101 Gross Plant			2,253,314,308			233,024,334			2,020,289,974
108.1X Accumulated Depreciation			(989,898,912)			(93,592,959)			(896,305,953)
117.X Storage Gas - Cushion			13,999,860			1,381,786			12,618,074
186.XX Leasehold Improvements			1,728,569			170,610			1,557,959
252.XX Customer Contributions			(2,034,554)			(149,570)			(1,884,985)
283.XX Deferred Taxes - Federal			(249,900,887)			(26,890,183)			(223,010,705)
283.XX Deferred Taxes - State			(49,576,558)			0			(49,576,558)
Total Rate Base			977,631,826			113,944,020			863,687,806
Rate Of Return on Rate Base			0.84%			0.88%			0.84%
Allocation References:									
A Unbilled Revenue			100.00%			8.73%			91.27%
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%

2nd Quarter 2011 Results of Operations: Allocation Factors, Gross Plant and Accumulated Depreciation Reports

NW Natural
State Allocation Factors
Updated for year ended 2009 data

	System	Washington	Oregon
Customers			
Total Customers			
December 2009	667,794	68,270	599,524
December 2008	662,341	67,404	594,937
Average	665,068	67,837	597,231
% of System		10.20%	89.80%
Residential Customers			
December 2009	604,692	62,897	541,795
December 2008	599,285	62,087	537,198
Average	601,989	62,492	539,497
% of System		10.38%	89.62%
Commercial Customers			
December 2009	62,169	5,309	56,860
December 2008	62,115	5,258	56,857
Average	62,142	5,284	56,859
% of System		8.50%	91.50%
Industrial Customers			
December 2009	933	64	869
December 2008	941	59	882
Average	937	62	876
% of System		6.56%	93.44%
The Dalles			
December 2009	7,223	1,840	5,383
December 2008	7,147	1,796	5,351
Average	7,185	1,818	5,367
% of System		25.30%	74.70%
Portland / Vancouver			
December 2009	472,888	66,430	406,458
December 2008	468,880	65,608	403,272
Average	470,884	66,019	404,865
% of System		14.02%	85.98%
Portland / Vancouver Commercial			
December 2009	40,294	5,108	35,186
December 2008	40,213	5,059	35,154
Average	40,254	5,084	35,170
% of System		12.63%	87.37%
Volumes - 12 Months Ended 12/31/09			
Firm Delivered			
% of System	763,743,056	73,562,410	690,180,646
		9.63%	90.37%
Sales Volumes			
% of System	788,873,769	75,535,644	713,338,125
		9.58%	90.42%
Sendout Volumes			
% of System	1,131,364,340	89,588,995	1,041,775,345
		7.92%	92.08%
3-factor formula (simple average)			
Gross Plant Directly Assigned		10.84%	89.16%
Number of Employees Directly Assigned		8.60%	91.40%
Number of Customers		10.20%	89.80%
Average		9.88%	90.12%

Derivation of factor for 3-factor - Gross Plant Directly Assigned

December 31, 2008	System	Washington	Oregon
Intangible - Other	84,795	447	84,348
Production	675,198	0	675,198
Transmission	19,623,750	0	19,623,750
Distribution	1,632,712,242	179,470,080	1,453,242,162
December 31, 2009	System	Washington	Oregon
Intangible	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
Average	System	Washington	Oregon
Intangible - Other	84,795	447	84,348
Production	675,198	0	675,198
Transmission	24,517,088	361,720	24,155,367
Distribution	1,653,864,580	181,575,518	1,472,289,062
Gross Plant Directly Assigned	1,679,141,661	181,937,686	1,497,203,976
% of System		10.84%	89.16%

Allocation Factors - Summary	Washington	Oregon
Customers-all	10.200%	89.800%
Customers-Residential	10.380%	89.620%
Customers-Commercial	8.500%	91.500%
Customers-Industrial	6.560%	93.440%
Customers-The Dalles	25.300%	74.700%
3-factor	9.880%	90.120%
firm volumes	9.630%	90.370%
sales volumes	9.580%	90.420%
sendout volumes	7.920%	92.080%
sales/sendout volumes	8.750%	91.250%
Customers Portland/Vancouver	14.020%	85.980%
Customers Portland/Vancouver 80%	11.216%	88.784%
Customers Portland/Vancouver Con	12.630%	87.370%
Payroll	10.250%	89.750%
Admin Transfer	10.610%	89.390%
Employee Cost	10.640%	89.360%
Regulatory	30.000%	70.000%
Telemetry	10.770%	89.230%
Direct-Wa	100.000%	0.000%
Direct-Or	0.000%	100.000%
Gross plant direct assign	10.840%	89.160%
Depreciation	10.533%	89.467%
Rate Base	11.761%	

NW Natural
Washington Annual Commission Basis Report
Test Year Based on Twelve Months Ended December 31, 2009
Rate Base Workpapers

SYSTEM		2008 December	2009 December	Dec 08 - Dec 09 12 month average	Allocation Method
SYSTEM		System	System	System	
Gross Plant					
Intangible	Software	76,890,407	86,087,640	82,627,508	Total Customers
	Other	84,795	84,795	84,795	Direct
Production		675,198	675,198	675,198	Direct
Transmission		19,623,750	29,410,423	24,549,889	Direct
Distribution		1,632,712,242	1,675,016,919	1,652,519,148	Direct
General		100,838,171	104,879,931	101,679,532	3-Factor & Direct
Storage and storage transmission CNG and LNG		271,877,933 2,567,634	275,191,826 2,567,634	273,497,140 2,567,634	Firm Delivered Volumes 3-Factor
Total Gross Plant		2,105,269,991	2,173,914,368	2,138,200,945	
Accumulated Depreciation					
Intangible		(56,937,182)	(57,716,180)	(55,798,041)	Total Customers
Production		(684,628)	(691,036)	(690,769)	Direct
Transmission		(9,392,423)	(10,059,918)	(9,703,332)	Direct
Distribution		(692,747,579)	(720,917,968)	(708,372,946)	Direct
General		(49,857,513)	(54,358,222)	(52,184,244)	3-Factor
Storage and storage transmission CNG and LNG		(75,361,027) (2,567,634)	(82,221,501) (2,567,634)	(78,811,506) (2,569,178)	Firm Delivered Volumes 3-Factor
Total Accumulated Depreciation		(887,547,986)	(928,527,460)	(908,130,015)	

OREGON		2008 December OREGON	2009 December OREGON	Dec 08 - Dec 09 12 month average OREGON	Allocation Method
Gross Plant					
Intangible	Software	67,377,429	75,636,543	72,529,345	Total Customers
	Other	84,348	84,348	84,348	Direct
Production		675,198	675,198	675,198	Direct
Transmission		19,623,750	28,686,985	24,196,237	Direct
Distribution		1,453,242,162	1,491,335,963	1,471,429,087	Direct
General		92,441,112	96,123,351	92,189,103	3-Factor & Direct
Storage and storage transmission CNG and LNG		248,873,862 2,313,952	251,868,753 2,313,952	250,337,266 2,313,952	Firm Delivered Volumes 3-Factor
Total Gross Plant		1,884,631,812	1,946,725,033	1,914,754,536	
Accumulated Depreciation					
Intangible		(50,139,481)	(50,722,778)	(49,058,410)	Total Customers
Production		(684,628)	(691,036)	(690,769)	Direct
Transmission		(9,392,423)	(10,047,711)	(9,700,978)	Direct
Distribution		(630,191,755)	(653,765,480)	(643,435,955)	Direct
General		(44,232,176)	(48,352,842)	(46,404,647)	3-Factor
Storage and storage transmission CNG and LNG		(69,837,494) (2,313,952)	(76,195,135) (2,313,952)	(73,035,073) (2,315,344)	Firm Delivered Volumes 3-Factor
Total Accumulated Depreciation		(806,791,908)	(842,058,933)	(824,641,175)	

WASHINGTON		2008 December WASHINGTON	2009 December WASHINGTON	Dec 08 - Dec 09 12 month average WASHINGTON	Allocation Method
Gross Plant					
Intangible	Software	9,512,979	10,451,096	10,098,163	Total Customers
	Other	447	447	447	Direct
Production		0	0	0	Direct
Transmission		0	723,441	353,651	Direct
Distribution		179,470,080	183,680,956	181,090,061	Direct
General		8,397,059	8,756,580	8,490,529	3-Factor & Direct
Storage and storage transmission CNG and LNG		23,003,932 253,682	23,323,073 253,682	23,159,875 253,682	Firm Delivered Volumes 3-Factor
Total Gross Plant		220,638,179	227,189,275	223,446,408	
Accumulated Depreciation					
Intangible		(6,797,702)	(6,993,402)	(6,739,631)	Total Customers
Production		0	0	0	Direct
Transmission		0	(7,207)	(2,354)	Direct
Distribution		(62,555,824)	(67,152,488)	(64,936,991)	Direct
General		(5,625,337)	(6,005,380)	(5,779,595)	3-Factor
Storage and storage transmission CNG and LNG		(5,523,533) (253,682)	(6,026,366) (253,682)	(5,776,433) (253,835)	Firm Delivered Volumes 3-Factor
Total Accumulated Depreciation		(80,756,078)	(86,438,527)	(83,488,839)	

2nd 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	2011 April	2011 May	2011 June
Volumes						
Residential	7,988,912	6,277,874	6,745,014	4,806,461	3,647,451	2,144,844
Commercial	3,292,159	2,651,456	2,784,972	2,053,304	1,673,683	1,114,385
Industrial Firm	340,320	308,135	82,030	266,152	222,637	183,287
Interruptible	355,761	300,412	492,426	545,795	534,185	398,681
Transport Firm	683,894	629,760	637,988	617,945	592,081	512,788
Transport Interruptible	685,094	649,119	668,830	683,765	630,177	628,316
Total	13,346,140	10,816,756	11,411,260	8,973,422	7,300,214	4,982,301
Customers						
Residential	64,004	64,076	64,117	64,144	64,194	64,177
Commercial	5,430	5,441	5,451	5,443	5,431	5,411
Industrial Firm	38	37	38	38	38	37
Interruptible	10	10	10	10	10	10
Transport Firm	7	7	7	7	7	7
Transport Interruptible	9	9	9	9	9	9
Total	69,498	69,580	69,632	69,651	69,689	69,651
Use per Customer						
Residential	125	98	105	75	57	33
Commercial	606	487	511	377	308	206
Industrial Firm	8,956	8,328	2,159	7,004	5,859	4,954
Interruptible	35,576	30,041	49,243	54,580	53,419	39,868
	0	0	0	0	0	0
Transport Firm	97,699	89,966	91,141	88,278	84,583	73,255
Transport Interruptible	76,122	72,124	74,314	75,974	70,020	69,813

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

12 Months Ended	2011 January	2011 February	2011 March	2011 April	2011 May	2011 June
Volumes						
Residential	42,009,461	43,108,905	45,448,983	46,200,665	46,822,880	46,784,385
Commercial	18,826,940	19,283,169	20,135,095	20,425,838	20,657,944	20,705,483
Industrial Firm	2,839,836	2,891,621	2,709,433	2,726,256	2,727,220	2,708,555
Interruptible	4,373,339	4,221,918	4,339,069	4,583,607	4,858,997	4,814,237
	0	0	0	0	0	0
Transport Firm	7,744,354	7,687,520	7,737,040	7,717,894	7,727,218	7,684,504
Transport Interruptible	8,306,483	8,311,164	8,504,382	8,591,609	8,669,054	8,739,148
	0	0	0	0	0	0
Total	84,100,413	85,504,297	88,874,002	90,245,869	91,463,313	91,436,312
Average Customers						
Residential	63,459	63,536	63,609	63,687	63,763	63,832
Commercial	5,353	5,359	5,366	5,373	5,380	5,386
Industrial Firm	39	39	39	39	39	39
Interruptible	11	11	11	11	10	10
Transport Firm	7	7	7	7	7	7
Transport Interruptible	7	8	8	8	8	8
Total	68,877	68,960	69,039	69,124	69,207	69,283
12 Month Use per Average Customer						
Residential	662	678	715	725	734	733
Commercial	3,517	3,599	3,753	3,802	3,840	3,844
Industrial Firm	72,047	73,672	69,177	69,755	69,929	69,898
Interruptible	391,642	383,811	400,529	429,713	466,464	465,894
Transport Firm	1,106,336	1,098,217	1,105,291	1,102,556	1,103,888	1,097,786
Transport Interruptible	1,113,240	1,091,365	1,094,623	1,084,378	1,073,311	1,061,766

