

# July 2017 Activity

JULY 2017

**NW Natural  
 Washington Results of Operations  
 Monthly Summary**

**Total Operating Revenue**

**Total Rate Base**

**Rate Of Return on Rate Base**

|                             | System<br>Direct | System<br>Allocated | System<br>Total | Washington<br>Direct | Washington<br>Allocated | Washington<br>Total | Oregon<br>Direct | Oregon<br>Allocated | Oregon<br>Total |
|-----------------------------|------------------|---------------------|-----------------|----------------------|-------------------------|---------------------|------------------|---------------------|-----------------|
| Total Operating Revenue     |                  |                     | (1,130,948)     |                      |                         | (230,947)           |                  |                     | (900,001)       |
| Total Rate Base             |                  |                     | 1,293,592,813   |                      |                         | 150,974,040         |                  |                     | 1,142,618,773   |
| Rate Of Return on Rate Base |                  |                     | -0.09%          |                      |                         | -0.15%              |                  |                     | -0.08%          |

Washington Quarterly Results of Operations Report

|   | System Direct | System Allocated | System Total | Washington Direct | Washington Allocated | Washington Total | Oregon Direct | Oregon Allocated | Oregon Total |
|---|---------------|------------------|--------------|-------------------|----------------------|------------------|---------------|------------------|--------------|
| <b>Monthly Summary</b>                      |               |                  |              |                   |                      |                  |               |                  |              |
| <b>Sales of Gas</b>                         |               |                  |              |                   |                      |                  |               |                  |              |
| 480.1 Residential                           | 14,144,117    | (454,431)        | 14,144,117   | 1,648,610         | (5,703)              | 1,648,610        | 12,495,507    | (448,728)        | 12,495,507   |
| 481.1 Commercial                            | 8,624,672     | (454,431)        | 8,624,672    | 746,134           | (5,703)              | 746,134          | 7,878,538     | (448,728)        | 7,878,538    |
| 481.2 Industrial Firm                       | 1,512,877     |                  | 1,512,877    | 130,358           |                      | 130,358          | 1,402,518     |                  | 1,402,518    |
| 481.3 Interruptible                         | 1,381,966     |                  | 1,381,966    | 37,175            |                      | 37,175           | 1,344,791     |                  | 1,344,791    |
| 481.5 Interruptible Incentive               | 0             |                  | 0            | 0                 |                      | 0                | 0             |                  | 0            |
| 495.20 Unbilled Revenue                     | 0             |                  | 0            | 0                 |                      | 0                | 0             |                  | 0            |
| <b>Total Sales of Gas</b>                   | 25,683,632    | (454,431)        | 25,229,202   | 2,562,278         | (5,703)              | 2,556,575        | 23,121,355    | (448,728)        | 22,672,627   |
| <b>Transportation Revenue</b>               |               |                  |              |                   |                      |                  |               |                  |              |
| 489.12 Industrial Firm                      | 865,593       |                  | 865,593      | 98,212            |                      | 98,212           | 767,381       |                  | 767,381      |
| 489.13 Interruptible                        | 675,850       |                  | 675,850      | 73,789            |                      | 73,789           | 602,061       |                  | 602,061      |
| 489.15 Interruptible Incentive              | 0             |                  | 0            | 0                 |                      | 0                | 0             |                  | 0            |
| 489.3 Agency Fee/Balancing                  | 71            |                  | 71           | 0                 |                      | 0                | 71            |                  | 71           |
| <b>Total Transportation Revenue</b>         | 1,541,514     | 0                | 1,541,514    | 172,001           | 0                    | 172,001          | 1,369,513     | 0                | 1,369,513    |
| <b>Rate Adjustments - Amortizations</b>     | 911,685       |                  | 911,685      | (70,005)          |                      | (70,005)         | 981,690       |                  | 981,690      |
| <b>Miscellaneous Revenues</b>               |               |                  |              |                   |                      |                  |               |                  |              |
| 487 Laba Payment Charge                     | 101,404       |                  | 101,404      | 5,367             |                      | 5,367            | 96,038        |                  | 96,038       |
| 488.0 Seasonal Reconnect Fee                | 650           |                  | 650          | 0                 |                      | 0                | 650           |                  | 650          |
| 488.0 Delinquent Reconnect Fee              | 17,950        |                  | 17,950       | 150               |                      | 150              | 17,800        |                  | 17,800       |
| 488.1 Returned Check Charge                 | 9,330         |                  | 9,330        | 1,035             |                      | 1,035            | 8,295         |                  | 8,295        |
| 488.3 Recon Charge CR During Office Hours   | 19,890        |                  | 19,890       | 1,200             |                      | 1,200            | 18,690        |                  | 18,690       |
| 488.4 Field Collection Charge               | 33,080        |                  | 33,080       | 3,320             |                      | 3,320            | 29,760        |                  | 29,760       |
| 488.5 Recon Charge CR After Office Hours    | 2,860         |                  | 2,860        | 2,700             |                      | 2,700            | 160           |                  | 160          |
| 488.6 Recon Charge Seas During Office Hours | 295           |                  | 295          | 25                |                      | 25               | 270           |                  | 270          |
| 488.7 Recon Charge Seas After Office Hours  | 0             |                  | 0            | 0                 |                      | 0                | 0             |                  | 0            |
| 488.8 Automated Payment Charge              | 3,240         |                  | 3,240        | 465               |                      | 465              | 2,775         |                  | 2,775        |
| 493.2 Rent - Utility Property               | 15,541        |                  | 15,541       | 713               |                      | 713              | 14,828        |                  | 14,828       |
| 495.1 Meter Rentals                         | 17,043        |                  | 17,043       | 0                 |                      | 0                | 17,043        |                  | 17,043       |
| 495.2 Other Gas Revenue - Miscellaneous     | 8,143         |                  | 8,143        | 623               |                      | 623              | 7,520         |                  | 7,520        |
| <b>Total Miscellaneous Revenues</b>         | 213,886       | 15,541           | 229,427      | 14,885            | 713                  | 15,598           | 199,001       | 14,828           | 213,829      |
| <b>Total Operating Revenue</b>              | 28,350,718    | (438,890)        | 27,911,828   | 2,679,159         | (4,990)              | 2,674,169        | 25,671,559    | (433,900)        | 25,237,659   |
| <b>Cost of Gas</b>                          |               |                  |              |                   |                      |                  |               |                  |              |
| 804.7 WACOG Incurred                        | 6,442,396     |                  | 6,442,396    | 542,575           |                      | 542,575          | 5,899,821     |                  | 5,899,821    |
| 805.7 WACOG Deferred                        | 336,829       |                  | 336,829      | 122,679           |                      | 122,679          | 214,150       |                  | 214,150      |
| 804.6 Demand Incurred                       | 6,802,688     |                  | 6,802,688    | 696,595           |                      | 696,595          | 6,106,093     |                  | 6,106,093    |
| 805.8 Demand Deferred                       | (4,257,005)   |                  | (4,257,005)  | (419,622)         |                      | (419,622)        | (3,837,383)   |                  | (3,837,383)  |
| 805.4 Amortization of Gas Costs             | (110,131)     |                  | (110,131)    | (80,993)          |                      | (80,993)         | (29,137)      |                  | (29,137)     |
| <b>Total Cost of Gas</b>                    | 9,214,778     | 0                | 9,214,778    | 861,234           | 0                    | 861,234          | 8,353,544     | 0                | 8,353,544    |
| <b>Environmental Expense</b>                | 0             |                  | 0            | 0                 |                      | 0                | 0             |                  | 0            |
| 407 Environmental Expense                   | 0             |                  | 0            | 0                 |                      | 0                | 0             |                  | 0            |
| <b>Operations &amp; Maintenance</b>         | 1,115,540     | 11,016,961       | 12,132,501   | 173,800           | 1,140,725            | 1,314,526        | 941,740       | 9,876,236        | 10,817,976   |
| <b>Other Taxes</b>                          |               |                  |              |                   |                      |                  |               |                  |              |
| 408.11 Property                             | 2,048,393     |                  | 2,048,393    | 149,638           |                      | 149,638          | 1,898,755     |                  | 1,898,755    |
| 408.12 Franchise                            | 725,958       |                  | 725,958      | 108,029           |                      | 108,029          | 617,930       |                  | 617,930      |
| 408.13 Payroll                              | 488,003       |                  | 488,003      | 48,659            |                      | 48,659           | 439,344       |                  | 439,344      |
| 408.14 Other                                | 11,575        | 488,003          | 500,000      | 4,325             | 48,659               | 53,000           | 7,250         | 439,344          | 446,594      |
| 408.15 Regulatory                           | 0             |                  | 0            | 0                 |                      | 0                | 0             |                  | 0            |
| <b>Total Other Taxes</b>                    | 2,785,927     | 488,003          | 3,273,930    | 261,992           | 48,659               | 310,650          | 2,523,935     | 439,344          | 2,963,279    |
| <b>Depreciation</b>                         | 6,685,317     |                  | 6,685,317    | 688,253           |                      | 688,253          | 5,997,063     |                  | 5,997,063    |
| <b>Income Taxes</b>                         |               |                  |              |                   |                      |                  |               |                  |              |
| 409.11 Federal Income Taxes                 | (964,839)     |                  | (964,839)    | (269,199)         |                      | (269,199)        | (695,640)     |                  | (695,640)    |
| 410.1 Federal Income Taxes - Deferred       | 250,253       |                  | 250,253      | 0                 |                      | 0                | 250,253       |                  | 250,253      |
| 411.4 Federal Income Tax Credit             | (1,527,681)   |                  | (1,527,681)  | (349)             |                      | (349)            | (1,527,332)   |                  | (1,527,332)  |
| 409.1 Oregon Income Taxes                   | (187,213)     |                  | (187,213)    | 0                 |                      | 0                | (187,213)     |                  | (187,213)    |
| 410.1 Oregon Income Taxes - Deferred        | 53,230        |                  | 53,230       | 0                 |                      | 0                | 53,230        |                  | 53,230       |
| 411.1 Oregon Income Tax Credit              | (340,370)     |                  | (340,370)    | (269,548)         |                      | (269,548)        | (73,822)      |                  | (73,822)     |
| <b>Total Income Taxes</b>                   | (1,318,549)   |                  | (1,318,549)  | (269,548)         |                      | (269,548)        | (1,048,399)   |                  | (1,048,399)  |
| <b>Total Operating Revenue Deductions</b>   | 13,116,245    | 18,190,281       | 29,042,775   | 1,297,026         | 1,877,637            | 2,905,116        | 11,819,218    | 16,312,644       | 26,137,660   |
| <b>Net Operating Income</b>                 |               |                  | (1,130,948)  |                   |                      | (230,947)        |               |                  | (900,001)    |

|   |                                    | JULY 2017        |                     |                 |                      |                         |                     |                  |                     |                 |
|---|------------------------------------|------------------|---------------------|-----------------|----------------------|-------------------------|---------------------|------------------|---------------------|-----------------|
|   |                                    | System<br>Direct | System<br>Allocated | System<br>Total | Washington<br>Direct | Washington<br>Allocated | Washington<br>Total | Oregon<br>Direct | Oregon<br>Allocated | Oregon<br>Total |
| <b>NW Natural</b>                       |                                    |                  |                     |                 |                      |                         |                     |                  |                     |                 |
| <b>Washington Results of Operations</b> |                                    |                  |                     |                 |                      |                         |                     |                  |                     |                 |
| <b>Monthly Summary</b>                  |                                    |                  |                     |                 |                      |                         |                     |                  |                     |                 |
|   | <b>Rate Base</b>                   |                  |                     |                 |                      |                         |                     |                  |                     |                 |
| 101                                     | Gross Plant                        |                  |                     | 2,899,485,579   |                      |                         | 307,664,901         |                  |                     | 2,591,820,678   |
| 108.1X                                  | Accumulated Depreciation           |                  |                     | (1,280,996,176) |                      |                         | (127,654,419)       |                  |                     | (1,153,341,757) |
| ADJ                                     | Working Capital Allowance          |                  |                     | 100,521,583     |                      |                         | 10,649,817          |                  |                     | 89,871,765      |
| 117.X                                   | Storage Gas - Cushion              |                  |                     | 14,146,981      |                      |                         | 1,317,084           |                  |                     | 12,829,897      |
| 186.XX                                  | Leasehold Improvements             |                  |                     | 355,433         |                      |                         | 36,005              |                  |                     | 319,428         |
| 252.XX                                  | Customer Contributions             |                  |                     | (4,058,079)     |                      |                         | (619,005)           |                  |                     | (3,439,074)     |
| 283.XX                                  | Deferred Taxes - Federal           |                  |                     | (362,664,486)   |                      |                         | (40,420,343)        |                  |                     | (322,244,143)   |
| 283.XX                                  | Deferred Taxes - State             |                  |                     | (73,198,021)    |                      |                         | 0                   |                  |                     | (73,198,021)    |
|   | <b>Total Rate Base</b>             |                  |                     | 1,293,592,813   |                      |                         | 150,974,040         |                  |                     | 1,142,618,773   |
|   | <b>Rate Of Return on Rate Base</b> |                  |                     | -0.09%          |                      |                         | -0.15%              |                  |                     | -0.08%          |
|   | <b>Allocation References:</b>      |                  |                     |                 |                      |                         |                     |                  |                     |                 |
|   | A Unbilled Revenue                 |                  |                     | 100.00%         |                      |                         | 1.25%               |                  |                     | 98.75%          |
|   | B Follows plant split              |                  |                     | 100.00%         |                      |                         | 10.94%              |                  |                     | 89.06%          |
|   | O&M See O&M Detail                 |                  |                     |                 |                      |                         |                     |                  |                     |                 |
|   | D Depreciation Factor              |                  |                     | 100.00%         |                      |                         | 10.30%              |                  |                     | 89.71%          |

| JULY 2017     |                  |               |                   |                      |                  |               |                  |               |
|---------------|------------------|---------------|-------------------|----------------------|------------------|---------------|------------------|---------------|
| System Direct | System Allocated | System Total  | Washington Direct | Washington Allocated | Washington Total | Oregon Direct | Oregon Allocated | Oregon Total  |
|               |                  | 92,439,381    |                   |                      | 11,151,599       |               |                  | 81,287,781    |
|               |                  | 1,266,795,754 |                   |                      | 146,513,830      |               |                  | 1,120,281,924 |
|               |                  | 7.30%         |                   |                      | 7.61%            |               |                  | 7.26%         |

NW Natural  
 Washington Results of Operations  
 12 Month Ended Reports  
 13 Month AMA for Rate Base  
 Summary  
 Total Operating Revenue  
 Total Rate Base  
 Rate Of Return on Rate Base

|   |   | JULY 2017                                 |                  |              |                   |                      |                  |               |                  |              |            |
|---|---|---|------------------|--------------|-------------------|----------------------|------------------|---------------|------------------|--------------|------------|
| Account                                 | Description                               | System Direct                             | System Allocated | System Total | Washington Direct | Washington Allocated | Washington Total | Oregon Direct | Oregon Allocated | Oregon Total |            |
| <b>NW Natural</b>                       |   |   |                  |              |                   |                      |                  |               |                  |              |            |
| <b>Washington Results of Operations</b> |   |   |                  |              |                   |                      |                  |               |                  |              |            |
| <b>12 Month Ended Reports</b>           |   |   |                  |              |                   |                      |                  |               |                  |              |            |
|   | Account                                   | Abs. Ref.                                 |                  |              |                   |                      |                  |               |                  |              |            |
|   | 480.1                                     | 454,996,470                               | 0                | 454,996,470  | 50,112,116        | 0                    | 50,112,116       | 404,884,355   | 0                | 404,884,355  |            |
|   | 481.1                                     | 228,341,218                               | 0                | 228,341,218  | 19,450,843        | 0                    | 19,450,843       | 209,890,375   | 0                | 209,890,375  |            |
|   | 481.2                                     | 22,838,961                                | 0                | 22,838,961   | 2,065,622         | 0                    | 2,065,622        | 20,773,339    | 0                | 20,773,339   |            |
|   | 481.3                                     | 22,264,866                                | 0                | 22,264,866   | 617,528           | 0                    | 617,528          | 21,647,337    | 0                | 21,647,337   |            |
|   | 481.5                                     | 0   | 0                | 0            | 0                 | 0                    | 0                | 0             | 0                | 0            |            |
|   | 495.20                                    | 0   | 740,109          | 740,109      | 0                 | 97,320               | 97,320           | 0             | 642,788          | 642,788      |            |
|   |   | 728,441,515                               | 740,109          | 729,181,623  | 72,246,109        | 97,320               | 72,343,429       | 656,195,406   | 642,788          | 656,838,194  |            |
|   | <b>Total Sales of Gas</b>                 |   |                  |              |                   |                      |                  |               |                  |              |            |
|   | 489.12                                    | 11,922,966                                | 0                | 11,922,966   | 1,405,573         | 0                    | 1,405,573        | 10,517,393    | 0                | 10,517,393   |            |
|   | 489.13                                    | 8,267,295                                 | 0                | 8,267,295    | 917,292           | 0                    | 917,292          | 7,350,003     | 0                | 7,350,003    |            |
|   | 489.15                                    | 0   | 0                | 0            | 0                 | 0                    | 0                | 0             | 0                | 0            |            |
|   | 489.3                                     | 393,386                                   | 0                | 393,386      | 0                 | 0                    | 0                | 393,386       | 0                | 393,386      |            |
|   |   | 20,583,648                                | 0                | 20,583,648   | 2,322,866         | 0                    | 2,322,866        | 18,260,782    | 0                | 18,260,782   |            |
|   | <b>Total Transportation Revenue</b>       |   |                  |              |                   |                      |                  |               |                  |              |            |
|   | 495.6                                     | (2,215,446)                               | 0                | (2,215,446)  | (2,405,016)       | 0                    | (2,405,016)      | 189,570       | 0                | 189,570      |            |
|   | <b>Rate Adjustments - Amortizations</b>   |   |                  |              |                   |                      |                  |               |                  |              |            |
|   | <b>Miscellaneous Revenues</b>             |   |                  |              |                   |                      |                  |               |                  |              |            |
|   | 487                                       | 2,148,503                                 | 0                | 2,148,503    | 96,690            | 0                    | 96,690           | 2,051,813     | 0                | 2,051,813    |            |
|   | 488.0                                     | 16,100                                    | 0                | 16,100       | 0                 | 0                    | 0                | 16,100        | 0                | 16,100       |            |
|   | 488.1                                     | 275,190                                   | 0                | 275,190      | 1,100             | 0                    | 1,100            | 274,090       | 0                | 274,090      |            |
|   | 488.2                                     | 108,975                                   | 0                | 108,975      | 10,305            | 0                    | 10,305           | 98,670        | 0                | 98,670       |            |
|   | 488.3                                     | 241,460                                   | 0                | 241,460      | 12,230            | 0                    | 12,230           | 229,230       | 0                | 229,230      |            |
|   | 488.4                                     | 346,275                                   | 0                | 346,275      | 30,260            | 0                    | 30,260           | 316,015       | 0                | 316,015      |            |
|   | 488.5                                     | 37,800                                    | 0                | 37,800       | 35,200            | 0                    | 35,200           | 2,600         | 0                | 2,600        |            |
|   | 488.6                                     | 13,925                                    | 0                | 13,925       | 845               | 0                    | 845              | 13,080        | 0                | 13,080       |            |
|   | 488.7                                     | 2,390                                     | 0                | 2,390        | 2,150             | 0                    | 2,150            | 240           | 0                | 240          |            |
|   | 488.8                                     | 44,276                                    | 0                | 44,276       | 6,095             | 0                    | 6,095            | 38,181        | 0                | 38,181       |            |
|   | 493.2                                     | 0   | 343,027          | 343,027      | 0                 | 25,158               | 25,158           | 0             | 317,868          | 317,868      |            |
|   | 495.1                                     | 200,400                                   | 0                | 200,400      | 16,259            | 0                    | 16,259           | 184,141       | 0                | 184,141      |            |
|   | 495.2                                     | 72,794                                    | 0                | 72,794       | 9,307             | 0                    | 9,307            | 63,487        | 0                | 63,487       |            |
|   |   | 3,508,088                                 | 343,027          | 3,851,115    | 220,441           | 25,158               | 245,599          | 3,287,647     | 317,868          | 3,605,515    |            |
|   | <b>Total Miscellaneous Revenues</b>       |   |                  |              |                   |                      |                  |               |                  |              |            |
|   | <b>Total Operating Revenue</b>            | 750,317,805                               | 1,083,136        | 751,400,940  | 72,384,399        | 122,479              | 72,506,878       | 677,933,405   | 960,657          | 678,894,062  |            |
|   | <b>Cost of Gas</b>                        |   |                  |              |                   |                      |                  |               |                  |              |            |
|   | 804.7                                     | 234,884,879                               | 0                | 234,884,879  | 22,081,152        | 0                    | 22,081,152       | 212,803,726   | 0                | 212,803,726  |            |
|   | 805.7                                     | 7,419,965                                 | 0                | 7,419,965    | 615,392           | 0                    | 615,392          | 6,804,573     | 0                | 6,804,573    |            |
|   | 804.6                                     | 80,899,467                                | 0                | 80,899,467   | 8,296,172         | 0                    | 8,296,172        | 72,603,295    | 0                | 72,603,295   |            |
|   | 805.8                                     | 8,804,335                                 | 0                | 8,804,335    | 1,018,645         | 0                    | 1,018,645        | 7,785,691     | 0                | 7,785,691    |            |
|   | 805.4                                     | (3,394,073)                               | 0                | (3,394,073)  | (2,727,970)       | 0                    | (2,727,970)      | (666,102)     | 0                | (666,102)    |            |
|   |   | 328,614,573                               | 0                | 328,614,573  | 29,283,391        | 0                    | 29,283,391       | 299,331,182   | 0                | 299,331,182  |            |
|   | <b>Total Cost of Gas</b>                  |   |                  |              |                   |                      |                  |               |                  |              |            |
|   | 407.03                                    | Environmental Expense                     |                  | 16,011,288   |                   |                      | 0                |               |                  | 16,011,288   |            |
|   | Detail                                    | Operations & Maintenance                  | 11,681,907       | 134,594,488  | 146,276,394       | 790,930              | 13,955,484       | 10,890,977    | 120,639,004      | 131,529,981  |            |
|   | <b>Other Taxes</b>                        |   |                  |              |                   |                      |                  |               |                  |              |            |
|   | 408.11                                    | Property                                  | 21,145,170       | 0            | 21,145,170        | 1,304,785            | 0                | 1,304,785     | 0                | 1,304,785    |            |
|   | 408.12                                    | Franchise                                 | 18,962,229       | 0            | 18,962,229        | 2,960,705            | 0                | 2,960,705     | 0                | 2,960,705    |            |
|   | 408.13                                    | Payroll                                   | 0                | 6,112,438    | 6,112,438         | 0                    | 601,391          | 0             | 5,511,047        | 5,511,047    |            |
|   | 408.14                                    | Other                                     | 285,392          | 0            | 285,392           | 66,300               | 0                | 219,092       | 0                | 219,092      |            |
|   | 408.15                                    | Regulatory                                | 1,658,509        | 0            | 1,658,509         | 120,705              | 0                | 1,537,804     | 0                | 1,537,804    |            |
|   |   | <b>Total Other Taxes</b>                  | 42,051,300       | 6,112,438    | 48,163,738        | 4,452,495            | 601,391          | 37,598,605    | 5,511,047        | 43,109,652   |            |
|   | 403.1                                     | Depreciation                              | 0                | 78,400,767   | 78,400,767        | 0                    | 8,058,802        | 0             | 70,341,965       | 70,341,965   |            |
|   | <b>Income Taxes</b>                       |   |                  |              |                   |                      |                  |               |                  |              |            |
|   | 409.11                                    | Federal Income Taxes                      |                  | 17,112,814   | 17,112,814        |                      | 4,275,866        |               |                  | 12,836,948   |            |
|   | 410.11                                    | Federal Income Taxes - Deferred           |                  | 28,183,503   | 28,183,503        |                      | (63,080)         |               |                  | 28,183,503   |            |
|   | 411.42                                    | Federal Income Tax Credit                 |                  | (11,011,689) | (11,011,689)      |                      | 0                |               |                  | (10,948,609) |            |
|   | 409.12                                    | Oregon Income Taxes                       |                  | 4,641,475    | 4,641,475         |                      | 0                |               |                  | 4,641,475    |            |
|   | 410.12                                    | Oregon Income Taxes - Deferred            |                  | 6,595,068    | 6,595,068         |                      | 0                |               |                  | 6,595,068    |            |
|   | 411.12                                    | Oregon Income Tax Credit                  |                  | (4,026,372)  | (4,026,372)       |                      | 0                |               |                  | (4,026,372)  |            |
|   |   | <b>Total Income Taxes</b>                 |                  | 41,494,799   | 41,494,799        |                      | 4,212,786        |               |                  | 37,282,013   |            |
|   | <b>Total Operating Revenue Deductions</b> | 382,347,780                               | 219,107,693      | 601,455,473  | 34,526,816        | 22,615,677           | 61,355,279       | 196,492,016   | 196,492,016      | 597,606,281  |            |
|   | <b>Net Operating Income</b>               |   |                  | 149,945,467  |                   |                      | 11,151,599       |               |                  | 161,107,066  |            |
|   |   | 1 Washington Results of Operations 2017Q3 |                  |              |                   |                      |                  |               |                  |              | 81,287,781 |

|        |                                    | JULY 2017        |                      |                      |                         |                     |                  |                     |                      |
|--------|------------------------------------|------------------|----------------------|----------------------|-------------------------|---------------------|------------------|---------------------|----------------------|
|        |                                    | System<br>Direct | System<br>Allocated  | Washington<br>Direct | Washington<br>Allocated | Washington<br>Total | Oregon<br>Direct | Oregon<br>Allocated | Oregon<br>Total      |
| 101    | Rate Base<br>Gross Plant           |                  | 2,837,247,435        |                      |                         | 299,057,490         |                  |                     | 2,538,189,945        |
| 108.1X | Accumulated Depreciation           |                  | (1,251,510,472)      |                      |                         | (124,234,877)       |                  |                     | (1,127,275,595)      |
| Adj    | Working Capital Allowance          |                  | 106,138,967          |                      |                         | 11,263,947          |                  |                     | 94,875,021           |
| 117.X  | Storage Gas - Cushion              |                  | 14,147,845           |                      |                         | 1,323,645           |                  |                     | 12,824,200           |
| 186.XX | Leasehold Improvements             |                  | 468,760              |                      |                         | 47,175              |                  |                     | 421,584              |
| 252.XX | Customer Contributions             |                  | (3,834,273)          |                      |                         | (523,206)           |                  |                     | (3,311,067)          |
| 283.XX | Deferred Taxes - Federal           |                  | (362,664,486)        |                      |                         | (40,420,343)        |                  |                     | (322,244,143)        |
| 283.XX | Deferred Taxes - State             |                  | (73,198,021)         |                      |                         | 0                   |                  |                     | (73,198,021)         |
|        | <b>Total Rate Base</b>             |                  | <b>1,266,795,754</b> |                      |                         | <b>146,513,830</b>  |                  |                     | <b>1,120,281,924</b> |
|        | <b>Rate Of Return on Rate Base</b> |                  | <b>7.30%</b>         |                      |                         | <b>7.61%</b>        |                  |                     | <b>7.26%</b>         |
|        | Allocation References:             |                  |                      |                      |                         |                     |                  |                     |                      |
|        | o Depreciation Factor              |                  | 100.00%              |                      |                         | 10.28%              |                  |                     | 89.72%               |

NW Natural  
 Washington Results of Operations  
 13 Month AMA Ended Reports

**NW Natural**  
**Washington Quarterly Results of Operations Report**  
**Operations and Maintenance Expense: Allocation of System Amounts**  
**For the period ended July 31, 2017**

|                                      |   | Month            |                   |                  |
|--------------------------------------|---|------------------|-------------------|------------------|
|                                      |   | <u>System</u>    | <u>Washington</u> | <u>Oregon</u>    |
| <b>Natural Gas Storage</b>           |   |                  |                   |                  |
| <b>Underground Storage Expense</b>   |   |                  |                   |                  |
| <b>Operation</b>                     |   |                  |                   |                  |
| 816                                  | Wells Expense                                       | \$40,965         | \$3,814           | \$37,151         |
| 818                                  | Compressor Station Expense                          | \$8,443          | \$786             | \$7,657          |
| 819                                  | Compressor Station Fuel                             | \$0              | \$0               | \$0              |
| 820                                  | Measuring and Regulator Station Expense             | \$166,884        | \$15,452          | \$151,432        |
| 821                                  | Purification Expense                                | (\$124)          | (\$11)            | (\$112)          |
| <b>Maintenance</b>                   |   |                  |                   |                  |
| 832                                  | Wells Expense                                       | \$29,794         | \$2,774           | \$27,020         |
|                                      | <b>Total Underground Storage Expense</b>            | <u>245,963</u>   | <u>22,814</u>     | <u>223,149</u>   |
| <b>Other Storage Expense</b>         |   |                  |                   |                  |
| <b>Operation</b>                     |   |                  |                   |                  |
| 840                                  | Supervision and Engineering                         | \$11,735         | \$1,093           | \$10,643         |
|                                      | <b>Total Other Storage Expense</b>                  | <u>11,735</u>    | <u>1,093</u>      | <u>10,643</u>    |
| <b>Liquefied Natural Gas Expense</b> |   |                  |                   |                  |
| <b>Operation</b>                     |   |                  |                   |                  |
| 844                                  | Supervision and Engineering                         | \$137,365        | \$12,789          | \$124,576        |
| 845                                  | LNG Fuel  | (\$3,358)        | (\$313)           | (\$3,046)        |
| <b>Maintenance</b>                   |   |                  |                   |                  |
| 847                                  | Supervision and Engineering                         | \$68,546         | \$6,382           | \$62,164         |
|                                      | <b>Total Liquefied Natural Gas Expense</b>          | <u>202,552</u>   | <u>18,858</u>     | <u>183,694</u>   |
|                                      | <b>Total Natural Gas Storage</b>                    | <u>460,250</u>   | <u>42,764</u>     | <u>417,486</u>   |
| <b>Transmission Expense</b>          |   |                  |                   |                  |
| <b>Operation</b>                     |   |                  |                   |                  |
| 856                                  | Mains Expense                                       | \$237,648        | \$11,293          | \$226,355        |
| <b>Maintenance</b>                   |   |                  |                   |                  |
| 863                                  | Maintenance of Mains                                | \$58,572         | \$5,933           | \$52,639         |
|                                      | <b>Total Transmission Expense</b>                   | <u>296,221</u>   | <u>17,226</u>     | <u>278,994</u>   |
| <b>Distribution Expense</b>          |   |                  |                   |                  |
| <b>Operation</b>                     |   |                  |                   |                  |
| 870                                  | Supervision and Engineering                         | \$252,213        | \$22,088          | \$230,125        |
| 874                                  | Mains and Services Expense                          | \$1,158,920      | \$128,689         | \$1,030,230      |
| 875                                  | Measuring and Regulator Station Expense - General   | \$14,608         | \$1,321           | \$13,287         |
| 877                                  | Measuring and Regulator Station Expense - City Gate | \$32,330         | \$2,730           | \$29,600         |
| 878                                  | Meter and House Regulator Expense                   | \$473,115        | \$51,239          | \$421,876        |
| 879                                  | Customer Installation Expense                       | \$759,698        | \$81,265          | \$678,433        |
| 880                                  | Other Expense                                       | \$131,766        | \$13,791          | \$117,975        |
| 881                                  | Rents   | \$4,734          | \$845             | \$3,889          |
| <b>Maintenance</b>                   |   |                  |                   |                  |
| 885                                  | Supervision and Engineering                         | \$739,772        | \$35,651          | \$704,121        |
| 887                                  | Mains   | \$330,145        | \$27,571          | \$302,574        |
| 889                                  | Measuring and Regulator Station Expense - General   | \$112,075        | \$9,381           | \$102,695        |
| 891                                  | Measuring and Regulator Station Expense - City Gate | \$6,866          | \$566             | \$6,300          |
| 892                                  | Services  | \$29,009         | \$2,552           | \$26,457         |
| 893                                  | Meters and House Regulators                         | \$245,274        | \$24,331          | \$220,943        |
| 894                                  | Other Equipment                                     | \$1,999          | \$146             | \$1,853          |
|                                      | <b>Total Distribution Expense</b>                   | <u>4,292,525</u> | <u>402,167</u>    | <u>3,890,358</u> |



|   |   |                        |                       |                        |
|---|---|------------------------|-----------------------|------------------------|
| <b>Customer Accounts Expense</b>          |   |                        |                       |                        |
| Operation                                 |   |                        |                       |                        |
| 901                                       | Supervision                                     | \$133,509              | \$14,499              | \$119,010              |
| 902                                       | Meter Reading Expenses                          | \$67,334               | \$7,312               | \$60,021               |
| 903                                       | Customer Records and Collection Expense         | \$1,462,452            | \$157,802             | \$1,304,650            |
| 904                                       | Uncollectible Accounts                          | \$29,913               | \$3,187               | \$26,727               |
|   | <b>Total Customer Accounts Expense</b>          | <u>1,693,209</u>       | <u>182,801</u>        | <u>1,510,408</u>       |
| <b>Customer Service and Informational</b> |   |                        |                       |                        |
| Operation                                 |   |                        |                       |                        |
| 907                                       | Supervision                                     | \$82                   | \$9                   | \$73                   |
| 908                                       | Customer Assistance Expense                     | \$209,569              | \$24,744              | \$184,825              |
| 909                                       | Customer Information Expense                    | \$307,931              | \$33,441              | \$274,489              |
| 910                                       | Miscellaneous Customer Service Expense          | \$20,742               | \$2,277               | \$18,465               |
|   | <b>Total Customer Service and Informational</b> | <u>538,324</u>         | <u>60,472</u>         | <u>477,852</u>         |
| <b>Sales Expense</b>                      |   |                        |                       |                        |
| Operation                                 |   |                        |                       |                        |
| 911                                       | Supervision                                     | \$13,715               | \$1,489               | \$12,226               |
| 912                                       | Demonstration and Selling Expense               | \$297,507              | \$31,942              | \$265,565              |
| 913                                       | Advertising                                     | \$80,795               | \$8,774               | \$72,020               |
| 916                                       | Miscellaneous Sales Expense                     | -                      | -                     | -                      |
|   | <b>Total Sales Expense</b>                      | <u>392,017</u>         | <u>42,206</u>         | <u>349,811</u>         |
| <b>Administrative and General Expense</b> |   |                        |                       |                        |
| Operation                                 |   |                        |                       |                        |
| 921                                       | Office Supplies and Expense                     | \$4,593,861            | \$497,441             | \$4,096,420            |
| 922                                       | Administrative Expenses Transferred - Credit    | (\$1,591,558)          | (\$165,506)           | (\$1,426,052)          |
| 924                                       | Property Insurance Premium                      | \$267,236              | \$27,071              | \$240,165              |
| 925                                       | Injuries and Damages                            | \$100,606              | \$98,245              | \$2,361                |
| 926                                       | Employee Pensions and Benefits                  | \$23,623               | \$2,282               | \$21,341               |
| 928                                       | Regulatory Commission Expense                   | -                      | -                     | -                      |
| 930                                       | Miscellaneous General Expense                   | \$373,614              | \$37,847              | \$335,767              |
| 931                                       | Rents   | \$391,732              | \$39,296              | \$352,435              |
| Maintenance                               |   |                        |                       |                        |
| 935                                       | Maintenance of General Plant                    | \$300,843              | \$30,214              | \$270,629              |
|   | <b>Total Administrative and General Expense</b> | <u>4,459,956</u>       | <u>566,890</u>        | <u>3,893,066</u>       |
|   | <b>Total Operations and Maintenance Expense</b> | <u>\$12,132,501.23</u> | <u>\$1,314,525.53</u> | <u>\$10,817,975.70</u> |

