WUTC REPORT:

## NW Natural's ANNUAL COMMISSI ON 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.

|  | Operating Revenues |
| :--- | :--- |
|  | Sale of Gas |
| 2 | Transportation |
| 3 | Miscellaneous Revenues |
| 4 | Total Operating Revenues |
|  | Margin |
|  | Operating Revenue Deductions |
| 5 | Gas Purchased |
| 6 | Uncollectible Accrual for Gas Sales |
| 7 | Other Operating \& Maintenance Expenses |
| 8 | Total Operating \& Maintenance Expense |

Federal I ncome Tax
Property Taxes
11 Other Taxes
12 Depreciation \& Amortization
13 Total Operating Revenue Deductions
14 Net Operating Revenues

Average Rate Base
15 Utility Plant in Service
16 Accumulated Depreciation
17 Net Utility Plant
18 Working Capital
19 Storage Gas
20 Customer Advances
21 Leasehold Improvements
22 Accumulated Deferred Income Taxes
23

24

25
Total Rate Base
Rate of Return
Return on Common Equity

| Test Year Results | Adjustments | Test Year Adjusted |
| :---: | :---: | :---: |
| (a) | (b) | (c) |
| \$59,617,286 | \$4,948,133 | \$64,565,420 |
| 2,213,346 | 0 | 2,213,346 |
| -1,453,133 | 11,697 | -1,441,436 |
| 60,377,499 | 4,959,831 | 65,337,329 |
|  |  | 39,971,265 |
| \$22,846,768 | \$2,519,296 | \$25,366,064 |
| 131,989 | -28,339 | 103,650 |
| 14,479,950 | -590,693 | 13,889,257 |
| 37,458,707 | 1,900,264 | 39,358,972 |
| 2,617,783 | 1,000,326 | 3,618,109 |
| 1,124,279 | 0 | 1,124,279 |
| 3,237,098 | 200,972 | 3,438,071 |
| 7,854,198 | 0 | 7,854,198 |
| \$52,292,065 | \$3,101,563 | \$55,393,628 |
| \$8,085,433 | \$1,858,268 | \$9,943,701 |
| \$286,517,599 | \$18,556 | \$286,536,154 |
| -120,565,209 | 0 | -120,565,209 |
| 165,952,390 | 18,556 | 165,970,945 |
| 10,681,979 | 0 | 10,681,979 |
| 1,317,483 | 0 | 1,317,483 |
| -483,929 | 0 | -483,929 |
| 58,898 | 0 | 58,898 |
| -38,599,892 | 0 | -38,599,892 |
| \$138,926,929 | \$18,556 | \$138,945,485 |
| 5.82\% |  | 7.16\% |
| 6.41\% |  | 9.26\% |