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

	2009 January	2009 February	2009 March	2009 April	2009 May	2009 June	2009 July	2009 August	2009 September	2009 October	2009 November	2009 December
Volumes												
Residential	8,212,731	7,218,432	6,334,969	4,640,564	2,727,428	1,499,617	1,180,861	1,036,480	1,116,698	1,776,742	3,741,650	6,778,285
Commercial	3,405,147	3,070,383	2,753,416	2,059,321	1,362,581	872,420	722,734	634,317	701,551	934,199	1,564,933	2,780,456
Industrial Firm	392,891	311,210	329,727	231,627	186,716	161,536	153,352	148,710	156,440	193,413	226,675	325,961
Interruptible	650,687	503,897	553,865	419,289	406,085	400,073	354,846	442,827	445,771	475,265	470,103	458,763
Transport Total	1,597,540	846,970	1,269,183	1,226,044	1,154,054	1,048,228	1,030,262	1,110,591	1,155,437	1,392,979	1,244,434	1,505,024
Total	14,258,996	11,950,892	11,241,160	8,576,845	5,836,864	3,981,874	3,442,055	3,372,925	3,575,897	4,772,598	7,247,795	11,858,489
Customers												
Residential	62,297	62,366	62,458	62,482	62,406	62,287	62,199	62,110	62,157	62,322	62,585	62,897
Commercial	5,357	5,325	5,342	5,329	5,312	5,293	5,271	5,255	5,251	5,258	5,275	5,306
Industrial Firm	43	40	40	39	39	39	39	39	39	39	38	39
Interruptible	15	14	14	13	13	13	13	13	13	13	12	12
Transport Total	8	8	8	11	11	11	11	11	11	11	13	13
Total	67,720	67,753	67,862	67,874	67,781	67,643	67,533	67,428	67,471	67,643	67,923	68,270
Use per Customer	0	0	0	0	0	0	0	0	0	0	0	0
Use per Customer												
Residential	132	116	101	74	44	24	19	17	18	29	60	108
Commercial	636	577	515	386	257	165	137	121	134	178	297	524
Industrial Firm	9,137	7,780	8,243	5,939	4,788	4,142	3,932	3,813	4,011	4,959	5,965	8,358
Interruptible	43,379	35,993	39,562	32,253	31,237	30,775	27,296	34,064	34,290	36,559	39,175	39,064
Transport Total	0	0	0	0	0	0	0	0	0	0	0	0
Transport Total	199,693	105,871	158,648	111,459	104,914	95,293	93,660	100,963	105,040	126,634	95,726	115,771

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

12 Months Ended	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009
	January	February	March	April	May	June	July	August	September	October	November	December
Volumes												
Residential	54,028,661	53,418,033	52,239,075	51,639,195	49,048,065	47,119,530	46,210,098	45,854,332	45,854,821	46,449,885	48,409,381	46,264,457
Commercial	24,804,935	24,480,288	24,003,612	23,689,366	22,686,555	21,934,914	21,560,670	21,363,664	21,322,591	21,494,471	22,073,953	20,861,458
Industrial Firm	3,577,732	3,478,571	3,459,650	3,350,322	3,227,924	3,159,180	3,116,760	3,071,645	3,068,169	3,081,857	3,082,704	2,818,258
Interruptible	6,940,050	6,872,061	6,970,380	6,892,372	6,692,808	6,553,335	6,348,375	6,209,852	6,132,885	6,066,201	5,981,675	5,591,471
	0	0	0	0	0	0	0	0	0	0	0	0
Transport Total	16,319,687	15,690,000	15,740,929	15,659,885	15,600,866	15,526,375	15,480,320	15,425,810	15,420,626	15,590,266	15,612,673	15,955,862
	0	0	0	0	0	0	0	0	0	0	0	0
Total	105,671,055	103,938,953	102,413,646	101,231,140	97,256,218	94,293,334	92,716,223	91,925,303	91,799,092	92,682,681	95,160,386	91,491,506
Average Customers												
Residential	61,637	61,741	61,837	61,927	62,005	62,066	62,049	62,092	62,142	62,209	62,278	62,381
Commercial	5,214	5,226	5,238	5,248	5,255	5,262	5,267	5,272	5,276	5,282	5,288	5,298
Industrial Firm	38	38	38	38	38	38	39	39	39	39	39	39
Interruptible	14	14	14	14	14	14	14	14	14	14	13	13
Transport Total	8	8	8	8	8	9	9	9	9	10	10	10
Total	66,910	67,027	67,135	67,235	67,321	67,389	67,377	67,426	67,480	67,553	67,629	67,742
12 Month Use per Average Customer												
Residential	877	865	845	834	791	759	745	738	738	747	777	742
Commercial	4,758	4,684	4,582	4,514	4,317	4,168	4,093	4,052	4,041	4,069	4,174	3,938
Industrial Firm	94,919	91,727	90,676	87,634	84,263	82,303	80,874	79,386	78,983	79,022	78,888	71,499
Interruptible	495,718	488,179	495,164	492,312	480,699	473,296	461,055	453,529	450,438	448,072	446,907	424,669
Transport Total	2,059,766	1,980,291	1,986,719	1,920,552	1,860,654	1,802,169	1,749,949	1,699,454	1,656,761	1,634,463	1,561,267	1,536,490

2nd Quarter 2011 Results of Operations: May Detail

**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
		97,322,577			10,666,239			86,656,338
		1,004,044,405			117,933,043			886,111,362
		9.69%			9.04%			9.78%

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		490,830,056	0	490,830,056	54,140,979	0	54,140,979	436,689,077	0	436,689,077
481.1	Commercial		245,510,460	0	245,510,460	22,270,351	0	22,270,351	223,240,109	0	223,240,109
481.2	Industrial Firm		31,031,435	0	31,031,435	2,671,001	0	2,671,001	28,360,434	0	28,360,434
481.3	Interruptible		16,680,752	0	16,680,752	3,325,983	0	3,325,983	13,354,769	0	13,354,769
481.5	Interruptible Incentive		19,534,139	0	19,534,139	0	0	0	19,534,139	0	19,534,139
495.20	Unbilled Revenue	A	0	241,118	241,118	0	(11,563)	(11,563)	0	252,681	252,681
	Total Sales of Gas		803,586,841	241,118	803,827,959	82,408,314	(11,563)	82,396,751	721,178,527	252,681	721,431,208
Transportation Revenue											
489.12	Industrial Firm		6,441,621	0	6,441,621	678,994	0	678,994	5,762,627	0	5,762,627
489.13	Interruptible		8,733,583	0	8,733,583	611,056	0	611,056	8,122,528	0	8,122,528
489.15	Interruptible Incentive		42	0	42	0	0	0	42	0	42
489.3	Agency Fee/Balancing		0	0	0	0	0	0	0	0	0
	Total Transportation Revenue		15,175,246	0	15,175,246	1,290,050	0	1,290,050	13,885,197	0	13,885,197
495.6	Rate Adjustments - Amortizations		7,842,494	0	7,842,494	(1,475,240)	0	(1,475,240)	9,317,735	0	9,317,735
Miscellaneous Revenues											
487	Late Payment Charge		2,685,817	0	2,685,817	137,027	0	137,027	2,548,789	0	2,548,789
488.1	Returned Check Charge		124,948	0	124,948	14,970	0	14,970	109,978	0	109,978
488.3	Recon Charge CR During Office Hours		236,544	0	236,544	19,150	0	19,150	217,394	0	217,394
488.4	Field Collection Charge		340,740	0	340,740	44,640	0	44,640	296,100	0	296,100
488.5	Recon Charge CR After Office Hours		436,000	0	436,000	50,525	0	50,525	385,475	0	385,475
488.6	Recon Charge Seas During Office Hours		17,650	0	17,650	1,750	0	1,750	15,900	0	15,900
488.7	Recon Charge Seas After Office Hours		7,925	0	7,925	1,375	0	1,375	6,550	0	6,550
488.8	Automated Payment Charge		131,180	0	131,180	17,743	0	17,743	113,438	0	113,438
493.2	Rent - Utility Property	B	0	391,688	391,688	0	31,187	31,187	0	360,501	360,501
495.1	Meter Rentals		209,549	0	209,549	22,376	0	22,376	187,173	0	187,173
495.2	Other Gas Revenue - Miscellaneous		147,603	0	147,603	1,176	0	1,176	146,427	0	146,427
	Total Miscellaneous Revenues		4,337,955	391,688	4,729,643	310,732	31,187	341,919	4,027,223	360,501	4,387,724
	Total Operating Revenue		830,942,537	632,806	831,575,342	82,533,855	19,624	82,553,479	748,408,682	613,182	749,021,863
Cost of Gas											
804.7	WACOG Incurred		378,836,743	0	378,836,743	37,101,896	0	37,101,896	341,734,847	0	341,734,847
805.7	WACOG Deferred		19,402,249	0	19,402,249	2,465,516	0	2,465,516	16,936,733	0	16,936,733
804.6	Demand Incurred		92,629,091	0	92,629,091	8,588,706	0	8,588,706	84,040,385	0	84,040,385
805.8	Demand Deferred		(3,045,861)	0	(3,045,861)	(131,055)	0	(131,055)	(2,914,806)	0	(2,914,806)
805.4	Amortization of Gas Costs		(25,521,952)	0	(25,521,952)	(4,568,153)	0	(4,568,153)	(20,953,799)	0	(20,953,799)
	Total Cost of Gas		462,300,270	0	462,300,270	43,456,910	0	43,456,910	418,843,360	0	418,843,360
Detail	Operations & Maintenance	O&M	12,842,003	101,906,199	114,748,202	665,634	10,227,044	10,892,677	12,176,369	91,679,155	103,855,525
Other Taxes											
408.11	Property		20,309,066	0	20,309,066	1,467,249	0	1,467,249	18,841,818	0	18,841,818
408.12	Franchise		20,997,752	0	20,997,752	3,293,082	0	3,293,082	17,704,670	0	17,704,670
408.13	Payroll	C	0	5,148,278	5,148,278	0	535,079	535,079	0	4,613,199	4,613,199
408.14	Other		292,978	0	292,978	6,742	0	6,742	286,236	0	286,236
408.15	Regulatory		1,938,755	0	1,938,755	151,060	0	151,060	1,787,695	0	1,787,695
	Total Other Taxes		43,538,552	5,148,278	48,686,830	4,918,133	535,079	5,453,212	38,620,419	4,613,199	43,233,617
403.1	Depreciation	D	0	63,225,969	63,225,969	0	7,342,270	7,342,270	0	55,883,699	55,883,699
Income Taxes											
409.11	Federal Income Taxes				(19,861,339)			4,097,828			(23,959,168)
410.11	Federal Income Taxes - Deferred				70,859,711			0			70,859,711
411.42	Federal Income Tax Credit				(13,456,961)			644,342			(14,101,303)
409.12	Oregon Income Taxes				(1,884,687)			0			(1,884,687)
410.12	Oregon Income Taxes - Deferred				11,051,226			0			11,051,226
411.12	Oregon Income Tax Credit				(1,416,455)			0			(1,416,455)
	Total Income Taxes				45,291,495			4,742,170			40,549,324
	Total Operating Revenue Deductions		518,680,824	170,280,446	734,252,765	49,040,676	18,104,393	71,887,240	469,640,148	152,176,053	662,365,526
	Net Operating Income				97,322,577			10,666,239			86,656,338

May 2011

		System	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			2,230,633,082			231,509,065			1,999,124,017
108.1X	Accumulated Depreciation			(971,612,738)			(90,752,131)			(880,860,607)
117.X	Storage Gas - Cushion			14,037,351			1,365,812			12,671,539
186.XX	Leasehold Improvements			1,803,486			178,112			1,625,375
252.XX	Customer Contributions			(2,111,058)			(160,952)			(1,950,106)
283.XX	Deferred Taxes - Federal			(224,055,128)			(24,206,863)			(199,848,265)
283.XX	Deferred Taxes - State			(44,650,590)			0			(44,650,590)
Total Rate Base				1,004,044,405			117,933,043			886,111,362
Rate Of Return on Rate Base				9.69%			9.04%			9.78%
Allocation References:										
A	Unbilled Revenue			100.00%			-4.80%			104.80%
B	Direct			100.00%			7.96%			92.04%
O&M	See O&M Detail									
C	Payroll Factor			100.00%			10.39%			89.61%
D	Depreciation Factor			100.00%			11.61%			88.39%

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

Month

		<u>System</u>	<u>Washington</u>	<u>Oregon</u>
Natural Gas Storage				
Underground Storage Expense				
Operation				
816	Wells Expense	\$50,116	\$4,946	\$45,169
818	Compressor Station Expense	119,407	11,786	107,622
820	Measuring and Regulator Station Expense	131,397	12,969	118,428
821	Purification Expense	-	-	-
Maintenance				
832	Wells Expense	14,600	1,441	13,159
	Total Underground Storage Expense	315,520	31,142	284,378
Other Storage Expense				
Operation				
840	Supervision and Engineering	7,375	728	6,647
	Total Other Storage Expense	7,375	728	6,647
Liquified Natural Gas Expense				
Operation				
844	Supervision and Engineering	205,726	20,305	185,421
845	LNG Fuel	(13,104)	(1,293)	(11,810)
Maintenance				
847	Supervision and Engineering	33,114	3,268	29,845
	Total Liquified Natural Gas Expense	225,736	22,280	203,456
	Total Natural Gas Storage	548,631	54,150	494,481
Transmission Expense				
Operation				
856	Mains Expense	52,023	4,440	47,584
Maintenance				
863	Maintenance of Mains	5,097	503	4,594
	Total Transmission Expense	57,120	4,943	52,177
Distribution Expense				
Operation				
870	Supervision and Engineering	163,405	13,913	149,492
874	Mains and Services Expense	841,407	58,238	783,169
875	Measuring and Regulator Station Expense - General	11,943	1,116	10,827
877	Measuring and Regulator Station Expense - City Gate	31,196	2,393	28,804
878	Meter and House Regulator Expense	356,739	36,056	320,683
879	Customer Installation Expense	815,466	83,099	732,366
880	Other Expense	126,777	12,073	114,703
881	Rents	34,360	3,391	30,969