NW Natural  
 Rates & Regulatory Affairs  
 Operations and Maintenance Expense  
 State Allocation of System Amounts  
 For the period ended July 31, 2017

| FERC Description                                  | System          |                  |                 | Washington   |               |               | Oregon          |                 |                 | Allocation Method           |
|---|-----------------|------------------|-----------------|--------------|---------------|---------------|-----------------|-----------------|-----------------|-----------------------------|
|   | Direct          | Total            |                 | Direct       | Total         |               | Direct          | Total           |                 |                             |
|   |                 | YTD JUL          | YTD JUL         |              | YTD JUL       | YTD JUL       |                 | YTD JUL         | YTD JUL         |                             |
| 816 Wells Expense Total                           | \$ -            | \$ 168,557.47    | \$ 168,557.47   | \$ -         | \$ 15,692.70  | \$ 15,692.70  | \$ -            | \$ 152,864.77   | \$ 152,864.77   | Firm Volumes Total          |
| 818 Compressor Station Expense Total              | \$ -            | \$ 37,092.17     | \$ 37,092.17    | \$ -         | \$ 3,453.28   | \$ 3,453.28   | \$ -            | \$ 33,638.89    | \$ 33,638.89    | Firm Volumes Total          |
| 819 Compressor Station Fuel Total                 | \$ -            | \$ 0.06          | \$ 0.06         | \$ -         | \$ 0.01       | \$ 0.01       | \$ -            | \$ 0.05         | \$ 0.05         | Firm Volumes Total          |
| 820 Measuring and Regulator Station Expense Total | \$ -            | \$ 7,840.41      | \$ 7,840.41     | \$ -         | \$ 794.23     | \$ 794.23     | \$ -            | \$ 7,046.18     | \$ 7,046.18     | 3-Factor Total              |
| 821 Purification Expense Total                    | \$ -            | \$ 14.89         | \$ 14.89        | \$ -         | \$ 1.62       | \$ 1.62       | \$ -            | \$ 13.27        | \$ 13.27        | Customers-All Total         |
| 832 Wells Expense Total                           | \$ 5,595.48     | \$ 5,595.48      | \$ 5,595.48     | \$ -         | \$ -          | \$ -          | \$ 5,595.48     | \$ -            | \$ 5,595.48     | Direct-OR Total             |
| 840 Supervision and Engineering Total             | \$ -            | \$ 1,308,014.70  | \$ 1,308,014.70 | \$ -         | \$ 121,776.17 | \$ 121,776.17 | \$ -            | \$ 1,186,238.53 | \$ 1,186,238.53 | Firm Volumes Total          |
| 844 Supervision and Engineering Total             | \$ 5,595.48     | \$ 1,315,870.00  | \$ 1,321,465.48 | \$ -         | \$ 122,572.02 | \$ 122,572.02 | \$ 5,595.48     | \$ 1,193,297.98 | \$ 1,198,893.46 | Firm Volumes Total          |
| 845 LNG Fuel Total                                | \$ -            | \$ 18,398.72     | \$ 18,398.72    | \$ -         | \$ 1,712.92   | \$ 1,712.92   | \$ -            | \$ 16,685.80    | \$ 16,685.80    | Firm Volumes Total          |
| 847 Supervision and Engineering Total             | \$ -            | \$ 18,398.72     | \$ 18,398.72    | \$ -         | \$ 1,712.92   | \$ 1,712.92   | \$ -            | \$ 16,685.80    | \$ 16,685.80    | Firm Volumes Total          |
| 848 Supervision and Engineering Total             | \$ -            | \$ 191,948.38    | \$ 191,948.38   | \$ -         | \$ 17,870.39  | \$ 17,870.39  | \$ -            | \$ 174,077.99   | \$ 174,077.99   | Firm Volumes Total          |
| 849 Supervision and Engineering Total             | \$ -            | \$ 191,948.38    | \$ 191,948.38   | \$ -         | \$ 17,870.39  | \$ 17,870.39  | \$ -            | \$ 174,077.99   | \$ 174,077.99   | Firm Volumes Total          |
| 850 Supervision and Engineering Total             | \$ -            | \$ 72,664.77     | \$ 72,664.77    | \$ -         | \$ 6,765.09   | \$ 6,765.09   | \$ -            | \$ 65,899.68    | \$ 65,899.68    | Firm Volumes Total          |
| 851 Supervision and Engineering Total             | \$ -            | \$ 72,664.77     | \$ 72,664.77    | \$ -         | \$ 6,765.09   | \$ 6,765.09   | \$ -            | \$ 65,899.68    | \$ 65,899.68    | Firm Volumes Total          |
| 852 Supervision and Engineering Total             | \$ -            | \$ 898,681.52    | \$ 898,681.52   | \$ -         | \$ 83,667.25  | \$ 83,667.25  | \$ -            | \$ 815,014.27   | \$ 815,014.27   | Firm Volumes Total          |
| 853 Supervision and Engineering Total             | \$ -            | \$ 898,681.52    | \$ 898,681.52   | \$ -         | \$ 83,667.25  | \$ 83,667.25  | \$ -            | \$ 815,014.27   | \$ 815,014.27   | Firm Volumes Total          |
| 854 Supervision and Engineering Total             | \$ -            | \$ 3,358.47      | \$ 3,358.47     | \$ -         | \$ 312.67     | \$ 312.67     | \$ -            | \$ 3,045.80     | \$ 3,045.80     | Firm Volumes Total          |
| 855 Mains Expense Total                           | \$ -            | \$ 537,635.68    | \$ 537,635.68   | \$ -         | \$ 50,053.88  | \$ 50,053.88  | \$ -            | \$ 487,581.80   | \$ 487,581.80   | Firm Volumes Total          |
| 856 Mains Expense Total                           | \$ -            | \$ 537,635.68    | \$ 537,635.68   | \$ -         | \$ 50,053.88  | \$ 50,053.88  | \$ -            | \$ 487,581.80   | \$ 487,581.80   | Firm Volumes Total          |
| 857 Mains Expense Total                           | \$ -            | \$ 573,072.48    | \$ 573,072.48   | \$ -         | \$ 58,052.24  | \$ 58,052.24  | \$ -            | \$ 515,020.24   | \$ 515,020.24   | 3-Factor Total              |
| 858 Mains Expense Total                           | \$ -            | \$ 573,072.48    | \$ 573,072.48   | \$ -         | \$ 58,052.24  | \$ 58,052.24  | \$ -            | \$ 515,020.24   | \$ 515,020.24   | Customers-All Total         |
| 859 Mains Expense Total                           | \$ 106,034.41   | \$ 50.00         | \$ 106,034.41   | \$ -         | \$ -          | \$ -          | \$ 106,034.41   | \$ -            | \$ 106,034.41   | Direct-OR Total             |
| 860 Mains Expense Total                           | \$ -            | \$ 50.00         | \$ 50.00        | \$ -         | \$ -          | \$ -          | \$ -            | \$ -            | \$ -            | Sales/Sendout Volumes Total |
| 861 Mains Expense Total                           | \$ -            | \$ 9,292.63      | \$ 9,292.63     | \$ -         | \$ 740.62     | \$ 740.62     | \$ -            | \$ 8,552.01     | \$ 8,552.01     | Sales/Sendout Volumes Total |
| 862 Mains Expense Total                           | \$ -            | \$ 9,292.63      | \$ 9,292.63     | \$ -         | \$ 740.62     | \$ 740.62     | \$ -            | \$ 8,552.01     | \$ 8,552.01     | Sales/Sendout Volumes Total |
| 863 Mains Expense Total                           | \$ 106,034.41   | \$ 497,479.01    | \$ 497,479.01   | \$ -         | \$ 5,820.50   | \$ 5,820.50   | \$ -            | \$ 491,658.51   | \$ 491,658.51   | Transmission Total          |
| 864 Mains Expense Total                           | \$ -            | \$ 1,186,611.53  | \$ 1,186,611.53 | \$ -         | \$ 64,692.97  | \$ 64,692.97  | \$ 106,034.41   | \$ 1,015,884.15 | \$ 1,121,918.56 | 3-Factor Total              |
| 865 Mains Expense Total                           | \$ -            | \$ 1,186,611.53  | \$ 1,186,611.53 | \$ -         | \$ 64,692.97  | \$ 64,692.97  | \$ 106,034.41   | \$ 1,015,884.15 | \$ 1,121,918.56 | Customers-All Total         |
| 866 Mains Expense Total                           | \$ -            | \$ 166,926.20    | \$ 166,926.20   | \$ -         | \$ 16,909.62  | \$ 16,909.62  | \$ -            | \$ 150,016.58   | \$ 150,016.58   | Direct-OR Total             |
| 867 Mains Expense Total                           | \$ -            | \$ 13,090.92     | \$ 13,090.92    | \$ -         | \$ 1,043.35   | \$ 1,043.35   | \$ -            | \$ 12,047.57    | \$ 12,047.57    | Sales/Sendout Volumes Total |
| 868 Mains Expense Total                           | \$ -            | \$ 120,000.00    | \$ 120,000.00   | \$ -         | \$ 1.40       | \$ 1.40       | \$ -            | \$ 118.60       | \$ 118.60       | Transmission Total          |
| 869 Mains Expense Total                           | \$ -            | \$ 180,137.12    | \$ 180,137.12   | \$ -         | \$ 17,954.37  | \$ 17,954.37  | \$ -            | \$ 162,182.75   | \$ 162,182.75   | 3-Factor Total              |
| 870 Mains Expense Total                           | \$ -            | \$ 180,137.12    | \$ 180,137.12   | \$ -         | \$ 17,954.37  | \$ 17,954.37  | \$ -            | \$ 162,182.75   | \$ 162,182.75   | Customers-All Total         |
| 871 Mains Expense Total                           | \$ 131.17       | \$ 2,030.20      | \$ 2,030.20     | \$ -         | \$ 205.66     | \$ 205.66     | \$ -            | \$ 1,824.54     | \$ 1,824.54     | Direct-OR Total             |
| 872 Mains Expense Total                           | \$ -            | \$ 131.17        | \$ 131.17       | \$ -         | \$ -          | \$ -          | \$ 131.17       | \$ -            | \$ 131.17       | Sales/Sendout Volumes Total |
| 873 Mains Expense Total                           | \$ -            | \$ 1,038,164.24  | \$ 1,038,164.24 | \$ -         | \$ 96,653.09  | \$ 96,653.09  | \$ -            | \$ 941,511.15   | \$ 941,511.15   | Firm Volumes Total          |
| 874 Mains Expense Total                           | \$ -            | \$ 621.70        | \$ 621.70       | \$ -         | \$ 54.71      | \$ 54.71      | \$ -            | \$ 566.99       | \$ 566.99       | Sales/Sendout Volumes Total |
| 875 Mains Expense Total                           | \$ -            | \$ 860,870.75    | \$ 860,870.75   | \$ -         | \$ 68,611.40  | \$ 68,611.40  | \$ -            | \$ 792,259.35   | \$ 792,259.35   | Sales/Sendout Volumes Total |
| 876 Mains Expense Total                           | \$ -            | \$ 1,897,757.66  | \$ 1,897,757.66 | \$ -         | \$ 165,113.54 | \$ 165,113.54 | \$ 131.17       | \$ 1,732,512.95 | \$ 1,732,644.12 | Sales/Sendout Volumes Total |
| 877 Mains Expense Total                           | \$ -            | \$ 2,578,928.47  | \$ 2,578,928.47 | \$ -         | \$ 261,245.45 | \$ 261,245.45 | \$ -            | \$ 2,317,683.02 | \$ 2,317,683.02 | 3-Factor Total              |
| 878 Mains Expense Total                           | \$ -            | \$ 2,578,928.47  | \$ 2,578,928.47 | \$ -         | \$ 261,245.45 | \$ 261,245.45 | \$ -            | \$ 2,317,683.02 | \$ 2,317,683.02 | Customers-All Total         |
| 879 Mains Expense Total                           | \$ 1,536,923.29 | \$ 50.00         | \$ 1,536,923.29 | \$ -         | \$ 323,438.87 | \$ 323,438.87 | \$ -            | \$ 2,654,819.57 | \$ 2,654,819.57 | Direct-OR Total             |
| 880 Mains Expense Total                           | \$ -            | \$ 239,905.91    | \$ 239,905.91   | \$ -         | \$ -          | \$ -          | \$ 1,536,923.29 | \$ -            | \$ 1,536,923.29 | Direct-WA Total             |
| 881 Mains Expense Total                           | \$ -            | \$ 12,257.38     | \$ 12,257.38    | \$ -         | \$ 1,218.38   | \$ 1,218.38   | \$ -            | \$ 11,039.00    | \$ 11,039.00    | Employee Cost Total         |
| 882 Mains Expense Total                           | \$ -            | \$ 338,417.56    | \$ 338,417.56   | \$ -         | \$ 26,971.88  | \$ 26,971.88  | \$ -            | \$ 311,445.68   | \$ 311,445.68   | Sales/Sendout Volumes Total |
| 883 Mains Expense Total                           | \$ -            | \$ 185,371.30    | \$ 185,371.30   | \$ -         | \$ 2,145.44   | \$ 2,145.44   | \$ -            | \$ 181,225.86   | \$ 181,225.86   | Transmission Total          |
| 884 Mains Expense Total                           | \$ 1,776,829.20 | \$ 56,091,233.15 | \$ 7,868,062.35 | \$ 35,611.08 | \$ 615,020.03 | \$ 650,631.11 | \$ 1,536,923.29 | \$ 5,680,507.95 | \$ 7,217,431.24 | 3-Factor Total              |
| 885 Mains Expense Total                           | \$ -            | \$ 5,862.13      | \$ 5,862.13     | \$ -         | \$ 593.83     | \$ 593.83     | \$ -            | \$ 5,268.30     | \$ 5,268.30     | Direct-OR Total             |
| 886 Mains Expense Total                           | \$ -            | \$ 50.00         | \$ 50.00        | \$ -         | \$ -          | \$ -          | \$ -            | \$ -            | \$ -            | Direct-OR Total             |
| 887 Mains Expense Total                           | \$ -            | \$ 141,622.45    | \$ 141,622.45   | \$ -         | \$ 11,287.31  | \$ 11,287.31  | \$ -            | \$ 130,335.14   | \$ 130,335.14   | Sales/Sendout Volumes Total |

|   |                 |                  |                 |              |               |               |                 |                 |                              |
|---|-----------------|------------------|-----------------|--------------|---------------|---------------|-----------------|-----------------|------------------------------|
| 875 Measuring and Regulator Station Expense - General Total   | \$ 11,191.48    | \$ 45,484.54     | \$ 4,898.68     | \$ 4,898.68  | \$ 4,898.68   | \$ 11,191.48  | \$ 40,585.86    | \$ 40,585.86    | Telemetering Total           |
|   | \$ -            | \$ 192,969.12    | \$ 204,160.60   | \$ -         | \$ 16,779.83  | \$ 16,779.83  | \$ 176,189.29   | \$ 187,380.77   | 3-Factor Total               |
|   | \$ -            | \$ 33,270.75     | \$ 33,270.75    | \$ -         | \$ 3,370.33   | \$ 3,370.33   | \$ 29,900.42    | \$ 29,900.42    | Customers-All Total          |
|   | \$ -            | \$ 19,410.89     | \$ 19,410.89    | \$ -         | \$ 2,108.02   | \$ 2,108.02   | \$ 17,302.87    | \$ 17,302.87    | Direct-OR Total              |
|   | \$ 343.75       | \$ 0.00          | \$ 343.75       | \$ -         | \$ -          | \$ -          | \$ 343.75       | \$ 343.75       | Sendout Volumes Total        |
| 877 Measuring and Regulator Station Expense - City Gate Total | \$ 343.75       | \$ 332,401.71    | \$ 332,745.46   | \$ -         | \$ 22,772.04  | \$ 22,772.04  | \$ 304,629.67   | \$ 304,973.42   | 3-Factor Total               |
|   | \$ -            | \$ 21,225.78     | \$ 21,225.78    | \$ -         | \$ (2,150.17) | \$ (2,150.17) | \$ (19,075.61)  | \$ (19,075.61)  | Customers-All Total          |
|   | \$ -            | \$ 3,417,310.40  | \$ 3,417,310.40 | \$ -         | \$ 371,119.91 | \$ 371,119.91 | \$ 3,046,190.49 | \$ 3,046,190.49 | Customers-Ind Total          |
|   | \$ 1,165.56     | \$ 30,662.18     | \$ 30,662.18    | \$ -         | \$ 2,364.05   | \$ 2,364.05   | \$ 28,298.13    | \$ 28,298.13    | Direct-OR Total              |
|   | \$ -            | \$ 21,022.65     | \$ 21,022.65    | \$ -         | \$ 1,675.51   | \$ 1,675.51   | \$ 19,347.14    | \$ 19,347.14    | Sendout Volumes Total        |
|   | \$ 1,165.56     | \$ 1,437.77      | \$ 1,437.77     | \$ -         | \$ 16.82      | \$ 16.82      | \$ 1,420.95     | \$ 1,420.95     | Transmission Total           |
| 878 Meter and House Regulator Expense Total                   | \$ 1,165.56     | \$ 53,449,272.32 | \$ 3,450,372.78 | \$ -         | \$ 373,026.12 | \$ 373,026.12 | \$ 3,076,181.10 | \$ 3,077,346.66 | 3-Factor Total               |
|   | \$ -            | \$ 153,300.59    | \$ 153,300.59   | \$ -         | \$ 15,529.35  | \$ 15,529.35  | \$ 137,771.24   | \$ 137,771.24   | Customers-All Total          |
|   | \$ -            | \$ 5,935,925.28  | \$ 5,935,925.28 | \$ -         | \$ 644,641.49 | \$ 644,641.49 | \$ 5,291,283.79 | \$ 5,291,283.79 | Direct-OR Total              |
|   | \$ 77,162.98    | \$ 0.00          | \$ 77,162.98    | \$ -         | \$ -          | \$ -          | \$ 77,162.98    | \$ 77,162.98    | Direct-WA Total              |
| 879 Customer Installation Expense Total                       | \$ 82,432.09    | \$ 6,089,225.87  | \$ 6,171,657.96 | \$ 243.05    | \$ 660,170.84 | \$ 660,413.89 | \$ 5,434,081.09 | \$ 5,511,244.07 | 3-Factor Total               |
|   | \$ -            | \$ 696,808.99    | \$ 696,808.99   | \$ -         | \$ 70,586.75  | \$ 70,586.75  | \$ 626,222.24   | \$ 626,222.24   | Customers-All Total          |
|   | \$ 174,781.28   | \$ 0.00          | \$ 174,781.28   | \$ -         | \$ 8,065.22   | \$ 8,065.22   | \$ 66,200.20    | \$ 66,200.20    | Direct-OR Total              |
|   | \$ 44,758.40    | \$ 0.00          | \$ 44,758.40    | \$ 4,946.77  | \$ -          | \$ 4,946.77   | \$ 39,811.63    | \$ 39,811.63    | Direct-WA Total              |
|   | \$ -            | \$ 0.00          | \$ 0.00         | \$ -         | \$ -          | \$ -          | \$ -            | \$ -            | Firm Volumes Total           |
|   | \$ -            | \$ 310,406.11    | \$ 310,406.11   | \$ -         | \$ 24,739.37  | \$ 24,739.37  | \$ 285,666.74   | \$ 285,666.74   | Sendout Volumes Total        |
|   | \$ 219,539.68   | \$ 1,099,134.10  | \$ 1,318,673.78 | \$ 4,946.77  | \$ 103,597.89 | \$ 108,544.66 | \$ 1,035,347.84 | \$ 1,210,129.12 | Transmission Total           |
| 880 Other Expense Total                                       | \$ -            | \$ 91,415.27     | \$ 91,415.27    | \$ -         | \$ 9,260.37   | \$ 9,260.37   | \$ 82,154.90    | \$ 82,154.90    | 3-Factor Total               |
|   | \$ -            | \$ 18,625.65     | \$ 18,625.65    | \$ -         | \$ 4,721.60   | \$ 4,721.60   | \$ 13,904.05    | \$ 13,904.05    | Customers-The Dalles Total   |
| 881 Items Total   | \$ -            | \$ 1,130,040.92  | \$ 1,130,040.92 | \$ -         | \$ 13,981.97  | \$ 13,981.97  | \$ 96,058.95    | \$ 96,058.95    | 3-Factor Total               |
|   | \$ -            | \$ 1,490,350.86  | \$ 1,490,350.86 | \$ -         | \$ 150,972.54 | \$ 150,972.54 | \$ 1,339,378.32 | \$ 1,339,378.32 | Customers-All Total          |
|   | \$ 3,144,746.51 | \$ 0.00          | \$ 3,144,746.51 | \$ -         | \$ 307.26     | \$ 307.26     | \$ 2,522.04     | \$ 2,522.04     | Direct-OR Total              |
|   | \$ 30,636.52    | \$ 0.00          | \$ 30,636.52    | \$ 12,576.20 | \$ -          | \$ -          | \$ 18,060.32    | \$ 18,060.32    | Direct-WA Total              |
|   | \$ -            | \$ 82.08         | \$ 82.08        | \$ -         | \$ 8.16       | \$ 8.16       | \$ 73.92        | \$ 73.92        | Employee Cost Total          |
|   | \$ -            | \$ 7,000.00      | \$ 7,000.00     | \$ -         | \$ 674.10     | \$ 674.10     | \$ 6,325.90     | \$ 6,325.90     | Sales Volumes Total          |
|   | \$ -            | \$ 75,405.89     | \$ 75,405.89    | \$ -         | \$ 6,009.85   | \$ 6,009.85   | \$ 69,396.04    | \$ 69,396.04    | Sendout Volumes Total        |
|   | \$ -            | \$ 73,067.12     | \$ 73,067.12    | \$ -         | \$ 854.89     | \$ 854.89     | \$ 72,212.23    | \$ 72,212.23    | Transmission Total           |
| 885 Supervision and Engineering Total                         | \$ 3,175,383.03 | \$ 1,648,735.25  | \$ 4,824,118.28 | \$ 12,576.20 | \$ 158,826.80 | \$ 171,403.00 | \$ 3,144,746.51 | \$ 1,507,968.77 | 3-Factor Total               |
|   | \$ -            | \$ 16,608.41     | \$ 16,608.41    | \$ -         | \$ 1,682.43   | \$ 1,682.43   | \$ 14,925.98    | \$ 14,925.98    | Customers Port/Ven 80% Total |
|   | \$ -            | \$ 732,734.39    | \$ 732,734.39   | \$ -         | \$ 87,195.39  | \$ 87,195.39  | \$ 645,539.00   | \$ 645,539.00   | Customers-All Total          |
|   | \$ -            | \$ 56,934.11     | \$ 56,934.11    | \$ -         | \$ 6,183.04   | \$ 6,183.04   | \$ 50,751.07    | \$ 50,751.07    | Direct-OR Total              |
|   | \$ 669,790.44   | \$ 0.00          | \$ 669,790.44   | \$ -         | \$ -          | \$ -          | \$ 669,790.44   | \$ 669,790.44   | Direct-WA Total              |
|   | \$ 48,316.88    | \$ 0.00          | \$ 48,316.88    | \$ 11,380.27 | \$ -          | \$ -          | \$ 36,936.61    | \$ 36,936.61    | Transmission Total           |
|   | \$ 718,107.32   | \$ 1,012,309.12  | \$ 1,730,416.44 | \$ 11,380.27 | \$ 97,471.45  | \$ 108,851.72 | \$ 951,774.28   | \$ 1,621,564.72 | 3-Factor Total               |
|   | \$ -            | \$ 13,462.48     | \$ 13,462.48    | \$ -         | \$ 1,363.75   | \$ 1,363.75   | \$ 12,098.73    | \$ 12,098.73    | Customers-All Total          |
|   | \$ 1,562.00     | \$ 0.00          | \$ 1,562.00     | \$ -         | \$ 39.22      | \$ 39.22      | \$ 1,562.00     | \$ 1,562.00     | Direct-OR Total              |
|   | \$ -            | \$ 712,116.97    | \$ 712,116.97   | \$ -         | \$ 56,755.72  | \$ 56,755.72  | \$ 655,361.25   | \$ 655,361.25   | Sendout Volumes Total        |
|   | \$ -            | \$ 214,052.24    | \$ 214,052.24   | \$ -         | \$ 23,053.43  | \$ 23,053.43  | \$ 190,998.81   | \$ 190,998.81   | Telemetering Total           |
|   | \$ -            | \$ 13,491.67     | \$ 13,491.67    | \$ -         | \$ 157.85     | \$ 157.85     | \$ 13,333.82    | \$ 13,333.82    | Transmission Total           |
| 889 Measuring and Regulator Station Expense - General Total   | \$ 1,562.00     | \$ 953,484.46    | \$ 955,046.46   | \$ -         | \$ 81,369.97  | \$ 81,369.97  | \$ 872,114.49   | \$ 873,676.49   | 3-Factor Total               |
|   | \$ -            | \$ 10,012.37     | \$ 10,012.37    | \$ -         | \$ 1,014.25   | \$ 1,014.25   | \$ 8,998.12     | \$ 8,998.12     | Direct-OR Total              |
|   | \$ 2,344.43     | \$ 0.00          | \$ 2,344.43     | \$ -         | \$ -          | \$ -          | \$ 2,344.43     | \$ 2,344.43     | Sendout Volumes Total        |
| 891 Measuring and Regulator Station Expense - City Gate Total | \$ 2,344.43     | \$ 1,112,829.77  | \$ 1,115,174.20 | \$ -         | \$ 9,208.80   | \$ 9,208.80   | \$ 103,620.97   | \$ 105,965.40   | 3-Factor Total               |
|   | \$ -            | \$ 4,756.57      | \$ 4,756.57     | \$ -         | \$ 481.84     | \$ 481.84     | \$ 4,274.73     | \$ 4,274.73     | Customers-All Total          |
|   | \$ -            | \$ 33,262.49     | \$ 33,262.49    | \$ -         | \$ 3,612.31   | \$ 3,612.31   | \$ 29,650.18    | \$ 29,650.18    | Direct-OR Total              |



