

## **WUTC REPORT:**

## NW Natural's ANNUAL COMMISSION BASIS REPORT

(For the 12 months ended December 31, 2016)

Dated: April 28, 2017

## NW Natural Washington Annual Commission Basis Report Twelve Months Ended December 31, 2016

Line No.		Test Year Results	Adjustments	Test Year Adjusted
	-	(a)	(b)	(c)
	Operating Revenues			
1	Sale of Gas	\$59,617,286	\$4,948,133	\$64,565,420
2	Transportation	2,213,346	0	2,213,346
3	Miscellaneous Revenues	-1,453,133	11,697	-1,441,436
4	Total Operating Revenues	60,377,499	4,959,831	65,337,329
	Margin			39,971,265
	Operating Revenue Deductions			
5	Gas Purchased	\$22,846,768	\$2,519,296	\$25,366,064
6	Uncollectible Accrual for Gas Sales	131,989	-28,339	103,650
7	Other Operating & Maintenance Expenses	14,479,950	-590,693	13,889,257
8	Total Operating & Maintenance Expense	37,458,707	1,900,264	39,358,972
9	Federal Income Tax	2,617,783	1,000,326	3,618,109
10	Property Taxes	1,124,279	0	1,124,279
11	Other Taxes	3,237,098	200,972	3,438,071
12	Depreciation & Amortization	7,854,198	0	7,854,198
13	Total Operating Revenue Deductions	\$52,292,065	\$3,101,563	\$55,393,628
14	Net Operating Revenues	\$8,085,433	\$1,858,268	\$9,943,701
	Average Rate Base			
15	Utility Plant in Service	\$286,517,599	\$18,556	\$286,536,154
16	Accumulated Depreciation	-120,565,209	0	-120,565,209
17	Net Utility Plant	165,952,390	18,556	165,970,945
18	Working Capital	10,681,979	0	10,681,979
19	Storage Gas	1,317,483	0	1,317,483
20	Customer Advances	-483,929	0	-483,929
21	Leasehold Improvements	58,898	0	58,898
22	Accumulated Deferred Income Taxes	-38,599,892	0	-38,599,892
23	Total Rate Base	\$138,926,929	\$18,556	\$138,945,485
24	Rate of Return	5.82%	_	7.16%
25	Return on Common Equity	6.41%	_	9.26%