		System	Washington	Oregon
Maintenance				
885	Supervision and Engineering	443,566	44,398	399,168
887	Mains	195,655	5,165	190,490
889	Measuring and Regulator Station Expense - General	76,072	6,690	69,382
891	Measuring and Regulator Station Expense - City Gate	2,069	160	1,909
892	Services	86,210	7,614	78,596
893	Meters and House Regulators	170,330	15,260	155,071
894	Other Equipment	1,543	142	1,401
	Total Distribution Expense	<u>3,356,737</u>	<u>289,707</u>	<u>3,067,030</u>

Customer Accounts Expense

	Operation			
901	Supervision	105,661	10,429	95,232
902	Meter Reading Expenses	50,872	5,181	45,691
903	Customer Records and Collection Expense	1,374,615	137,705	1,236,910
904	Uncollectible Accounts	145,576	14,682	130,894
	Total Customer Accounts Expense	<u>1,676,724</u>	<u>167,996</u>	<u>1,508,728</u>

Customer Service and Informational

	Operation			
907	Supervision	22,784	2,376	20,408
908	Customer Assistance Expense	283,704	26,517	257,187
909	Customer Information Expense	121,452	12,661	108,791
910	Miscellaneous Customer Service Expense	20,234	2,110	18,123
	Total Customer Service and Informational	<u>448,174</u>	<u>43,665</u>	<u>404,509</u>

Sales Expense

	Operation			
911	Supervision	25,495	2,637	22,858
912	Demonstration and Selling Expense	194,745	19,754	174,992
913	Advertising	110,050	9,468	100,582
916	Miscellaneous Sales Expense	-	-	-
	Total Sales Expense	<u>330,291</u>	<u>31,858</u>	<u>298,432</u>

Administrative and General Expense

	Operation			
921	Office Supplies and Expense	3,066,525	313,275	2,753,250
922	Administrative Expenses Transferred - Credit	(1,288,227)	(135,221)	(1,153,007)
924	Property Insurance Premium	196,963	19,440	177,522
925	Injuries and Damages	113,789	11,231	102,558
926	Employee Pensions and Benefits	233,934	25,328	208,605
928	Regulatory Commission Expense			
930	Miscellaneous General Expense	228,301	22,533	205,767
931	Rents	350,346	43,525	306,821

Maintenance

935	Maintenance of General Plant	396,025	34,089	361,936
	Total Administrative and General Expense	<u>3,297,654</u>	<u>334,200</u>	<u>2,963,454</u>
	Total Operations and Maintenance Expense	<u>\$9,715,331</u>	<u>\$926,519</u>	<u>\$8,788,812</u>

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

FERC Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	May	May	May	May	May	May	May	May	May	
	0.00	50,115.66	50,115.66	0.00	4,946.42	4,946.42	0.00	45,169.24	45,169.24	Firm Volumes Total
816 Wells Expense Total	0.00	50,115.66	50,115.66	0.00	4,946.42	4,946.42	0.00	45,169.24	45,169.24	Firm Volumes Total
	0.00	119,407.36	119,407.36	0.00	11,785.51	11,785.51	0.00	107,621.85	107,621.85	Firm Volumes Total
818 Compressor Station Expense Total	0.00	119,407.36	119,407.36	0.00	11,785.51	11,785.51	0.00	107,621.85	107,621.85	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	3,305.29	3,305.29	0.00	326.23	326.23	0.00	2,979.06	2,979.06	3-factor Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	direct-wa Total
820 Measuring and Regulator Station Expense Total	0.00	128,091.96	128,091.96	0.00	12,642.68	12,642.68	0.00	115,449.28	115,449.28	Firm Volumes Total
	0.00	131,397.25	131,397.25	0.00	12,968.91	12,968.91	0.00	118,428.34	118,428.34	Firm Volumes Total
821 Purification Expense 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	Firm Volumes Total
832 Wells Expense Total	0.00	14,599.60	14,599.60	0.00	1,440.98	1,440.98	0.00	13,158.62	13,158.62	Firm Volumes Total
	0.00	14,599.60	14,599.60	0.00	1,440.98	1,440.98	0.00	13,158.62	13,158.62	Firm Volumes Total
840 Supervision and Engineering Total	0.00	7,374.72	7,374.72	0.00	727.89	727.89	0.00	6,646.83	6,646.83	Firm Volumes Total
	0.00	7,374.72	7,374.72	0.00	727.89	727.89	0.00	6,646.83	6,646.83	Firm Volumes Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3-factor Total
844 Supervision and Engineering Total	0.00	205,726.21	205,726.21	0.00	20,305.19	20,305.19	0.00	185,421.02	185,421.02	Firm Volumes Total
	0.00	205,726.21	205,726.21	0.00	20,305.19	20,305.19	0.00	185,421.02	185,421.02	Firm Volumes Total
	0.00	(13,103.78)	(13,103.78)	0.00	(1,293.34)	(1,293.34)	0.00	(11,810.44)	(11,810.44)	Firm Volumes Total
845 LNG Fuel Total	0.00	(13,103.78)	(13,103.78)	0.00	(1,293.34)	(1,293.34)	0.00	(11,810.44)	(11,810.44)	Firm Volumes Total
	0.00	33,113.81	33,113.81	0.00	3,268.33	3,268.33	0.00	29,845.48	29,845.48	Firm Volumes Total
847 Supervision and Engineering Total	0.00	33,113.81	33,113.81	0.00	3,268.33	3,268.33	0.00	29,845.48	29,845.48	Firm Volumes Total
	0.00	27,726.29	27,726.29	0.00	2,736.59	2,736.59	0.00	24,989.70	24,989.70	3-factor Total
	22,593.90	0.00	22,593.90	0.00	0.00	0.00	22,593.90	0.00	0.00	Direct-OR Total
	1,702.92	0.00	1,702.92	1,702.92	0.00	1,702.92	0.00	0.00	0.00	Direct-WA Total
856 Mains Expense Total	24,296.82	27,726.29	52,023.11	1,702.92	2,736.59	4,439.51	22,593.90	24,989.70	47,583.60	3-factor Total
	0.00	5,096.75	5,096.75	0.00	503.05	503.05	0.00	4,593.70	4,593.70	3-factor Total
863 Maintenance of Mains Total	0.00	5,096.75	5,096.75	0.00	503.05	503.05	0.00	4,593.70	4,593.70	3-factor Total
	0.00	139.93	139.93	0.00	13.81	13.81	0.00	126.12	126.12	3-factor Total
	0.00	61,740.87	61,740.87	0.00	6,093.82	6,093.82	0.00	55,647.05	55,647.05	Firm Volumes Total
	0.00	1,871.82	1,871.82	0.00	162.10	162.10	0.00	1,709.72	1,709.72	Sales/Sendout Volumes Total
	0.00	99,652.34	99,652.34	0.00	7,643.34	7,643.34	0.00	92,009.00	92,009.00	Sendout Volumes Total
870 Supervision and Engineering Total	0.00	163,404.96	163,404.96	0.00	13,913.07	13,913.07	0.00	149,491.89	149,491.89	3-factor Total
	0.00	141,966.79	141,966.79	0.00	14,012.11	14,012.11	0.00	127,954.68	127,954.68	3-factor Total
	0.00	9,530.19	9,530.19	0.00	1,342.81	1,342.81	0.00	8,187.38	8,187.38	Customers Port/Van 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	30,277.74	30,277.74	0.00	3,106.50	3,106.50	0.00	27,171.24	27,171.24	Customers-All Total
	619,855.95	0.00	619,855.95	0.00	0.00	0.00	619,855.95	0.00	619,855.95	Direct-OR Total
	39,776.19	0.00	39,776.19	39,776.19	0.00	39,776.19	0.00	0.00	0.00	Direct-WA 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	sendout volumes Total
874 Mains and Services Expense Total	659,632.14	181,774.72	841,406.86	39,776.19	18,461.42	58,237.61	619,855.95	163,313.30	783,169.25	3-factor Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	direct-wa Total
	0.00	5,494.60	5,494.60	0.00	421.44	421.44	0.00	5,073.16	5,073.16	Sendout Volumes Total
	0.00	6,448.05	6,448.05	0.00	694.45	694.45	0.00	5,753.60	5,753.60	Telemetry Total
875 Measuring and Regulator Station Expense - General Total	0.00	11,942.65	11,942.65	0.00	1,115.89	1,115.89	0.00	10,826.76	10,826.76	3-factor Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Sendout Volumes Total
877 Measuring and Regulator Station Expense - City Gate Total	0.00	31,196.45	31,196.45	0.00	2,392.77	2,392.77	0.00	28,803.68	28,803.68	3-factor Total
	0.00	31,196.45	31,196.45	0.00	2,392.77	2,392.77	0.00	28,803.68	28,803.68	Sendout Volumes Total
	0.00	2,416.35	2,416.35	0.00	238.50	238.50	0.00	2,177.85	2,177.85	3-factor Total
	0.00	337,470.05	337,470.05	0.00	34,624.43	34,624.43	0.00	302,845.62	302,845.62	Customers-All Total
	0.00	13,809.88	13,809.88	0.00	959.79	959.79	0.00	12,850.09	12,850.09	Customers-Ind Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Res Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Direct-OR Total
	0.00	3,042.47	3,042.47	0.00	233.35	233.35	0.00	2,809.12	2,809.12	Sendout Volumes Total
878 Meter and House Regulator Expense Total	0.00	356,738.75	356,738.75	0.00	36,056.07	36,056.07	0.00	320,682.68	320,682.68	3-factor Total
	0.00	48,103.46	48,103.46	0.00	4,747.81	4,747.81	0.00	43,355.65	43,355.65	Customers-All Total
	0.00	749,462.03	749,462.03	0.00	76,894.81	76,894.81	0.00	672,567.22	672,567.22	Customers-Comm Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Direct-OR Total
	544.79	0.00	544.79	0.00	0.00	0.00	544.79	0.00	544.79	Direct-WA Total
	(478.21)	0.00	(478.21)	(478.21)	0.00	(478.21)	0.00	0.00	0.00	Employee Cost Total
879 Customer Installation Expense Total	0.00	17,833.72	17,833.72	0.00	1,934.96	1,934.96	0.00	15,898.76	15,898.76	Employee Cost Total
	66.58	815,399.21	815,465.79	(478.21)	83,577.58	83,099.37	544.79	731,821.63	732,366.42	