|  |                 |                   |                    |               |                   |                   |                 |                    |                    |                            |
|--|-----------------|-------------------|--------------------|---------------|-------------------|-------------------|-----------------|--------------------|--------------------|----------------------------|
| 913 Advertising Total                                  | \$ 1,591.95     | \$ 403,592.03     | \$ 405,183.98      | \$ -          | \$ 43,830.02      | \$ 43,830.02      | \$ 1,591.95     | \$ 359,762.01      | \$ 361,353.96      | 3-Factor Total             |
|  | \$ -            | \$ 17,399,490.05  | \$ 27,399,490.05   | \$ -          | \$ 2,775,568.34   | \$ 2,775,568.34   | \$ -            | \$ 24,623,921.71   | \$ 24,623,921.71   | Customers-All Total        |
|  | \$ -            | \$ 52,577,281.93  | \$ 2,577,281.93    | \$ -          | \$ 274,462.82     | \$ 274,462.82     | \$ -            | \$ 2,252,819.11    | \$ 2,252,819.11    | Customers-Ind Total        |
|  | \$ -            | \$ 1,233.47       | \$ 1,233.47        | \$ -          | \$ 95.10          | \$ 95.10          | \$ -            | \$ 1,138.37        | \$ 1,138.37        | Customers-Res Total        |
|  | \$ -            | \$ 106,550.32     | \$ 106,550.32      | \$ -          | \$ 11,699.23      | \$ 11,699.23      | \$ -            | \$ 94,851.09       | \$ 94,851.09       | Direct-OR Total            |
|  | \$ 47,293.95    | \$ 0.00           | \$ 47,293.95       | \$ 732.28     | \$ -              | \$ 732.28         | \$ 47,293.95    | \$ -               | \$ 47,293.95       | Direct-WA Total            |
|  | \$ 4,853.89     | \$ 0.00           | \$ 4,853.89        | \$ -          | \$ -              | \$ -              | \$ -            | \$ 4,121.61        | \$ 4,121.61        | Employee Cost Total        |
|  | \$ -            | \$ 3,133,552.26   | \$ 3,133,552.26    | \$ -          | \$ 311,475.09     | \$ 311,475.09     | \$ -            | \$ 2,822,077.17    | \$ 2,822,077.17    | Firm Volumes Total         |
|  | \$ -            | \$ -4,599.21      | \$ (4,599.21)      | \$ -          | \$ (428.19)       | \$ (428.19)       | \$ -            | \$ (4,171.02)      | \$ (4,171.02)      | Regulatory Total           |
|  | \$ -            | \$ 1,041,607.84   | \$ 1,041,607.84    | \$ -          | \$ 312,482.35     | \$ 312,482.35     | \$ -            | \$ 729,125.49      | \$ 729,125.49      | Sendout Volumes Total      |
|  | \$ -            | \$ 5,462.55       | \$ 5,462.55        | \$ -          | \$ 435.37         | \$ 435.37         | \$ -            | \$ 5,027.18        | \$ 5,027.18        | Transmission Total         |
|  | \$ -            | \$ 880.50         | \$ 880.50          | \$ -          | \$ 0.94           | \$ 0.94           | \$ -            | \$ 79.56           | \$ 79.56           |                            |
| 921 Office Supplies and Expense Total                  | \$ 52,147.84    | \$ 34,210,659.71  | \$ 34,262,807.55   | \$ 732.28     | \$ 3,685,791.05   | \$ 3,686,523.33   | \$ 47,293.95    | \$ 30,528,990.27   | \$ 30,576,284.22   |                            |
|  | \$ -            | \$ -8,099,726.78  | \$ (8,099,726.78)  | \$ -          | \$ (858,733.03)   | \$ (858,733.03)   | \$ -            | \$ (7,240,993.75)  | \$ (7,240,993.75)  | Admin Train Total          |
|  | \$ -            | \$ -3,646,330.45  | \$ (3,646,330.45)  | \$ -          | \$ (362,445.25)   | \$ (362,445.25)   | \$ -            | \$ (3,283,885.20)  | \$ (3,283,885.20)  | Employee Cost Total        |
| 922 Administrative Expenses Transferred - Credit Total | \$ -            | \$ -11,746,057.23 | \$ (11,746,057.23) | \$ -          | \$ (1,221,178.28) | \$ (1,221,178.28) | \$ -            | \$ (10,524,878.95) | \$ (10,524,878.95) |                            |
| 924 Property Insurance Premium Total                   | \$ -            | \$ 1,813,986.84   | \$ 1,813,986.84    | \$ -          | \$ 183,756.87     | \$ 183,756.87     | \$ -            | \$ 1,630,229.97    | \$ 1,630,229.97    | 3-Factor Total             |
|  | \$ -            | \$ 1,813,986.84   | \$ 1,813,986.84    | \$ -          | \$ 183,756.87     | \$ 183,756.87     | \$ -            | \$ 1,630,229.97    | \$ 1,630,229.97    |                            |
|  | \$ -            | \$ 44,254.99      | \$ 44,254.99       | \$ -          | \$ 4,483.03       | \$ 4,483.03       | \$ -            | \$ 39,771.96       | \$ 39,771.96       | 3-Factor Total             |
|  | \$ 108,082.99   | \$ 50.00          | \$ 108,082.99      | \$ 97,978.56  | \$ -              | \$ 97,978.56      | \$ -            | \$ 10,104.43       | \$ 10,104.43       | Direct-WA Total            |
| 925 Injuries and Damages Total                         | \$ 108,082.99   | \$ 544,254.99     | \$ 152,337.98      | \$ 97,978.56  | \$ 4,483.03       | \$ 102,461.59     | \$ -            | \$ 49,876.39       | \$ 49,876.39       |                            |
|  | \$ -            | \$ 352,081.26     | \$ 352,081.26      | \$ -          | \$ 34,996.88      | \$ 34,996.88      | \$ -            | \$ 317,084.38      | \$ 317,084.38      | Employee Cost Total        |
|  | \$ -            | \$ 55,278.00      | \$ 5,278.00        | \$ -          | \$ 61.75          | \$ 61.75          | \$ -            | \$ 5,216.25        | \$ 5,216.25        | Transmission Total         |
| 926 Employee Pensions and Benefits Total               | \$ -            | \$ 357,359.26     | \$ 357,359.26      | \$ -          | \$ 35,058.63      | \$ 35,058.63      | \$ -            | \$ 322,300.63      | \$ 322,300.63      |                            |
|  | \$ -            | \$ 2,161,423.84   | \$ 2,161,423.84    | \$ -          | \$ 218,952.23     | \$ 218,952.23     | \$ -            | \$ 1,942,471.61    | \$ 1,942,471.61    | 3-Factor Total             |
|  | \$ -            | \$ 562.10         | \$ 562.10          | \$ -          | \$ 55.87          | \$ 55.87          | \$ -            | \$ 506.23          | \$ 506.23          | Employee Cost Total        |
| 930 Miscellaneous General Expense Total                | \$ -            | \$ 2,161,985.94   | \$ 2,161,985.94    | \$ -          | \$ 219,008.11     | \$ 219,008.11     | \$ -            | \$ 1,942,977.83    | \$ 1,942,977.83    |                            |
|  | \$ -            | \$ 2,689,333.17   | \$ 2,689,333.17    | \$ -          | \$ 272,429.45     | \$ 272,429.45     | \$ -            | \$ 2,416,903.72    | \$ 2,416,903.72    | 3-Factor Total             |
|  | \$ -            | \$ 17,430.00      | \$ 17,430.00       | \$ -          | \$ 1,892.90       | \$ 1,892.90       | \$ -            | \$ 15,537.10       | \$ 15,537.10       | Customers-All Total        |
|  | \$ 27,924.26    | \$ 50.00          | \$ 27,924.26       | \$ -          | \$ -              | \$ -              | \$ 27,924.26    | \$ -               | \$ 27,924.26       | Direct-OR Total            |
| 931 Rents Total  | \$ 27,924.26    | \$ 2,706,763.17   | \$ 2,734,687.43    | \$ -          | \$ 274,322.35     | \$ 274,322.35     | \$ 27,924.26    | \$ 2,432,440.82    | \$ 2,460,365.08    |                            |
|  | \$ -            | \$ 1,828,941.53   | \$ 1,828,941.53    | \$ -          | \$ 185,271.78     | \$ 185,271.78     | \$ -            | \$ 1,643,669.75    | \$ 1,643,669.75    | 3-Factor Total             |
|  | \$ -            | \$ 35,533.29      | \$ 35,533.29       | \$ -          | \$ 5,283.80       | \$ 5,283.80       | \$ -            | \$ 30,249.49       | \$ 30,249.49       | Customers Port/Ven Total   |
|  | \$ -            | \$ 167,457.92     | \$ 167,457.92      | \$ -          | \$ 18,185.93      | \$ 18,185.93      | \$ -            | \$ 149,271.99      | \$ 149,271.99      | Customers-All Total        |
|  | \$ -            | \$ 9,539.76       | \$ 9,539.76        | \$ -          | \$ 2,418.33       | \$ 2,418.33       | \$ -            | \$ 7,121.43        | \$ 7,121.43        | Customers-The Dalles Total |
|  | \$ 379,050.13   | \$ 0.00           | \$ 379,050.13      | \$ 3,646.85   | \$ -              | \$ 3,646.85       | \$ 379,050.13   | \$ -               | \$ 379,050.13      | Direct-OR Total            |
|  | \$ 46,099.61    | \$ 0.00           | \$ 46,099.61       | \$ -          | \$ -              | \$ -              | \$ -            | \$ 42,452.76       | \$ 42,452.76       | Direct-WA Total            |
|  | \$ -            | \$ 33,937.64      | \$ 33,937.64       | \$ -          | \$ 3,159.59       | \$ 3,159.59       | \$ -            | \$ 30,778.05       | \$ 30,778.05       | Firm Volumes Total         |
|  | \$ -            | \$ 33,013.21      | \$ 33,013.21       | \$ -          | \$ 2,631.15       | \$ 2,631.15       | \$ -            | \$ 30,382.06       | \$ 30,382.06       | Sendout Volumes Total      |
|  | \$ -            | \$ 5,428.43       | \$ 428.43          | \$ -          | \$ 5.01           | \$ 5.01           | \$ -            | \$ 423.42          | \$ 423.42          | Transmission Total         |
| 935 Maintenance of General Plant Total                 | \$ 425,149.74   | \$ 2,109,851.78   | \$ 2,534,001.52    | \$ 3,646.85   | \$ 216,955.60     | \$ 220,602.45     | \$ 379,050.13   | \$ 1,934,348.94    | \$ 2,313,399.07    |                            |
| Grand Total  | \$ 6,971,205.72 | \$ 79,618,858.45  | \$ 86,590,064.17   | \$ 173,800.27 | \$ 8,271,758.92   | \$ 8,445,559.19   | \$ 6,404,622.19 | \$ 71,739,882.79   | \$ 78,144,504.98   |                            |

# **August 2017 Activity**

**NW Natural  
 Washington Results of Operations  
 Monthly Summary**

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

|                  |                     | AUGUST 2017     |                      |                         |                     |                  |                     |                 |
|------------------|---------------------|-----------------|----------------------|-------------------------|---------------------|------------------|---------------------|-----------------|
| System<br>Direct | System<br>Allocated | System<br>Total | Washington<br>Direct | Washington<br>Allocated | Washington<br>Total | Oregon<br>Direct | Oregon<br>Allocated | Oregon<br>Total |
|                  |                     | (1,708,365)     |                      |                         | (295,621)           |                  |                     | (1,412,744)     |
|                  |                     | 1,324,804,848   |                      |                         | 159,573,067         |                  |                     | 1,165,231,781   |
|                  |                     | -0.13%          |                      |                         | -0.19%              |                  |                     | -0.12%          |

Washington Quarterly Results of Operations Report

| Monthly Summary                               | System             |                   | System             |                  | Washington       |                  | Washington         |                   | August 2017        |        |
|---|--------------------|-------------------|--------------------|------------------|------------------|------------------|--------------------|-------------------|--------------------|--------|
|   | Direct             | Allocated         | Total              | Direct           | Allocated        | Total            | Direct             | Allocated         | Oregon             | Oregon |
| <b>480.1 Sales of Gas</b>                     |                    |                   |                    |                  |                  |                  |                    |                   |                    |        |
| 480.1 Residential                             | 12,659,746         | (34,768)          | 12,659,746         | 1,444,843        | (21,068)         | 1,444,843        | 11,214,904         | (13,701)          | 11,214,904         |        |
| 481.1 Commercial                              | 7,755,802          | (34,768)          | 7,755,802          | 651,465          | (21,068)         | 651,465          | 7,104,337          | (13,701)          | 7,104,337          |        |
| 481.2 Industrial Firm                         | 1,515,712          |                   | 1,515,712          | 120,361          |                  | 120,361          | 1,395,351          |                   | 1,395,351          |        |
| 481.3 Interruptible                           | 1,377,082          |                   | 1,377,082          | 34,392           |                  | 34,392           | 1,342,689          |                   | 1,342,689          |        |
| 481.5 Interruptible Incentive                 | 0                  |                   | 0                  | 0                |                  | 0                | 0                  |                   | 0                  |        |
| 495.20 Unbilled Revenue                       | 0                  |                   | 0                  | 0                |                  | 0                | 0                  |                   | 0                  |        |
| <b>A Total Sales of Gas</b>                   | <b>23,308,342</b>  | <b>(34,768)</b>   | <b>23,273,574</b>  | <b>2,251,061</b> | <b>(21,068)</b>  | <b>2,229,994</b> | <b>21,057,281</b>  | <b>(13,701)</b>   | <b>21,043,580</b>  |        |
| <b>Transportation Revenue</b>                 |                    |                   |                    |                  |                  |                  |                    |                   |                    |        |
| 489.12 Industrial Firm                        | 869,927            |                   | 869,927            | 97,279           |                  | 97,279           | 772,649            |                   | 772,649            |        |
| 489.13 Interruptible                          | 692,382            |                   | 692,382            | 79,241           |                  | 79,241           | 613,142            |                   | 613,142            |        |
| 489.15 Interruptible Incentive                | 0                  |                   | 0                  | 0                |                  | 0                | 0                  |                   | 0                  |        |
| 489.3 Agency Fee/Balancing                    | 0                  |                   | 0                  | 0                |                  | 0                | 0                  |                   | 0                  |        |
| <b>Total Transportation Revenue</b>           | <b>1,562,310</b>   | <b>0</b>          | <b>1,562,310</b>   | <b>176,520</b>   | <b>0</b>         | <b>176,520</b>   | <b>1,385,790</b>   | <b>0</b>          | <b>1,385,790</b>   |        |
| <b>495.6 Rate Adjustments - Amortizations</b> | <b>1,202,998</b>   |                   | <b>1,202,998</b>   | <b>(57,855)</b>  |                  | <b>(57,855)</b>  | <b>1,260,853</b>   |                   | <b>1,260,853</b>   |        |
| <b>Miscellaneous Revenues</b>                 |                    |                   |                    |                  |                  |                  |                    |                   |                    |        |
| 487 Late Payment Charge                       | 84,795             |                   | 84,795             | 4,055            |                  | 4,055            | 80,741             |                   | 80,741             |        |
| 488.0 Seasonal Reconnect Fee                  | 1,200              |                   | 1,200              | 0                |                  | 0                | 1,200              |                   | 1,200              |        |
| 488.0 Delinquent Reconnect Fee                | 10,750             |                   | 10,750             | 150              |                  | 150              | 10,600             |                   | 10,600             |        |
| 488.1 Returned Check Charge                   | 8,490              |                   | 8,490              | 840              |                  | 840              | 7,650              |                   | 7,650              |        |
| 488.3 Recon Charge CR During Office Hours     | 16,145             |                   | 16,145             | 1,375            |                  | 1,375            | 14,770             |                   | 14,770             |        |
| 488.4 Field Collection Charge                 | 26,660             |                   | 26,660             | 2,740            |                  | 2,740            | 23,920             |                   | 23,920             |        |
| 488.5 Recon Charge CR After Office Hours      | 2,460              |                   | 2,460              | 2,200            |                  | 2,200            | 260                |                   | 260                |        |
| 488.6 Recon Charge Seas During Office Hours   | 355                |                   | 355                | 25               |                  | 25               | 330                |                   | 330                |        |
| 488.7 Recon Charge Seas After Office Hours    | 150                |                   | 150                | 150              |                  | 150              | 0                  |                   | 0                  |        |
| 488.8 Automated Payment Charge                | 2,915              |                   | 2,915              | 408              |                  | 408              | 2,508              |                   | 2,508              |        |
| 493.2 Rent - Utility Property                 | 15,522             |                   | 15,522             | 711              |                  | 711              | 14,811             |                   | 14,811             |        |
| 495.1 Meter Rentals                           | 16,425             |                   | 16,425             | 0                |                  | 0                | 16,425             |                   | 16,425             |        |
| 495.2 Other Gas Revenue - Miscellaneous       | 7,383              |                   | 7,383              | 784              |                  | 784              | 6,599              |                   | 6,599              |        |
| <b>Total Miscellaneous Revenues</b>           | <b>177,728</b>     | <b>15,522</b>     | <b>193,250</b>     | <b>12,726</b>    | <b>711</b>       | <b>13,437</b>    | <b>165,002</b>     | <b>14,811</b>     | <b>179,813</b>     |        |
| <b>Total Operating Revenue</b>                | <b>26,251,378</b>  | <b>(19,247)</b>   | <b>26,232,131</b>  | <b>2,382,452</b> | <b>(20,357)</b>  | <b>2,362,095</b> | <b>23,868,926</b>  | <b>1,110</b>      | <b>23,870,036</b>  |        |
| <b>Cost of Gas</b>                            |                    |                   |                    |                  |                  |                  |                    |                   |                    |        |
| 804.7 WACOG Incurred                          | 6,801,703          |                   | 6,801,703          | 544,799          |                  | 544,799          | 6,256,905          |                   | 6,256,905          |        |
| 805.7 WACOG Deferred                          | (816,411)          |                   | (816,411)          | 18,444           |                  | 18,444           | (834,856)          |                   | (834,856)          |        |
| 804.6 Demand Incurred                         | 6,797,306          |                   | 6,797,306          | 696,044          |                  | 696,044          | 6,101,262          |                   | 6,101,262          |        |
| 805.8 Demand Deferred                         | (4,563,896)        |                   | (4,563,896)        | (461,348)        |                  | (461,348)        | (4,102,548)        |                   | (4,102,548)        |        |
| 805.4 Amortization of Gas Costs               | (98,079)           |                   | (98,079)           | (68,159)         |                  | (68,159)         | (29,921)           |                   | (29,921)           |        |
| <b>Total Cost of Gas</b>                      | <b>8,120,623</b>   | <b>0</b>          | <b>8,120,623</b>   | <b>729,781</b>   | <b>0</b>         | <b>729,781</b>   | <b>7,390,843</b>   | <b>0</b>          | <b>7,390,843</b>   |        |
| 407 Environmental Expense                     | 0                  |                   | 0                  | 413,154          |                  | 413,154          | 0                  |                   | 413,154            |        |
| <b>Detail Operations &amp; Maintenance</b>    | <b>1,022,117</b>   | <b>11,432,024</b> | <b>12,454,140</b>  | <b>79,070</b>    | <b>1,189,107</b> | <b>1,268,177</b> | <b>943,047</b>     | <b>10,242,917</b> | <b>11,185,963</b>  |        |
| <b>Other Taxes</b>                            |                    |                   |                    |                  |                  |                  |                    |                   |                    |        |
| 408.11 Property                               | 1,874,321          |                   | 1,874,321          | 130,594          |                  | 130,594          | 1,743,726          |                   | 1,743,726          |        |
| 408.12 Franchise                              | 678,772            |                   | 678,772            | 95,443           |                  | 95,443           | 583,329            |                   | 583,329            |        |
| 408.13 Payroll                                | 506,348            |                   | 506,348            | 50,488           |                  | 50,488           | 455,860            |                   | 455,860            |        |
| 408.14 Other                                  | 47,599             |                   | 47,599             | 3,265            |                  | 3,265            | 44,334             |                   | 44,334             |        |
| 408.15 Regulatory                             | 0                  |                   | 0                  | 0                |                  | 0                | 0                  |                   | 0                  |        |
| <b>Total Other Taxes</b>                      | <b>2,606,692</b>   | <b>506,348</b>    | <b>3,107,040</b>   | <b>229,303</b>   | <b>50,488</b>    | <b>279,791</b>   | <b>2,371,389</b>   | <b>455,860</b>    | <b>2,827,249</b>   |        |
| 403.1 Depreciation                            | 6,719,027          |                   | 6,719,027          | 691,724          |                  | 691,724          | 6,027,303          |                   | 6,027,303          |        |
| <b>Income Taxes</b>                           |                    |                   |                    |                  |                  |                  |                    |                   |                    |        |
| 409.11 Federal Income Taxes                   | (1,130,722)        |                   | (1,130,722)        | (311,407)        |                  | (311,407)        | (819,315)          |                   | (819,315)          |        |
| 410.1 Federal Income Taxes - Deferred         | 219,951            |                   | 219,951            | 0                |                  | 0                | 219,951            |                   | 219,951            |        |
| 411.4 Federal Income Tax Credit               | (1,460,756)        |                   | (1,460,756)        | (349)            |                  | (349)            | (1,460,407)        |                   | (1,460,407)        |        |
| 409.1 Oregon Income Taxes                     | (223,286)          |                   | (223,286)          | 0                |                  | 0                | (223,286)          |                   | (223,286)          |        |
| 410.1 Oregon Income Taxes - Deferred          | 46,784             |                   | 46,784             | 0                |                  | 0                | 46,784             |                   | 46,784             |        |
| 411.1 Oregon Income Tax Credit                | (325,459)          |                   | (325,459)          | 0                |                  | 0                | (325,459)          |                   | (325,459)          |        |
| <b>Total Income Taxes</b>                     | <b>(2,873,488)</b> |                   | <b>(2,873,488)</b> | <b>(311,757)</b> |                  | <b>(311,757)</b> | <b>(2,561,731)</b> |                   | <b>(2,561,731)</b> |        |
| <b>Total Operating Revenue Deductions</b>     | <b>11,743,432</b>  | <b>18,657,399</b> | <b>27,940,496</b>  | <b>1,038,153</b> | <b>1,931,319</b> | <b>2,657,716</b> | <b>10,705,278</b>  | <b>16,726,080</b> | <b>25,282,781</b>  |        |
| <b>Net Operating Income</b>                   |                    |                   | <b>(1,708,365)</b> |                  |                  | <b>(295,621)</b> |                    |                   | <b>(1,412,744)</b> |        |



|   | System |                      | Washington |           | Washington |           | Oregon |           | August 2017          |
|---|--------|----------------------|------------|-----------|------------|-----------|--------|-----------|----------------------|
|   | Direct | Allocated            | Direct     | Allocated | Direct     | Allocated | Direct | Allocated | Oregon Total         |
| <b>NW Natural</b>                       |        |                      |            |           |            |           |        |           |                      |
| <b>Washington Results of Operations</b> |        |                      |            |           |            |           |        |           |                      |
| <b>Monthly Summary</b>                  |        |                      |            |           |            |           |        |           |                      |
| <b>Rate Base</b>                        |        |                      |            |           |            |           |        |           |                      |
| 101 Gross Plant                         |        | 2,912,141,922        |            |           |            |           |        |           | 2,598,278,672        |
| 108.1X Accumulated Depreciation         |        | (1,286,829,756)      |            |           |            |           |        |           | (1,158,497,310)      |
| ADJ Working Capital Allowance           |        | 123,615,127          |            |           |            |           |        |           | 109,990,460          |
| 117.X Storage Gas - Cushion             |        | 14,144,375           |            |           |            |           |        |           | 12,827,534           |
| 186.XX Leasehold Improvements           |        | 332,912              |            |           |            |           |        |           | 299,188              |
| 252.XX Customer Contributions           |        | (4,187,136)          |            |           |            |           |        |           | (3,541,636)          |
| 283.XX Deferred Taxes - Federal         |        | (361,481,514)        |            |           |            |           |        |           | (321,194,045)        |
| 283.XX Deferred Taxes - State           |        | (72,931,083)         |            |           |            |           |        |           | (72,931,083)         |
| <b>Total Rate Base</b>                  |        | <b>1,324,804,848</b> |            |           |            |           |        |           | <b>1,165,231,781</b> |
| <b>Rate Of Return on Rate Base</b>      |        | <b>-0.13%</b>        |            |           |            |           |        |           | <b>-0.12%</b>        |
| <b>Allocation References:</b>           |        |                      |            |           |            |           |        |           |                      |
| A Unbilled Revenue                      |        | 100.00%              |            |           |            |           |        |           | 39.41%               |
| B Follows plant split                   |        | 100.00%              |            |           |            |           |        |           | 89.06%               |
| O&M See O&M Detail                      |        |                      |            |           |            |           |        |           |                      |
| D Depreciation Factor                   |        | 100.00%              |            |           |            |           |        |           | 89.71%               |

**NW Natural**  
**Washington Results of Operations**  
 12 Month Ended Reports  
 13 Month AMA for Rate Base  
 Summary

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

|                  |                     | August 2017     |                      |                         |                     |                  |                     |                 |
|------------------|---------------------|-----------------|----------------------|-------------------------|---------------------|------------------|---------------------|-----------------|
| System<br>Direct | System<br>Allocated | System<br>Total | Washington<br>Direct | Washington<br>Allocated | Washington<br>Total | Oregon<br>Direct | Oregon<br>Allocated | Oregon<br>Total |
|                  |                     | 91,381,204      |                      |                         | 11,044,331          |                  |                     | 80,336,873      |
|                  |                     | 1,275,494,076   |                      |                         | 148,196,406         |                  |                     | 1,127,297,670   |
|                  |                     | 7.16%           |                      |                         | 7.45%               |                  |                     | 7.13%           |

|   |   | AUGUST 2017        |                    |                      |                   |                      |                    |                    |                    |                    |
|---|---|--------------------|--------------------|----------------------|-------------------|----------------------|--------------------|--------------------|--------------------|--------------------|
| Account                                 | Description                               | System Direct      | System Allocated   | System Total         | Washington Direct | Washington Allocated | Washington Total   | Oregon Direct      | Oregon Allocated   | Oregon Total       |
| <b>NW Natural</b>                       |   |                    |                    |                      |                   |                      |                    |                    |                    |                    |
| <b>Washington Results of Operations</b> |   |                    |                    |                      |                   |                      |                    |                    |                    |                    |
| <b>12 Month Ended Reports</b>           |   |                    |                    |                      |                   |                      |                    |                    |                    |                    |
| 480.1                                   | Residential                               | 0                  | 0                  | 454,480,174          | 50,078,657        | 0                    | 50,078,657         | 404,401,516        | 0                  | 404,401,516        |
| 481.1                                   | Commercial                                | 228,035,797        | 0                  | 228,035,797          | 19,427,432        | 0                    | 19,427,432         | 208,608,366        | 0                  | 208,608,366        |
| 481.2                                   | Industrial Firm                           | 22,815,764         | 0                  | 22,815,764           | 2,059,666         | 0                    | 2,059,666          | 20,756,097         | 0                  | 20,756,097         |
| 481.5                                   | Interruptible                             | 22,271,620         | 0                  | 22,271,620           | 616,687           | 0                    | 616,687            | 21,654,934         | 0                  | 21,654,934         |
| 481.5                                   | Interruptible Incentive                   | 0                  | 0                  | 0                    | 0                 | 0                    | 0                  | 0                  | 0                  | 0                  |
| 495.20                                  | Unbilled Revenue                          | 0                  | 795,584            | 795,584              | 0                 | 83,066               | 83,066             | 0                  | 712,519            | 712,519            |
|   | <b>Total Sales of Gas</b>                 | <b>727,603,355</b> | <b>795,584</b>     | <b>728,398,939</b>   | <b>72,182,442</b> | <b>83,066</b>        | <b>72,265,508</b>  | <b>655,420,912</b> | <b>712,519</b>     | <b>656,133,431</b> |
| 489.12                                  | Transportation Revenue                    | 0                  | 0                  | 11,955,882           | 1,408,809         | 0                    | 1,408,809          | 10,547,073         | 0                  | 10,547,073         |
| 489.13                                  | Industrial Firm                           | 8,269,566          | 0                  | 8,269,566            | 914,946           | 0                    | 914,946            | 7,354,620          | 0                  | 7,354,620          |
| 489.15                                  | Interruptible Incentive                   | 0                  | 0                  | 0                    | 0                 | 0                    | 0                  | 0                  | 0                  | 0                  |
| 489.3                                   | Agency Fee/Balancing                      | 392,633            | 0                  | 392,633              | 0                 | 0                    | 0                  | 392,633            | 0                  | 392,633            |
|   | <b>Total Transportation Revenue</b>       | <b>20,618,081</b>  | <b>0</b>           | <b>20,618,081</b>    | <b>2,323,755</b>  | <b>0</b>             | <b>2,323,755</b>   | <b>18,294,326</b>  | <b>0</b>           | <b>18,294,326</b>  |
| 495.6                                   | Rate Adjustments - Amortizations          | (1,759,054)        | 0                  | (1,759,054)          | (2,414,281)       | 0                    | (2,414,281)        | 655,226            | 0                  | 655,226            |
| <b>Miscellaneous Revenues</b>           |   |                    |                    |                      |                   |                      |                    |                    |                    |                    |
| 487                                     | Late Payment Charge                       | 2,156,629          | 0                  | 2,156,629            | 97,495            | 0                    | 97,495             | 2,059,134          | 0                  | 2,059,134          |
| 488.0                                   | Seasonal Reconnect Fee                    | 16,800             | 0                  | 16,800               | 0                 | 0                    | 0                  | 16,800             | 0                  | 16,800             |
| 488.0                                   | Delinquent Reconnect Fee                  | 275,190            | 0                  | 275,190              | 1,200             | 0                    | 1,200              | 273,990            | 0                  | 273,990            |
| 488.1                                   | Returned Check Charge                     | 110,340            | 0                  | 110,340              | 10,395            | 0                    | 10,395             | 99,945             | 0                  | 99,945             |
| 488.3                                   | Recon Charge CR During Office Hours       | 243,315            | 0                  | 243,315              | 13,080            | 0                    | 13,080             | 230,235            | 0                  | 230,235            |
| 488.4                                   | Field Collection Charge                   | 350,330            | 0                  | 350,330              | 31,535            | 0                    | 31,535             | 318,795            | 0                  | 318,795            |
| 488.5                                   | Recon Charge CR After Office Hours        | 38,320             | 0                  | 38,320               | 35,700            | 0                    | 35,700             | 2,620              | 0                  | 2,620              |
| 488.6                                   | Recon Charge Seas During Office Hours     | 13,740             | 0                  | 13,740               | 870               | 0                    | 870                | 12,870             | 0                  | 12,870             |
| 488.7                                   | Recon Charge Seas After Office Hours      | 2,540              | 0                  | 2,540                | 2,300             | 0                    | 2,300              | 240                | 0                  | 240                |
| 488.8                                   | Automated Payment Charge                  | 45,043             | 0                  | 45,043               | 6,190             | 0                    | 6,190              | 38,853             | 0                  | 38,853             |
| 493.2                                   | Rent - Utility Property                   | 0                  | 298,559            | 298,559              | 0                 | 23,639               | 23,639             | 0                  | 274,920            | 274,920            |
| 495.1                                   | Meter Rentals                             | 199,949            | 0                  | 199,949              | 16,259            | 0                    | 16,259             | 183,690            | 0                  | 183,690            |
| 495.2                                   | Other Gas Revenue - Miscellaneous         | 74,799             | 0                  | 74,799               | 9,432             | 0                    | 9,432              | 65,367             | 0                  | 65,367             |
| 495.2                                   | Total Miscellaneous Revenues              | <b>3,526,994</b>   | <b>298,559</b>     | <b>3,825,553</b>     | <b>224,455</b>    | <b>23,639</b>        | <b>248,094</b>     | <b>3,302,539</b>   | <b>274,920</b>     | <b>3,577,459</b>   |
|   | <b>Total Operating Revenue</b>            | <b>749,989,375</b> | <b>1,094,143</b>   | <b>751,083,518</b>   | <b>72,316,372</b> | <b>106,704</b>       | <b>72,423,076</b>  | <b>677,673,003</b> | <b>987,439</b>     | <b>678,660,442</b> |
| 804.7                                   | WACOG Incurred                            | 235,576,176        | 0                  | 235,576,176          | 22,129,585        | 0                    | 22,129,585         | 213,446,591        | 0                  | 213,446,591        |
| 805.7                                   | WACOG Deferred                            | 6,272,408          | 0                  | 6,272,408            | 493,381           | 0                    | 493,381            | 5,779,027          | 0                  | 5,779,027          |
| 804.6                                   | Demand Incurred                           | 80,976,661         | 0                  | 80,976,661           | 8,300,045         | 0                    | 8,300,045          | 72,676,616         | 0                  | 72,676,616         |
| 805.8                                   | Demand Deferred                           | 8,734,537          | 0                  | 8,734,537            | 1,014,248         | 0                    | 1,014,248          | 7,720,289          | 0                  | 7,720,289          |
| 805.4                                   | Amortization of Gas Costs                 | (3,307,965)        | 0                  | (3,307,965)          | (2,718,359)       | 0                    | (2,718,359)        | (589,606)          | 0                  | (589,606)          |
|   | <b>Total Cost of Gas</b>                  | <b>328,251,817</b> | <b>0</b>           | <b>328,251,817</b>   | <b>29,218,901</b> | <b>0</b>             | <b>29,218,901</b>  | <b>299,032,917</b> | <b>0</b>           | <b>299,032,917</b> |
| 407.03                                  | Environmental Expense                     | 0                  | 16,054,747         | 16,054,747           | 0                 | 0                    | 0                  | 0                  | 0                  | 16,054,747         |
| Detail                                  | Operations & Maintenance                  | 11,416,879         | 135,681,249        | 147,098,128          | 785,049           | 14,064,771           | 14,849,821         | 10,631,829         | 121,616,478        | 132,248,307        |
| <b>Other Taxes</b>                      |   |                    |                    |                      |                   |                      |                    |                    |                    |                    |
| 408.11                                  | Property                                  | 21,221,924         | 0                  | 21,221,924           | 1,307,615         | 0                    | 1,307,615          | 19,914,309         | 0                  | 19,914,309         |
| 408.12                                  | Franchise                                 | 19,060,219         | 0                  | 19,060,219           | 2,957,623         | 0                    | 2,957,623          | 16,102,596         | 0                  | 16,102,596         |
| 408.13                                  | Payroll                                   | 0                  | 6,139,355          | 6,139,355            | 0                 | 605,758              | 605,758            | 0                  | 5,533,598          | 5,533,598          |
| 408.14                                  | Other                                     | 321,947            | 0                  | 321,947              | 66,776            | 0                    | 66,776             | 255,171            | 0                  | 255,171            |
| 408.15                                  | Regulatory                                | 1,658,509          | 0                  | 1,658,509            | 120,705           | 0                    | 120,705            | 1,537,804          | 0                  | 1,537,804          |
|   | <b>Total Other Taxes</b>                  | <b>42,262,599</b>  | <b>6,139,355</b>   | <b>48,401,954</b>    | <b>4,452,719</b>  | <b>605,758</b>       | <b>5,058,476</b>   | <b>37,809,880</b>  | <b>5,533,598</b>   | <b>43,343,478</b>  |
| 403.1                                   | Depreciation                              | 0                  | 78,732,122         | 78,732,122           | 0                 | 8,095,406            | 8,095,406          | 0                  | 70,636,716         | 70,636,716         |
| <b>Income Taxes</b>                     |   |                    |                    |                      |                   |                      |                    |                    |                    |                    |
| 409.11                                  | Federal Income Taxes                      | 16,671,948         | 0                  | 16,671,948           | 4,207,444         | 0                    | 4,207,444          | 0                  | 0                  | 12,464,504         |
| 410.11                                  | Federal Income Taxes - Deferred           | 28,390,249         | 0                  | 28,390,249           | 0                 | 0                    | 0                  | 0                  | 0                  | 28,390,249         |
| 411.42                                  | Federal Income Tax Credit                 | (11,058,540)       | 0                  | (11,058,540)         | (51,303)          | 0                    | (51,303)           | 0                  | 0                  | (11,007,238)       |
| 409.12                                  | Oregon Income Taxes                       | 4,548,987          | 0                  | 4,548,987            | 0                 | 0                    | 0                  | 0                  | 0                  | 4,548,987          |
| 410.12                                  | Oregon Income Taxes - Deferred            | 6,637,764          | 0                  | 6,637,764            | 0                 | 0                    | 0                  | 0                  | 0                  | 6,637,764          |
| 411.12                                  | Oregon Income Tax Credit                  | (4,034,863)        | 0                  | (4,034,863)          | 4,156,141         | 0                    | 4,156,141          | 0                  | 0                  | 4,156,141          |
|   | <b>Total Operating Revenue Deductions</b> | <b>381,931,295</b> | <b>220,552,727</b> | <b>602,484,022</b>   | <b>34,456,669</b> | <b>22,765,935</b>    | <b>61,378,745</b>  | <b>347,474,626</b> | <b>197,786,792</b> | <b>598,323,569</b> |
|   | <b>Net Operating Income</b>               | <b>368,058,080</b> | <b>873,591,416</b> | <b>1,241,649,496</b> | <b>37,859,703</b> | <b>83,938,141</b>    | <b>111,044,331</b> | <b>73,198,377</b>  | <b>789,651,647</b> | <b>80,336,873</b>  |

