

UG-150726

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April 29, 2015

Steven V. King, Executive Director & Secretary  
Washington Utilities & Transportation Commission  
1300 S. Evergreen Park Drive, S.W.  
P.O. Box 47250  
Olympia, Washington 98504-7250

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RECORDS MANAGEMENT  
2015 MAY -4 AM 8:08  
STATE OF WASH  
UTIL. AND TRANSP  
COMMISSION

Re: **ANNUAL COMMISSION BASIS REPORT FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 WITHOUT WORKPAPERS**

Dear Mr. King:

Enclosed are an original and three copies of the Company's Annual Commission Basis Report without workpapers for the 12 months ended December 31, 2014. This Report is submitted under *WAC 480-90-257*. Workpapers will be provided under separate cover.

Please feel free to call me or Kevin McVay at extension 3585 if you have any questions.

Sincerely,



Kyle Walker, CPA  
Rates Analyst

KTW  
enclosures



**NW Natural**

REPORT:

**ANNUAL COMMISSION BASIS REPORT  
WITHOUT WORKPAPERS**

(For the 12 months ended December 31, 2014)

RECEIVED  
REGIONS MANAGEMENT  
2015 MAY -4 AM 8:08  
STATE OF WASH.  
UTIL. AND TRANS.  
COMMISSION

NW Natural  
Washington Annual Commission Basis Report  
Twelve Months Ended December 31, 2014

| Line No.                                   | Test Year Results    | Adjustments        | Test Year Adjusted   |
|--|----------------------|--------------------|----------------------|
|  | (a)                  | (b)                | (c)                  |
| <b><u>Operating Revenues</u></b>           |                      |                    |                      |
| 1  | \$70,933,863         | \$1,724,556        | \$72,658,420         |
| 2  | 1,892,887            | 0                  | 1,892,887            |
| 3  | -1,258,966           | 81                 | -1,258,885           |
| 4  | <u>71,567,785</u>    | <u>1,724,637</u>   | <u>73,292,422</u>    |
|  |                      |                    | 38,844,933           |
| <b><u>Operating Revenue Deductions</u></b> |                      |                    |                      |
| 5  | \$33,365,109         | \$1,082,381        | \$34,447,489         |
| 6  | 67,602               | 70,173             | 137,775              |
| 7  | 12,674,721           | -385,347           | 12,289,374           |
| 8  | <u>46,107,432</u>    | <u>767,206</u>     | <u>46,874,638</u>    |
| 9  | 3,439,953            | 310,549            | 3,750,502            |
| 10   | 1,545,623            | 0                  | 1,545,623            |
| 11   | 3,614,053            | 69,882             | 3,683,935            |
| 12   | <u>7,356,076</u>     | <u>0</u>           | <u>7,356,076</u>     |
| 13   | <u>\$62,063,135</u>  | <u>\$1,147,638</u> | <u>\$63,210,772</u>  |
| 14   | <u>\$9,504,650</u>   | <u>\$576,999</u>   | <u>\$10,081,649</u>  |
| <b><u>Average Rate Base</u></b>            |                      |                    |                      |
| 15   | \$256,624,416        | \$8,438            | \$256,632,854        |
| 16   | -110,186,941         | 0                  | -110,186,941         |
| 17   | <u>146,437,475</u>   | <u>8,438</u>       | <u>146,445,913</u>   |
| 18   | 1,460,862            | 0                  | 1,460,862            |
| 19   | 1,321,388            | 0                  | 1,321,388            |
| 20   | -258,951             | 0                  | -258,951             |
| 21   | 297,328              | 0                  | 297,328              |
| 22   | <u>-30,247,887</u>   | <u>0</u>           | <u>-30,247,887</u>   |
| 23   | <u>\$119,010,214</u> | <u>\$8,438</u>     | <u>\$119,018,652</u> |
| 24   | <u>7.99%</u>         |                    | <u>8.47%</u>         |
| 25   | <u>10.53%</u>        |                    | <u>11.57%</u>        |