For the Month Ended May 31, 2011

FERC_Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	May	May	May	May	May	May	May	May	May	
	0.00	14,984.15	14,984.15	0.00	1,478.93	1,478.93	0.00	13,505.22	13,505.22	3-factor Total
	0.00	79,214.23	79,214.23	0.00	8,127.38	8,127.38	0.00	71,086.85	71,086.85	Customers-All Total
	412.47	0.00	412.47	0.00	0.00	0.00	412.47	0.00	412.47	Direct-OR Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Employee Cost Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Firm Volumes Total
	0.00	32,165.81	32,165.81	0.00	2,467.12	2,467.12	0.00	29,698.69	29,698.69	Sendout Volumes Total
880 Other Expense Total	412.47	126,364.19	126,776.66	0.00	12,073.43	12,073.43	412.47	114,290.76	114,703.23	
	0.00	34,360.35	34,360.35	0.00	3,391.36	3,391.36	0.00	30,968.99	30,968.99	3-factor Total
881 Rents Total	0.00	34,360.35	34,360.35	0.00	3,391.36	3,391.36	0.00	30,968.99	30,968.99	
	0.00	363,879.45	363,879.45	0.00	35,914.90	35,914.90	0.00	327,964.55	327,964.55	3-factor Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-All Total
	67,115.03	0.00	67,115.03	0.00	0.00	0.00	67,115.03	0.00	67,115.03	Direct-OR Total
	8,143.85	0.00	8,143.85	8,143.85	0.00	8,143.85	0.00	0.00	0.00	Direct-WA Total
	0.00	4,427.60	4,427.60	0.00	339.59	339.59	0.00	4,088.01	4,088.01	Sendout Volumes Total
885 Supervision and Engineering Total	75,258.88	368,307.05	443,565.93	8,143.85	36,254.49	44,398.34	67,115.03	332,052.56	399,167.59	
	0.00	20,926.71	20,926.71	0.00	2,065.46	2,065.46	0.00	18,861.25	18,861.25	3-factor Total
	0.00	2,705.45	2,705.45	0.00	304.90	304.90	0.00	2,400.55	2,400.55	Customers Port/Van 80% Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-All Total
	169,228.47	0.00	169,228.47	0.00	0.00	0.00	169,228.47	0.00	169,228.47	Direct-OR Total
	2,794.15	0.00	2,794.15	2,794.15	0.00	2,794.15	0.00	0.00	0.00	Direct-WA Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	sendout volumes Total
887 Mains Total	172,022.62	23,632.16	195,654.78	2,794.15	2,370.36	5,164.51	169,228.47	21,261.80	190,490.27	
	0.00	4,204.32	4,204.32	0.00	414.97	414.97	0.00	3,789.35	3,789.35	3-factor Total
	0.00	47,269.01	47,269.01	0.00	3,625.52	3,625.52	0.00	43,643.49	43,643.49	Sendout Volumes Total
	0.00	24,598.91	24,598.91	0.00	2,649.30	2,649.30	0.00	21,949.61	21,949.61	Telemetry Total
889 Measuring and Regulator Station Expense - General Total	0.00	76,072.24	76,072.24	0.00	6,689.79	6,689.79	0.00	69,382.45	69,382.45	
	0.00	49.54	49.54	0.00	4.89	4.89	0.00	44.65	44.65	3-factor Total
	0.00	2,019.48	2,019.48	0.00	154.89	154.89	0.00	1,864.59	1,864.59	Sendout Volumes Total
891 Measuring and Regulator Station Expense - City Gate Total	0.00	2,069.02	2,069.02	0.00	159.78	159.78	0.00	1,909.24	1,909.24	
	0.00	44,781.72	44,781.72	0.00	4,419.96	4,419.96	0.00	40,361.76	40,361.76	3-factor Total
	35,005.02	0.00	35,005.02	0.00	0.00	0.00	35,005.02	0.00	35,005.02	Direct-OR Total
	2,925.54	0.00	2,925.54	2,925.54	0.00	2,925.54	0.00	0.00	0.00	Direct-WA Total
	0.00	3,497.65	3,497.65	0.00	268.27	268.27	0.00	3,229.38	3,229.38	Sendout Volumes Total
892 Services Total	37,930.56	48,279.37	86,209.93	2,925.54	4,688.23	7,613.77	35,005.02	43,591.14	78,596.16	
	0.00	3,736.50	3,736.50	0.00	368.79	368.79	0.00	3,367.71	3,367.71	3-factor Total
	0.00	78,925.62	78,925.62	0.00	8,097.77	8,097.77	0.00	70,827.85	70,827.85	Customers-All Total
	0.00	1,307.05	1,307.05	0.00	112.41	112.41	0.00	1,194.64	1,194.64	Customers-Comm Total
	0.00	10,941.06	10,941.06	0.00	760.40	760.40	0.00	10,180.66	10,180.66	Customers-Ind Total
	0.00	16,261.01	16,261.01	0.00	1,696.02	1,696.02	0.00	14,564.99	14,564.99	Customers-Res Total
	4,082.70	0.00	4,082.70	0.00	0.00	0.00	4,082.70	0.00	4,082.70	Direct-OR Total
	0.00	55,076.46	55,076.46	0.00	4,224.37	4,224.37	0.00	50,852.09	50,852.09	Sendout Volumes Total
893 Meters and House Regulators Total	4,082.70	166,247.70	170,330.40	0.00	15,259.76	15,259.76	4,082.70	150,987.94	155,070.64	
	0.00	1,436.12	1,436.12	0.00	141.75	141.75	0.00	1,294.37	1,294.37	3-factor Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-All Total
	106.42	0.00	106.42	0.00	0.00	0.00	106.42	0.00	106.42	Direct-OR Total
894 Other Equipment Total	106.42	1,436.12	1,542.54	0.00	141.75	141.75	106.42	1,294.37	1,400.79	
	0.00	105,661.14	105,661.14	0.00	10,428.75	10,428.75	0.00	95,232.39	95,232.39	3-factor Total
901 Supervision Total	0.00	105,661.14	105,661.14	0.00	10,428.75	10,428.75	0.00	95,232.39	95,232.39	
	0.00	49,704.02	49,704.02	0.00	5,099.63	5,099.63	0.00	44,604.39	44,604.39	Customers-All Total
	0.00	1,168.24	1,168.24	0.00	81.19	81.19	0.00	1,087.05	1,087.05	Customers-Ind Total
902 Meter Reading Expenses Total	0.00	50,872.26	50,872.26	0.00	5,180.82	5,180.82	0.00	45,691.44	45,691.44	
	0.00	774,459.80	774,459.80	0.00	76,439.18	76,439.18	0.00	698,020.62	698,020.62	3-factor Total
	0.00	188,469.33	188,469.33	0.00	19,336.95	19,336.95	0.00	169,132.38	169,132.38	Customers-All Total
	0.00	29,030.09	29,030.09	0.00	2,017.59	2,017.59	0.00	27,012.50	27,012.50	Customers-Ind Total
	0.00	382,655.41	382,655.41	0.00	39,910.96	39,910.96	0.00	342,744.45	342,744.45	Customers-Res Total
903 Customer Records and Collection Expense Total	0.00	1,374,614.63	1,374,614.63	0.00	137,704.68	137,704.68	0.00	1,236,909.95	1,236,909.95	
	0.00	(47,126.00)	(47,126.00)	0.00	(4,835.13)	(4,835.13)	0.00	(42,290.87)	(42,290.87)	Customers-All Total
	0.00	19,164.07	19,164.07	0.00	1,648.11	1,648.11	0.00	17,515.96	17,515.96	Customers-Comm Total
	0.00	6,635.10	6,635.10	0.00	461.14	461.14	0.00	6,173.96	6,173.96	Customers-Ind Total
	0.00	166,903.20	166,903.20	0.00	17,408.00	17,408.00	0.00	149,495.20	149,495.20	Customers-Res Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Direct-OR Total
904 Uncollectible Accounts Total	0.00	145,576.37	145,576.37	0.00	14,682.12	14,682.12	0.00	130,894.25	130,894.25	
	0.00	22,784.19	22,784.19	0.00	2,376.39	2,376.39	0.00	20,407.80	20,407.80	Customers-Res Total
907 Supervision Total	0.00	22,784.19	22,784.19	0.00	2,376.39	2,376.39	0.00	20,407.80	20,407.80	
	0.00	27,012.08	27,012.08	0.00	2,666.09	2,666.09	0.00	24,345.99	24,345.99	3-factor Total
	0.00	168,243.76	168,243.76	0.00	17,261.80	17,261.80	0.00	150,981.96	150,981.96	Customers-All Total
	0.00	26,346.08	26,346.08	0.00	2,265.76	2,265.76	0.00	24,080.32	24,080.32	Customers-Comm Total
	0.00	66,325.03	66,325.03	0.00	4,609.59	4,609.59	0.00	61,715.44	61,715.44	Customers-Ind Total
	0.00	(2,745.24)	(2,745.24)	0.00	(286.33)	(286.33)	0.00	(2,458.91)	(2,458.91)	Customers-Res Total
	(1,477.94)	0.00	(1,477.94)	0.00	0.00	0.00	(1,477.94)	0.00	(1,477.94)	Direct-OR 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	(1,477.94)	285,181.71	283,703.77	0.00	26,516.91	26,516.91	(1,477.94)	258,664.80	257,186.86	

For the Month Ended May 31, 2011

FERC Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	May	May	May	May	May	May	May	May	May	
	0.00	1,110.69	1,110.69	0.00	109.63	109.63	0.00	1,001.06	1,001.06	3-factor Total
	0.00	9.00	9.00	0.00	0.77	0.77	0.00	8.23	8.23	Customers-Comm Total
	0.00	120,332.25	120,332.25	0.00	12,550.66	12,550.66	0.00	107,781.59	107,781.59	Customers-Res Total
909 Customer Information Expense Total	0.00	121,451.94	121,451.94	0.00	12,661.06	12,661.06	0.00	108,790.88	108,790.88	
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-All Total
	0.00	20,233.78	20,233.78	0.00	2,110.38	2,110.38	0.00	18,123.40	18,123.40	Customers-Res Total
910 Miscellaneous Customer Service Expense Total	0.00	20,233.78	20,233.78	0.00	2,110.38	2,110.38	0.00	18,123.40	18,123.40	
	0.00	13,226.69	13,226.69	0.00	1,357.06	1,357.06	0.00	11,869.63	11,869.63	Customers-All Total
	0.00	12,268.45	12,268.45	0.00	1,279.60	1,279.60	0.00	10,988.85	10,988.85	Customers-Res Total
911 Supervision Total	0.00	25,495.14	25,495.14	0.00	2,636.66	2,636.66	0.00	22,858.48	22,858.48	
	0.00	4,766.58	4,766.58	0.00	470.46	470.46	0.00	4,296.12	4,296.12	3-factor Total
	0.00	179,110.69	179,110.69	0.00	18,376.76	18,376.76	0.00	160,733.93	160,733.93	Customers-All Total
	0.00	10,147.34	10,147.34	0.00	872.68	872.68	0.00	9,274.66	9,274.66	Customers-Comm Total
	0.00	362.17	362.17	0.00	25.17	25.17	0.00	337.00	337.00	Customers-Ind Total
	0.00	82.44	82.44	0.00	8.60	8.60	0.00	73.84	73.84	Customers-Res Total
	275.95	0.00	275.95	0.00	0.00	0.00	275.95	0.00	275.95	Direct-OR Total
912 Demonstration and Selling Expense Total	275.95	194,469.22	194,745.17	0.00	19,753.67	19,753.67	275.95	174,715.55	174,991.50	
	0.00	109,850.00	109,850.00	0.00	9,447.10	9,447.10	0.00	100,402.90	100,402.90	Customers-Comm Total
	0.00	200.40	200.40	0.00	20.90	20.90	0.00	179.50	179.50	Customers-Res Total
913 Advertising Total	0.00	110,050.40	110,050.40	0.00	9,468.00	9,468.00	0.00	100,582.40	100,582.40	
	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	
	0.00	2,810,441.41	2,810,441.41	0.00	277,390.54	277,390.54	0.00	2,533,050.87	2,533,050.87	3-factor Total
	0.00	2,726.34	2,726.34	0.00	281.63	281.63	0.00	2,444.71	2,444.71	Admin Tran Total
	0.00	7,597.70	7,597.70	0.00	779.53	779.53	0.00	6,818.17	6,818.17	Customers-All Total
	0.00	9,483.53	9,483.53	0.00	989.13	989.13	0.00	8,494.40	8,494.40	Customers-Res Total
	100,271.23	0.00	100,271.23	0.00	0.00	0.00	100,271.23	0.00	100,271.23	Direct-OR Total
	618.14	0.00	618.14	618.14	0.00	618.14	0.00	0.00	0.00	Direct-WA Total
	0.00	24,240.40	24,240.40	0.00	2,630.09	2,630.09	0.00	21,610.31	21,610.31	Employee Cost Total
	0.00	5,497.26	5,497.26	0.00	542.58	542.58	0.00	4,954.68	4,954.68	Firm Volumes Total
	0.00	98,252.16	98,252.16	0.00	29,475.65	29,475.65	0.00	68,776.51	68,776.51	regulatory Total
	0.00	7,396.44	7,396.44	0.00	567.30	567.30	0.00	6,829.14	6,829.14	Sendout Volumes Total
921 Office Supplies and Expense Total	100,889.37	2,965,635.24	3,066,524.61	618.14	312,656.45	313,274.59	100,271.23	2,652,978.79	2,753,250.02	
	0.00	(875,367.24)	(875,367.24)	0.00	(90,425.44)	(90,425.44)	0.00	(784,941.80)	(784,941.80)	Admin Tran Total
	0.00	(412,860.05)	(412,860.05)	0.00	(44,795.32)	(44,795.32)	0.00	(368,064.73)	(368,064.73)	Employee Cost Total
922 Administrative Expenses Transferred - Credit Total	0.00	(1,288,227.29)	(1,288,227.29)	0.00	(135,220.76)	(135,220.76)	0.00	(1,153,006.53)	(1,153,006.53)	
	0.00	196,962.56	196,962.56	0.00	19,440.20	19,440.20	0.00	177,522.36	177,522.36	3-factor Total
924 Property Insurance Premium Total	0.00	196,962.56	196,962.56	0.00	19,440.20	19,440.20	0.00	177,522.36	177,522.36	
	0.00	113,789.27	113,789.27	0.00	11,230.99	11,230.99	0.00	102,558.28	102,558.28	3-factor Total
925 Injuries and Damages Total	0.00	113,789.27	113,789.27	0.00	11,230.99	11,230.99	0.00	102,558.28	102,558.28	
	0.00	20.00	20.00	0.00	1.97	1.97	0.00	18.03	18.03	3-factor Total
	492.00	0.00	492.00	0.00	0.00	0.00	492.00	0.00	492.00	Direct-OR Total
	0.00	233,421.51	233,421.51	0.00	25,326.25	25,326.25	0.00	208,095.26	208,095.26	Employee Cost Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Payroll Total
926 Employee Pensions and Benefits Total	492.00	233,441.51	233,933.51	0.00	25,328.22	25,328.22	492.00	208,113.29	208,605.29	
	0.00	228,300.70	228,300.70	0.00	22,533.28	22,533.28	0.00	205,767.42	205,767.42	3-factor Total
930 Miscellaneous General Expense Total	0.00	228,300.70	228,300.70	0.00	22,533.28	22,533.28	0.00	205,767.42	205,767.42	
	0.00	334,142.40	334,142.40	0.00	32,979.85	32,979.85	0.00	301,162.55	301,162.55	3-factor Total
	0.00	1,860.00	1,860.00	0.00	190.84	190.84	0.00	1,669.16	1,669.16	Customers-All Total
	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
	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	336,002.40	350,345.64	10,354.06	33,170.69	43,524.75	3,989.18	302,831.71	306,820.89	
	0.00	278,552.76	278,552.76	0.00	27,493.18	27,493.18	0.00	251,059.58	251,059.58	3-factor Total
	0.00	9,688.68	9,688.68	0.00	994.06	994.06	0.00	8,694.62	8,694.62	Customers-All Total
	0.00	2,435.09	2,435.09	0.00	621.19	621.19	0.00	1,813.90	1,813.90	Customers-The Dalles Total
	82,934.69	0.00	82,934.69	0.00	0.00	0.00	82,934.69	0.00	82,934.69	Direct-OR Total
	2,862.26	0.00	2,862.26	2,862.26	0.00	2,862.26	0.00	0.00	0.00	Direct-WA Total
	0.00	19,237.34	19,237.34	0.00	2,087.26	2,087.26	0.00	17,150.08	17,150.08	Employee Cost Total
	0.00	314.56	314.56	0.00	31.05	31.05	0.00	283.51	283.51	Firm Volumes Total
935 Maintenance of General Plant Total	85,796.95	310,228.43	396,025.38	2,862.26	31,226.74	34,089.00	82,934.69	279,001.69	361,936.38	
Grand Total	1,174,128.76	8,541,202.42	9,715,331.18	68,698.90	857,820.53	926,519.43	1,105,429.86	7,683,381.89	8,788,811.75	