|                                    |                           | System |                 | Washington |              | Oregon |           | AUGUST 2017 |                 |
|------------------------------------|---------------------------|--------|-----------------|------------|--------------|--------|-----------|-------------|-----------------|
|                                    |                           | Direct | Allocated       | Direct     | Allocated    | Direct | Allocated | Direct      | Total           |
| <b>Rate Base</b>                   |                           |        |                 |            |              |        |           |             |                 |
| 101                                | Gross Plant               |        | 2,847,388,367   |            |              |        |           |             | 2,546,463,254   |
| 108.1X                             | Accumulated Depreciation  |        | (1,256,098,992) |            | 300,925,113  |        |           |             | (1,131,315,233) |
| Adj                                | Working Capital Allowance |        | 107,895,151     |            | 11,511,726   |        |           |             | 96,383,425      |
| 117.X                              | Storage Gas - Cushion     |        | 14,147,973      |            | 1,322,478    |        |           |             | 12,825,495      |
| 186.XX                             | Leasehold Improvements    |        | 452,287         |            | 45,565       |        |           |             | 406,722         |
| 252.XX                             | Customer Contributions    |        | (3,878,112)     |            | (537,247)    |        |           |             | (3,340,864)     |
| 283.XX                             | Deferred Taxes - Federal  |        | (361,481,514)   |            | (40,287,470) |        |           |             | (321,194,045)   |
| 283.XX                             | Deferred Taxes - State    |        | (72,931,083)    |            | 0            |        |           |             | (72,931,083)    |
|                                    | <b>Total Rate Base</b>    |        | 1,275,494,076   |            | 148,196,406  |        |           |             | 1,127,297,670   |
| <b>Rate Of Return on Rate Base</b> |                           |        |                 |            |              |        |           |             |                 |
|                                    | Allocation References:    |        | 7.16%           |            | 7.45%        |        |           |             | 7.13%           |
|                                    | o Depreciation Factor     |        | 100.00%         |            | 10.28%       |        |           |             | 89.72%          |

NW Natural  
 Washington Results of Operations  
 13 Month AMA Ended Reports

**NW Natural**  
**Washington Quarterly Results of Operations Report**  
**Operations and Maintenance Expense: Allocation of System Amounts**  
**For the period ended August 31, 2017**

|  |   | Month            |                |                  |
|--|---|------------------|----------------|------------------|
|  |   | System           | Washington     | Oregon           |
| <b>Natural Gas Storage</b>                 |   |                  |                |                  |
| <b>Underground Storage Expense</b>         |   |                  |                |                  |
| <b>Operation</b>                           |   |                  |                |                  |
| 816  | Wells Expense                                       | \$13,114         | \$1,221        | \$11,893         |
| 818  | Compressor Station Expense                          | \$0              | \$0            | \$0              |
| 819  | Compressor Station Fuel                             | \$0              | \$0            | \$0              |
| 820  | Measuring and Regulator Station Expense             | \$182,625        | \$17,011       | \$165,614        |
| 821  | Purification Expense                                | \$1,105          | \$103          | \$1,002          |
| <b>Maintenance</b>                         |   |                  |                |                  |
| 832  | Wells Expense                                       | \$33,205         | \$3,091        | \$30,113         |
| <b>Total Underground Storage Expense</b>   |   | <u>230,048</u>   | <u>21,426</u>  | <u>208,622</u>   |
| <b>Other Storage Expense</b>               |   |                  |                |                  |
| <b>Operation</b>                           |   |                  |                |                  |
| 840  | Supervision and Engineering                         | \$10,709         | \$997          | \$9,712          |
| <b>Total Other Storage Expense</b>         |   | <u>10,709</u>    | <u>997</u>     | <u>9,712</u>     |
| <b>Liquefied Natural Gas Expense</b>       |   |                  |                |                  |
| <b>Operation</b>                           |   |                  |                |                  |
| 844  | Supervision and Engineering                         | \$192,450        | \$17,917       | \$174,532        |
| 845  | LNG Fuel  | (\$4,288)        | (\$399)        | (\$3,889)        |
| <b>Maintenance</b>                         |   |                  |                |                  |
| 847  | Supervision and Engineering                         | \$73,269         | \$6,821        | \$66,447         |
| <b>Total Liquefied Natural Gas Expense</b> |   | <u>261,430</u>   | <u>24,339</u>  | <u>237,091</u>   |
| <b>Total Natural Gas Storage</b>           |   | <u>502,187</u>   | <u>46,762</u>  | <u>455,425</u>   |
| <b>Transmission Expense</b>                |   |                  |                |                  |
| <b>Operation</b>                           |   |                  |                |                  |
| 856  | Mains Expense                                       | \$281,023        | \$22,132       | \$258,891        |
| <b>Maintenance</b>                         |   |                  |                |                  |
| 863  | Maintenance of Mains                                | \$4,428          | \$428          | \$3,999          |
| <b>Total Transmission Expense</b>          |   | <u>285,450</u>   | <u>22,560</u>  | <u>262,890</u>   |
| <b>Distribution Expense</b>                |   |                  |                |                  |
| <b>Operation</b>                           |   |                  |                |                  |
| 870  | Supervision and Engineering                         | \$284,859        | \$25,113       | \$259,746        |
| 874  | Mains and Services Expense                          | \$1,125,740      | \$126,113      | \$999,626        |
| 875  | Measuring and Regulator Station Expense - General   | \$15,152         | \$1,451        | \$13,701         |
| 877  | Measuring and Regulator Station Expense - City Gate | \$26,245         | \$2,154        | \$24,091         |
| 878  | Meter and House Regulator Expense                   | \$478,772        | \$51,962       | \$426,810        |
| 879  | Customer Installation Expense                       | \$910,793        | \$98,984       | \$811,809        |
| 880  | Other Expense                                       | \$266,384        | \$30,187       | \$236,197        |
| 881  | Rents   | \$28,795         | \$3,283        | \$25,512         |
| <b>Maintenance</b>                         |   |                  |                |                  |
| 885  | Supervision and Engineering                         | \$689,549        | \$19,086       | \$670,463        |
| 887  | Mains   | \$273,436        | \$26,580       | \$246,855        |
| 889  | Measuring and Regulator Station Expense - General   | \$124,382        | \$10,435       | \$113,948        |
| 891  | Measuring and Regulator Station Expense - City Gate | \$9,321          | \$761          | \$8,561          |
| 892  | Services  | \$58,441         | \$10,305       | \$48,137         |
| 893  | Meters and House Regulators                         | \$242,452        | \$24,024       | \$218,427        |
| 894  | Other Equipment                                     | \$1,968          | \$165          | \$1,803          |
| <b>Total Distribution Expense</b>          |   | <u>4,536,288</u> | <u>430,602</u> | <u>4,105,687</u> |
| <b>Customer Accounts Expense</b>           |   |                  |                |                  |

|   |   |                        |                       |                        |
|---|---|------------------------|-----------------------|------------------------|
| <b>Operation</b>                          |   |                        |                       |                        |
| 901                                       | Supervision                                     | \$137,925              | \$14,979              | \$122,947              |
| 902                                       | Meter Reading Expenses                          | \$81,659               | \$8,868               | \$72,790               |
| 903                                       | Customer Records and Collection Expense         | \$1,462,930            | \$157,612             | \$1,305,318            |
| 904                                       | Uncollectible Accounts                          | \$27,474               | \$2,923               | \$24,551               |
|   | <b>Total Customer Accounts Expense</b>          | <u>1,709,988</u>       | <u>184,382</u>        | <u>1,525,607</u>       |
| <b>Customer Service and Informational</b> |   |                        |                       |                        |
| <b>Operation</b>                          |   |                        |                       |                        |
| 907                                       | Supervision                                     | \$306                  | \$34                  | \$273                  |
| 908                                       | Customer Assistance Expense                     | \$168,814              | \$14,912              | \$153,903              |
| 909                                       | Customer Information Expense                    | \$404,641              | \$43,944              | \$360,697              |
| 910                                       | Miscellaneous Customer Service Expense          | \$22,493               | \$2,470               | \$20,024               |
|   | <b>Total Customer Service and Informational</b> | <u>596,255</u>         | <u>61,359</u>         | <u>534,896</u>         |
| <b>Sales Expense</b>                      |   |                        |                       |                        |
| <b>Operation</b>                          |   |                        |                       |                        |
| 911                                       | Supervision                                     | \$15,409               | \$1,673               | \$13,736               |
| 912                                       | Demonstration and Selling Expense               | \$362,067              | \$39,464              | \$322,603              |
| 913                                       | Advertising                                     | \$112,531              | \$12,221              | \$100,310              |
| 916                                       | Miscellaneous Sales Expense                     | -                      | -                     | -                      |
|   | <b>Total Sales Expense</b>                      | <u>490,007</u>         | <u>53,358</u>         | <u>436,649</u>         |
| <b>Administrative and General Expense</b> |   |                        |                       |                        |
| <b>Operation</b>                          |   |                        |                       |                        |
| 921                                       | Office Supplies and Expense                     | \$4,759,343            | \$511,220             | \$4,248,123            |
| 922                                       | Administrative Expenses Transferred - Credit    | (\$1,682,405)          | (\$175,017)           | (\$1,507,389)          |
| 924                                       | Property Insurance Premium                      | \$266,283              | \$26,974              | \$239,308              |
| 925                                       | Injuries and Damages                            | \$3,112                | \$1,052               | \$2,061                |
| 926                                       | Employee Pensions and Benefits                  | \$149,952              | \$14,839              | \$135,113              |
| 928                                       | Regulatory Commission Expense                   | -                      | -                     | -                      |
| 930                                       | Miscellaneous General Expense                   | \$45,350               | \$4,594               | \$40,756               |
| 931                                       | Rents   | \$477,202              | \$47,955              | \$429,247              |
| <b>Maintenance</b>                        |   |                        |                       |                        |
| 935                                       | Maintenance of General Plant                    | \$315,126              | \$37,536              | \$277,590              |
|   | <b>Total Administrative and General Expense</b> | <u>4,333,964</u>       | <u>469,154</u>        | <u>3,864,810</u>       |
|   | <b>Total Operations and Maintenance Expense</b> | <u>\$12,454,140.40</u> | <u>\$1,268,176.94</u> | <u>\$11,185,963.46</u> |

NW Natural  
 Rates & Regulatory Affairs  
 Operations and Maintenance Expense  
 State Allocation of System Amounts  
 For the period ended August 31, 2017

| FERC Description                                  | System Allocated |                 |                 | Washington Allocated |               |               | Oregon Allocated |                 |                 | Allocation Method           |
|---|------------------|-----------------|-----------------|----------------------|---------------|---------------|------------------|-----------------|-----------------|-----------------------------|
|   | Direct           | Total           |                 | Direct               | Total         |               | Direct           | Total           |                 |                             |
|   | YTD AUG          | YTD AUG         | YTD AUG         | YTD AUG              | YTD AUG       | YTD AUG       | YTD AUG          | YTD AUG         | YTD AUG         |                             |
| 816 Wells Expense Total                           | \$ -             | \$ 181,671.83   | \$ 181,671.83   | \$ -                 | \$ 16,913.65  | \$ 16,913.65  | \$ -             | \$ 164,758.18   | \$ 164,758.18   | Firm Volumes Total          |
| 818 Compressor Station Expense Total              | \$ -             | \$ 37,092.17    | \$ 37,092.17    | \$ -                 | \$ 3,453.28   | \$ 3,453.28   | \$ -             | \$ 33,638.89    | \$ 33,638.89    | Firm Volumes Total          |
| 819 Compressor Station Fuel Total                 | \$ -             | \$ 50.07        | \$ 50.07        | \$ -                 | \$ 0.01       | \$ 0.01       | \$ -             | \$ 0.06         | \$ 0.06         | Firm Volumes Total          |
| 820 Measuring and Regulator Station Expense Total | \$ -             | \$ 7,840.41     | \$ 7,840.41     | \$ -                 | \$ 794.23     | \$ 794.23     | \$ -             | \$ 7,046.18     | \$ 7,046.18     | 3-Factor Total              |
| 821 Purification Expense Total                    | \$ -             | \$ 14.89        | \$ 14.89        | \$ -                 | \$ 1.62       | \$ 1.62       | \$ -             | \$ 13.27        | \$ 13.27        | Customers-All Total         |
| 822 Wells Expense Total                           | \$ 5,504.85      | \$ 5,504.85     | \$ 5,504.85     | \$ -                 | \$ -          | \$ -          | \$ 5,504.85      | \$ -            | \$ 5,504.85     | Direct-OR Total             |
| 823 Wells Expense Total                           | \$ -             | \$ 1,490,730.15 | \$ 1,490,730.15 | \$ -                 | \$ 139,786.98 | \$ 139,786.98 | \$ -             | \$ 1,351,943.17 | \$ 1,351,943.17 | Firm Volumes Total          |
| 824 Supervision and Engineering Total             | \$ -             | \$ 19,503.24    | \$ 19,503.24    | \$ -                 | \$ 1,815.75   | \$ 1,815.75   | \$ -             | \$ 17,687.49    | \$ 17,687.49    | Firm Volumes Total          |
| 825 Supervision and Engineering Total             | \$ -             | \$ 225,153.09   | \$ 225,153.09   | \$ -                 | \$ 20,961.75  | \$ 20,961.75  | \$ -             | \$ 204,191.34   | \$ 204,191.34   | Firm Volumes Total          |
| 826 Supervision and Engineering Total             | \$ -             | \$ 83,373.94    | \$ 83,373.94    | \$ -                 | \$ 7,762.11   | \$ 7,762.11   | \$ -             | \$ 75,611.83    | \$ 75,611.83    | Firm Volumes Total          |
| 827 Supervision and Engineering Total             | \$ -             | \$ 1,091,131.02 | \$ 1,091,131.02 | \$ -                 | \$ 101,584.30 | \$ 101,584.30 | \$ -             | \$ 989,546.72   | \$ 989,546.72   | Firm Volumes Total          |
| 828 LNG Fuel Total                                | \$ -             | \$ 7,646.85     | \$ 7,646.85     | \$ -                 | \$ (711.92)   | \$ (711.92)   | \$ -             | \$ 6,934.93     | \$ 6,934.93     | Firm Volumes Total          |
| 829 Supervision and Engineering Total             | \$ -             | \$ 610,904.24   | \$ 610,904.24   | \$ -                 | \$ 56,875.18  | \$ 56,875.18  | \$ -             | \$ 554,029.06   | \$ 554,029.06   | Firm Volumes Total          |
| 830 Supervision and Engineering Total             | \$ -             | \$ 783,279.14   | \$ 783,279.14   | \$ -                 | \$ 79,346.18  | \$ 79,346.18  | \$ -             | \$ 703,932.96   | \$ 703,932.96   | 3-Factor Total              |
| 831 Mains Expense Total                           | \$ 109,757.77    | \$ 109,757.77   | \$ 109,757.77   | \$ -                 | \$ -          | \$ -          | \$ 109,757.77    | \$ -            | \$ 109,757.77   | Customers-All Total         |
| 832 Mains Expense Total                           | \$ -             | \$ 86.76        | \$ 86.76        | \$ -                 | \$ 7.63       | \$ 7.63       | \$ -             | \$ 79.13        | \$ 79.13        | Direct-OR Total             |
| 833 Mains Expense Total                           | \$ -             | \$ 9,971.23     | \$ 9,971.23     | \$ -                 | \$ 794.71     | \$ 794.71     | \$ -             | \$ 9,176.52     | \$ 9,176.52     | Sales/Sendout Volumes Total |
| 834 Mains Expense Total                           | \$ -             | \$ 563,806.28   | \$ 563,806.28   | \$ -                 | \$ 6,596.53   | \$ 6,596.53   | \$ -             | \$ 557,209.75   | \$ 557,209.75   | Sendout Volumes Total       |
| 835 Mains Expense Total                           | \$ 109,757.77    | \$ 1,467,634.18 | \$ 1,467,634.18 | \$ -                 | \$ 86,824.66  | \$ 86,824.66  | \$ 109,757.77    | \$ 1,271,051.75 | \$ 1,380,809.52 | Transmission Total          |
| 836 Mains Expense Total                           | \$ -             | \$ 14,021.44    | \$ 14,021.44    | \$ -                 | \$ 1,117.51   | \$ 1,117.51   | \$ -             | \$ 12,903.93    | \$ 12,903.93    | 3-Factor Total              |
| 837 Mains Expense Total                           | \$ -             | \$ 120.00       | \$ 120.00       | \$ -                 | \$ 1.40       | \$ 1.40       | \$ -             | \$ 118.60       | \$ 118.60       | Sendout Volumes Total       |
| 838 Mains Expense Total                           | \$ -             | \$ 184,564.62   | \$ 184,564.62   | \$ -                 | \$ 18,382.78  | \$ 18,382.78  | \$ -             | \$ 166,181.84   | \$ 166,181.84   | Transmission Total          |
| 839 Mains Expense Total                           | \$ -             | \$ 2,030.20     | \$ 2,030.20     | \$ -                 | \$ (205.66)   | \$ (205.66)   | \$ -             | \$ 1,824.54     | \$ 1,824.54     | 3-Factor Total              |
| 840 Mains Expense Total                           | \$ 131.17        | \$ 131.17       | \$ 131.17       | \$ -                 | \$ -          | \$ -          | \$ 131.17        | \$ -            | \$ 131.17       | Direct-OR Total             |
| 841 Mains Expense Total                           | \$ -             | \$ 1,217,987.02 | \$ 1,217,987.02 | \$ -                 | \$ 113,394.59 | \$ 113,394.59 | \$ -             | \$ 1,104,592.43 | \$ 1,104,592.43 | Firm Volumes Total          |
| 842 Mains Expense Total                           | \$ -             | \$ 621.70       | \$ 621.70       | \$ -                 | \$ 54.71      | \$ 54.71      | \$ -             | \$ 566.99       | \$ 566.99       | Sales/Sendout Volumes Total |
| 843 Mains Expense Total                           | \$ -             | \$ 965,906.98   | \$ 965,906.98   | \$ -                 | \$ 76,982.79  | \$ 76,982.79  | \$ -             | \$ 888,924.19   | \$ 888,924.19   | Sendout Volumes Total       |
| 844 Mains Expense Total                           | \$ 131.17        | \$ 2,182,485.50 | \$ 2,182,485.50 | \$ -                 | \$ 190,226.43 | \$ 190,226.43 | \$ 131.17        | \$ 1,992,259.07 | \$ 1,992,390.24 | 3-Factor Total              |
| 845 Mains Expense Total                           | \$ -             | \$ 2,878,601.49 | \$ 2,878,601.49 | \$ -                 | \$ 291,602.33 | \$ 291,602.33 | \$ -             | \$ 2,586,999.16 | \$ 2,586,999.16 | Customers-All Total         |
| 846 Mains Expense Total                           | \$ -             | \$ 3,432,831.42 | \$ 3,432,831.42 | \$ -                 | \$ 372,805.49 | \$ 372,805.49 | \$ -             | \$ 3,060,025.93 | \$ 3,060,025.93 | Direct-OR Total             |
| 847 Mains Expense Total                           | \$ 1,782,394.74  | \$ 1,782,394.74 | \$ 1,782,394.74 | \$ -                 | \$ -          | \$ -          | \$ 1,782,394.74  | \$ -            | \$ 1,782,394.74 | Direct-OR Total             |
| 848 Mains Expense Total                           | \$ 280,534.39    | \$ 280,534.39   | \$ 280,534.39   | \$ 40,628.48         | \$ 40,628.48  | \$ 40,628.48  | \$ -             | \$ 239,905.91   | \$ 239,905.91   | Direct-OR Total             |
| 849 Mains Expense Total                           | \$ -             | \$ 12,257.38    | \$ 12,257.38    | \$ -                 | \$ 1,218.38   | \$ 1,218.38   | \$ -             | \$ 11,039.00    | \$ 11,039.00    | Employee Cost Total         |
| 850 Mains Expense Total                           | \$ -             | \$ 408,449.94   | \$ 408,449.94   | \$ -                 | \$ 32,553.46  | \$ 32,553.46  | \$ -             | \$ 375,896.48   | \$ 375,896.48   | Sendout Volumes Total       |
| 851 Mains Expense Total                           | \$ -             | \$ 198,732.52   | \$ 198,732.52   | \$ -                 | \$ 2,325.17   | \$ 2,325.17   | \$ -             | \$ 196,407.35   | \$ 196,407.35   | Transmission Total          |
| 852 Mains Expense Total                           | \$ 2,062,929.13  | \$ 6,930,872.75 | \$ 8,993,801.88 | \$ 40,628.48         | \$ 700,504.84 | \$ 741,133.32 | \$ 1,782,394.74  | \$ 6,470,273.82 | \$ 8,252,668.56 | 3-Factor Total              |
| 853 Mains Expense Total                           | \$ -             | \$ 6,107.74     | \$ 6,107.74     | \$ -                 | \$ 618.71     | \$ 618.71     | \$ -             | \$ 5,489.03     | \$ 5,489.03     | 3-Factor Total              |
| 854 Mains Expense Total                           | \$ 11,191.48     | \$ 11,191.48    | \$ 11,191.48    | \$ -                 | \$ -          | \$ -          | \$ 11,191.48     | \$ -            | \$ 11,191.48    | Direct-OR Total             |
| 855 Mains Expense Total                           | \$ -             | \$ 148,036.81   | \$ 148,036.81   | \$ -                 | \$ 11,798.53  | \$ 11,798.53  | \$ -             | \$ 136,238.28   | \$ 136,238.28   | Sendout Volumes Total       |