**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
		4,946,327			512,990			4,433,337
		975,807,240			113,696,108			862,111,132
		0.51%			0.45%			0.51%

NW Natural
Washington Quarterly Results of Operations Report

May 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		38,075,849		38,075,849	4,252,873		4,252,873	33,822,976		33,822,976
481.1	Commercial		19,199,964		19,199,964	1,788,804		1,788,804	17,411,160		17,411,160
481.2	Industrial Firm		2,473,050		2,473,050	202,969		202,969	2,270,082		2,270,082
481.3	Interruptible		2,951,280		2,951,280	344,270		344,270	2,607,010		2,607,010
481.5	Interruptible Incentive		0		0	0		0	0		0
495.20	Unbilled Revenue	A		(9,939,242)	(9,939,242)		(1,373,721)	(1,373,721)		(8,565,521)	(8,565,521)
	Total Sales of Gas		62,700,143	(9,939,242)	52,760,900	6,588,916	(1,373,721)	5,215,195	56,111,227	(8,565,521)	47,545,705
Transportation Revenue											
489.12	Industrial Firm		548,523		548,523	57,265		57,265	491,258		491,258
489.13	Interruptible		761,628		761,628	51,195		51,195	710,433		710,433
489.15	Interruptible Incentive		0		0	0		0	0		0
489.3	Agency Fee/Balancing		0		0	0		0	0		0
	Total Transportation Revenue		1,310,151	0	1,310,151	108,461	0	108,461	1,201,691	0	1,201,691
495.6	Rate Adjustments - Amortizations		(672,663)		(672,663)	(142,345)		(142,345)	(530,317)		(530,317)
Miscellaneous Revenues											
487	Late Payment Charge		289,704		289,704	14,872		14,872	274,832		274,832
488.1	Returned Check Charge		13,365		13,365	1,830		1,830	11,535		11,535
488.3	Recon Charge CR During Office Hours		24,750		24,750	1,775		1,775	22,975		22,975
488.4	Field Collection Charge		43,020		43,020	5,535		5,535	37,485		37,485
488.5	Recon Charge CR After Office Hours		49,525		49,525	6,300		6,300	43,225		43,225
488.6	Recon Charge Seas During Office Hours		775		775	75		75	700		700
488.7	Recon Charge Seas After Office Hours		925		925	100		100	825		825
488.8	Automated Payment Charge		13,305		13,305	1,798		1,798	11,508		11,508
493.2	Rent - Utility Property	B		116,479	116,479		11,649	11,649		104,830	104,830
495.1	Meter Rentals		17,944		17,944	1,869		1,869	16,075		16,075
495.2	Other Gas Revenue - Miscellaneous		2,259		2,259	100		100	2,159		2,159
	Total Miscellaneous Revenues		455,572	116,479	572,051	34,254	11,649	45,903	421,318	104,830	526,148
	Total Operating Revenue		63,793,204	(9,822,763)	53,970,440	6,589,285	(1,362,072)	5,227,214	57,203,918	(8,460,692)	48,743,227
Cost of Gas											
804.7	WACOG Incurred		24,071,927		24,071,927	2,350,603		2,350,603	21,721,324		21,721,324
805.7	WACOG Deferred		960,878		960,878	99,328		99,328	861,550		861,550
804.6	Demand Incurred		7,650,307		7,650,307	710,693		710,693	6,939,614		6,939,614
805.8	Demand Deferred		(2,067,001)		(2,067,001)	(208,094)		(208,094)	(1,858,907)		(1,858,907)
805.4	Amortization of Gas Costs		(1,614,779)		(1,614,779)	(351,885)		(351,885)	(1,262,894)		(1,262,894)
	Total Cost of Gas		29,001,332	0	29,001,332	2,600,645	0	2,600,645	26,400,687	0	26,400,687
Detail	Operations & Maintenance	O&M	1,174,129	8,541,202	9,715,331	68,699	857,820	926,519	1,105,430	7,683,382	8,788,812
Other Taxes											
408.11	Property		1,678,590		1,678,590	119,225		119,225	1,559,365		1,559,365
408.12	Franchise		1,319,307		1,319,307	262,696		262,696	1,056,611		1,056,611
408.13	Payroll	C		412,860	412,860		43,763	43,763		369,097	369,097
408.14	Other		96,863		96,863	738		738	96,125		96,125
408.15	Regulatory		0		0	0		0	0		0
	Total Other Taxes		3,094,760	412,860	3,507,620	382,659	43,763	426,422	2,712,101	369,097	3,081,198
403.1	Depreciation	D		5,340,540	5,340,540		565,296	565,296		4,775,244	4,775,244
Income Taxes											
409.11	Federal Income Taxes				183,666			139,744			43,922
410.11	Federal Income Taxes - Deferred				1,204,519			0			1,204,519
411.42	Federal Income Tax Credit				(189,642)			55,598			(245,240)
409.12	Oregon Income Taxes				8,333			0			8,333
410.12	Oregon Income Taxes - Deferred				601,099			0			601,099
411.12	Oregon Income Tax Credit				(348,685)			0			(348,685)
	Total Income Taxes				1,459,290			195,342			1,263,948
	Total Operating Revenue Deductions		33,270,220	14,294,603	49,024,113	3,052,003	1,466,879	4,714,224	30,218,218	12,827,723	44,309,889
	Net Operating Income				4,946,327			512,990			4,433,337

May 2011

	System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
Rate Base									
101 Gross Plant			2,257,538,020			233,337,311			2,024,200,708
108.1X Accumulated Depreciation			(994,574,587)			(94,031,023)			(900,543,565)
117.X Storage Gas - Cushion			14,048,595			1,386,596			12,661,998
186.XX Leasehold Improvements			1,709,351			168,713			1,540,638
252.XX Customer Contributions			(2,014,850)			(148,896)			(1,865,954)
283.XX Deferred Taxes - Federal			(251,075,039)			(27,016,594)			(224,058,445)
283.XX Deferred Taxes - State			(49,824,249)			0			(49,824,249)
Total Rate Base			975,807,240			113,696,108			862,111,132
Rate Of Return on Rate Base			0.51%			0.45%			0.51%
<u>Allocation References:</u>									
A Unbilled Revenue			100.00%			13.82%			86.18%
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%

2nd Quarter 2011 Results of Operations: June Detail

**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
		97,421,693			10,645,327			86,776,366
		1,001,278,054			117,430,359			883,847,695
		9.73%			9.07%			9.82%

**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		489,433,728	0	489,433,728	54,062,138	0	54,062,138	435,371,590	0	435,371,590
481.1	Commercial		244,641,762	0	244,641,762	22,276,787	0	22,276,787	222,364,975	0	222,364,975
481.2	Industrial Firm		30,919,319	0	30,919,319	2,644,882	0	2,644,882	28,274,438	0	28,274,438
481.3	Interruptible		18,510,092	0	18,510,092	3,255,486	0	3,255,486	15,254,606	0	15,254,606
481.5	Interruptible Incentive		17,586,932	0	17,586,932	0	0	0	17,586,932	0	17,586,932
495.20	Unbilled Revenue	A	0	(1,979,975)	(1,979,975)	0	(214,125)	(214,125)	0	(1,765,850)	(1,765,850)
	Total Sales of Gas		801,091,833	(1,979,975)	799,111,858	82,239,292	(214,125)	82,025,167	718,852,541	(1,765,850)	717,086,691
Transportation Revenue											
489.12	Industrial Firm		6,494,231	0	6,494,231	680,766	0	680,766	5,813,464	0	5,813,464
489.13	Interruptible		8,819,405	0	8,819,405	619,836	0	619,836	8,199,569	0	8,199,569
489.15	Interruptible Incentive		42	0	42	0	0	0	42	0	42
489.3	Agency Fee/Balancing		52	0	52	0	0	0	52	0	52
	Total Transportation Revenue		15,313,730	0	15,313,730	1,300,602	0	1,300,602	14,013,128	0	14,013,128
495.6	Rate Adjustments - Amortizations		9,434,528	0	9,434,528	(1,550,189)	0	(1,550,189)	10,984,717	0	10,984,717
Miscellaneous Revenues											
487	Late Payment Charge		2,708,985	0	2,708,985	138,369	0	138,369	2,570,616	0	2,570,616
488.1	Returned Check Charge		233,179	0	233,179	15,045	0	15,045	218,134	0	218,134
488.3	Recon Charge CR During Office Hours		239,444	0	239,444	19,325	0	19,325	220,119	0	220,119
488.4	Field Collection Charge		350,205	0	350,205	45,900	0	45,900	304,305	0	304,305
488.5	Recon Charge CR After Office Hours		445,825	0	445,825	51,500	0	51,500	394,325	0	394,325
488.6	Recon Charge Seas During Office Hours		17,625	0	17,625	1,725	0	1,725	15,900	0	15,900
488.7	Recon Charge Seas After Office Hours		8,800	0	8,800	1,575	0	1,575	7,225	0	7,225
488.8	Automated Payment Charge		129,725	0	129,725	17,663	0	17,663	112,063	0	112,063
493.2	Rent - Utility Property	B	0	293,861	293,861	0	20,678	20,678	0	273,183	273,183
495.1	Meter Rentals		210,821	0	210,821	22,975	0	22,975	187,846	0	187,846
495.2	Other Gas Revenue - Miscellaneous		153,173	0	153,173	1,275	0	1,275	151,898	0	151,898
	Total Miscellaneous Revenues		4,497,782	293,861	4,791,643	315,351	20,678	336,029	4,182,431	273,183	4,455,614
	Total Operating Revenue		830,337,873	(1,686,114)	828,651,760	82,305,057	(193,447)	82,111,610	748,032,816	(1,492,667)	746,540,149
Cost of Gas											
804.7	WACOG Incurred		376,562,960	0	376,562,960	36,890,089	0	36,890,089	339,672,871	0	339,672,871
805.7	WACOG Deferred		18,654,827	0	18,654,827	2,378,656	0	2,378,656	16,276,171	0	16,276,171
804.6	Demand Incurred		93,061,315	0	93,061,315	8,625,430	0	8,625,430	84,435,884	0	84,435,884
805.8	Demand Deferred		(3,598,906)	0	(3,598,906)	(216,896)	0	(216,896)	(3,382,010)	0	(3,382,010)
805.4	Amortization of Gas Costs		(24,361,739)	0	(24,361,739)	(4,519,020)	0	(4,519,020)	(19,842,719)	0	(19,842,719)
	Total Cost of Gas		460,318,457	0	460,318,457	43,158,259	0	43,158,259	417,160,198	0	417,160,198
Detail	Operations & Maintenance	O&M	13,043,011	101,041,151	114,084,163	685,258	10,137,114	10,822,372	12,357,754	90,904,037	103,261,791
Other Taxes											
408.11	Property		20,202,693	0	20,202,693	1,487,015	0	1,487,015	18,715,678	0	18,715,678
408.12	Franchise		20,876,038	0	20,876,038	3,316,502	0	3,316,502	17,559,536	0	17,559,536
408.13	Payroll	C	0	5,141,438	5,141,438	0	535,591	535,591	0	4,605,847	4,605,847
408.14	Other		(312,488)	0	(312,488)	8,589	0	8,589	(321,077)	0	(321,077)
408.15	Regulatory		1,938,755	0	1,938,755	151,060	0	151,060	1,787,695	0	1,787,695
	Total Other Taxes		42,704,998	5,141,438	47,846,436	4,963,166	535,591	5,498,756	37,741,832	4,605,847	42,347,679
403.1	Depreciation	D	0	63,265,194	63,265,194	0	7,253,428	7,253,428	0	56,011,767	56,011,767
Income Taxes											
409.11	Federal Income Taxes				(14,455,408)			4,085,864			(18,541,272)
410.11	Federal Income Taxes - Deferred				65,601,119			0			65,601,119
411.42	Federal Income Tax Credit				(13,271,346)			647,604			(13,918,950)
409.12	Oregon Income Taxes				(557,177)			0			(557,177)
410.12	Oregon Income Taxes - Deferred				10,217,045			0			10,217,045
411.12	Oregon Income Tax Credit				(1,818,416)			0			(1,818,416)
	Total Income Taxes				45,715,817			4,733,468			40,982,349
	Total Operating Revenue Deductions		516,066,466	169,447,783	731,230,066	48,806,683	17,926,132	71,466,283	467,259,784	151,521,651	659,763,783
	Net Operating Income				97,421,693			10,645,327			86,776,366