|   |                 |                 |                 |               |               |               |                 |                 |                 |                 |                              |
|---|-----------------|-----------------|-----------------|---------------|---------------|---------------|-----------------|-----------------|-----------------|-----------------|------------------------------|
| 875 Measuring and Regulator Station Expense - General Total   | \$ 11,191.48    | \$ 553,976.10   | \$ 53,976.10    | \$ -          | \$ 5,813.23   | \$ 5,813.23   | \$ -            | \$ 48,162.87    | \$ 48,162.87    | \$ 201,081.66   | Telemetering Total           |
|   | \$ -            | \$ 520,120.65   | \$ 219,312.13   | \$ -          | \$ 18,230.47  | \$ 18,230.47  | \$ -            | \$ 189,890.18   | \$ 189,890.18   | \$ 31,008.67    | 3-Factor Total               |
|   | \$ -            | \$ 34,503.92    | \$ 34,503.92    | \$ -          | \$ 3,495.25   | \$ 3,495.25   | \$ -            | \$ -            | \$ -            | \$ 19,334.45    | Customers-All Total          |
|   | \$ -            | \$ 21,689.98    | \$ 21,689.98    | \$ -          | \$ 2,355.53   | \$ 2,355.53   | \$ -            | \$ -            | \$ -            | \$ 718.75       | Direct-OR Total              |
|   | \$ 718.75       | \$ 50.00        | \$ 718.75       | \$ -          | \$ -          | \$ -          | \$ -            | \$ 718.75       | \$ 718.75       | \$ 278,002.06   | Sendout Volumes Total        |
| 877 Measuring and Regulator Station Expense - City Gate Total | \$ 718.75       | \$ 358,271.55   | \$ 358,990.30   | \$ -          | \$ 29,926.37  | \$ 29,926.37  | \$ -            | \$ 328,545.18   | \$ 328,545.18   | \$ 329,063.93   | 3-Factor Total               |
|   | \$ -            | \$ -21,125.78   | \$ (21,125.78)  | \$ -          | \$ (2,150.17) | \$ (2,150.17) | \$ -            | \$ -            | \$ -            | \$ 3,465,668.16 | Customers-All Total          |
|   | \$ -            | \$ 3,887,893.36 | \$ 3,887,893.36 | \$ -          | \$ 422,225.22 | \$ 422,225.22 | \$ -            | \$ -            | \$ -            | \$ 36,012.06    | Customers-Ind Total          |
|   | \$ -            | \$ 39,020.54    | \$ 39,020.54    | \$ -          | \$ 3,008.48   | \$ 3,008.48   | \$ -            | \$ -            | \$ -            | \$ (1,717.07)   | Direct-OR Total              |
|   | \$ (1,717.07)   | \$ 50.00        | \$ (1,717.07)   | \$ -          | \$ -          | \$ -          | \$ -            | \$ (1,717.07)   | \$ (1,717.07)   | \$ 21,794.59    | Sendout Volumes Total        |
|   | \$ -            | \$ 23,682.05    | \$ 23,682.05    | \$ -          | \$ 1,887.46   | \$ 1,887.46   | \$ -            | \$ -            | \$ -            | \$ 1,474.07     | Transmission Total           |
|   | \$ -            | \$ 1,491.52     | \$ 1,491.52     | \$ -          | \$ 17.45      | \$ 17.45      | \$ -            | \$ -            | \$ -            | \$ 3,503,873.27 | 3-Factor Total               |
| 878 Meter and House Regulator Expense Total                   | \$ (1,717.07)   | \$ 930,861.71   | \$ 929,144.64   | \$ -          | \$ 424,988.44 | \$ 424,988.44 | \$ -            | \$ (1,717.07)   | \$ (1,717.07)   | \$ 143,648.89   | Customers-All Total          |
|   | \$ -            | \$ 159,840.76   | \$ 159,840.76   | \$ -          | \$ 16,191.87  | \$ 16,191.87  | \$ -            | \$ -            | \$ -            | \$ 6,088,024.73 | Direct-OR Total              |
|   | \$ -            | \$ 6,829,733.82 | \$ 6,829,733.82 | \$ -          | \$ 741,709.09 | \$ 741,709.09 | \$ -            | \$ -            | \$ -            | \$ 86,353.63    | Direct-WA Total              |
|   | \$ 86,353.63    | \$ 50.00        | \$ 86,353.63    | \$ -          | \$ -          | \$ -          | \$ -            | \$ 86,353.63    | \$ 86,353.63    | \$ 6,236,942.73 | 3-Factor Total               |
| 879 Customer Installation Expense Total                       | \$ 92,876.64    | \$ 6,989,574.58 | \$ 7,082,451.22 | \$ 1,253.90   | \$ 757,900.96 | \$ 759,154.86 | \$ -            | \$ 86,353.63    | \$ 6,236,942.73 | \$ 785,590.39   | Customers-All Total          |
|   | \$ -            | \$ 874,140.86   | \$ 874,140.86   | \$ -          | \$ 88,550.47  | \$ 88,550.47  | \$ -            | \$ -            | \$ -            | \$ 77,694.20    | Direct-OR Total              |
|   | \$ -            | \$ 87,159.75    | \$ 87,159.75    | \$ -          | \$ 9,465.55   | \$ 9,465.55   | \$ -            | \$ -            | \$ -            | \$ 44,758.40    | Direct-WA Total              |
|   | \$ 202,712.00   | \$ 50.00        | \$ 202,712.00   | \$ -          | \$ -          | \$ -          | \$ -            | \$ 202,712.00   | \$ -            | \$ (5,257.60)   | Firm Volumes Total           |
|   | \$ 52,546.02    | \$ 50.00        | \$ 52,546.02    | \$ 7,787.62   | \$ (539.73)   | \$ (539.73)   | \$ -            | \$ -            | \$ -            | \$ 326,724.78   | Sendout Volumes Total        |
|   | \$ -            | \$ 55,797.33    | \$ (5,797.33)   | \$ -          | \$ -          | \$ -          | \$ -            | \$ -            | \$ -            | \$ 19,051.11    | Transmission Total           |
|   | \$ -            | \$ 335,019.86   | \$ 355,019.86   | \$ -          | \$ 28,295.08  | \$ 28,295.08  | \$ -            | \$ -            | \$ -            | \$ 105,874.19   | 3-Factor Total               |
|   | \$ -            | \$ 19,276.65    | \$ 19,276.65    | \$ -          | \$ 225.54     | \$ 225.54     | \$ -            | \$ -            | \$ -            | \$ 15,697.13    | Customers-The Delles Total   |
| 880 Other Expense Total                                       | \$ 255,258.02   | \$ 1,329,799.79 | \$ 1,585,057.81 | \$ 7,787.62   | \$ 125,996.91 | \$ 133,784.53 | \$ -            | \$ 202,712.00   | \$ 1,248,561.28 | \$ 1,451,273.28 | 3-Factor Total               |
|   | \$ -            | \$ 117,808.16   | \$ 117,808.16   | \$ -          | \$ 11,933.97  | \$ 11,933.97  | \$ -            | \$ -            | \$ -            | \$ 15,697.13    | Customers-The Delles Total   |
|   | \$ -            | \$ 21,027.64    | \$ 21,027.64    | \$ -          | \$ 5,390.51   | \$ 5,390.51   | \$ -            | \$ -            | \$ -            | \$ 121,571.33   | 3-Factor Total               |
| 881 Rents Total   | \$ -            | \$ 138,835.80   | \$ 138,835.80   | \$ -          | \$ 17,264.47  | \$ 17,264.47  | \$ -            | \$ -            | \$ -            | \$ 1,530,889.02 | Customers-All Total          |
|   | \$ -            | \$ 1,703,448.34 | \$ 1,703,448.34 | \$ -          | \$ 172,559.32 | \$ 172,559.32 | \$ -            | \$ -            | \$ -            | \$ 2,522.04     | Direct-OR Total              |
|   | \$ -            | \$ 2,829.30     | \$ 2,829.30     | \$ -          | \$ 307.26     | \$ 307.26     | \$ -            | \$ -            | \$ -            | \$ 3,606,245.95 | Direct-WA Total              |
|   | \$ 3,606,245.95 | \$ 50.00        | \$ 3,606,245.95 | \$ -          | \$ -          | \$ -          | \$ -            | \$ 3,606,245.95 | \$ -            | \$ 30,636.52    | Employee Cost Total          |
|   | \$ 27,404.73    | \$ 50.00        | \$ 27,404.73    | \$ (9,231.79) | \$ -          | \$ (9,231.79) | \$ -            | \$ -            | \$ -            | \$ 73.92        | Sales Volumes Total          |
|   | \$ -            | \$ 82.08        | \$ 82.08        | \$ -          | \$ 8.16       | \$ 8.16       | \$ -            | \$ -            | \$ -            | \$ 76,404.45    | Sendout Volumes Total        |
|   | \$ -            | \$ 7,000.00     | \$ 7,000.00     | \$ -          | \$ 674.10     | \$ 674.10     | \$ -            | \$ -            | \$ -            | \$ 82,657.08    | Transmission Total           |
|   | \$ -            | \$ 83,021.24    | \$ 83,021.24    | \$ -          | \$ 6,616.79   | \$ 6,616.79   | \$ -            | \$ -            | \$ -            | \$ 1,729,508.93 | 3-Factor Total               |
|   | \$ -            | \$ 83,635.62    | \$ 83,635.62    | \$ -          | \$ 978.54     | \$ 978.54     | \$ -            | \$ -            | \$ -            | \$ 26,307.11    | Customers Port/Van 80% Total |
| 885 Supervision and Engineering Total                         | \$ 3,633,650.68 | \$ 1,880,016.58 | \$ 5,513,667.26 | \$ (9,231.79) | \$ 181,144.17 | \$ 177,912.38 | \$ 3,606,245.95 | \$ 1,729,508.93 | \$ 5,335,754.88 | \$ 735,039.92   | Customers-All Total          |
|   | \$ -            | \$ 29,272.40    | \$ 29,272.40    | \$ -          | \$ 2,965.29   | \$ 2,965.29   | \$ -            | \$ -            | \$ -            | \$ 61,877.81    | Direct-OR Total              |
|   | \$ -            | \$ 834,374.54   | \$ 834,374.54   | \$ -          | \$ 99,284.62  | \$ 99,284.62  | \$ -            | \$ -            | \$ -            | \$ 765,933.79   | Direct-WA Total              |
|   | \$ -            | \$ 69,416.43    | \$ 69,416.43    | \$ -          | \$ 7,538.62   | \$ 7,538.62   | \$ -            | \$ -            | \$ -            | \$ 48,316.88    | Transmission Total           |
|   | \$ 765,933.79   | \$ 50.00        | \$ 765,933.79   | \$ -          | \$ -          | \$ -          | \$ -            | \$ 765,933.79   | \$ -            | \$ 14,035.84    | 3-Factor Total               |
|   | \$ 59,711.34    | \$ 50.00        | \$ 59,711.34    | \$ 11,394.46  | \$ -          | \$ 11,394.46  | \$ -            | \$ -            | \$ -            | \$ 321.88       | Customers-All Total          |
|   | \$ -            | \$ 245,193.60   | \$ 245,193.60   | \$ -          | \$ 2,868.77   | \$ 2,868.77   | \$ -            | \$ -            | \$ -            | \$ 1,723.00     | Direct-OR Total              |
| 887 Mains Total   | \$ 825,645.13   | \$ 1,178,206.97 | \$ 2,003,852.10 | \$ 11,394.46  | \$ 112,657.30 | \$ 124,051.76 | \$ 765,933.79   | \$ 1,133,866.55 | \$ 1,879,800.34 | \$ 746,012.75   | Sendout Volumes Total        |
|   | \$ -            | \$ 15,617.94    | \$ 15,617.94    | \$ -          | \$ 1,582.10   | \$ 1,582.10   | \$ -            | \$ -            | \$ -            | \$ 210,424.84   | Telemetering Total           |
|   | \$ -            | \$ 361.10       | \$ 361.10       | \$ -          | \$ 39.22      | \$ 39.22      | \$ -            | \$ -            | \$ -            | \$ 15,105.76    | Transmission Total           |
|   | \$ 1,723.00     | \$ 50.00        | \$ 1,723.00     | \$ -          | \$ -          | \$ -          | \$ -            | \$ -            | \$ -            | \$ 985,901.07   | 3-Factor Total               |
|   | \$ -            | \$ 810,619.09   | \$ 810,619.09   | \$ -          | \$ 64,606.34  | \$ 64,606.34  | \$ -            | \$ -            | \$ -            | \$ 9,740.63     | Direct-OR Total              |
|   | \$ -            | \$ 235,822.97   | \$ 235,822.97   | \$ -          | \$ 25,398.13  | \$ 25,398.13  | \$ -            | \$ -            | \$ -            | \$ 102,441.05   | Sendout Volumes Total        |
|   | \$ -            | \$ 15,284.59    | \$ 15,284.59    | \$ -          | \$ 178.83     | \$ 178.83     | \$ -            | \$ -            | \$ -            | \$ 114,526.11   | Telemetering Total           |
| 889 Measuring and Regulator Station Expense - General Total   | \$ 1,723.00     | \$ 1,077,705.69 | \$ 1,079,428.69 | \$ -          | \$ 91,804.62  | \$ 91,804.62  | \$ -            | \$ 1,723.00     | \$ 985,901.07   | \$ 987,624.07   | 3-Factor Total               |
|   | \$ -            | \$ 10,838.58    | \$ 10,838.58    | \$ -          | \$ 1,097.95   | \$ 1,097.95   | \$ -            | \$ -            | \$ -            | \$ 9,740.63     | Direct-OR Total              |
|   | \$ 2,344.43     | \$ 50.00        | \$ 2,344.43     | \$ -          | \$ -          | \$ -          | \$ -            | \$ 2,344.43     | \$ -            | \$ 102,441.05   | Sendout Volumes Total        |
| 891 Measuring and Regulator Station Expense - City Gate Total | \$ 2,344.43     | \$ 1,111,312.67 | \$ 1,113,121.67 | \$ -          | \$ 8,871.62   | \$ 8,871.62   | \$ -            | \$ -            | \$ -            | \$ 112,181.68   | 3-Factor Total               |
|   | \$ -            | \$ 122,151.25   | \$ 124,495.68   | \$ -          | \$ 9,969.57   | \$ 9,969.57   | \$ -            | \$ 2,344.43     | \$ 112,181.68   | \$ 4,544.34     | Customers-All Total          |
|   | \$ -            | \$ 55,056.57    | \$ 50,565.57    | \$ -          | \$ 512.23     | \$ 512.23     | \$ -            | \$ -            | \$ -            | \$ 33,612.91    | 3-Factor Total               |
|   | \$ -            | \$ 37,708.00    | \$ 37,708.00    | \$ -          | \$ 4,095.09   | \$ 4,095.09   | \$ -            | \$ -            | \$ -            | \$ -            | Customers-All Total          |





|  |    |              |                 |    |                 |    |           |    |                |    |                |    |              |    |                 |    |                 |                            |
|--|----|--------------|-----------------|----|-----------------|----|-----------|----|----------------|----|----------------|----|--------------|----|-----------------|----|-----------------|----------------------------|
| 913 Advertising Total                                  | \$ | 1,591.95     | \$516,122.72    | \$ | 517,714.67      | \$ | -         | \$ | 56,050.85      | \$ | 56,050.85      | \$ | 1,591.95     | \$ | 460,071.87      | \$ | 461,663.82      | 3-Factor Total             |
|  | \$ |              | \$31,224,901.87 | \$ | 31,224,901.87   | \$ |           | \$ | 3,163,082.56   | \$ | 3,163,082.56   | \$ |              | \$ | 28,061,819.31   | \$ | 28,061,819.31   | Customers-All Total        |
|  | \$ |              | \$2,856,767.19  | \$ | 2,856,767.19    | \$ |           | \$ | 310,244.92     | \$ | 310,244.92     | \$ |              | \$ | 2,546,522.27    | \$ | 2,546,522.27    | Customers-Ind Total        |
|  | \$ |              | \$1,291.47      | \$ | 1,291.47        | \$ |           | \$ | 99.57          | \$ | 99.57          | \$ |              | \$ | 1,191.90        | \$ | 1,191.90        | Customers-Res Total        |
|  | \$ |              | \$118,816.23    | \$ | 118,816.23      | \$ |           | \$ | 13,046.02      | \$ | 13,046.02      | \$ |              | \$ | 105,770.21      | \$ | 105,770.21      | Direct-OR Total            |
|  | \$ |              | \$0.00          | \$ | 55,754.35       | \$ |           | \$ | -              | \$ | -              | \$ |              | \$ | 55,754.35       | \$ | 55,754.35       | Direct-WA Total            |
|  | \$ |              | \$0.00          | \$ | 4,988.80        | \$ |           | \$ | 134.91         | \$ | 134.91         | \$ |              | \$ | 4,853.89        | \$ | 4,853.89        | Employee Cost Total        |
|  | \$ |              | \$3,574,758.43  | \$ | 3,574,758.43    | \$ |           | \$ | 355,330.99     | \$ | 355,330.99     | \$ |              | \$ | 3,219,427.44    | \$ | 3,219,427.44    | Firm Volumes Total         |
|  | \$ |              | \$4,599.21      | \$ | (4,599.21)      | \$ |           | \$ | (428.19)       | \$ | (428.19)       | \$ |              | \$ | (4,171.02)      | \$ | (4,171.02)      | Regulatory Total           |
|  | \$ |              | \$1,183,409.37  | \$ | 1,183,409.37    | \$ |           | \$ | 355,022.81     | \$ | 355,022.81     | \$ |              | \$ | 828,386.56      | \$ | 828,386.56      | Sendout Volumes Total      |
|  | \$ |              | \$5,981.96      | \$ | 5,981.96        | \$ |           | \$ | 476.76         | \$ | 476.76         | \$ |              | \$ | 5,505.20        | \$ | 5,505.20        | Transmission Total         |
|  | \$ |              | \$80.50         | \$ | 80.50           | \$ |           | \$ | 0.94           | \$ | 0.94           | \$ |              | \$ | 79.56           | \$ | 79.56           |                            |
| 921 Office Supplies and Expense Total                  | \$ | 60,743.15    | \$38,961,407.81 | \$ | 39,022,150.96   | \$ | 134.91    | \$ | 4,196,878.39   | \$ | 4,197,011.30   | \$ | 55,754.35    | \$ | 34,769,385.31   | \$ | 34,825,139.66   | Admin Tran Total           |
|  | \$ |              | \$9,275,784.16  | \$ | (9,275,784.16)  | \$ |           | \$ | (983,418.64)   | \$ | (983,418.64)   | \$ |              | \$ | (8,292,365.52)  | \$ | (8,292,365.52)  | Employee Cost Total        |
|  | \$ |              | \$4,152,678.55  | \$ | (4,152,678.55)  | \$ |           | \$ | (412,776.25)   | \$ | (412,776.25)   | \$ |              | \$ | (3,739,902.30)  | \$ | (3,739,902.30)  |                            |
| 922 Administrative Expenses Transferred - Credit Total | \$ |              | \$13,428,462.71 | \$ | (13,428,462.71) | \$ |           | \$ | (1,396,194.88) | \$ | (1,396,194.88) | \$ |              | \$ | (12,032,267.83) | \$ | (12,032,267.83) |                            |
| 924 Property Insurance Premium Total                   | \$ |              | \$2,080,269.70  | \$ | 2,080,269.70    | \$ |           | \$ | 210,731.32     | \$ | 210,731.32     | \$ |              | \$ | 1,869,538.38    | \$ | 1,869,538.38    | 3-Factor Total             |
|  | \$ |              | \$46,547.77     | \$ | 46,547.77       | \$ |           | \$ | 4,715.29       | \$ | 4,715.29       | \$ |              | \$ | 41,832.48       | \$ | 41,832.48       | 3-Factor Total             |
|  | \$ |              | \$0.00          | \$ | 108,902.44      | \$ |           | \$ | 819.45         | \$ | 819.45         | \$ |              | \$ | 108,082.99      | \$ | 108,082.99      | Direct-WA Total            |
|  | \$ |              | \$46,547.77     | \$ | 155,450.21      | \$ |           | \$ | 4,715.29       | \$ | 5,534.74       | \$ |              | \$ | 149,915.47      | \$ | 149,915.47      | Employee Cost Total        |
|  | \$ |              | \$501,279.67    | \$ | 501,279.67      | \$ |           | \$ | 49,827.20      | \$ | 49,827.20      | \$ |              | \$ | 451,452.47      | \$ | 451,452.47      | Transmission Total         |
|  | \$ |              | \$6,032.00      | \$ | 6,032.00        | \$ |           | \$ | 70.57          | \$ | 70.57          | \$ |              | \$ | 5,961.43        | \$ | 5,961.43        |                            |
| 926 Employee Pensions and Benefits Total               | \$ |              | \$507,311.67    | \$ | 507,311.67      | \$ |           | \$ | 49,897.77      | \$ | 49,897.77      | \$ |              | \$ | 457,413.90      | \$ | 457,413.90      | 3-Factor Total             |
|  | \$ |              | \$2,206,774.00  | \$ | 2,206,774.00    | \$ |           | \$ | 223,546.21     | \$ | 223,546.21     | \$ |              | \$ | 1,983,227.79    | \$ | 1,983,227.79    | Employee Cost Total        |
|  | \$ |              | \$562.10        | \$ | 562.10          | \$ |           | \$ | 55.87          | \$ | 55.87          | \$ |              | \$ | 506.23          | \$ | 506.23          |                            |
| 930 Miscellaneous General Expense Total                | \$ |              | \$2,207,336.10  | \$ | 2,207,336.10    | \$ |           | \$ | 223,602.08     | \$ | 223,602.08     | \$ |              | \$ | 1,983,734.02    | \$ | 1,983,734.02    | 3-Factor Total             |
|  | \$ |              | \$3,160,056.00  | \$ | 3,160,056.00    | \$ |           | \$ | 320,113.67     | \$ | 320,113.67     | \$ |              | \$ | 2,839,942.33    | \$ | 2,839,942.33    | 3-Factor Total             |
|  | \$ |              | \$19,920.00     | \$ | 19,920.00       | \$ |           | \$ | 2,163.31       | \$ | 2,163.31       | \$ |              | \$ | 17,756.69       | \$ | 17,756.69       | Customers-All Total        |
|  | \$ |              | \$0.00          | \$ | 31,913.44       | \$ |           | \$ | -              | \$ | -              | \$ |              | \$ | 31,913.44       | \$ | 31,913.44       | Direct-OR Total            |
| 931 Rents Total  | \$ | 31,913.44    | \$3,179,976.00  | \$ | 3,211,889.44    | \$ |           | \$ | 322,276.98     | \$ | 322,276.98     | \$ | 31,913.44    | \$ | 2,857,699.02    | \$ | 2,889,612.46    | 3-Factor Total             |
|  | \$ |              | \$2,043,543.47  | \$ | 2,043,543.47    | \$ |           | \$ | 207,010.95     | \$ | 207,010.95     | \$ |              | \$ | 1,836,532.52    | \$ | 1,836,532.52    | 3-Factor Total             |
|  | \$ |              | \$39,754.23     | \$ | 39,754.23       | \$ |           | \$ | 5,911.45       | \$ | 5,911.45       | \$ |              | \$ | 33,842.78       | \$ | 33,842.78       | Customers-Part/Van Total   |
|  | \$ |              | \$187,793.55    | \$ | 187,793.55      | \$ |           | \$ | 20,394.38      | \$ | 20,394.38      | \$ |              | \$ | 167,399.17      | \$ | 167,399.17      | Customers-All Total        |
|  | \$ |              | \$11,797.40     | \$ | 11,797.40       | \$ |           | \$ | 2,990.64       | \$ | 2,990.64       | \$ |              | \$ | 8,806.76        | \$ | 8,806.76        | Customers-The Dalles Total |
|  | \$ |              | \$0.00          | \$ | 437,765.18      | \$ |           | \$ | -              | \$ | -              | \$ |              | \$ | 437,765.18      | \$ | 437,765.18      | Direct-OR Total            |
|  | \$ |              | \$0.00          | \$ | 58,231.48       | \$ |           | \$ | 12,131.87      | \$ | 12,131.87      | \$ |              | \$ | 46,099.61       | \$ | 46,099.61       | Direct-WA Total            |
|  | \$ |              | \$36,078.26     | \$ | 36,078.26       | \$ |           | \$ | 3,358.89       | \$ | 3,358.89       | \$ |              | \$ | 32,719.37       | \$ | 32,719.37       | Firm Volumes Total         |
|  | \$ |              | \$33,735.94     | \$ | 33,735.94       | \$ |           | \$ | 2,688.75       | \$ | 2,688.75       | \$ |              | \$ | 31,047.19       | \$ | 31,047.19       | Sendout Volumes Total      |
|  | \$ |              | \$428.43        | \$ | 428.43          | \$ |           | \$ | 5.01           | \$ | 5.01           | \$ |              | \$ | 423.42          | \$ | 423.42          | Transmission Total         |
| 935 Maintenance of General Plant Total                 | \$ | 495,996.66   | \$2,353,131.28  | \$ | 2,849,127.94    | \$ | 12,131.87 | \$ | 242,360.08     | \$ | 254,491.95     | \$ | 437,765.18   | \$ | 2,156,870.81    | \$ | 2,594,635.99    |                            |
| Grand Total  | \$ | 7,993,322.28 | \$91,050,882.29 | \$ | 99,044,204.57   | \$ | 79,069.90 | \$ | 9,460,865.96   | \$ | 9,539,935.86   | \$ | 7,347,668.85 | \$ | 82,156,599.86   | \$ | 89,504,268.71   |                            |

# **September 2017 Activity**

|               |                  | September 2017 |                   |                      |                  |               |                  |               |
|---------------|------------------|----------------|-------------------|----------------------|------------------|---------------|------------------|---------------|
| System Direct | System Allocated | System Total   | Washington Direct | Washington Allocated | Washington Total | Oregon Direct | Oregon Allocated | Oregon Total  |
|               |                  | 365,401        |                   |                      | (56,367)         |               |                  | 421,768       |
|               |                  | 1,338,948,433  |                   |                      | 161,109,375      |               |                  | 1,177,839,058 |
|               |                  | 0.03%          |                   |                      | -0.03%           |               |                  | 0.04%         |

**NW Natural**  
**Washington Results of Operations**  
**Monthly Summary**

**Total Operating Revenue**

**Total Rate Base**

**Rate Of Return on Rate Base**

Washington Quarterly Results of Operations Report

|   | System      |            |             |           | Washington |           |       |             | September 2017 |             |       |        |  |
|---|-------------|------------|-------------|-----------|------------|-----------|-------|-------------|----------------|-------------|-------|--------|--|
|   | Direct      | Allocated  | Total       |           | Direct     | Allocated | Total |             | Direct         | Allocated   | Total | Oregon |  |
| <b>Monthly Summary</b>                      |             |            |             |           |            |           |       |             |                |             |       |        |  |
| <b>Sales of Gas</b>                         |             |            |             |           |            |           |       |             |                |             |       |        |  |
| 480.1 Residential                           | 13,642,619  | 2,537,130  | 13,642,619  | 1,530,237 | 1,530,237  | 1,530,237 |       | 12,112,383  |                | 12,112,383  |       |        |  |
| 481.1 Commercial                            | 8,259,620   | 0          | 8,259,620   | 671,787   | 671,787    | 671,787   |       | 7,587,832   |                | 7,587,832   |       |        |  |
| 481.2 Industrial Firm                       | 1,695,511   | 0          | 1,695,511   | 119,235   | 119,235    | 119,235   |       | 1,576,276   |                | 1,576,276   |       |        |  |
| 481.3 Interruptible                         | 1,390,845   | 0          | 1,390,845   | 31,967    | 31,967     | 31,967    |       | 1,358,878   |                | 1,358,878   |       |        |  |
| 481.5 Interruptible Incentive               | 0           | 0          | 0           | 0         | 0          | 0         |       | 0           |                | 0           |       |        |  |
| 495.20 Unbilled Revenue                     | 0           | 2,537,130  | 2,537,130   | 0         | 2,537,130  | 2,537,130 |       | 0           | 2,279,106      | 2,279,106   |       |        |  |
| <b>Total Sales of Gas</b>                   | 24,988,595  | 2,537,130  | 27,525,724  | 2,353,226 | 2,353,226  | 2,353,226 |       | 22,635,369  | 2,279,106      | 24,914,475  |       |        |  |
| <b>Transportation Revenue</b>               |             |            |             |           |            |           |       |             |                |             |       |        |  |
| 489.12 Industrial Firm                      | 879,158     | 0          | 879,158     | 100,558   | 100,558    | 100,558   |       | 778,600     |                | 778,600     |       |        |  |
| 489.13 Interruptible                        | 677,049     | 0          | 677,049     | 78,930    | 78,930     | 78,930    |       | 598,119     |                | 598,119     |       |        |  |
| 489.15 Interruptible Incentive              | 0           | 0          | 0           | 0         | 0          | 0         |       | 0           |                | 0           |       |        |  |
| 489.3 Agency Fee/Balancing                  | 0           | 0          | 0           | 0         | 0          | 0         |       | 0           |                | 0           |       |        |  |
| <b>Total Transportation Revenue</b>         | 1,556,207   | 0          | 1,556,207   | 179,488   | 179,488    | 179,488   |       | 1,376,719   | 0              | 1,376,719   |       |        |  |
| 495.6 Rate Adjustments - Amortizations      | (20,232)    | 0          | (20,232)    | (62,210)  | (62,210)   | (62,210)  |       | 41,978      |                | 41,978      |       |        |  |
| <b>Miscellaneous Revenues</b>               |             |            |             |           |            |           |       |             |                |             |       |        |  |
| 487 Late Payment Charge                     | 79,537      | 0          | 79,537      | 3,546     | 3,546      | 3,546     |       | 75,992      |                | 75,992      |       |        |  |
| 488.0 Seasonal Reconnect Fee                | 600         | 0          | 600         | 0         | 0          | 0         |       | 600         |                | 600         |       |        |  |
| 488.0 Delinquent Reconnect Fee              | 10,450      | 0          | 10,450      | 150       | 150        | 150       |       | 10,300      |                | 10,300      |       |        |  |
| 488.1 Returned Check Charge                 | 8,745       | 0          | 8,745       | 1,110     | 1,110      | 1,110     |       | 7,635       |                | 7,635       |       |        |  |
| 488.3 Recon Charge CR During Office Hours   | 16,525      | 0          | 16,525      | 1,275     | 1,275      | 1,275     |       | 15,250      |                | 15,250      |       |        |  |
| 488.4 Field Collection Charge               | 24,605      | 0          | 24,605      | 2,585     | 2,585      | 2,585     |       | 22,020      |                | 22,020      |       |        |  |
| 488.5 Recon Charge CR After Office Hours    | 325         | 0          | 325         | 25        | 25         | 25        |       | 300         |                | 300         |       |        |  |
| 488.6 Recon Charge Seas During Office Hours | 2,660       | 0          | 2,660       | 378       | 378        | 378       |       | 2,283       |                | 2,283       |       |        |  |
| 488.7 Recon Charge Seas After Office Hours  | 15,522      | 0          | 15,522      | 711       | 711        | 711       |       | 14,811      |                | 14,811      |       |        |  |
| 493.2 Rent - Utility Property               | 16,055      | 15,522     | 31,577      | 1,680     | 1,680      | 1,680     |       | 14,375      | 14,811         | 29,186      |       |        |  |
| 495.1 Meter Rentals                         | 6,130       | 0          | 6,130       | 286       | 286        | 286       |       | 5,844       |                | 5,844       |       |        |  |
| 495.2 Other Gas Revenue - Miscellaneous     | 168,062     | 15,522     | 183,584     | 13,385    | 13,385     | 13,385    |       | 154,678     | 14,811         | 169,489     |       |        |  |
| <b>Total Miscellaneous Revenues</b>         | 26,692,632  | 2,552,651  | 29,245,283  | 2,483,888 | 2,483,888  | 2,483,888 |       | 24,208,744  | 2,293,916      | 26,502,660  |       |        |  |
| <b>Cost of Gas</b>                          |             |            |             |           |            |           |       |             |                |             |       |        |  |
| 804.7 WACOG Incurred                        | 6,697,594   | 0          | 6,697,594   | 535,027   | 535,027    | 535,027   |       | 6,162,567   |                | 6,162,567   |       |        |  |
| 805.7 WACOG Deferred                        | 529,060     | 0          | 529,060     | 149,596   | 149,596    | 149,596   |       | 379,465     |                | 379,465     |       |        |  |
| 804.6 Demand Incurred                       | 6,618,115   | 0          | 6,618,115   | 677,695   | 677,695    | 677,695   |       | 5,940,420   |                | 5,940,420   |       |        |  |
| 805.8 Demand Deferred                       | (3,837,084) | 0          | (3,837,084) | (390,950) | (390,950)  | (390,950) |       | (3,446,134) |                | (3,446,134) |       |        |  |
| 805.4 Amortization of Gas Costs             | (104,200)   | 0          | (104,200)   | (72,458)  | (72,458)   | (72,458)  |       | (31,741)    |                | (31,741)    |       |        |  |
| <b>Total Cost of Gas</b>                    | 9,903,486   | 0          | 9,903,486   | 898,910   | 898,910    | 898,910   |       | 9,004,576   | 0              | 9,004,576   |       |        |  |
| 407 Environmental Expense                   | 488,818     | 0          | 488,818     | 0         | 0          | 0         |       | 488,818     |                | 488,818     |       |        |  |
| <b>Detail Operations &amp; Maintenance</b>  | 893,380     | 9,891,785  | 10,785,164  | 82,579    | 1,026,005  | 1,108,585 |       | 810,800     | 8,865,780      | 9,676,580   |       |        |  |
| <b>Other Taxes</b>                          |             |            |             |           |            |           |       |             |                |             |       |        |  |
| 408.11 Property                             | 1,875,192   | 0          | 1,875,192   | 130,690   | 130,690    | 130,690   |       | 1,744,502   |                | 1,744,502   |       |        |  |
| 408.12 Franchise                            | 857,786     | 0          | 857,786     | 106,238   | 106,238    | 106,238   |       | 751,548     |                | 751,548     |       |        |  |
| 408.13 Payroll                              | 483,983     | 0          | 483,983     | 48,258    | 48,258     | 48,258    |       | 435,725     |                | 435,725     |       |        |  |
| 408.14 Other                                | 21,363      | 0          | 21,363      | 9,478     | 9,478      | 9,478     |       | 11,886      |                | 11,886      |       |        |  |
| 408.15 Regulatory                           | 0           | 0          | 0           | 0         | 0          | 0         |       | 0           |                | 0           |       |        |  |
| <b>Total Other Taxes</b>                    | 2,758,342   | 483,983    | 3,242,325   | 246,406   | 246,406    | 246,406   |       | 2,507,936   | 435,725        | 2,943,661   |       |        |  |
| 403.1 Depreciation                          | 6,618,326   | 0          | 6,618,326   | 681,357   | 681,357    | 681,357   |       | 5,936,969   |                | 5,936,969   |       |        |  |
| <b>Income Taxes</b>                         |             |            |             |           |            |           |       |             |                |             |       |        |  |
| 409.11 Federal Income Taxes                 | 293,670     | 0          | 293,670     | (184,175) | (184,175)  | (184,175) |       | 477,845     |                | 477,845     |       |        |  |
| 410.1 Federal Income Taxes - Deferred       | (2,071,318) | 0          | (2,071,318) | 0         | 0          | 0         |       | (2,071,318) |                | (2,071,318) |       |        |  |
| 411.4 Federal Income Tax Credit             | 143         | 0          | 143         | (349)     | (349)      | (349)     |       | 482         |                | 482         |       |        |  |
| 409.1 Oregon Income Taxes                   | (133,690)   | 0          | (133,690)   | 0         | 0          | 0         |       | (133,690)   |                | (133,690)   |       |        |  |
| 410.1 Oregon Income Taxes - Deferred        | 62,464      | 0          | 62,464      | 0         | 0          | 0         |       | 62,464      |                | 62,464      |       |        |  |
| 411.1 Oregon Income Tax Credit              | (305,505)   | 0          | (305,505)   | 0         | 0          | 0         |       | (305,505)   |                | (305,505)   |       |        |  |
| <b>Total Operating Revenue Deductions</b>   | 13,551,208  | 16,994,093 | 28,879,883  | 1,227,895 | 1,755,620  | 2,798,991 |       | 12,323,312  | 15,238,473     | 26,080,892  |       |        |  |
| <b>Net Operating Income</b>                 |             |            | 365,401     |           |            | (56,367)  |       |             |                | 421,768     |       |        |  |

|   | September 2017 |                  |                      |                   |                      |                    |               |                  |                      |
|---|----------------|------------------|----------------------|-------------------|----------------------|--------------------|---------------|------------------|----------------------|
|   | System Direct  | System Allocated | System Total         | Washington Direct | Washington Allocated | Washington Total   | Oregon Direct | Oregon Allocated | Oregon Total         |
| <b>NW Natural</b>                       |                |                  |                      |                   |                      |                    |               |                  |                      |
| <b>Washington Results of Operations</b> |                |                  |                      |                   |                      |                    |               |                  |                      |
| <b>Monthly Summary</b>                  |                |                  |                      |                   |                      |                    |               |                  |                      |
| <b>Rate Base</b>                        |                |                  |                      |                   |                      |                    |               |                  |                      |
| 101 Gross Plant                         |                |                  | 2,919,358,638        |                   |                      | 314,682,342        |               |                  | 2,604,676,296        |
| 108.1X Accumulated Depreciation         |                |                  | (1,292,316,311)      |                   |                      | (128,971,784)      |               |                  | (1,163,344,527)      |
| ADJ Working Capital Allowance           |                |                  | 132,130,749          |                   |                      | 14,610,727         |               |                  | 117,520,022          |
| 117.X Storage Gas - Cushion             |                |                  | 14,141,902           |                   |                      | 1,316,611          |               |                  | 12,825,291           |
| 186.XX Leasehold Improvements           |                |                  | 311,030              |                   |                      | 31,507             |               |                  | 279,523              |
| 252.XX Customer Contributions           |                |                  | (4,053,177)          |                   |                      | (621,337)          |               |                  | (3,431,840)          |
| 283.XX Deferred Taxes - Federal         |                |                  | (358,366,828)        |                   |                      | (39,938,691)       |               |                  | (318,428,137)        |
| 283.XX Deferred Taxes - State           |                |                  | (72,257,571)         |                   |                      | 0                  |               |                  | (72,257,571)         |
| <b>Total Rate Base</b>                  |                |                  | <b>1,338,948,433</b> |                   |                      | <b>161,109,375</b> |               |                  | <b>1,177,839,058</b> |
| <b>Rate Of Return on Rate Base</b>      |                |                  | <b>0.03%</b>         |                   |                      | <b>-0.03%</b>      |               |                  | <b>0.04%</b>         |
| <b>Allocation References:</b>           |                |                  |                      |                   |                      |                    |               |                  |                      |
| A Unbilled Revenue                      |                |                  | 100.00%              |                   |                      | 10.17%             |               |                  | 89.83%               |
| B Follows plant split                   |                |                  | 100.00%              |                   |                      | 10.94%             |               |                  | 89.06%               |
| O&M See O&M Detail                      |                |                  |                      |                   |                      |                    |               |                  |                      |
| D Depreciation Factor                   |                |                  | 100.00%              |                   |                      | 10.30%             |               |                  | 89.71%               |