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
		2,235,862,835			231,894,702			2,003,968,133
		(975,177,858)			(91,246,330)			(883,931,528)
		14,036,478			1,368,542			12,667,936
		1,785,625			176,333			1,609,292
		(2,108,152)			(158,745)			(1,949,408)
		(227,873,065)			(24,604,142)			(203,268,923)
		(45,247,807)			0			(45,247,807)
		1,001,278,054			117,430,359			883,847,695
		9.73%			9.07%			9.82%
		100.00%			10.81%			89.19%
		100.00%			7.04%			92.96%
		100.00%			10.42%			89.58%
		100.00%			11.47%			88.53%

NW Natural
Washington Quarterly Results of Operations Report
Operations and Maintenance Expense: Allocation of System Amounts
For the Month Ended June 30, 2011

Month

		<u>System</u>	<u>Washington</u>	<u>Oregon</u>
Natural Gas Storage				
Underground Storage Expense				
Operation				
816	Wells Expense	\$52,173	\$5,149	\$47,023
818	Compressor Station Expense	24,945	2,462	22,483
820	Measuring and Regulator Station Expense	103,760	10,241	93,519
821	Purification Expense	882	87	795
Maintenance				
832	Wells Expense	14,600	1,441	13,159
	Total Underground Storage Expense	196,359	19,381	176,978
Other Storage Expense				
Operation				
840	Supervision and Engineering	11,196	1,105	10,091
	Total Other Storage Expense	11,196	1,105	10,091
Liquified Natural Gas Expense				
Operation				
844	Supervision and Engineering	157,587	15,554	142,033
845	LNG Fuel	-	-	-
Maintenance				
847	Supervision and Engineering	33,048	3,262	29,786
	Total Liquified Natural Gas Expense	190,634	18,816	171,819
	Total Natural Gas Storage	398,189	39,301	358,888
Transmission Expense				
Operation				
856	Mains Expense	56,962	4,336	52,625
Maintenance				
863	Maintenance of Mains	7,062	697	6,365
	Total Transmission Expense	64,023	5,033	58,990
Distribution Expense				
Operation				
870	Supervision and Engineering	162,897	13,821	149,076
874	Mains and Services Expense	735,797	47,472	688,324
875	Measuring and Regulator Station Expense - General	13,299	1,214	12,085
877	Measuring and Regulator Station Expense - City Gate	38,210	2,942	35,269
878	Meter and House Regulator Expense	358,540	36,284	322,255
879	Customer Installation Expense	604,684	61,886	542,798
880	Other Expense	102,708	10,212	92,496
881	Rents	10,758	1,062	9,696

	System	Washington	Oregon
Maintenance			
885 Supervision and Engineering	447,394	31,759	415,634
887 Mains	254,460	34,684	219,775
889 Measuring and Regulator Station Expense - General	59,359	5,134	54,226
891 Measuring and Regulator Station Expense - City Gate	4,936	380	4,556
892 Services	97,157	14,741	82,415
893 Meters and House Regulators	192,085	17,458	174,627
894 Other Equipment	1,809	146	1,664
Total Distribution Expense	3,084,092	279,194	2,804,897
Customer Accounts Expense			
Operation			
901 Supervision	120,398	11,883	108,515
902 Meter Reading Expenses	54,017	5,465	48,553
903 Customer Records and Collection Expense	1,269,224	126,801	1,142,423
904 Uncollectible Accounts	(182,650)	(18,859)	(163,791)
Total Customer Accounts Expense	1,260,989	125,290	1,135,700
Customer Service and Informational			
Operation			
907 Supervision	23,743	2,476	21,267
908 Customer Assistance Expense	324,603	30,731	293,872
909 Customer Information Expense	158,669	16,549	142,120
910 Miscellaneous Customer Service Expense	15,499	1,617	13,883
Total Customer Service and Informational	522,515	51,373	471,141
Sales Expense			
Operation			
911 Supervision	26,889	2,781	24,109
912 Demonstration and Selling Expense	220,448	22,431	198,017
913 Advertising	51,274	4,445	46,830
916 Miscellaneous Sales Expense	19	2	17
Total Sales Expense	298,631	29,658	268,973
Administrative and General Expense			
Operation			
921 Office Supplies and Expense	2,656,168	267,156	2,389,011
922 Administrative Expenses Transferred - Credit	(1,337,969)	(140,013)	(1,197,955)
924 Property Insurance Premium	195,387	19,285	176,102
925 Injuries and Damages	64,257	6,342	57,915
926 Employee Pensions and Benefits	690,956	74,507	616,449
928 Regulatory Commission Expense			
930 Miscellaneous General Expense	143,087	14,123	128,964
931 Rents	354,993	48,172	306,821
Maintenance			
935 Maintenance of General Plant	397,535	30,572	366,964
Total Administrative and General Expense	3,164,413	320,143	2,844,271
Total Operations and Maintenance Expense	\$8,792,852	\$849,993	\$7,942,860

NW Natural
Rates & Regulatory Affairs
Operations and Maintenance Expense
State Allocation of System Amounts
For the Month Ended June 30, 2011

FERC Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	Jun	Jun	Jun	Jun	Jun	Jun	Jun	Jun	Jun	
	0.00	52,172.92	52,172.92	0.00	5,149.47	5,149.47	0.00	47,023.45	47,023.45	Firm Volumes Total
816 Wells Expense Total	0.00	52,172.92	52,172.92	0.00	5,149.47	5,149.47	0.00	47,023.45	47,023.45	Firm Volumes Total
	0.00	24,944.69	24,944.69	0.00	2,462.04	2,462.04	0.00	22,482.65	22,482.65	Firm Volumes Total
818 Compressor Station Expense Total	0.00	24,944.69	24,944.69	0.00	2,462.04	2,462.04	0.00	22,482.65	22,482.65	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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3-factor Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	direct-wa Total
	0.00	103,760.08	103,760.08	0.00	10,241.12	10,241.12	0.00	93,518.96	93,518.96	Firm Volumes Total
820 Measuring and Regulator Station Expense Total	0.00	103,760.08	103,760.08	0.00	10,241.12	10,241.12	0.00	93,518.96	93,518.96	Firm Volumes Total
	0.00	881.72	881.72	0.00	87.03	87.03	0.00	794.69	794.69	Firm Volumes Total
821 Purification Expense Total	0.00	881.72	881.72	0.00	87.03	87.03	0.00	794.69	794.69	Firm Volumes Total
	0.00	14,599.60	14,599.60	0.00	1,440.98	1,440.98	0.00	13,158.62	13,158.62	Firm Volumes Total
832 Wells Expense Total	0.00	14,599.60	14,599.60	0.00	1,440.98	1,440.98	0.00	13,158.62	13,158.62	Firm Volumes Total
	0.00	11,195.55	11,195.55	0.00	1,105.00	1,105.00	0.00	10,090.55	10,090.55	Firm Volumes Total
840 Supervision and Engineering Total	0.00	11,195.55	11,195.55	0.00	1,105.00	1,105.00	0.00	10,090.55	10,090.55	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	157,586.62	157,586.62	0.00	15,553.80	15,553.80	0.00	142,032.82	142,032.82	Firm Volumes Total
844 Supervision and Engineering Total	0.00	157,586.62	157,586.62	0.00	15,553.80	15,553.80	0.00	142,032.82	142,032.82	Firm Volumes Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Firm Volumes Total
845 LNG Fuel Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Firm Volumes Total
	0.00	33,047.85	33,047.85	0.00	3,261.82	3,261.82	0.00	29,786.03	29,786.03	Firm Volumes Total
847 Supervision and Engineering Total	0.00	33,047.85	33,047.85	0.00	3,261.82	3,261.82	0.00	29,786.03	29,786.03	Firm Volumes Total
	0.00	43,934.66	43,934.66	0.00	4,336.35	4,336.35	0.00	39,598.31	39,598.31	3-factor Total
	13,027.12	0.00	13,027.12	0.00	0.00	0.00	13,027.12	0.00	13,027.12	Direct-OR Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Direct-WA Total
856 Mains Expense Total	13,027.12	43,934.66	56,961.78	0.00	4,336.35	4,336.35	13,027.12	39,598.31	52,625.43	3-factor Total
	0.00	7,061.65	7,061.65	0.00	696.99	696.99	0.00	6,364.66	6,364.66	Firm Volumes Total
863 Maintenance of Mains Total	0.00	7,061.65	7,061.65	0.00	696.99	696.99	0.00	6,364.66	6,364.66	Firm Volumes Total
	0.00	26.45	26.45	0.00	2.61	2.61	0.00	23.84	23.84	3-factor Total
	0.00	59,926.73	59,926.73	0.00	5,914.77	5,914.77	0.00	54,011.96	54,011.96	Firm Volumes Total
	0.00	776.55	776.55	0.00	67.25	67.25	0.00	709.30	709.30	Sales/Sendout Volumes Total
	0.00	102,167.55	102,167.55	0.00	7,836.25	7,836.25	0.00	94,331.30	94,331.30	Sendout Volumes Total
870 Supervision and Engineering Total	0.00	162,897.28	162,897.28	0.00	13,820.88	13,820.88	0.00	149,076.40	149,076.40	Firm Volumes Total
	0.00	74,197.65	74,197.65	0.00	7,323.31	7,323.31	0.00	66,874.34	66,874.34	3-factor Total
	0.00	10,939.23	10,939.23	0.00	1,541.34	1,541.34	0.00	9,397.89	9,397.89	Customers Port/Van 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	29,980.39	29,980.39	0.00	3,075.99	3,075.99	0.00	26,904.40	26,904.40	Customers-All Total
	585,147.84	0.00	585,147.84	0.00	0.00	0.00	585,147.84	0.00	585,147.84	Direct-OR Total
	35,531.60	0.00	35,531.60	35,531.60	0.00	35,531.60	0.00	0.00	0.00	Direct-WA 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	sendout volumes Total
874 Mains and Services Expense Total	620,679.44	115,117.27	735,796.71	35,531.60	11,940.64	47,472.24	585,147.84	103,176.63	688,324.47	direct-wa Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Sendout Volumes Total
	0.00	7,045.40	7,045.40	0.00	540.38	540.38	0.00	6,505.02	6,505.02	Telemetry Total
	0.00	6,253.39	6,253.39	0.00	673.49	673.49	0.00	5,579.90	5,579.90	Firm Volumes Total
875 Measuring and Regulator Station Expense - General Total	0.00	13,298.79	13,298.79	0.00	1,213.87	1,213.87	0.00	12,084.92	12,084.92	Firm Volumes Total
	0.00	493.16	493.16	0.00	48.67	48.67	0.00	444.49	444.49	3-factor Total
	0.00	37,717.18	37,717.18	0.00	2,892.91	2,892.91	0.00	34,824.27	34,824.27	Sendout Volumes Total
877 Measuring and Regulator Station Expense - City Gate Total	0.00	38,210.34	38,210.34	0.00	2,941.58	2,941.58	0.00	35,268.76	35,268.76	Firm Volumes Total
	0.00	4,268.11	4,268.11	0.00	421.26	421.26	0.00	3,846.85	3,846.85	3-factor Total
	0.00	338,458.70	338,458.70	0.00	34,725.87	34,725.87	0.00	303,732.83	303,732.83	Customers-All Total
	0.00	10,493.08	10,493.08	0.00	729.27	729.27	0.00	9,763.81	9,763.81	Customers-Ind Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Res Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Direct-OR Total
	0.00	5,319.65	5,319.65	0.00	408.02	408.02	0.00	4,911.63	4,911.63	Sendout Volumes Total
878 Meter and House Regulator Expense Total	0.00	358,539.54	358,539.54	0.00	36,284.42	36,284.42	0.00	322,255.12	322,255.12	Firm Volumes Total
	0.00	44,596.87	44,596.87	0.00	4,401.71	4,401.71	0.00	40,195.16	40,195.16	3-factor Total
	0.00	546,512.54	546,512.54	0.00	56,072.19	56,072.19	0.00	490,440.35	490,440.35	Customers-All Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Comm Total
	563.40	0.00	563.40	0.00	0.00	0.00	563.40	0.00	563.40	Direct-OR Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Direct-WA Total
	0.00	13,011.03	13,011.03	0.00	1,411.70	1,411.70	0.00	11,599.33	11,599.33	Employee Cost Total
879 Customer Installation Expense Total	563.40	604,120.44	604,683.84	0.00	61,885.60	61,885.60	563.40	542,234.84	542,798.24	Firm Volumes Total