**NW Natural**  
**Washington Results of Operations**  
**Monthly Summary**

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

**Total Rate Base**  
**Rate Of Return on Rate Base**

**Allocation References:**  
 A Unbilled Revenue  
 B Follows plant split  
 O&M See O&M Detail  
 D Depreciation Factor

September 2017

**NW Natural**  
**Washington Results of Operations**  
 12 Month Ended Reports  
 13 Month AMA for Rate Base  
 Summary

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

|  | System<br>Direct | System<br>Allocated | System<br>Total | Washington<br>Direct | Washington<br>Allocated | Washington<br>Total | Oregon<br>Direct | Oregon<br>Allocated | Oregon<br>Total |
|--|------------------|---------------------|-----------------|----------------------|-------------------------|---------------------|------------------|---------------------|-----------------|
|  |                  |                     | 92,001,722      |                      |                         | 10,978,714          |                  |                     | 81,023,009      |
|  |                  | 1,287,435,535       |                 |                      |                         | 150,170,624         |                  |                     | 1,137,264,911   |
|  |                  | 7.15%               |                 |                      |                         | 7.31%               |                  |                     | 7.12%           |

| Account                                   | Description                           | Alloc. Ref. | System       |             | Washington  |            | Washington  |             | Oregon       |             | Oregon Total |
|---|---------------------------------------|-------------|--------------|-------------|-------------|------------|-------------|-------------|--------------|-------------|--------------|
|   |                                       |             | Direct       | Allocated   | Direct      | Allocated  | Direct      | Allocated   |              |             |              |
| <b>NW Natural</b>                         |                                       |             |              |             |             |            |             |             |              |             |              |
| <b>Washington Results of Operations</b>   |                                       |             |              |             |             |            |             |             |              |             |              |
| <b>12 Month Ended Reports</b>             |                                       |             |              |             |             |            |             |             |              |             |              |
| 480.1                                     | Residential                           |             | 454,165,566  | 0           | 50,068,079  | 0          | 50,068,079  | 0           | 404,097,486  | 0           | 404,097,486  |
| 481.1                                     | Commercial                            |             | 227,807,904  | 0           | 19,387,788  | 0          | 19,387,788  | 0           | 208,420,116  | 0           | 208,420,116  |
| 481.2                                     | Industrial Firm                       |             | 22,810,574   | 0           | 2,057,427   | 0          | 2,057,427   | 0           | 20,753,148   | 0           | 20,753,148   |
| 481.3                                     | Interruptible                         |             | 22,239,875   | 0           | 611,330     | 0          | 611,330     | 0           | 21,628,545   | 0           | 21,628,545   |
| 481.5                                     | Interruptible Incentive               |             | 0            | 0           | 0           | 0          | 0           | 0           | 0            | 0           | 0            |
| 481.5                                     | Unbilled Revenue                      |             | 0            | 505,806     | 0           | 48,215     | 48,215      | 0           | 457,592      | 0           | 457,592      |
| 495.20                                    | Total Sales of Gas                    | A           | 727,023,919  | 505,806     | 72,124,624  | 48,215     | 72,172,838  | 48,215      | 654,899,295  | 457,592     | 655,356,887  |
| <b>Transportation Revenue</b>             |                                       |             |              |             |             |            |             |             |              |             |              |
| 489.12                                    | Industrial Firm                       |             | 11,976,853   | 0           | 1,412,431   | 0          | 1,412,431   | 0           | 10,564,422   | 0           | 10,564,422   |
| 489.13                                    | Interruptible                         |             | 8,262,606    | 0           | 906,746     | 0          | 906,746     | 0           | 7,355,859    | 0           | 7,355,859    |
| 489.15                                    | Interruptible Incentive               |             | 0            | 0           | 0           | 0          | 0           | 0           | 0            | 0           | 0            |
| 489.3                                     | Agency Fee/Balancing                  |             | 392,450      | 0           | 0           | 0          | 0           | 0           | 392,450      | 0           | 392,450      |
| 495.6                                     | Total Transportation Revenue          |             | 20,631,909   | 0           | 2,319,177   | 0          | 2,319,177   | 0           | 18,312,732   | 0           | 18,312,732   |
| <b>Rate Adjustments - Amortizations</b>   |                                       |             |              |             |             |            |             |             |              |             |              |
| <b>Miscellaneous Revenues</b>             |                                       |             |              |             |             |            |             |             |              |             |              |
| 487                                       | Label Payment Charge                  |             | 2,159,559    | 0           | 98,067      | 0          | 98,067      | 0           | 2,061,492    | 0           | 2,061,492    |
| 488.0                                     | Seasonal Reconnect Fee                |             | 16,800       | 0           | 0           | 0          | 0           | 0           | 16,800       | 0           | 16,800       |
| 488.0                                     | Delinquent Reconnect Fee              |             | 274,740      | 0           | 1,350       | 0          | 1,350       | 0           | 273,390      | 0           | 273,390      |
| 488.1                                     | Returned Check Charge                 |             | 112,095      | 0           | 10,740      | 0          | 10,740      | 0           | 101,355      | 0           | 101,355      |
| 488.3                                     | Recon Charge CR During Office Hours   |             | 245,325      | 0           | 13,705      | 0          | 13,705      | 0           | 231,620      | 0           | 231,620      |
| 488.4                                     | Field Collection Charge               |             | 354,305      | 0           | 32,710      | 0          | 32,710      | 0           | 321,595      | 0           | 321,595      |
| 488.5                                     | Recon Charge CR After Office Hours    |             | 39,750       | 0           | 37,050      | 0          | 37,050      | 0           | 2,700        | 0           | 2,700        |
| 488.6                                     | Recon Charge Seas During Office Hours |             | 13,515       | 0           | 795         | 0          | 795         | 0           | 12,720       | 0           | 12,720       |
| 488.7                                     | Recon Charge Seas After Office Hours  |             | 2,490        | 0           | 2,250       | 0          | 2,250       | 0           | 240          | 0           | 240          |
| 488.8                                     | Automated Payment Charge              |             | 45,105       | 0           | 6,248       | 0          | 6,248       | 0           | 38,858       | 0           | 38,858       |
| 493.2                                     | Rent - Utility Property               |             | 284,170      | 0           | 22,115      | 0          | 22,115      | 0           | 262,055      | 0           | 262,055      |
| 495.1                                     | Meter Rentals                         |             | 198,813      | 0           | 16,261      | 0          | 16,261      | 0           | 182,552      | 0           | 182,552      |
| 495.2                                     | Other Gas Revenue - Miscellaneous     |             | 72,673       | 0           | 8,903       | 0          | 8,903       | 0           | 63,770       | 0           | 63,770       |
| 495.2                                     | Total Miscellaneous Revenues          |             | 3,535,170    | 284,170     | 228,078     | 22,115     | 250,193     | 22,115      | 3,307,092    | 262,055     | 3,569,147    |
| <b>Total Operating Revenue</b>            |                                       |             |              |             |             |            |             |             |              |             |              |
|   |                                       |             | 750,124,648  | 789,977     | 72,248,325  | 70,330     | 72,318,654  | 70,330      | 677,876,324  | 719,647     | 678,595,971  |
| <b>Cost of Gas</b>                        |                                       |             |              |             |             |            |             |             |              |             |              |
| 804.7                                     | WACOG Incurred                        |             | 233,853,293  | 0           | 21,997,431  | 0          | 21,997,431  | 0           | 211,855,862  | 0           | 211,855,862  |
| 805.7                                     | WACOG Deferred                        |             | 6,601,454    | 0           | 510,061     | 0          | 510,061     | 0           | 6,091,393    | 0           | 6,091,393    |
| 804.6                                     | Demand Incurred                       |             | 81,061,596   | 0           | 8,304,823   | 0          | 8,304,823   | 0           | 72,756,773   | 0           | 72,756,773   |
| 805.8                                     | Demand Deferred                       |             | 8,597,481    | 0           | 999,557     | 0          | 999,557     | 0           | 7,597,924    | 0           | 7,597,924    |
| 805.4                                     | Amortization of Gas Costs             |             | (3,216,301)  | 0           | (2,706,157) | 0          | (2,706,157) | 0           | (510,144)    | 0           | (510,144)    |
| 805.4                                     | Total Cost of Gas                     |             | 336,897,523  | 0           | 29,105,715  | 0          | 29,105,715  | 0           | 297,791,808  | 0           | 297,791,808  |
| <b>Environmental Expense</b>              |                                       |             |              |             |             |            |             |             |              |             |              |
| 407.03                                    | Environmental Expense                 |             | 16,104,835   | 0           | 0           | 0          | 0           | 0           | 16,104,835   | 0           | 16,104,835   |
| <b>Operations &amp; Maintenance</b>       |                                       |             |              |             |             |            |             |             |              |             |              |
| Detail                                    |                                       |             | 11,538,302   | 135,849,888 | 857,060     | 14,072,281 | 14,929,341  | 10,681,243  | 121,777,607  | 132,458,850 |              |
| <b>Other Taxes</b>                        |                                       |             |              |             |             |            |             |             |              |             |              |
| 408.11                                    | Property                              |             | 21,296,757   | 0           | 1,310,274   | 0          | 1,310,274   | 0           | 19,986,482   | 0           | 19,986,482   |
| 408.12                                    | Franchise                             |             | 19,109,895   | 0           | 2,948,347   | 0          | 2,948,347   | 0           | 16,161,548   | 0           | 16,161,548   |
| 408.13                                    | Payroll                               |             | 0            | 6,169,842   | 0           | 610,389    | 610,389     | 0           | 5,559,453    | 0           | 5,559,453    |
| 408.14                                    | Other                                 |             | 436,001      | 0           | 73,401      | 0          | 73,401      | 0           | 362,600      | 0           | 362,600      |
| 408.15                                    | Regulatory                            |             | 1,658,509    | 0           | 120,705     | 0          | 120,705     | 0           | 1,537,804    | 0           | 1,537,804    |
| 408.15                                    | Total Other Taxes                     |             | 42,501,161   | 6,169,842   | 4,452,727   | 610,389    | 5,063,116   | 38,048,434  | 5,559,453    | 43,607,887  |              |
| <b>Depreciation</b>                       |                                       |             |              |             |             |            |             |             |              |             |              |
| 403.1                                     | Depreciation                          |             | 0            | 78,935,445  | 0           | 8,118,840  | 8,118,840   | 0           | 70,816,605   | 0           | 70,816,605   |
| <b>Income Taxes</b>                       |                                       |             |              |             |             |            |             |             |              |             |              |
| 409.11                                    | Federal Income Taxes                  |             | 16,732,575   | 0           | 4,162,454   | 0          | 4,162,454   | 0           | 12,570,121   | 0           | 12,570,121   |
| 410.11                                    | Federal Income Taxes - Deferred       |             | 28,105,487   | 0           | 0           | 0          | 0           | 0           | 28,105,487   | 0           | 28,105,487   |
| 411.42                                    | Federal Income Tax Credit             |             | (11,060,842) | 0           | (39,525)    | 0          | (39,525)    | 0           | (11,021,317) | 0           | (11,021,317) |
| 409.12                                    | Oregon Income Taxes                   |             | 3,626,606    | 0           | 0           | 0          | 0           | 0           | 3,626,606    | 0           | 3,626,606    |
| 410.12                                    | Oregon Income Taxes - Deferred        |             | 6,605,639    | 0           | 0           | 0          | 0           | 0           | 6,605,639    | 0           | 6,605,639    |
| 411.12                                    | Oregon Income Tax Credit              |             | (3,093,559)  | 0           | 0           | 0          | 0           | 0           | (3,093,559)  | 0           | (3,093,559)  |
| 411.12                                    | Total Income Taxes                    |             | 40,915,906   | 0           | 4,122,929   | 0          | 4,122,929   | 0           | 36,792,977   | 0           | 36,792,977   |
| <b>Total Operating Revenue Deductions</b> |                                       |             |              |             |             |            |             |             |              |             |              |
|   |                                       |             | 380,936,986  | 220,955,175 | 34,415,501  | 22,801,511 | 61,339,941  | 346,521,485 | 198,153,664  | 597,572,962 |              |
| <b>Net Operating Income</b>               |                                       |             |              |             |             |            |             |             |              |             |              |
|   |                                       |             | 92,001,722   | 92,001,722  | 10,976,714  | 10,976,714 | 10,976,714  | 81,023,009  | 81,023,009   |             |              |

1. Washington Results of Operations 2017Q3



**NW Natural**  
**Washington Results of Operations**  
 13 Month AMA Ended Reports

**Rate Base**  
 Gross Plant

|                                    | September 2017 |                  |                      |                   |                      |                    |               |                  |                      |
|------------------------------------|----------------|------------------|----------------------|-------------------|----------------------|--------------------|---------------|------------------|----------------------|
|                                    | System Direct  | System Allocated | System Total         | Washington Direct | Washington Allocated | Washington Total   | Oregon Direct | Oregon Allocated | Oregon Total         |
| 101                                |                |                  | 2,857,423,316        |                   |                      | 302,738,998        |               |                  | 2,554,684,318        |
| 108.1X                             |                |                  | (1,260,785,978)      |                   |                      | (125,341,104)      |               |                  | (1,135,444,873)      |
| Adj                                |                |                  | 110,763,125          |                   |                      | 11,897,428         |               |                  | 98,865,697           |
| 117.X                              |                |                  | 14,148,081           |                   |                      | 1,321,310          |               |                  | 12,826,772           |
| 186.XX                             |                |                  | 434,280              |                   |                      | 43,799             |               |                  | 390,481              |
| 252.XX                             |                |                  | (3,922,891)          |                   |                      | (551,115)          |               |                  | (3,371,776)          |
| 283.XX                             |                |                  | (358,366,828)        |                   |                      | (39,938,691)       |               |                  | (318,428,137)        |
| 283.XX                             |                |                  | (72,257,571)         |                   |                      | 0                  |               |                  | (72,257,571)         |
| <b>Total Rate Base</b>             |                |                  | <b>1,287,435,535</b> |                   |                      | <b>150,170,624</b> |               |                  | <b>1,137,264,911</b> |
| <b>Rate Of Return on Rate Base</b> |                |                  | <b>7.15%</b>         |                   |                      | <b>7.31%</b>       |               |                  | <b>7.12%</b>         |
| <b>Allocation References:</b>      |                |                  |                      |                   |                      |                    |               |                  |                      |
| Ø                                  |                |                  | <b>100.00%</b>       |                   |                      | <b>10.29%</b>      |               |                  | <b>89.71%</b>        |

**NW Natural**  
**Washington Quarterly Results of Operations Report**  
**Operations and Maintenance Expense: Allocation of System Amounts**  
**For the period ended September 30, 2017**

|  |   | Month            |                   |                  |
|--|---|------------------|-------------------|------------------|
|  |   | <u>System</u>    | <u>Washington</u> | <u>Oregon</u>    |
| <b>Natural Gas Storage</b>                 |   |                  |                   |                  |
| <b>Underground Storage Expense</b>         |   |                  |                   |                  |
| <b>Operation</b>                           |   |                  |                   |                  |
| 816  | Wells Expense                                       | \$12,716         | \$1,184           | \$11,532         |
| 818  | Compressor Station Expense                          | \$38,600         | \$3,594           | \$35,006         |
| 819  | Compressor Station Fuel                             | \$0              | \$0               | \$0              |
| 820  | Measuring and Regulator Station Expense             | \$180,886        | \$16,777          | \$164,109        |
| 821  | Purification Expense                                | \$3,562          | \$332             | \$3,230          |
| <b>Maintenance</b>                         |   |                  |                   |                  |
| 832  | Wells Expense                                       | \$34,810         | \$3,241           | \$31,569         |
| <b>Total Underground Storage Expense</b>   |   | <u>270,574</u>   | <u>25,127</u>     | <u>245,448</u>   |
| <b>Other Storage Expense</b>               |   |                  |                   |                  |
| <b>Operation</b>                           |   |                  |                   |                  |
| 840  | Supervision and Engineering                         | \$11,022         | \$1,026           | \$9,996          |
| <b>Total Other Storage Expense</b>         |   | <u>11,022</u>    | <u>1,026</u>      | <u>9,996</u>     |
| <b>Liquified Natural Gas Expense</b>       |   |                  |                   |                  |
| <b>Operation</b>                           |   |                  |                   |                  |
| 844  | Supervision and Engineering                         | \$187,566        | \$17,462          | \$170,104        |
| 845  | LNG Fuel  | (\$24,785)       | (\$2,307)         | (\$22,478)       |
| <b>Maintenance</b>                         |   |                  |                   |                  |
| 847  | Supervision and Engineering                         | \$74,750         | \$6,959           | \$67,791         |
| <b>Total Liquified Natural Gas Expense</b> |   | <u>237,531</u>   | <u>22,114</u>     | <u>215,417</u>   |
| <b>Total Natural Gas Storage</b>           |   | <u>519,127</u>   | <u>48,267</u>     | <u>470,861</u>   |
| <b>Transmission Expense</b>                |   |                  |                   |                  |
| <b>Operation</b>                           |   |                  |                   |                  |
| 856  | Mains Expense                                       | \$189,821        | \$11,474          | \$178,348        |
| <b>Maintenance</b>                         |   |                  |                   |                  |
| 863  | Maintenance of Mains                                | \$41,998         | \$3,362           | \$38,636         |
| <b>Total Transmission Expense</b>          |   | <u>231,819</u>   | <u>14,836</u>     | <u>216,983</u>   |
| <b>Distribution Expense</b>                |   |                  |                   |                  |
| <b>Operation</b>                           |   |                  |                   |                  |
| 870  | Supervision and Engineering                         | \$301,011        | \$26,282          | \$274,728        |
| 874  | Mains and Services Expense                          | \$982,009        | \$125,230         | \$856,779        |
| 875  | Measuring and Regulator Station Expense - General   | \$17,720         | \$1,598           | \$16,122         |
| 877  | Measuring and Regulator Station Expense - City Gate | \$40,824         | \$3,472           | \$37,352         |
| 878  | Meter and House Regulator Expense                   | \$605,773        | \$65,659          | \$540,115        |
| 879  | Customer Installation Expense                       | \$939,636        | \$101,271         | \$838,365        |
| 880  | Other Expense                                       | \$164,174        | \$17,359          | \$146,816        |
| 881  | Rents   | \$22,718         | \$2,667           | \$20,051         |
| <b>Maintenance</b>                         |   |                  |                   |                  |
| 885  | Supervision and Engineering                         | \$724,531        | \$34,361          | \$690,170        |
| 887  | Mains   | \$180,101        | \$17,018          | \$163,083        |
| 889  | Measuring and Regulator Station Expense - General   | \$136,732        | \$11,274          | \$125,458        |
| 891  | Measuring and Regulator Station Expense - City Gate | \$16,009         | \$1,220           | \$14,790         |
| 892  | Services  | \$87,640         | \$6,779           | \$80,861         |
| 893  | Meters and House Regulators                         | \$332,246        | \$24,550          | \$307,696        |
| 894  | Other Equipment                                     | \$1,530          | \$143             | \$1,388          |
| <b>Total Distribution Expense</b>          |   | <u>4,552,655</u> | <u>438,882</u>    | <u>4,113,773</u> |
| <b>Customer Accounts Expense</b>           |   |                  |                   |                  |

|   |   |                        |                       |                       |
|---|---|------------------------|-----------------------|-----------------------|
| <b>Operation</b>                          |   |                        |                       |                       |
| 901                                       | Supervision                                     | \$135,402              | \$14,705              | \$120,698             |
| 902                                       | Meter Reading Expenses                          | \$72,309               | \$7,853               | \$64,456              |
| 903                                       | Customer Records and Collection Expense         | \$1,374,264            | \$148,115             | \$1,226,149           |
| 904                                       | Uncollectible Accounts                          | \$13,979               | \$1,456               | \$12,523              |
|   | <b>Total Customer Accounts Expense</b>          | <u>1,595,954</u>       | <u>172,128</u>        | <u>1,423,826</u>      |
| <b>Customer Service and Informational</b> |   |                        |                       |                       |
| <b>Operation</b>                          |   |                        |                       |                       |
| 907                                       | Supervision                                     | \$77                   | \$9                   | \$69                  |
| 908                                       | Customer Assistance Expense                     | \$192,806              | \$20,963              | \$171,843             |
| 909                                       | Customer Information Expense                    | \$182,715              | \$19,843              | \$162,872             |
| 910                                       | Miscellaneous Customer Service Expense          | \$22,540               | \$2,475               | \$20,065              |
|   | <b>Total Customer Service and Informational</b> | <u>398,139</u>         | <u>43,289</u>         | <u>354,850</u>        |
| <b>Sales Expense</b>                      |   |                        |                       |                       |
| <b>Operation</b>                          |   |                        |                       |                       |
| 911                                       | Supervision                                     | \$15,169               | \$1,647               | \$13,522              |
| 912                                       | Demonstration and Selling Expense               | \$377,931              | \$40,326              | \$337,605             |
| 913                                       | Advertising                                     | \$50,320               | \$5,465               | \$44,855              |
| 916                                       | Miscellaneous Sales Expense                     | -                      | -                     | -                     |
|   | <b>Total Sales Expense</b>                      | <u>443,420</u>         | <u>47,438</u>         | <u>395,981</u>        |
| <b>Administrative and General Expense</b> |   |                        |                       |                       |
| <b>Operation</b>                          |   |                        |                       |                       |
| 921                                       | Office Supplies and Expense                     | \$4,371,980            | \$473,518             | \$3,898,463           |
| 922                                       | Administrative Expenses Transferred - Credit    | (\$1,711,839)          | (\$178,285)           | (\$1,533,554)         |
| 924                                       | Property Insurance Premium                      | \$265,875              | \$26,933              | \$238,942             |
| 925                                       | Injuries and Damages                            | \$197,790              | \$23,487              | \$174,303             |
| 926                                       | Employee Pensions and Benefits                  | (\$888,174)            | (\$88,351)            | (\$799,823)           |
| 928                                       | Regulatory Commission Expense                   | -                      | -                     | -                     |
| 930                                       | Miscellaneous General Expense                   | \$97,956               | \$9,923               | \$88,033              |
| 931                                       | Rents   | \$392,860              | \$39,411              | \$353,449             |
| <b>Maintenance</b>                        |   |                        |                       |                       |
| 935                                       | Maintenance of General Plant                    | \$317,602              | \$37,109              | \$280,493             |
|   | <b>Total Administrative and General Expense</b> | <u>3,044,050</u>       | <u>343,744</u>        | <u>2,700,306</u>      |
|   | <b>Total Operations and Maintenance Expense</b> | <u>\$10,785,164.08</u> | <u>\$1,108,584.52</u> | <u>\$9,676,579.56</u> |

NW Natural  
 Rates & Regulatory Affairs  
 Operations and Maintenance Expense  
 State Allocation of System Amounts  
 For the period ended September 30, 2017

| FERC Description                                  | System          |                |                 | Washington   |               |               | Oregon          |                 |                 | Allocation Method           |
|---|-----------------|----------------|-----------------|--------------|---------------|---------------|-----------------|-----------------|-----------------|-----------------------------|
|   | Direct          | Allocated      | Total           | Direct       | Allocated     | Total         | Direct          | Allocated       | Total           |                             |
|   | YTD SEPT        | YTD SEPT       | YTD SEPT        | YTD SEPT     | YTD SEPT      | YTD SEPT      | YTD SEPT        | YTD SEPT        | YTD SEPT        |                             |
| 816 Wells Expense Total                           | \$ -            | \$194,388.12   | \$ 194,388.12   | \$ -         | \$ 18,097.53  | \$ 18,097.53  | \$ -            | \$ 176,290.59   | \$ 176,290.59   | Firm Volumes Total          |
| 818 Compressor Station Expense Total              | \$ -            | \$75,692.17    | \$ 75,692.17    | \$ -         | \$ 7,046.94   | \$ 7,046.94   | \$ -            | \$ 68,645.23    | \$ 68,645.23    | Firm Volumes Total          |
| 819 Compressor Station Fuel Total                 | \$ -            | \$0.08         | \$ 0.08         | \$ -         | \$ 0.01       | \$ 0.01       | \$ -            | \$ 0.07         | \$ 0.07         | Firm Volumes Total          |
| 820 Measuring and Regulator Station Expense Total | \$ -            | \$7,840.41     | \$ 7,840.41     | \$ -         | \$ 794.23     | \$ 794.23     | \$ -            | \$ 7,046.18     | \$ 7,046.18     | 3-Factor Total              |
| 821 Purification Expense Total                    | \$ -            | \$14.89        | \$ 14.89        | \$ -         | \$ 1.62       | \$ 1.62       | \$ -            | \$ 13.27        | \$ 13.27        | Customers-All Total         |
| 832 Wells Expense Total                           | \$ 6,190.93     | \$0.00         | \$ 6,190.93     | \$ -         | \$ -          | \$ -          | \$ 6,190.93     | \$ -            | \$ 6,190.93     | Direct-OR Total             |
| 840 Supervision and Engineering Total             | \$ -            | \$1,670,929.86 | \$ 1,670,929.86 | \$ -         | \$ 155,563.57 | \$ 155,563.57 | \$ -            | \$ 1,515,366.29 | \$ 1,515,366.29 | Firm Volumes Total          |
| 844 Supervision and Engineering Total             | \$ 6,190.93     | \$1,678,785.16 | \$ 1,684,976.09 | \$ -         | \$ 156,359.42 | \$ 156,359.42 | \$ 6,190.93     | \$ 1,522,425.74 | \$ 1,528,616.67 | Firm Volumes Total          |
| 845 LNG Fuel Total                                | \$ -            | \$23,065.27    | \$ 23,065.27    | \$ -         | \$ 2,147.38   | \$ 2,147.38   | \$ -            | \$ 20,917.89    | \$ 20,917.89    | Firm Volumes Total          |
| 847 Supervision and Engineering Total             | \$ -            | \$23,065.27    | \$ 23,065.27    | \$ -         | \$ 2,147.38   | \$ 2,147.38   | \$ -            | \$ 20,917.89    | \$ 20,917.89    | Firm Volumes Total          |
| 856 Mains Expense Total                           | \$ -            | \$259,963.42   | \$ 259,963.42   | \$ -         | \$ 24,202.59  | \$ 24,202.59  | \$ -            | \$ 235,760.83   | \$ 235,760.83   | Firm Volumes Total          |
| 857 Supervision and Engineering Total             | \$ -            | \$94,396.06    | \$ 94,396.06    | \$ -         | \$ 8,788.27   | \$ 8,788.27   | \$ -            | \$ 85,607.79    | \$ 85,607.79    | Firm Volumes Total          |
| 858 Supervision and Engineering Total             | \$ -            | \$1,278,696.98 | \$ 1,278,696.98 | \$ -         | \$ 119,046.69 | \$ 119,046.69 | \$ -            | \$ 1,159,650.29 | \$ 1,159,650.29 | Firm Volumes Total          |
| 859 Supervision and Engineering Total             | \$ -            | \$1,278,696.98 | \$ 1,278,696.98 | \$ -         | \$ 119,046.69 | \$ 119,046.69 | \$ -            | \$ 1,159,650.29 | \$ 1,159,650.29 | Firm Volumes Total          |
| 863 Maintenance of Mains Total                    | \$ -            | \$32,431.91    | \$ 32,431.91    | \$ -         | \$ (3,019.41) | \$ (3,019.41) | \$ -            | \$ (29,412.50)  | \$ (29,412.50)  | Firm Volumes Total          |
| 864 Maintenance of Mains Total                    | \$ -            | \$32,431.91    | \$ 32,431.91    | \$ -         | \$ (3,019.41) | \$ (3,019.41) | \$ -            | \$ (29,412.50)  | \$ (29,412.50)  | Firm Volumes Total          |
| 865 Maintenance of Mains Total                    | \$ -            | \$685,654.18   | \$ 685,654.18   | \$ -         | \$ 63,834.40  | \$ 63,834.40  | \$ -            | \$ 621,819.78   | \$ 621,819.78   | Firm Volumes Total          |
| 866 Maintenance of Mains Total                    | \$ -            | \$685,654.18   | \$ 685,654.18   | \$ -         | \$ 63,834.40  | \$ 63,834.40  | \$ -            | \$ 621,819.78   | \$ 621,819.78   | Firm Volumes Total          |
| 867 Maintenance of Mains Total                    | \$ -            | \$887,163.62   | \$ 887,163.62   | \$ -         | \$ 89,869.67  | \$ 89,869.67  | \$ -            | \$ 797,293.95   | \$ 797,293.95   | 3-Factor Total              |
| 868 Maintenance of Mains Total                    | \$ -            | \$733.00       | \$ 733.00       | \$ -         | \$ 79.60      | \$ 79.60      | \$ -            | \$ 653.40       | \$ 653.40       | Customers-All Total         |
| 869 Maintenance of Mains Total                    | \$ 114,489.39   | \$0.00         | \$ 114,489.39   | \$ -         | \$ -          | \$ -          | \$ 114,489.39   | \$ -            | \$ 114,489.39   | Direct-OR Total             |
| 870 Maintenance of Mains Total                    | \$ -            | \$86.76        | \$ 86.76        | \$ -         | \$ 7.63       | \$ 7.63       | \$ -            | \$ 79.13        | \$ 79.13        | Sales/Sendout Volumes Total |
| 871 Maintenance of Mains Total                    | \$ -            | \$9,971.23     | \$ 9,971.23     | \$ -         | \$ 794.71     | \$ 794.71     | \$ -            | \$ 9,176.52     | \$ 9,176.52     | Sales/Sendout Volumes Total |
| 872 Maintenance of Mains Total                    | \$ -            | \$645,011.29   | \$ 645,011.29   | \$ -         | \$ 7,546.63   | \$ 7,546.63   | \$ -            | \$ 637,464.66   | \$ 637,464.66   | Sales/Sendout Volumes Total |
| 873 Maintenance of Mains Total                    | \$ 114,489.39   | \$1,542,965.90 | \$ 1,657,455.29 | \$ -         | \$ 98,298.25  | \$ 98,298.25  | \$ 114,489.39   | \$ 1,444,667.65 | \$ 1,559,157.04 | Transmission Total          |
| 874 Maintenance of Mains Total                    | \$ -            | \$171,115.39   | \$ 171,115.39   | \$ -         | \$ 17,333.99  | \$ 17,333.99  | \$ -            | \$ 153,781.40   | \$ 153,781.40   | 3-Factor Total              |
| 875 Maintenance of Mains Total                    | \$ -            | \$55,327.15    | \$ 55,327.15    | \$ -         | \$ 4,409.57   | \$ 4,409.57   | \$ -            | \$ 50,917.58    | \$ 50,917.58    | Sales/Sendout Volumes Total |
| 876 Maintenance of Mains Total                    | \$ -            | \$120.00       | \$ 120.00       | \$ -         | \$ 1.40       | \$ 1.40       | \$ -            | \$ 118.60       | \$ 118.60       | Transmission Total          |
| 877 Maintenance of Mains Total                    | \$ -            | \$226,562.54   | \$ 226,562.54   | \$ -         | \$ 21,744.97  | \$ 21,744.97  | \$ -            | \$ 204,817.57   | \$ 204,817.57   | 3-Factor Total              |
| 878 Maintenance of Mains Total                    | \$ -            | \$2,030.20     | \$ 2,030.20     | \$ -         | \$ (205.66)   | \$ (205.66)   | \$ -            | \$ (1,824.54)   | \$ (1,824.54)   | Direct-OR Total             |
| 879 Maintenance of Mains Total                    | \$ 1,937.88     | \$0.00         | \$ 1,937.88     | \$ -         | \$ -          | \$ -          | \$ 1,937.88     | \$ -            | \$ 1,937.88     | Firm Volumes Total          |
| 880 Maintenance of Mains Total                    | \$ -            | \$1,399,710.93 | \$ 1,399,710.93 | \$ -         | \$ 130,313.09 | \$ 130,313.09 | \$ -            | \$ 1,269,397.84 | \$ 1,269,397.84 | Sales/Sendout Volumes Total |
| 881 Maintenance of Mains Total                    | \$ -            | \$712.89       | \$ 712.89       | \$ -         | \$ 62.73      | \$ 62.73      | \$ -            | \$ 650.16       | \$ 650.16       | Sales/Sendout Volumes Total |
| 882 Maintenance of Mains Total                    | \$ -            | \$1,083,295.91 | \$ 1,083,295.91 | \$ -         | \$ 86,338.68  | \$ 86,338.68  | \$ -            | \$ 996,957.23   | \$ 996,957.23   | Sales/Sendout Volumes Total |
| 883 Maintenance of Mains Total                    | \$ 1,937.88     | \$2,481,689.53 | \$ 2,483,627.41 | \$ -         | \$ 216,508.85 | \$ 216,508.85 | \$ 1,937.88     | \$ 2,265,180.68 | \$ 2,267,118.56 | 3-Factor Total              |
| 884 Maintenance of Mains Total                    | \$ -            | \$3,167,741.34 | \$ 3,167,741.34 | \$ -         | \$ 320,892.20 | \$ 320,892.20 | \$ -            | \$ 2,846,849.14 | \$ 2,846,849.14 | Customers-All Total         |
| 885 Maintenance of Mains Total                    | \$ -            | \$3,846,887.26 | \$ 3,846,887.26 | \$ -         | \$ 417,771.96 | \$ 417,771.96 | \$ -            | \$ 3,429,115.30 | \$ 3,429,115.30 | Direct-OR Total             |
| 886 Maintenance of Mains Total                    | \$ 1,969,436.99 | \$0.00         | \$ 1,969,436.99 | \$ -         | \$ -          | \$ -          | \$ 1,969,436.99 | \$ -            | \$ 1,969,436.99 | Direct-WA Total             |
| 887 Maintenance of Mains Total                    | \$ 328,286.72   | \$0.00         | \$ 328,286.72   | \$ 47,752.33 | \$ -          | \$ 47,752.33  | \$ -            | \$ 280,534.39   | \$ 280,534.39   | Employee Cost Total         |
| 888 Maintenance of Mains Total                    | \$ -            | \$12,257.38    | \$ 12,257.38    | \$ -         | \$ 1,218.38   | \$ 1,218.38   | \$ -            | \$ 11,039.00    | \$ 11,039.00    | Sales/Sendout Volumes Total |
| 889 Maintenance of Mains Total                    | \$ -            | \$448,249.87   | \$ 448,249.87   | \$ -         | \$ 35,725.51  | \$ 35,725.51  | \$ -            | \$ 412,524.36   | \$ 412,524.36   | Sales/Sendout Volumes Total |
| 890 Maintenance of Mains Total                    | \$ -            | \$202,951.02   | \$ 202,951.02   | \$ -         | \$ 2,374.53   | \$ 2,374.53   | \$ -            | \$ 200,576.49   | \$ 200,576.49   | Transmission Total          |
| 891 Maintenance of Mains Total                    | \$ 2,297,723.71 | \$7,678,086.87 | \$ 9,975,810.58 | \$ 47,752.33 | \$ 777,982.58 | \$ 825,734.91 | \$ 1,969,436.99 | \$ 7,180,638.68 | \$ 9,150,075.67 | 3-Factor Total              |
| 892 Maintenance of Mains Total                    | \$ -            | \$6,913.41     | \$ 6,913.41     | \$ -         | \$ 700.33     | \$ 700.33     | \$ -            | \$ 6,213.08     | \$ 6,213.08     | Direct-OR Total             |
| 893 Maintenance of Mains Total                    | \$ 11,191.48    | \$0.00         | \$ 11,191.48    | \$ -         | \$ -          | \$ -          | \$ 11,191.48    | \$ -            | \$ 11,191.48    | Direct-OR Total             |