For the Month Ended June 30, 2011

FERC Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	Jun	Jun	Jun	Jun	Jun	Jun	Jun	Jun	Jun	
	0.00	12,115.27	12,115.27	0.00	1,195.78	1,195.78	0.00	10,919.49	10,919.49	3-factor Total
	0.00	65,054.72	65,054.72	0.00	6,674.63	6,674.63	0.00	58,380.09	58,380.09	Customers-All Total
	(4,700.98)	0.00	(4,700.98)	0.00	0.00	0.00	(4,700.98)	0.00	(4,700.98)	Direct-OR Total
	0.00	707.98	707.98	0.00	76.82	76.82	0.00	631.16	631.16	Employee Cost Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Firm Volumes Total
	0.00	29,531.17	29,531.17	0.00	2,265.05	2,265.05	0.00	27,266.12	27,266.12	Sendout Volumes Total
880 Other Expense Total	(4,700.98)	107,409.14	102,708.16	0.00	10,212.28	10,212.28	(4,700.98)	97,196.86	92,495.88	
	0.00	10,757.52	10,757.52	0.00	1,061.76	1,061.76	0.00	9,695.76	9,695.76	3-factor Total
881 Rents Total	0.00	10,757.52	10,757.52	0.00	1,061.76	1,061.76	0.00	9,695.76	9,695.76	
	0.00	307,531.01	307,531.01	0.00	30,353.33	30,353.33	0.00	277,177.68	277,177.68	3-factor Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-All Total
	134,374.50	0.00	134,374.50	0.00	0.00	0.00	134,374.50	0.00	134,374.50	Direct-OR Total
	1,066.90	0.00	1,066.90	1,066.90	0.00	1,066.90	0.00	0.00	0.00	Direct-WA Total
	0.00	4,421.18	4,421.18	0.00	339.11	339.11	0.00	4,082.07	4,082.07	Sendout Volumes Total
885 Supervision and Engineering Total	135,441.40	311,952.19	447,393.59	1,066.90	30,692.44	31,759.34	134,374.50	281,259.75	415,634.25	
	0.00	50,906.22	50,906.22	0.00	5,024.44	5,024.44	0.00	45,881.78	45,881.78	3-factor Total
	0.00	1,956.64	1,956.64	0.00	220.51	220.51	0.00	1,736.13	1,736.13	Customers Port/Van 80% Total
	0.00	10.25	10.25	0.00	1.05	1.05	0.00	9.20	9.20	Customers-All Total
	172,148.26	0.00	172,148.26	0.00	0.00	0.00	172,148.26	0.00	172,148.26	Direct-OR Total
	29,438.19	0.00	29,438.19	29,438.19	0.00	29,438.19	0.00	0.00	0.00	Direct-WA Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	sendout volumes Total
887 Mains Total	201,586.45	52,873.11	254,459.56	29,438.19	5,246.00	34,684.19	172,148.26	47,627.11	219,775.37	
	0.00	1,696.37	1,696.37	0.00	167.43	167.43	0.00	1,528.94	1,528.94	3-factor Total
	0.00	40,132.79	40,132.79	0.00	3,078.17	3,078.17	0.00	37,054.62	37,054.62	Sendout Volumes Total
	0.00	17,529.99	17,529.99	0.00	1,887.98	1,887.98	0.00	15,642.01	15,642.01	Telemetering Total
889 Measuring and Regulator Station Expense - General Total	0.00	59,359.15	59,359.15	0.00	5,133.58	5,133.58	0.00	54,225.57	54,225.57	
	0.00	52.04	52.04	0.00	5.14	5.14	0.00	46.90	46.90	3-factor Total
	0.00	4,883.99	4,883.99	0.00	374.60	374.60	0.00	4,509.39	4,509.39	Sendout Volumes Total
891 Measuring and Regulator Station Expense - City Gate Total	0.00	4,936.03	4,936.03	0.00	379.74	379.74	0.00	4,556.29	4,556.29	
	0.00	30,188.13	30,188.13	0.00	2,979.57	2,979.57	0.00	27,208.56	27,208.56	3-factor Total
	46,001.15	0.00	46,001.15	0.00	0.00	0.00	46,001.15	0.00	46,001.15	Direct-OR Total
	10,997.09	0.00	10,997.09	10,997.09	0.00	10,997.09	0.00	0.00	0.00	Direct-WA Total
	0.00	9,970.34	9,970.34	0.00	764.73	764.73	0.00	9,205.61	9,205.61	Sendout Volumes Total
892 Services Total	56,998.24	40,158.47	97,156.71	10,997.09	3,744.30	14,741.39	46,001.15	36,414.17	82,415.32	
	0.00	3,173.93	3,173.93	0.00	313.27	313.27	0.00	2,860.66	2,860.66	3-factor Total
	0.00	85,115.00	85,115.00	0.00	8,732.80	8,732.80	0.00	76,382.20	76,382.20	Customers-All Total
	0.00	1,003.99	1,003.99	0.00	86.34	86.34	0.00	917.65	917.65	Customers-Comm Total
	0.00	14,795.90	14,795.90	0.00	1,028.31	1,028.31	0.00	13,767.59	13,767.59	Customers-Ind Total
	0.00	20,080.00	20,080.00	0.00	2,094.34	2,094.34	0.00	17,985.66	17,985.66	Customers-Res Total
	86.10	0.00	86.10	0.00	0.00	0.00	86.10	0.00	86.10	Direct-OR Total
	0.00	67,830.15	67,830.15	0.00	5,202.57	5,202.57	0.00	62,627.58	62,627.58	Sendout Volumes Total
893 Meters and House Regulators Total	86.10	191,998.97	192,085.07	0.00	17,457.63	17,457.63	86.10	174,541.34	174,627.44	
	0.00	1,476.60	1,476.60	0.00	145.74	145.74	0.00	1,330.86	1,330.86	3-factor Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-All Total
	332.71	0.00	332.71	0.00	0.00	0.00	332.71	0.00	332.71	Direct-OR Total
894 Other Equipment Total	332.71	1,476.60	1,809.31	0.00	145.74	145.74	332.71	1,330.86	1,663.57	
	0.00	120,397.98	120,397.98	0.00	11,883.28	11,883.28	0.00	108,514.70	108,514.70	3-factor Total
901 Supervision Total	0.00	120,397.98	120,397.98	0.00	11,883.28	11,883.28	0.00	108,514.70	108,514.70	
	0.00	51,682.17	51,682.17	0.00	5,302.59	5,302.59	0.00	46,379.58	46,379.58	Customers-All Total
	0.00	2,335.22	2,335.22	0.00	162.30	162.30	0.00	2,172.92	2,172.92	Customers-Ind Total
902 Meter Reading Expenses Total	0.00	54,017.39	54,017.39	0.00	5,464.89	5,464.89	0.00	48,552.50	48,552.50	
	0.00	734,741.88	734,741.88	0.00	72,519.03	72,519.03	0.00	662,222.85	662,222.85	3-factor Total
	0.00	175,299.99	175,299.99	0.00	17,985.78	17,985.78	0.00	157,314.21	157,314.21	Customers-All Total
	0.00	33,524.84	33,524.84	0.00	2,329.98	2,329.98	0.00	31,194.86	31,194.86	Customers-Ind Total
	0.00	325,657.48	325,657.48	0.00	33,966.08	33,966.08	0.00	291,691.40	291,691.40	Customers-Res Total
903 Customer Records and Collection Expense Total	0.00	1,269,224.19	1,269,224.19	0.00	126,800.87	126,800.87	0.00	1,142,423.32	1,142,423.32	
	0.00	(39,786.00)	(39,786.00)	0.00	(4,082.04)	(4,082.04)	0.00	(35,703.96)	(35,703.96)	Customers-All Total
	0.00	(25,179.69)	(25,179.69)	0.00	(2,165.45)	(2,165.45)	0.00	(23,014.24)	(23,014.24)	Customers-Comm Total
	0.00	9,696.78	9,696.78	0.00	673.93	673.93	0.00	9,022.85	9,022.85	Customers-Ind Total
	0.00	(127,381.40)	(127,381.40)	0.00	(13,285.88)	(13,285.88)	0.00	(114,095.52)	(114,095.52)	Customers-Res Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Direct-OR Total
904 Uncollectible Accounts Total	0.00	(182,650.31)	(182,650.31)	0.00	(18,859.44)	(18,859.44)	0.00	(163,790.87)	(163,790.87)	
	0.00	23,743.26	23,743.26	0.00	2,476.42	2,476.42	0.00	21,266.84	21,266.84	Customers-Res Total
907 Supervision Total	0.00	23,743.26	23,743.26	0.00	2,476.42	2,476.42	0.00	21,266.84	21,266.84	
	0.00	28,673.38	28,673.38	0.00	2,830.06	2,830.06	0.00	25,843.32	25,843.32	3-factor Total
	0.00	198,893.44	198,893.44	0.00	20,406.48	20,406.48	0.00	178,486.96	178,486.96	Customers-All Total
	0.00	24,401.00	24,401.00	0.00	2,098.49	2,098.49	0.00	22,302.51	22,302.51	Customers-Comm Total
	0.00	68,604.40	68,604.40	0.00	4,768.01	4,768.01	0.00	63,836.39	63,836.39	Customers-Ind Total
	0.00	5,522.60	5,522.60	0.00	576.00	576.00	0.00	4,946.60	4,946.60	Customers-Res Total
	(1,543.73)	0.00	(1,543.73)	0.00	0.00	0.00	(1,543.73)	0.00	(1,543.73)	Direct-OR Total
	52.00	0.00	52.00	52.00	0.00	52.00	0.00	0.00	0.00	Direct-WA Total
908 Customer Assistance Expense Total	(1,491.73)	326,094.82	324,603.09	52.00	30,679.04	30,731.04	(1,543.73)	295,415.78	293,872.05	