|   |               |                 |               |             |             |              |              |              |              |               |               |                       |
|---|---------------|-----------------|---------------|-------------|-------------|--------------|--------------|--------------|--------------|---------------|---------------|-----------------------|
| 892 Services Total                                | \$ 350,416.97 | \$ 316,581.28   | \$ 515,998.25 | \$ 3,741.92 | \$ 3,741.92 | \$ 13,124.27 | \$ 16,866.19 | \$ 6,639.34  | \$ 6,639.34  | \$ 54,496.36  | \$ 54,496.36  | Customers-All Total   |
|   | -             | \$ -            | -             | -           | -           | -            | (850.88)     | -            | -            | -             | -             | Direct-OR Total       |
|   | -             | -               | -             | -           | -           | -            | 126,044.72   | -            | -            | -             | -             | Direct-WA Total       |
|   | -             | -               | -             | -           | -           | -            | 7,049.09     | 5,515.60     | 5,515.60     | 20,831.33     | 20,831.33     | Sendout Volumes Total |
|   | -             | -               | -             | -           | -           | -            | 2,191.72     | 339.59       | 339.59       | 63,688.88     | 63,688.88     | Transmission Total    |
|   | (2,986.60)    | 50.00           | (2,986.60)    | -           | -           | -            | -            | -            | -            | 28,684.82     | 28,684.82     | 3-Factor Total        |
|   | 365.05        | 50.00           | 365.05        | -           | -           | -            | -            | -            | -            | (7,548.73)    | (7,548.73)    | Customers-All Total   |
|   | -             | 5918,999.06     | 918,999.06    | -           | -           | -            | 73,244.23    | 73,244.23    | 73,244.23    | 1,034,588.04  | 1,034,588.04  | Customers-Comm Total  |
|   | -             | \$109,619.05    | 109,619.05    | -           | -           | -            | 1,282.54     | 1,282.54     | 1,282.54     | 65,621.96     | 65,621.96     | Customers-Ind Total   |
|   | (2,621.55)    | \$2,474,512.65  | 2,471,891.10  | -           | -           | -            | 224,614.87   | 224,614.87   | 224,614.87   | 2,000,262.83  | 2,000,262.83  | Customers-Res Total   |
|   | -             | \$13,274.81     | 13,274.81     | -           | -           | -            | 1,344.74     | 1,344.74     | 1,344.74     | 11,930.07     | 11,930.07     | Direct-WA Total       |
|   | -             | \$95.27         | 95.27         | -           | -           | -            | 10.35        | 10.35        | 10.35        | 84.92         | 84.92         | Sendout Volumes Total |
|   | -             | \$4,318.62      | 4,318.62      | -           | -           | -            | 50.53        | 50.53        | 50.53        | 4,268.09      | 4,268.09      | Transmission Total    |
| 894 Other Equipment Total                         | -             | \$17,688.70     | 17,688.70     | -           | -           | -            | 1,405.61     | 1,405.61     | 1,405.61     | 16,283.09     | 16,283.09     | Customers-All Total   |
|   | -             | \$1,252,646.49  | 1,252,646.49  | -           | -           | -            | 136,037.41   | 136,037.41   | 136,037.41   | 1,116,609.08  | 1,116,609.08  | Customers-All Total   |
|   | -             | \$1,252,646.49  | 1,252,646.49  | -           | -           | -            | 136,037.41   | 136,037.41   | 136,037.41   | 1,116,609.08  | 1,116,609.08  | Customers-All Total   |
| 901 Supervision Total                             | -             | \$650,000.21    | 650,000.21    | -           | -           | -            | 70,590.02    | 70,590.02    | 70,590.02    | 579,410.19    | 579,410.19    | Customers-Comm Total  |
|   | -             | \$650,000.21    | 650,000.21    | -           | -           | -            | 70,590.02    | 70,590.02    | 70,590.02    | 579,410.19    | 579,410.19    | Customers-Ind Total   |
|   | -             | \$161,625.94    | 161,625.94    | -           | -           | -            | 16,372.71    | 16,372.71    | 16,372.71    | 145,253.23    | 145,253.23    | Direct-OR Total       |
|   | -             | \$13,412,468.67 | 13,412,468.67 | -           | -           | -            | 1,456,594.10 | 1,456,594.10 | 1,456,594.10 | 11,955,874.57 | 11,955,874.57 | Customers-All Total   |
|   | -             | \$292,935.96    | 292,935.96    | -           | -           | -            | 22,585.36    | 22,585.36    | 22,585.36    | 270,350.60    | 270,350.60    | Customers-Ind Total   |
|   | 276.69        | \$0.00          | 276.69        | -           | -           | -            | -            | -            | -            | 276.69        | 276.69        | Direct-WA Total       |
| 903 Customer Records and Collection Expense Total | 276.69        | \$13,867,030.57 | 13,867,307.26 | -           | -           | -            | 1,495,552.17 | 1,495,552.17 | 1,495,552.17 | 12,371,478.40 | 12,371,478.40 | Customers-All Total   |
|   | -             | \$14,950.00     | 14,950.00     | -           | -           | -            | (1,623.57)   | (1,623.57)   | (1,623.57)   | (13,326.43)   | (13,326.43)   | Customers-Comm Total  |
|   | -             | \$60,341.59     | 60,341.59     | -           | -           | -            | 5,853.13     | 5,853.13     | 5,853.13     | 54,488.46     | 54,488.46     | Customers-Ind Total   |
|   | -             | \$15,178.18     | 15,178.18     | -           | -           | -            | 1,170.24     | 1,170.24     | 1,170.24     | 14,007.94     | 14,007.94     | Customers-Res Total   |
|   | -             | \$484,173.86    | 484,173.86    | -           | -           | -            | 53,162.29    | 53,162.29    | 53,162.29    | 431,011.57    | 431,011.57    | Direct-OR Total       |
|   | 5,199.27      | \$0.00          | 5,199.27      | -           | -           | -            | -            | -            | -            | 5,199.27      | 5,199.27      | Customers-All Total   |
| 904 Uncollectible Accounts Total                  | 5,199.27      | \$544,743.63    | 549,942.90    | -           | -           | -            | 58,562.09    | 58,562.09    | 58,562.09    | 486,181.54    | 486,181.54    | Customers-Comm Total  |
|   | -             | \$1,277.56      | 1,277.56      | -           | -           | -            | 140.28       | 140.28       | 140.28       | 1,137.28      | 1,137.28      | Customers-Ind Total   |
|   | -             | \$1,277.56      | 1,277.56      | -           | -           | -            | 140.28       | 140.28       | 140.28       | 1,137.28      | 1,137.28      | Customers-Res Total   |
| 907 Supervision Total                             | -             | \$825.86        | 825.86        | -           | -           | -            | 83.66        | 83.66        | 83.66        | 742.20        | 742.20        | 3-Factor Total        |
|   | -             | \$798,206.61    | 798,206.61    | -           | -           | -            | 86,685.24    | 86,685.24    | 86,685.24    | 711,521.37    | 711,521.37    | Customers-All Total   |
|   | -             | \$751,993.56    | 751,993.56    | -           | -           | -            | 57,978.70    | 57,978.70    | 57,978.70    | 694,014.86    | 694,014.86    | Customers-Comm Total  |
|   | -             | \$6,523.65      | 6,523.65      | -           | -           | -            | 716.30       | 716.30       | 716.30       | 5,807.35      | 5,807.35      | Customers-Ind Total   |
|   | (30,687.65)   | \$0.00          | (30,687.65)   | -           | -           | -            | -            | -            | -            | (30,687.65)   | (30,687.65)   | Customers-Res Total   |
|   | 28,337.84     | \$0.00          | 28,337.84     | -           | -           | -            | 2,723.00     | 2,723.00     | 2,723.00     | 25,614.84     | 25,614.84     | Direct-WA Total       |
| 908 Customer Assistance Expense Total             | (2,349.81)    | \$1,557,549.68  | 1,555,199.87  | -           | -           | -            | 145,463.90   | 148,186.90   | 148,186.90   | 1,437,700.62  | 1,407,012.97  | Customers-All Total   |
|   | -             | \$1,929,125.62  | 1,929,125.62  | -           | -           | -            | 209,503.04   | 209,503.04   | 209,503.04   | 1,719,622.58  | 1,719,622.58  | Customers-Comm Total  |
|   | -             | \$8.83          | 8.83          | -           | -           | -            | 0.97         | 0.97         | 0.97         | 7.86          | 7.86          | Customers-Ind Total   |
|   | -             | \$1,929,134.45  | 1,929,134.45  | -           | -           | -            | 209,504.01   | 209,504.01   | 209,504.01   | 1,719,630.44  | 1,719,630.44  | Customers-Res Total   |
| 909 Customer Information Expense Total            | -             | \$2,465.34      | 2,465.34      | -           | -           | -            | 267.74       | 267.74       | 267.74       | 2,197.60      | 2,197.60      | Customers-All Total   |
|   | -             | \$176,522.60    | 176,522.60    | -           | -           | -            | 19,382.18    | 19,382.18    | 19,382.18    | 157,140.42    | 157,140.42    | Customers-Comm Total  |
|   | -             | \$178,987.94    | 178,987.94    | -           | -           | -            | 19,649.92    | 19,649.92    | 19,649.92    | 159,338.02    | 159,338.02    | Customers-Ind Total   |
| 910 Miscellaneous Customer Service Expense Total  | -             | \$142,805.56    | 142,805.56    | -           | -           | -            | 15,508.68    | 15,508.68    | 15,508.68    | 127,296.88    | 127,296.88    | Customers-Res Total   |
|   | -             | \$142,805.56    | 142,805.56    | -           | -           | -            | 15,508.68    | 15,508.68    | 15,508.68    | 127,296.88    | 127,296.88    | Customers-All Total   |
| 911 Supervision Total                             | -             | \$23,267.53     | 23,267.53     | -           | -           | -            | 2,357.00     | 2,357.00     | 2,357.00     | 20,910.53     | 20,910.53     | 3-Factor Total        |
|   | -             | \$2,955,306.94  | 2,955,306.94  | -           | -           | -            | 320,946.33   | 320,946.33   | 320,946.33   | 2,634,360.61  | 2,634,360.61  | Customers-Comm Total  |
|   | -             | \$49,469.01     | 49,469.01     | -           | -           | -            | 5,431.70     | 5,431.70     | 5,431.70     | 44,037.31     | 44,037.31     | Customers-Ind Total   |
|   | 9,975.84      | \$0.00          | 9,975.84      | -           | -           | -            | -            | -            | -            | 9,975.84      | 9,975.84      | Customers-Res Total   |
|   | 9,975.84      | \$3,028,043.48  | 3,038,019.32  | -           | -           | -            | 328,735.03   | 328,735.03   | 328,735.03   | 2,709,284.29  | 2,709,284.29  | Direct-OR Total       |
| 912 Demonstration and Selling Expense Total       | -             | \$10.00         | 10.00         | -           | -           | -            | 1.01         | 1.01         | 1.01         | 8.99          | 8.99          | 3-Factor Total        |
|   | -             | \$566,432.65    | 566,432.65    | -           | -           | -            | 61,514.59    | 61,514.59    | 61,514.59    | 504,918.06    | 504,918.06    | Customers-All Total   |

|  |                 |                   |                    |              |                   |                   |                   |                 |                  |                    |                    |                            |
|--|-----------------|-------------------|--------------------|--------------|-------------------|-------------------|-------------------|-----------------|------------------|--------------------|--------------------|----------------------------|
| 913 Advertising Total                                  | \$ 1,591.95     | \$ 50.00          | \$ 1,591.95        | \$ -         | \$ -              | \$ 1,591.95       | \$ -              | \$ -            | \$ 1,591.95      | \$ 504,927.05      | \$ 506,519.00      | Direct-OR Total            |
|  | \$ -            | \$ 556,442.65     | \$ 588,034.60      | \$ -         | \$ -              | \$ 61,515.60      | \$ 61,515.60      | \$ 3,573,070.28 | \$ 3,573,070.28  | \$ 31,699,094.42   | \$ 31,699,094.42   | 3-Factor Total             |
|  | \$ -            | \$ 53,216,846.99  | \$ 3,216,846.99    | \$ -         | \$ -              | \$ 349,349.58     | \$ 349,349.58     | \$ 110.61       | \$ 110.61        | \$ 2,867,497.41    | \$ 2,867,497.41    | Customers-All Total        |
|  | \$ -            | \$ 1,434.85       | \$ 1,434.85        | \$ -         | \$ -              | \$ -              | \$ -              | \$ -            | \$ -             | \$ 1,324.04        | \$ 1,324.04        | Customers-Ind Total        |
|  | \$ -            | \$ 5142,568.43    | \$ 142,568.43      | \$ -         | \$ -              | \$ 15,654.01      | \$ 15,654.01      | \$ -            | \$ -             | \$ 126,914.42      | \$ 126,914.42      | Customers-Res Total        |
|  | \$ 61,327.71    | \$ 50.00          | \$ 61,327.71       | \$ -         | \$ -              | \$ -              | \$ -              | \$ -            | \$ -             | \$ 61,327.71       | \$ 61,327.71       | Direct-OR Total            |
|  | \$ 5,287.08     | \$ 50.00          | \$ 5,287.08        | \$ 298.28    | \$ -              | \$ -              | \$ -              | \$ 298.28       | \$ 298.28        | \$ 4,988.80        | \$ 4,988.80        | Direct-WA Total            |
|  | \$ -            | \$ 33,364,407.76  | \$ 3,364,407.76    | \$ -         | \$ -              | \$ 334,422.13     | \$ 334,422.13     | \$ -            | \$ -             | \$ 3,029,985.63    | \$ 3,029,985.63    | Employee Cost Total        |
|  | \$ -            | \$ -4,599.21      | \$ (4,599.21)      | \$ -         | \$ -              | \$ (428.19)       | \$ (428.19)       | \$ -            | \$ -             | \$ (4,171.02)      | \$ (4,171.02)      | Firm Volumes Total         |
|  | \$ -            | \$ 11,323,412.36  | \$ 1,323,412.36    | \$ -         | \$ -              | \$ 397,023.71     | \$ 397,023.71     | \$ -            | \$ -             | \$ 926,388.65      | \$ 926,388.65      | Regulatory Total           |
|  | \$ -            | \$ 11,200.34      | \$ 11,200.34       | \$ -         | \$ -              | \$ 892.67         | \$ 892.67         | \$ -            | \$ -             | \$ 10,307.67       | \$ 10,307.67       | Sendout Volumes Total      |
|  | \$ -            | \$ 80.50          | \$ 80.50           | \$ -         | \$ -              | \$ 0.94           | \$ 0.94           | \$ -            | \$ -             | \$ 79.56           | \$ 79.56           | Transmission Total         |
| 921 Office Supplies and Expense Total                  | \$ 66,614.79    | \$ 43,327,516.52  | \$ 43,394,131.31   | \$ 298.28    | \$ 4,670,095.75   | \$ 4,670,394.03   | \$ 4,670,394.03   | \$ -            | \$ -             | \$ 38,667,409.57   | \$ 38,723,737.28   |                            |
|  | \$ -            | \$ -10,503,640.19 | \$ (10,503,640.19) | \$ -         | \$ (1,113,595.93) | \$ (1,113,595.93) | \$ (1,113,595.93) | \$ -            | \$ -             | \$ (9,390,044.26)  | \$ (9,390,044.26)  | Admin Tran Total           |
|  | \$ -            | \$ -54,636,661.45 | \$ (4,636,661.45)  | \$ -         | \$ (460,884.15)   | \$ (460,884.15)   | \$ (460,884.15)   | \$ -            | \$ -             | \$ (4,175,777.30)  | \$ (4,175,777.30)  | Employee Cost Total        |
| 922 Administrative Expenses Transferred - Credit Total | \$ -            | \$ -15,140,301.64 | \$ (15,140,301.64) | \$ -         | \$ -              | \$ (1,574,480.08) | \$ (1,574,480.08) | \$ -            | \$ -             | \$ (13,565,821.56) | \$ (13,565,821.56) |                            |
| 924 Property Insurance Premium Total                   | \$ -            | \$ 2,346,144.56   | \$ 2,346,144.56    | \$ -         | \$ -              | \$ 237,664.44     | \$ 237,664.44     | \$ -            | \$ -             | \$ 2,108,480.12    | \$ 2,108,480.12    | 3-Factor Total             |
|  | \$ -            | \$ 240,498.35     | \$ 240,498.35      | \$ -         | \$ -              | \$ 24,362.48      | \$ 24,362.48      | \$ -            | \$ -             | \$ 216,135.87      | \$ 216,135.87      | 3-Factor Total             |
|  | \$ 112,741.83   | \$ 50.00          | \$ 112,741.83      | \$ 3,839.39  | \$ -              | \$ -              | \$ -              | \$ 3,839.39     | \$ 3,839.39      | \$ 108,902.44      | \$ 109,502.44      | Direct-WA Total            |
| 925 Injuries and Damages Total                         | \$ 112,741.83   | \$ 240,498.35     | \$ 353,240.18      | \$ 3,839.39  | \$ 24,362.48      | \$ 28,201.87      | \$ 28,201.87      | \$ -            | \$ -             | \$ 325,038.31      | \$ 325,038.31      |                            |
|  | \$ -            | \$ -387,647.89    | \$ (387,647.89)    | \$ -         | \$ (38,532.20)    | \$ (38,532.20)    | \$ (38,532.20)    | \$ -            | \$ -             | \$ (349,115.69)    | \$ (349,115.69)    | Employee Cost Total        |
|  | \$ -            | \$ -56,786.00     | \$ (6,786.00)      | \$ -         | \$ 79.40          | \$ 79.40          | \$ 79.40          | \$ -            | \$ -             | \$ 6,706.60        | \$ 6,706.60        | Transmission Total         |
| 926 Employee Pensions and Benefits Total               | \$ -            | \$ -380,861.89    | \$ (380,861.89)    | \$ -         | \$ (38,452.80)    | \$ (38,452.80)    | \$ (38,452.80)    | \$ -            | \$ -             | \$ (342,409.09)    | \$ (342,409.09)    |                            |
|  | \$ -            | \$ 2,304,729.64   | \$ 2,304,729.64    | \$ -         | \$ 233,469.11     | \$ 233,469.11     | \$ 233,469.11     | \$ -            | \$ -             | \$ 2,071,260.53    | \$ 2,071,260.53    | 3-Factor Total             |
|  | \$ -            | \$ 562.10         | \$ 562.10          | \$ -         | \$ -              | \$ 55.87          | \$ 55.87          | \$ -            | \$ -             | \$ 506.23          | \$ 506.23          | Employee Cost Total        |
| 930 Miscellaneous General Expense Total                | \$ -            | \$ 2,305,291.74   | \$ 2,305,291.74    | \$ -         | \$ 233,524.99     | \$ 233,524.99     | \$ 233,524.99     | \$ -            | \$ -             | \$ 2,071,766.75    | \$ 2,071,766.75    |                            |
|  | \$ -            | \$ 3,546,436.82   | \$ 3,546,436.82    | \$ -         | \$ 359,254.05     | \$ 359,254.05     | \$ 359,254.05     | \$ -            | \$ -             | \$ 3,187,182.77    | \$ 3,187,182.77    | 3-Factor Total             |
|  | \$ -            | \$ 22,410.00      | \$ 22,410.00       | \$ -         | \$ 2,433.73       | \$ 2,433.73       | \$ 2,433.73       | \$ -            | \$ -             | \$ 19,976.27       | \$ 19,976.27       | Customers-All Total        |
|  | \$ 35,902.62    | \$ 50.00          | \$ 35,902.62       | \$ -         | \$ -              | \$ -              | \$ -              | \$ -            | \$ -             | \$ 35,902.62       | \$ 35,902.62       | Direct-OR Total            |
| 931 Rents Total  | \$ 35,902.62    | \$ 3,568,846.82   | \$ 3,604,749.44    | \$ -         | \$ 361,687.78     | \$ 361,687.78     | \$ 361,687.78     | \$ -            | \$ -             | \$ 3,207,159.04    | \$ 3,243,061.66    |                            |
|  | \$ -            | \$ 2,286,028.36   | \$ 2,286,028.36    | \$ -         | \$ 231,574.67     | \$ 231,574.67     | \$ 231,574.67     | \$ -            | \$ -             | \$ 2,054,453.69    | \$ 2,054,453.69    | 3-Factor Total             |
|  | \$ -            | \$ 47,535.38      | \$ 47,535.38       | \$ -         | \$ 7,068.51       | \$ 7,068.51       | \$ 7,068.51       | \$ -            | \$ -             | \$ 40,466.87       | \$ 40,466.87       | Customers Port/Van Total   |
|  | \$ -            | \$ 225,196.00     | \$ 225,196.00      | \$ -         | \$ 24,456.29      | \$ 24,456.29      | \$ 24,456.29      | \$ -            | \$ -             | \$ 200,739.71      | \$ 200,739.71      | Customers-All Total        |
|  | \$ -            | \$ 12,957.68      | \$ 12,957.68       | \$ -         | \$ 3,284.77       | \$ 3,284.77       | \$ 3,284.77       | \$ -            | \$ -             | \$ 9,672.91        | \$ 9,672.91        | Customers-The Dalles Total |
|  | \$ 450,488.96   | \$ 50.00          | \$ 450,488.96      | \$ -         | \$ -              | \$ -              | \$ -              | \$ 450,488.96   | \$ 450,488.96    | \$ -               | \$ -               | Direct-OR Total            |
|  | \$ 64,436.90    | \$ 50.00          | \$ 64,436.90       | \$ 6,205.42  | \$ -              | \$ 6,205.42       | \$ 6,205.42       | \$ -            | \$ -             | \$ 58,231.48       | \$ 58,231.48       | Direct-WA Total            |
|  | \$ -            | \$ 39,753.84      | \$ 39,753.84       | \$ -         | \$ 3,701.08       | \$ 3,701.08       | \$ 3,701.08       | \$ -            | \$ -             | \$ 36,052.76       | \$ 36,052.76       | Firm Volumes Total         |
|  | \$ -            | \$ 39,799.00      | \$ 39,799.00       | \$ -         | \$ 3,171.98       | \$ 3,171.98       | \$ 3,171.98       | \$ -            | \$ -             | \$ 36,627.02       | \$ 36,627.02       | Sendout Volumes Total      |
|  | \$ -            | \$ 533.33         | \$ 533.33          | \$ -         | \$ 6.24           | \$ 6.24           | \$ 6.24           | \$ -            | \$ -             | \$ 577.09          | \$ 577.09          | Transmission Total         |
| 935 Maintenance of General Plant Total                 | \$ 514,925.86   | \$ 2,651,803.59   | \$ 3,166,729.45    | \$ 6,205.42  | \$ 273,263.54     | \$ 279,468.96     | \$ 279,468.96     | \$ -            | \$ -             | \$ 2,436,771.53    | \$ 2,887,260.49    |                            |
| Grand Total  | \$ 8,886,702.23 | \$ 100,942,666.42 | \$ 109,829,368.65  | \$ 82,579.49 | \$ 10,486,870.99  | \$ 10,569,450.48  | \$ 10,569,450.48  | \$ 8,158,469.31 | \$ 91,101,448.86 | \$ 99,259,918.17   |                    |                            |

# **Rate Base and Allocation Factors**



| <b>Allocation Factors - Summary</b>            | <b>Washington</b> | <b>Oregon</b> |
|--|-------------------|---------------|
| <b>Customers-all</b>                           | 10.860%           | 89.140%       |
| <b>Customers-Residential</b>                   | 10.980%           | 89.020%       |
| <b>Customers-Commercial</b>                    | 9.700%            | 90.300%       |
| <b>Customers-Industrial</b>                    | 7.710%            | 92.290%       |
| <b>Customers-The Dalles</b>                    | 25.350%           | 74.650%       |
| <b>3-factor</b>                                | 10.130%           | 89.870%       |
| <b>firm volumes</b>                            | 9.310%            | 90.690%       |
| <b>sales volumes</b>                           | 9.630%            | 90.370%       |
| <b>sendout volumes</b>                         | 7.970%            | 92.030%       |
| <b>sales/sendout volumes</b>                   | 8.800%            | 91.200%       |
| <b>Customers Portland/Vancouver</b>            | 14.870%           | 85.130%       |
| <b>Customers Portland/Vancouver 80%</b>        | 11.896%           | 88.100%       |
| <b>Customers Portland/Vancouver Commercial</b> | 14.340%           | 85.660%       |
| <b>Payroll</b>                                 | 9.971%            | 90.029%       |
| <b>Admin Transfer</b>                          | 10.602%           | 89.398%       |
| <b>Employee Cost</b>                           | 9.940%            | 90.060%       |
| <b>Regulatory</b>                              | 30.000%           | 70.000%       |
| <b>Telemetrying</b>                            | 10.770%           | 89.230%       |
| <b>Direct-Wa</b>                               | 100.000%          | 0.000%        |
| <b>Direct-Or</b>                               | 0.000%            | 100.000%      |
| <b>Gross plant direct assign</b>               | 10.940%           | 89.060%       |
| <br>   |                   |               |
| <b>Depreciation</b>                            | 10.300%           | 89.700%       |
| <b>Accumulated Depreciation</b>                | 10.410%           | 89.590%       |
| <b>Rate Base</b>                               | 10.680%           | 89.320%       |