For the Month Ended June 30, 2011

FERC Descr	System			Washington			Oregon			Allocation Method
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total	
	Jun	Jun	Jun	Jun	Jun	Jun	Jun	Jun	Jun	
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3-factor Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-Comm Total
	0.00	158,669.20	158,669.20	0.00	16,549.21	16,549.21	0.00	142,119.99	142,119.99	Customers-Res Total
909 Customer Information Expense Total	0.00	158,669.20	158,669.20	0.00	16,549.21	16,549.21	0.00	142,119.99	142,119.99	
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Customers-All Total
	0.00	15,499.08	15,499.08	0.00	1,616.55	1,616.55	0.00	13,882.53	13,882.53	Customers-Res Total
910 Miscellaneous Customer Service Expense Total	0.00	15,499.08	15,499.08	0.00	1,616.55	1,616.55	0.00	13,882.53	13,882.53	
	0.00	14,104.44	14,104.44	0.00	1,447.12	1,447.12	0.00	12,657.32	12,657.32	Customers-All Total
	0.00	12,784.89	12,784.89	0.00	1,333.46	1,333.46	0.00	11,451.43	11,451.43	Customers-Res Total
911 Supervision Total	0.00	26,889.33	26,889.33	0.00	2,780.58	2,780.58	0.00	24,108.75	24,108.75	
	0.00	4,979.32	4,979.32	0.00	491.46	491.46	0.00	4,487.86	4,487.86	3-factor Total
	0.00	205,838.21	205,838.21	0.00	21,118.98	21,118.98	0.00	184,719.23	184,719.23	Customers-All Total
	0.00	9,465.22	9,465.22	0.00	814.01	814.01	0.00	8,651.21	8,651.21	Customers-Comm Total
	0.00	59.61	59.61	0.00	4.14	4.14	0.00	55.47	55.47	Customers-Ind Total
	0.00	25.00	25.00	0.00	2.61	2.61	0.00	22.39	22.39	Customers-Res Total
	81.00	0.00	81.00	0.00	0.00	0.00	81.00	0.00	81.00	Direct-OR Total
912 Demonstration and Selling Expense Total	81.00	220,367.36	220,448.36	0.00	22,431.20	22,431.20	81.00	197,936.16	198,017.16	
	0.00	49,361.23	49,361.23	0.00	4,245.07	4,245.07	0.00	45,116.16	45,116.16	Customers-Comm Total
	0.00	1,912.94	1,912.94	0.00	199.52	199.52	0.00	1,713.42	1,713.42	Customers-Res Total
913 Advertising Total	0.00	51,274.17	51,274.17	0.00	4,444.59	4,444.59	0.00	46,829.58	46,829.58	
	0.00	19.20	19.20	0.00	2.00	2.00	0.00	17.20	17.20	Customers-Res Total
916 Miscellaneous Sales Expense Total	0.00	19.20	19.20	0.00	2.00	2.00	0.00	17.20	17.20	
	0.00	2,737,714.09	2,737,714.09	0.00	270,212.39	270,212.39	0.00	2,467,501.70	2,467,501.70	3-factor Total
	0.00	4,606.98	4,606.98	0.00	475.90	475.90	0.00	4,131.08	4,131.08	Admin Tran Total
	0.00	9,462.64	9,462.64	0.00	970.86	970.86	0.00	8,491.78	8,491.78	Customers-All Total
	0.00	11,663.15	11,663.15	0.00	1,216.46	1,216.46	0.00	10,446.69	10,446.69	Customers-Res Total
	128,157.00	0.00	128,157.00	0.00	0.00	0.00	128,157.00	0.00	128,157.00	Direct-OR Total
	614.88	0.00	614.88	614.88	0.00	614.88	0.00	0.00	0.00	Direct-WA Total
	0.00	(342,139.56)	(342,139.56)	0.00	(37,122.15)	(37,122.15)	0.00	(305,017.41)	(305,017.41)	Employee Cost Total
	0.00	3,338.54	3,338.54	0.00	329.51	329.51	0.00	3,009.03	3,009.03	Firm Volumes Total
	0.00	101,108.28	101,108.28	0.00	30,332.49	30,332.49	0.00	70,775.79	70,775.79	regulatory Total
	0.00	1,641.51	1,641.51	0.00	125.90	125.90	0.00	1,515.61	1,515.61	Sendout Volumes Total
921 Office Supplies and Expense Total	128,771.88	2,527,395.63	2,656,167.51	614.88	266,541.36	267,156.24	128,157.00	2,260,854.27	2,389,011.27	
	0.00	(991,576.44)	(991,576.44)	0.00	(102,429.84)	(102,429.84)	0.00	(889,146.60)	(889,146.60)	Admin Tran Total
	0.00	(346,392.22)	(346,392.22)	0.00	(37,583.56)	(37,583.56)	0.00	(308,808.66)	(308,808.66)	Employee Cost Total
922 Administrative Expenses Transferred - Credit Total	0.00	(1,337,968.66)	(1,337,968.66)	0.00	(140,013.40)	(140,013.40)	0.00	(1,197,955.26)	(1,197,955.26)	
	0.00	195,386.56	195,386.56	0.00	19,284.65	19,284.65	0.00	176,101.91	176,101.91	3-factor Total
924 Property Insurance Premium Total	0.00	195,386.56	195,386.56	0.00	19,284.65	19,284.65	0.00	176,101.91	176,101.91	
	0.00	64,257.43	64,257.43	0.00	6,342.21	6,342.21	0.00	57,915.22	57,915.22	3-factor Total
925 Injuries and Damages Total	0.00	64,257.43	64,257.43	0.00	6,342.21	6,342.21	0.00	57,915.22	57,915.22	
	0.00	1,977.50	1,977.50	0.00	195.18	195.18	0.00	1,782.32	1,782.32	3-factor Total
	492.00	0.00	492.00	0.00	0.00	0.00	492.00	0.00	492.00	Direct-OR Total
	0.00	532,832.39	532,832.39	0.00	57,812.29	57,812.29	0.00	475,020.10	475,020.10	Employee Cost Total
	0.00	155,653.63	155,653.63	0.00	16,499.28	16,499.28	0.00	139,154.35	139,154.35	Payroll Total
926 Employee Pensions and Benefits Total	492.00	690,463.52	690,955.52	0.00	74,506.75	74,506.75	492.00	615,956.77	616,448.77	
	0.00	143,086.94	143,086.94	0.00	14,122.67	14,122.67	0.00	128,964.27	128,964.27	3-factor Total
930 Miscellaneous General Expense Total	0.00	143,086.94	143,086.94	0.00	14,122.67	14,122.67	0.00	128,964.27	128,964.27	
	0.00	334,142.40	334,142.40	0.00	32,979.85	32,979.85	0.00	301,162.55	301,162.55	3-factor Total
	0.00	1,860.00	1,860.00	0.00	190.84	190.84	0.00	1,669.16	1,669.16	Customers-All Total
	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
	15,001.06	0.00	15,001.06	15,001.06	0.00	15,001.06	0.00	0.00	0.00	Direct-WA Total
931 Rents Total	18,990.24	336,002.40	354,992.64	15,001.06	33,170.69	48,171.75	3,989.18	302,831.71	306,820.89	
	0.00	244,205.70	244,205.70	0.00	24,103.08	24,103.08	0.00	220,102.62	220,102.62	3-factor Total
	0.00	14,085.09	14,085.09	0.00	1,445.13	1,445.13	0.00	12,639.96	12,639.96	Customers-All Total
	0.00	1,550.17	1,550.17	0.00	395.45	395.45	0.00	1,154.72	1,154.72	Customers-The Dailies Total
	128,951.15	0.00	128,951.15	0.00	0.00	0.00	128,951.15	0.00	128,951.15	Direct-OR Total
	4,174.28	0.00	4,174.28	4,174.28	0.00	4,174.28	0.00	0.00	0.00	Direct-WA Total
	0.00	305.24	305.24	0.00	33.12	33.12	0.00	272.12	272.12	Employee Cost Total
	0.00	4,263.84	4,263.84	0.00	420.84	420.84	0.00	3,843.00	3,843.00	Firm Volumes Total
935 Maintenance of General Plant Total	133,125.43	264,410.04	397,535.47	4,174.28	26,397.62	30,571.90	128,951.15	238,012.42	366,963.57	
Grand Total	1,303,982.70	7,488,869.72	8,792,852.42	96,876.00	753,116.80	849,992.80	1,207,106.70	6,735,752.92	7,942,859.62	

**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
		303,538			71,213			232,326
		984,723,028			114,349,881			870,373,147
		0.03%			0.06%			0.03%

NW Natural
Washington Quarterly Results of Operations Report

June 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		18,781,758		18,781,758	2,681,856		2,681,856	16,099,901		16,099,901
481.1	Commercial		9,749,238		9,749,238	1,233,281		1,233,281	8,515,958		8,515,958
481.2	Industrial Firm		1,573,757		1,573,757	170,279		170,279	1,403,479		1,403,479
481.3	Interruptible		1,829,340		1,829,340	246,654		246,654	1,582,687		1,582,687
481.5	Interruptible Incentive		0		0	0		0	0		0
495.20	Unbilled Revenue	A		(10,535,956)	(10,535,956)		(981,644)	(981,644)		(9,554,312)	(9,554,312)
	Total Sales of Gas		31,934,093	(10,535,956)	21,398,137	4,332,069	(981,644)	3,350,425	27,602,024	(9,554,312)	18,047,712
Transportation Revenue											
489.12	Industrial Firm		533,601		533,601	53,377		53,377	480,223		480,223
489.13	Interruptible		756,515		756,515	52,409		52,409	704,106		704,106
489.15	Interruptible Incentive		0		0	0		0	0		0
489.3	Agency Fee/Balancing		52		52	0		0	52		52
	Total Transportation Revenue		1,290,167	0	1,290,167	105,787	0	105,787	1,184,381	0	1,184,381
495.6	Rate Adjustments - Amortizations		10,240,648		10,240,648	(87,657)		(87,657)	10,328,305		10,328,305
Miscellaneous Revenues											
487	Late Payment Charge		252,327		252,327	12,619		12,619	239,708		239,708
488.1	Returned Check Charge		118,552		118,552	1,425		1,425	117,127		117,127
488.3	Recon Charge CR During Office Hours		22,550		22,550	2,050		2,050	20,500		20,500
488.4	Field Collection Charge		40,440		40,440	5,385		5,385	35,055		35,055
488.5	Recon Charge CR After Office Hours		41,325		41,325	5,175		5,175	36,150		36,150
488.6	Recon Charge Seas During Office Hours		1,025		1,025	75		75	950		950
488.7	Recon Charge Seas After Office Hours		1,025		1,025	200		200	825		825
488.8	Automated Payment Charge		11,898		11,898	1,663		1,663	10,235		10,235
493.2	Rent - Utility Property	B		(68,709)	(68,709)		(8,341)	(8,341)		(60,367)	(60,367)
495.1	Meter Rentals		17,745		17,745	1,869		1,869	15,876		15,876
495.2	Other Gas Revenue - Miscellaneous		8,695		8,695	100		100	8,595		8,595
	Total Miscellaneous Revenues		515,581	(68,709)	446,873	30,560	(8,341)	22,219	485,021	(60,367)	424,654
	Total Operating Revenue		43,980,490	(10,604,665)	33,375,825	4,380,760	(989,985)	3,390,774	39,599,730	(9,614,680)	29,985,051
Cost of Gas											
804.7	WACOG Incurred		14,968,790		14,968,790	1,461,219		1,461,219	13,507,571		13,507,571
805.7	WACOG Deferred		542,697		542,697	66,489		66,489	476,208		476,208
804.6	Demand Incurred		7,997,062		7,997,062	737,716		737,716	7,259,346		7,259,346
805.8	Demand Deferred		(4,553,045)		(4,553,045)	(450,414)		(450,414)	(4,102,631)		(4,102,631)
805.4	Amortization of Gas Costs		(1,078,985)		(1,078,985)	(222,683)		(222,683)	(856,302)		(856,302)
	Total Cost of Gas		17,876,520	0	17,876,520	1,592,328	0	1,592,328	16,284,192	0	16,284,192
Detail	Operations & Maintenance	O&M	1,303,983	7,488,870	8,792,852	96,876	753,117	849,993	1,207,107	6,735,753	7,942,859
Other Taxes											
408.11	Property		1,677,279		1,677,279	117,474		117,474	1,559,804		1,559,804
408.12	Franchise		678,294		678,294	205,358		205,358	472,936		472,936
408.13	Payroll	C		346,392	346,392		36,718	36,718		309,675	309,675
408.14	Other		(47,748)		(47,748)	1,847		1,847	(49,595)		(49,595)
408.15	Regulatory		0		0	0		0	0		0
	Total Other Taxes		2,307,825	346,392	2,654,217	324,679	36,718	361,397	1,983,145	309,675	2,292,820
403.1	Depreciation	D		5,284,264	5,284,264		559,339	559,339		4,724,924	4,724,924
Income Taxes											
409.11	Federal Income Taxes				684,531			(99,093)			783,624
410.11	Federal Income Taxes - Deferred				(1,891,214)			0			(1,891,214)
411.42	Federal Income Tax Credit				(60,918)			55,598			(116,516)
409.12	Oregon Income Taxes				284,211			0			284,211
410.12	Oregon Income Taxes - Deferred				(150,215)			0			(150,215)
411.12	Oregon Income Tax Credit				(401,961)			0			(401,961)
	Total Income Taxes				(1,535,566)			(43,495)			(1,492,071)
	Total Operating Revenue Deductions		21,488,327	13,119,526	33,072,286	2,013,883	1,349,174	3,319,561	19,474,444	11,770,352	29,752,725
	Net Operating Income				303,538			71,213			232,326

	System	System	System	Washington	Washington	Washington	Oregon	Oregon	Oregon
	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
Rate Base									
101 Gross Plant			2,267,211,632			234,054,126			2,033,157,506
108.1X Accumulated Depreciation			(998,649,198)			(94,412,773)			(904,236,425)
117.X Storage Gas - Cushion			14,067,641			1,388,476			12,679,164
186.XX Leasehold Improvements			1,690,134			166,816			1,523,318
252.XX Customer Contributions			(2,040,406)			(132,779)			(1,907,627)
283.XX Deferred Taxes - Federal			(248,262,816)			(26,713,986)			(221,548,831)
283.XX Deferred Taxes - State			(49,293,958)			0			(49,293,958)
Total Rate Base			984,723,028			114,349,881			870,373,147
Rate Of Return on Rate Base			0.03%			0.06%			0.03%
<u>Allocation References:</u>									
A Unbilled Revenue			100.00%			9.32%			90.68%
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%