**NW Natural  
 State Allocation Factors  
 Updated for year ended 2016 data**

|   | <u>System</u> | <u>Washington</u> | <u>Oregon</u> |
|---|---------------|-------------------|---------------|
| <b>Customers</b>                          |               |                   |               |
| <b>Total Customers</b>                    |               |                   |               |
| December 2016                             | 725,146       | 79,263            | 645,883       |
| December 2015                             | 714,428       | 77,026            | 637,402       |
| Average                                   | 719,787       | 78,145            | 641,643       |
| % of System                               |               | 10.86%            | 89.14%        |
| <b>Residential Customers</b>              |               |                   |               |
| December 2016                             | 656,855       | 72,566            | 584,289       |
| December 2015                             | 646,841       | 70,592            | 576,249       |
| Average                                   | 651,848       | 71,579            | 580,269       |
| % of System                               |               | 10.98%            | 89.02%        |
| <b>Commercial Customers</b>               |               |                   |               |
| December 2016                             | 67,278        | 6,621             | 60,657        |
| December 2015                             | 66,421        | 6,342             | 60,079        |
| Average                                   | 66,850        | 6,482             | 60,368        |
| % of System                               |               | 9.70%             | 90.30%        |
| <b>Industrial Customers</b>               |               |                   |               |
| December 2016                             | 1,013         | 76                | 937           |
| December 2015                             | 1,166         | 92                | 1,074         |
| Average                                   | 1,090         | 84                | 1,006         |
| % of System                               |               | 7.71%             | 92.29%        |
| <b>The Dalles</b>                         |               |                   |               |
| December 2016                             | 7,930         | 2,000             | 5,930         |
| December 2015                             | 7,815         | 1,992             | 5,823         |
| Average                                   | 7,873         | 1,996             | 5,877         |
| % of System                               |               | 25.35%            | 74.65%        |
| <b>Portland / Vancouver</b>               |               |                   |               |
| December 2016                             | 516,011       | 77,263            | 438,748       |
| December 2015                             | 508,149       | 75,034            | 433,115       |
| Average                                   | 512,080       | 76,149            | 435,932       |
| % of System                               |               | 14.87%            | 85.13%        |
| <b>Portland / Vancouver Commercial</b>    |               |                   |               |
| December 2016                             | 44,041        | 6,406             | 37,635        |
| December 2015                             | 43,356        | 6,128             | 37,228        |
| Average                                   | 43,699        | 6,267             | 37,432        |
| % of System                               |               | 14.34%            | 85.66%        |
| <b>Volumes - 12 Months Ended 12/31/16</b> |               |                   |               |
| <b>Firm Delivered</b>                     |               |                   |               |
| % of System                               | 784,281,575   | 73,037,645        | 711,243,930   |
|   |               | 9.31%             | 90.69%        |
| <b>Sales Volumes</b>                      |               |                   |               |
| % of System                               | 677,696,235   | 65,241,398        | 612,454,837   |
|   |               | 9.63%             | 90.37%        |
| <b>Sendout Volumes</b>                    |               |                   |               |
| % of System                               | 1,084,997,214 | 86,499,412        | 998,497,802   |
|   |               | 7.97%             | 92.03%        |
| <b>3-factor formula (simple average)</b>  |               |                   |               |
| Gross Plant Directly Assigned             |               | 10.94%            | 89.06%        |
| Number of Employees Directly Assigned     |               | 8.60%             | 91.40%        |
| Number of Customers                       |               | 10.86%            | 89.14%        |
| Average                                   |               | 10.13%            | 89.87%        |

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

| <b>December 31, 2016</b>             | <b>System</b>        | <b>Washington</b>  | <b>Oregon</b>        |
|--------------------------------------|----------------------|--------------------|----------------------|
| <b>Intangible - Other</b>            | 84,795               | 447                | 84,348               |
| <b>Production</b>                    | 675,198              |                    | 675,198              |
| <b>Transmission</b>                  | 163,396,889          | 1,054,795          | 162,342,094          |
| <b>Distribution</b>                  | 2,078,201,641        | 248,211,544        | 1,829,990,097        |
| <b>December 31, 2015</b>             | <b>System</b>        | <b>Washington</b>  | <b>Oregon</b>        |
| <b>Intangible</b>                    | 84,795               | 447                | 84,348               |
| <b>Production</b>                    | 675,198              | 0                  | 675,198              |
| <b>Transmission</b>                  | 157,894,271          | 1,015,489          | 156,878,782          |
| <b>Distribution</b>                  | 2,005,888,596        | 231,807,252        | 1,774,081,344        |
| <b>Average</b>                       | <b>System</b>        | <b>Washington</b>  | <b>Oregon</b>        |
| <b>Intangible - Other</b>            | 84,795               | 447                | 84,348               |
| <b>Production</b>                    | 675,198              | 0                  | 675,198              |
| <b>Transmission</b>                  | 160,645,580          | 1,035,142          | 159,610,438          |
| <b>Distribution</b>                  | 2,042,045,119        | 240,009,398        | 1,802,035,721        |
| <b>Gross Plant Directly Assigned</b> | <b>2,203,450,692</b> | <b>241,044,987</b> | <b>1,962,405,705</b> |
| <b>% of System</b>                   |                      | <b>10.94%</b>      | <b>89.06%</b>        |

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| SYSTEM   | 2017            |                 |                 |                 |                 |                 |                 |                 |                 |                 |        |                        |  |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------|------------------------|--|
|  | December        | January         | February        | March           | April           | May             | June            | July            | August          | September       | System | Allocation Method      |  |
| <b>Gross Plant</b>                                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |        |                        |  |
| Intangible   | 99,590,429      | 100,389,064     | 101,591,919     | 101,608,015     | 101,626,899     | 101,621,923     | 101,646,111     | 101,643,836     | 101,713,441     | 102,343,276     | System | Total Customers        |  |
| Production   | 84,795          | 84,795          | 84,795          | 84,795          | 84,795          | 84,795          | 84,795          | 84,795          | 84,795          | 84,795          | System | Direct                 |  |
| Transmission                                       | 675,198         | 675,198         | 675,198         | 675,198         | 675,198         | 675,198         | 675,198         | 675,198         | 675,198         | 675,198         | System | Direct                 |  |
| Distribution                                       | 163,396,889     | 163,576,895     | 163,866,679     | 163,883,241     | 164,394,939     | 164,494,359     | 164,523,028     | 164,754,098     | 165,023,380     | 165,102,248     | System | Direct                 |  |
| General  | 2,078,201,641   | 2,083,153,338   | 2,094,207,113   | 2,094,207,113   | 2,100,504,089   | 2,103,991,742   | 2,110,080,894   | 2,115,879,982   | 2,125,680,760   | 2,132,874,662   | System | Direct                 |  |
| Storage and storage transmission                   | 188,971,283     | 189,888,987     | 193,124,451     | 194,162,687     | 196,156,443     | 196,000,212     | 196,852,237     | 200,343,295     | 201,568,288     | 201,710,779     | System | 3-Factor & Direct      |  |
| CNG and LNG  | 293,475,195     | 293,497,583     | 293,770,417     | 293,777,783     | 301,051,419     | 301,250,486     | 309,065,442     | 312,313,607     | 312,605,292     | 312,776,312     | System | Firm Delivered Volumes |  |
|  | 3,790,768       | 3,790,768       | 3,790,768       | 3,790,768       | 3,790,768       | 3,790,768       | 3,790,768       | 3,790,768       | 3,790,768       | 3,790,768       | System | 3-Factor               |  |
| <b>Total Gross Plant</b>                           | 2,828,186,199   | 2,835,056,628   | 2,843,422,798   | 2,852,189,601   | 2,868,284,549   | 2,871,909,484   | 2,886,718,475   | 2,899,485,579   | 2,912,141,922   | 2,919,358,638   |        |                        |  |
| <b>Accumulated Depreciation</b>                    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |        |                        |  |
| Intangible   | (60,448,256)    | (60,686,739)    | (60,928,816)    | (61,173,082)    | (61,417,411)    | (61,661,765)    | (61,906,153)    | (62,150,581)    | (62,395,130)    | (62,574,338)    | System | Total Customers        |  |
| Production   | (691,036)       | (691,036)       | (691,036)       | (691,036)       | (691,036)       | (691,036)       | (691,036)       | (691,036)       | (691,036)       | (691,036)       | System | Direct                 |  |
| Transmission                                       | (31,497,222)    | (31,906,124)    | (32,316,885)    | (32,726,776)    | (33,137,744)    | (33,549,085)    | (33,961,012)    | (34,372,831)    | (34,785,279)    | (35,198,591)    | System | Direct                 |  |
| Distribution                                       | (958,244,108)   | (961,751,548)   | (965,529,153)   | (968,562,909)   | (972,136,684)   | (975,600,817)   | (979,517,630)   | (982,994,616)   | (986,632,490)   | (990,378,350)   | System | Direct                 |  |
| General  | (59,083,510)    | (59,800,130)    | (60,642,706)    | (61,408,738)    | (62,194,353)    | (62,994,353)    | (63,800,111)    | (64,611,159)    | (65,427,159)    | (66,248,112)    | System | 3-Factor               |  |
| Storage and storage transmission                   | (130,835,036)   | (131,439,061)   | (132,044,676)   | (132,649,416)   | (133,263,749)   | (133,887,098)   | (134,518,398)   | (135,158,395)   | (135,800,647)   | (136,434,080)   | System | Firm Delivered Volumes |  |
| CNG and LNG  | (2,100,004)     | (2,102,648)     | (2,105,293)     | (2,107,937)     | (2,110,582)     | (2,113,226)     | (2,115,871)     | (2,118,515)     | (2,121,159)     | (2,123,804)     | System | 3-Factor               |  |
| <b>Total Accumulated Depreciation</b>              | (1,242,899,171) | (1,248,377,286) | (1,253,462,540) | (1,258,553,863) | (1,264,165,943) | (1,269,338,381) | (1,275,144,231) | (1,280,996,176) | (1,286,829,756) | (1,292,316,311) |        |                        |  |
| Storage Gas  | 14,133,895      | 14,161,020      | 14,159,408      | 14,158,125      | 14,155,351      | 14,152,417      | 14,149,590      | 14,146,981      | 14,144,375      | 14,141,902      | System | Firm Delivered Volumes |  |
| Customer Contributions                             | (3,740,828)     | (3,789,913)     | (3,968,433)     | (4,027,857)     | (4,132,732)     | (4,204,214)     | (4,273,751)     | (4,358,079)     | (4,447,136)     | (4,531,177)     | System | Direct                 |  |
| Leasehold Improvements                             | 500,783         | 482,395         | 461,741         | 441,117         | 420,486         | 399,865         | 377,644         | 355,433         | 332,912         | 311,030         | System | Direct & 3-Factor      |  |
| <b>Total Rate Base Excluding ADIT and WC</b>       | 1,595,180,879   | 1,597,532,844   | 1,600,612,925   | 1,604,202,123   | 1,618,561,721   | 1,613,089,171   | 1,622,027,277   | 1,628,933,739   | 1,635,602,318   | 1,637,442,082   |        |                        |  |
| Less: ADIT   | (415,988,671)   | (425,581,945)   | (429,912,436)   | (437,433,743)   | (439,494,690)   | (438,458,857)   | (437,680,207)   | (435,862,507)   | (434,412,597)   | (430,624,399)   |        |                        |  |
| <b>Total System Rate Base Less Working Capital</b> | 1,180,192,208   | 1,171,950,900   | 1,170,700,539   | 1,166,773,380   | 1,175,067,021   | 1,174,630,314   | 1,184,347,520   | 1,193,071,231   | 1,201,189,721   | 1,206,817,684   |        |                        |  |
| Add: Working Capital                               | 137,208,543     | 119,037,420     | 118,436,198     | 106,652,468     | 85,835,053      | 94,433,866      | 116,605,203     | 100,521,583     | 123,615,127     | 132,130,749     |        |                        |  |
| <b>Total System Rate Base (Less Gas Reserves)</b>  | 1,317,400,751   | 1,290,988,320   | 1,289,136,737   | 1,273,425,848   | 1,260,902,074   | 1,269,064,179   | 1,300,953,224   | 1,293,592,813   | 1,324,804,848   | 1,338,948,433   |        |                        |  |

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|   | 2016<br>December<br>OREGON | 2017<br>January<br>OREGON | 2017<br>February<br>OREGON | 2017<br>March<br>OREGON | 2017<br>April<br>OREGON | 2017<br>May<br>OREGON | 2017<br>June<br>OREGON | 2017<br>July<br>OREGON | 2017<br>August<br>OREGON | 2017<br>September<br>OREGON |                        |
|---|----------------------------|---------------------------|----------------------------|-------------------------|-------------------------|-----------------------|------------------------|------------------------|--------------------------|-----------------------------|------------------------|
| <b>Gross Plant</b>                                |                            |                           |                            |                         |                         |                       |                        |                        |                          |                             |                        |
| Intangible  | 88,974,294                 | 89,486,812                | 90,559,037                 | 90,573,385              | 90,590,217              | 90,585,782            | 90,607,343             | 90,605,315             | 90,667,361               | 91,229,242                  | Total Customers        |
| Production  | 84,348                     | 84,348                    | 84,348                     | 84,348                  | 84,348                  | 84,348                | 84,348                 | 84,348                 | 84,348                   | 84,348                      | Direct                 |
| Transmission                                      | 675,198                    | 675,198                   | 675,198                    | 675,198                 | 675,198                 | 675,198               | 675,198                | 675,198                | 675,198                  | 675,198                     | Direct                 |
| Distribution                                      | 162,342,094                | 162,800,391               | 162,800,391                | 162,811,932             | 163,371,896             | 163,418,054           | 163,438,760            | 163,663,395            | 163,917,673              | 163,987,674                 | Direct                 |
| General   | 1,829,990,097              | 1,834,514,224             | 1,837,315,510              | 1,844,200,902           | 1,848,712,908           | 1,851,976,130         | 1,857,289,366          | 1,862,290,960          | 1,867,061,511            | 1,872,543,945               | Direct                 |
|   | 174,705,813                | 175,376,785               | 178,288,967                | 179,227,276             | 181,019,491             | 180,881,776           | 181,647,623            | 184,785,188            | 185,891,778              | 186,019,988                 | 3-Factor & Direct      |
| Storage and storage transmission<br>CNG and LNG   | 268,964,479                | 269,245,258               | 269,492,691                | 269,499,371             | 276,095,932             | 276,276,366           | 283,363,750            | 286,309,510            | 286,574,039              | 286,729,137                 | Firm Delivered Volumes |
|   | 3,411,692                  | 3,406,764                 | 3,406,764                  | 3,406,764               | 3,406,764               | 3,406,764             | 3,406,764              | 3,406,764              | 3,406,764                | 3,406,764                   | 3-Factor               |
| <b>Total Gross Plant</b>                          | 2,529,098,016              | 2,535,307,524             | 2,542,622,906              | 2,550,479,176           | 2,563,906,654           | 2,567,304,418         | 2,580,513,153          | 2,591,820,678          | 2,598,278,672            | 2,604,676,296               |                        |
| <b>Accumulated Depreciation</b>                   |                            |                           |                            |                         |                         |                       |                        |                        |                          |                             |                        |
| Intangible  | (53,974,248)               | (54,096,159)              | (54,311,947)               | (54,529,685)            | (54,747,480)            | (54,965,287)          | (55,183,145)           | (55,401,028)           | (55,619,019)             | (55,734,195)                | Total Customers        |
| Production  | (691,036)                  | (691,036)                 | (691,036)                  | (691,036)               | (691,036)               | (691,036)             | (691,036)              | (691,036)              | (691,036)                | (691,036)                   | Direct                 |
| Transmission                                      | (31,371,468)               | (31,778,566)              | (32,187,511)               | (32,595,576)            | (33,004,712)            | (33,414,218)          | (33,824,299)           | (34,234,260)           | (34,644,832)             | (35,056,248)                | Direct                 |
| Distribution                                      | (856,567,367)              | (859,765,091)             | (863,008,454)              | (865,580,292)           | (868,701,320)           | (871,703,696)         | (874,914,705)          | (878,074,919)          | (881,199,246)            | (884,423,308)               | Direct                 |
| General   | (53,868,499)               | (54,455,703)              | (54,504,654)               | (55,227,164)            | (55,922,724)            | (56,313,254)          | (57,038,249)           | (57,832,706)           | (58,643,113)             | (59,155,413)                | 3-Factor               |
| Storage and storage transmission<br>CNG and LNG   | (121,105,356)              | (121,786,281)             | (122,342,950)              | (122,898,910)           | (123,463,375)           | (124,036,112)         | (124,616,064)          | (125,203,899)          | (125,793,778)            | (126,375,665)               | Firm Delivered Volumes |
|   | (1,890,003)                | (1,889,650)               | (1,892,027)                | (1,894,403)             | (1,896,780)             | (1,899,156)           | (1,901,533)            | (1,903,909)            | (1,906,286)              | (1,908,663)                 | 3-Factor               |
| <b>Total Accumulated Depreciation</b>             | (1,119,467,977)            | (1,124,462,485)           | (1,128,938,577)            | (1,133,416,967)         | (1,138,427,427)         | (1,143,022,769)       | (1,148,169,031)        | (1,153,341,757)        | (1,158,497,310)          | (1,163,344,527)             |                        |
| <b>Storage Gas</b>                                | 12,803,896                 | 12,841,629                | 12,841,167                 | 12,840,003              | 12,837,488              | 12,834,827            | 12,832,263             | 12,829,897             | 12,827,534               | 12,825,291                  | Firm Delivered Volumes |
| Customer Contributions                            | (3,236,500)                | (3,280,653)               | (3,447,908)                | (3,496,037)             | (3,566,303)             | (3,443,749)           | (3,466,542)            | (3,439,074)            | (3,541,636)              | (3,431,840)                 | Direct                 |
| Leasehold Improvements                            | 450,705                    | 433,528                   | 414,967                    | 396,432                 | 377,891                 | 359,359               | 339,369                | 319,428                | 299,188                  | 279,523                     | Direct & 3-Factor      |
| <b>Total Rate Base Excluding ADIT and WC</b>      | 1,419,648,140              | 1,420,840,544             | 1,423,492,555              | 1,426,802,607           | 1,435,128,302           | 1,434,032,085         | 1,442,049,232          | 1,448,189,172          | 1,449,366,448            | 1,451,004,743               |                        |
| Less: ADIT  | (377,944,973)              | (386,523,431)             | (390,461,576)              | (392,897,659)           | (399,171,664)           | (398,230,265)         | (397,571,953)          | (395,442,164)          | (394,125,127)            | (390,685,707)               |                        |
| <b>Total Rate Base Less Working Capital</b>       | 1,041,703,167              | 1,034,317,113             | 1,033,030,979              | 1,029,504,748           | 1,035,956,698           | 1,035,801,820         | 1,044,577,279          | 1,052,747,008          | 1,055,241,321            | 1,060,319,036               |                        |
| Add: Working Capital                              | 122,244,605                | 105,995,439               | 105,428,117                | 95,082,663              | 76,702,933              | 84,396,561            | 104,008,185            | 89,871,765             | 109,990,460              | 117,520,022                 |                        |
| <b>Total Oregon Rate Base (Less Gas Reserves)</b> | 1,163,947,773              | 1,140,312,552             | 1,138,459,096              | 1,124,587,411           | 1,112,659,631           | 1,120,198,382         | 1,148,585,464          | 1,142,618,773          | 1,165,231,781            | 1,177,839,058               |                        |

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 Rate Base (Less Gas Reserves)

| WASHINGTON  | 2016          |            | 2017          |            | 2017          |            | 2017          |            | 2017          |            | 2017          |            | 2017          |            | Total Customers<br>Direct<br>0<br>447 |           |               |           |               |           |               |
|---|---------------|------------|---------------|------------|---------------|------------|---------------|------------|---------------|------------|---------------|------------|---------------|------------|---------------------------------------|-----------|---------------|-----------|---------------|-----------|---------------|
|   | December      | Washington | January       | Washington | February      | Washington | March         | Washington | April         | Washington | May           | Washington | June          | Washington |                                       | July      | Washington    | August    | Washington    | September | Washington    |
| <b>Gross Plant</b>  |               |            |               |            |               |            |               |            |               |            |               |            |               |            |                                       |           |               |           |               |           |               |
| Intangible  | 10,666,135    | 447        | 10,902,252    | 447        | 11,032,882    | 447        | 11,034,630    | 447        | 11,036,681    | 447        | 11,036,141    | 447        | 11,038,768    | 447        | 11,038,571                            | 447       | 11,046,080    | 447       | 11,114,534    | 447       | 11,114,534    |
| Production  | 1,054,795     |            | 1,058,759     |            | 1,066,287     |            | 1,071,309     |            | 1,073,043     |            | 1,076,305     |            | 1,084,268     |            | 1,090,703                             |           | 1,105,707     |           | 1,114,674     |           | 1,114,674     |
| Distribution  | 248,211,544   |            | 248,639,114   |            | 249,203,061   |            | 250,006,211   |            | 251,791,180   |            | 252,015,612   |            | 252,791,528   |            | 253,589,022                           |           | 259,619,248   |           | 260,330,717   |           | 260,330,717   |
| General   | 14,265,470    |            | 14,512,201    |            | 14,835,484    |            | 14,935,411    |            | 15,136,952    |            | 15,118,436    |            | 15,204,614    |            | 15,558,107                            |           | 15,676,511    |           | 15,690,791    |           | 15,690,791    |
| <b>Storage and storage transmission<br/>CNG and LNG</b>     | 24,510,716    | 379,077    | 24,252,325    | 384,005    | 24,277,726    | 384,005    | 24,278,412    | 384,005    | 24,955,587    | 384,005    | 24,974,120    | 384,005    | 25,701,693    | 384,005    | 26,004,097                            | 384,005   | 26,031,253    | 384,005   | 26,047,175    | 384,005   | 26,047,175    |
| <b>Total Gross Plant</b>                                    | 299,088,183   |            | 299,749,104   |            | 300,799,892   |            | 301,710,425   |            | 304,377,895   |            | 304,605,066   |            | 306,205,322   |            | 307,664,901                           |           | 313,863,251   |           | 314,682,342   |           | 314,682,342   |
| <b>Accumulated Depreciation</b>                             |               |            |               |            |               |            |               |            |               |            |               |            |               |            |                                       |           |               |           |               |           |               |
| Intangible  | (6,474,008)   | 0          | (6,590,580)   | 0          | (6,616,869)   | 0          | (6,643,397)   | 0          | (6,669,931)   | 0          | (6,696,468)   | 0          | (6,723,008)   | 0          | (6,749,553)                           | 0         | (6,776,111)   | 0         | (6,790,143)   | 0         | (6,790,143)   |
| Production  | (125,753)     |            | (127,559)     |            | (129,374)     |            | (131,200)     |            | (133,031)     |            | (134,867)     |            | (136,713)     |            | (138,571)                             |           | (140,447)     |           | (142,343)     |           | (142,343)     |
| Distribution  | (101,676,710) |            | (101,986,426) |            | (102,520,668) |            | (102,982,586) |            | (103,435,333) |            | (103,897,089) |            | (104,402,925) |            | (104,919,697)                         |           | (105,433,244) |           | (105,955,041) |           | (105,955,041) |
| General   | (5,215,011)   |            | (5,344,427)   |            | (5,342,028)   |            | (5,415,542)   |            | (5,486,013)   |            | (5,522,099)   |            | (5,595,883)   |            | (5,677,496)                           |           | (5,760,901)   |           | (5,810,699)   |           | (5,810,699)   |
| <b>Storage and storage transmission<br/>CNG and LNG</b>     | (9,729,680)   | (210,000)  | (9,652,780)   | (212,998)  | (9,701,726)   | (213,266)  | (9,750,606)   | (213,534)  | (9,800,374)   | (213,802)  | (9,850,987)   | (214,070)  | (9,902,334)   | (214,338)  | (9,954,497)                           | (214,606) | (10,006,869)  | (214,873) | (10,058,416)  | (215,141) | (10,058,416)  |
| <b>Total Accumulated Depreciation</b>                       | (123,431,163) |            | (123,914,770) |            | (124,523,931) |            | (125,136,865) |            | (125,738,484) |            | (126,315,580) |            | (126,975,200) |            | (127,654,419)                         |           | (128,332,446) |           | (128,971,784) |           | (128,971,784) |
| <b>Storage Gas</b>  | 1,330,000     |            | 1,318,391     |            | 1,318,241     |            | 1,318,121     |            | 1,317,863     |            | 1,317,590     |            | 1,317,327     |            | 1,317,084                             |           | 1,316,841     |           | 1,316,611     |           | 1,316,611     |
| <b>Customer Contributions<br/>Leasehold Improvements</b>    | (504,328)     | 50,078     | (509,260)     | 48,867     | (520,525)     | 46,774     | (531,820)     | 44,685     | (566,429)     | 42,595     | (590,465)     | 40,506     | (607,209)     | 38,255     | (619,005)                             | 36,005    | (645,500)     | 33,724    | (621,337)     | 31,507    | (621,337)     |
| <b>Total Rate Base Excluding ADIT and WC<br/>Less: ADIT</b> | 176,532,770   |            | 176,692,331   |            | 177,170,452   |            | 177,404,547   |            | 179,404,440   |            | 179,057,117   |            | 179,978,495   |            | 180,744,566                           |           | 186,235,870   |           | 186,437,339   |           | 186,437,339   |
| <b>Total Rate Base Less Working Capital</b>                 | (38,043,698)  |            | (38,058,513)  |            | (39,450,860)  |            | (40,135,883)  |            | (40,323,086)  |            | (40,228,592)  |            | (40,158,253)  |            | (40,420,343)                          |           | (40,287,470)  |           | (39,938,691)  |           | (39,938,691)  |
| <b>Add: Working Capital</b>                                 | 14,963,938    |            | 13,041,981    |            | 13,008,080    |            | 11,569,805    |            | 9,132,120     |            | 10,037,304    |            | 12,597,518    |            | 10,649,817                            |           | 13,624,667    |           | 14,610,277    |           | 14,610,277    |
| <b>Total Washington Rate Base</b>                           | 153,453,011   |            | 150,675,799   |            | 150,727,672   |            | 148,838,469   |            | 148,242,474   |            | 148,865,819   |            | 152,417,760   |            | 150,974,040                           |           | 159,573,067   |           | 161,109,275   |           | 161,109,275   |

# **Customer Counts, Volumes and Usage per Customer**

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

|                         | 2016<br>January | 2016<br>February | 2016<br>March | 2016<br>April | 2016<br>May | 2016<br>June | 2016<br>July | 2016<br>August | 2016<br>September | 2016<br>October | 2016<br>November | 2016<br>December |
|-------------------------|-----------------|------------------|---------------|---------------|-------------|--------------|--------------|----------------|-------------------|-----------------|------------------|------------------|
| <b>Volumes</b>          |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |
| Residential             | 8,880,221       | 5,789,694        | 4,919,785     | 3,529,262     | 2,083,818   | 1,747,021    | 1,347,152    | 1,154,797      | 1,262,725         | 1,893,324       | 3,147,231        | 6,837,853        |
| Commercial              | 3,539,304       | 2,423,263        | 2,020,690     | 1,982,322     | 1,013,884   | 925,809      | 769,933      | 680,891        | 735,665           | 951,516         | 1,299,735        | 2,595,188        |
| Industrial Firm         | 340,180         | 283,335          | 290,890       | 220,211       | 195,482     | 192,570      | 151,630      | 173,213        | 187,525           | 196,857         | 223,910          | 293,181          |
| Interruptible           | 149,344         | 121,237          | 127,288       | 103,613       | 101,559     | 86,726       | 82,508       | 80,700         | 86,247            | 95,511          | 99,890           | 135,943          |
| <b>Transport Firm</b>   |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |
| Transport Firm          | 966,793         | 814,325          | 843,296       | 673,040       | 647,533     | 642,237      | 658,307      | 644,702        | 632,304           | 753,893         | 764,133          | 1,026,220        |
| Transport Interruptible | 796,198         | 680,131          | 787,313       | 776,401       | 844,695     | 829,052      | 786,535      | 936,489        | 1,081,002         | 1,030,109       | 876,370          | 924,444          |
| <b>Total</b>            | 14,672,040      | 10,111,985       | 8,989,262     | 6,894,849     | 4,886,941   | 4,424,015    | 3,796,065    | 3,660,792      | 3,965,668         | 5,021,210       | 6,411,269        | 11,812,829       |
| <b>Customers</b>        |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |
| Residential             | 70,814          | 70,984           | 71,106        | 71,241        | 71,329      | 71,455       | 71,554       | 71,702         | 71,893            | 72,039          | 72,302           | 72,566           |
| Commercial              | 6,334           | 6,331            | 6,360         | 6,403         | 6,440       | 6,457        | 6,445        | 6,408          | 6,365             | 6,409           | 6,525            | 6,600            |
| Industrial Firm         | 49              | 48               | 48            | 49            | 50          | 50           | 47           | 50             | 49                | 51              | 51               | 51               |
| Interruptible           | 5               | 5                | 5             | 5             | 5           | 5            | 5            | 6              | 5                 | 5               | 5                | 5                |
| <b>Transport Firm</b>   |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |
| Transport Firm          | 29              | 29               | 29            | 29            | 30          | 30           | 30           | 30             | 30                | 30              | 30               | 30               |
| Transport Interruptible | 12              | 11               | 11            | 11            | 11          | 11           | 11           | 11             | 12                | 12              | 11               | 11               |
| <b>Total</b>            | 77,243          | 77,408           | 77,559        | 77,738        | 77,865      | 78,008       | 78,092       | 78,208         | 78,354            | 78,546          | 78,924           | 79,263           |
| <b>Use per Customer</b> |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |
| Residential             | 125             | 82               | 69            | 50            | 29          | 24           | 19           | 16             | 18                | 28              | 44               | 94               |
| Commercial              | 559             | 383              | 318           | 249           | 157         | 143          | 119          | 106            | 116               | 148             | 199              | 393              |
| Industrial Firm         | 6,942           | 5,903            | 6,060         | 4,494         | 3,910       | 3,851        | 3,226        | 3,464          | 3,419             | 3,860           | 4,390            | 5,749            |
| Interruptible           | 29,869          | 24,247           | 25,458        | 20,723        | 20,306      | 17,345       | 16,502       | 13,450         | 17,249            | 19,102          | 19,978           | 27,189           |
| <b>Transport Firm</b>   |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |
| Transport Firm          | 33,338          | 28,080           | 29,079        | 23,208        | 21,584      | 21,408       | 21,944       | 21,490         | 21,077            | 25,130          | 25,471           | 34,207           |
| Transport Interruptible | 66,350          | 61,830           | 71,574        | 70,582        | 76,750      | 75,368       | 71,503       | 84,226         | 90,084            | 85,842          | 79,670           | 84,040           |



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

| 12 Months Ended                          | 2016<br>January | 2016<br>February | 2016<br>March | 2016<br>April | 2016<br>May | 2016<br>June | 2016<br>July | 2016<br>August | 2016<br>September | 2016<br>October | 2016<br>November | 2016<br>December |
|--|-----------------|------------------|---------------|---------------|-------------|--------------|--------------|----------------|-------------------|-----------------|------------------|------------------|
| <b>Volumes</b>                           |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |
| Residential                              | 41,330,906      | 41,741,266       | 42,413,090    | 42,525,037    | 42,114,236  | 42,281,777   | 42,489,270   | 42,587,238     | 42,618,136        | 43,093,327      | 43,239,795       | 42,693,483       |
| Commercial                               | 18,543,198      | 18,622,377       | 18,780,380    | 18,827,665    | 18,645,645  | 18,685,014   | 18,769,937   | 18,791,716     | 18,760,492        | 18,833,310      | 18,857,673       | 18,546,400       |
| Industrial Firm                          | 2,686,071       | 2,696,396        | 2,745,886     | 2,746,169     | 2,756,247   | 2,742,964    | 2,750,504    | 2,752,974      | 2,762,027         | 2,783,551       | 2,755,622        | 2,728,994        |
| Interruptible                            | 1,244,185       | 1,258,662        | 1,276,419     | 1,270,580     | 1,276,902   | 1,282,376    | 1,294,037    | 1,302,664      | 1,304,471         | 1,304,291       | 1,275,886        | 1,270,536        |
| <b>Transport Firm</b>                    | 9,058,789       | 9,088,795        | 9,083,670     | 9,032,567     | 9,063,474   | 9,085,752    | 9,097,680    | 9,106,671      | 9,089,086         | 9,161,526       | 9,042,682        | 9,066,783        |
| <b>Transport Interruptible</b>           | 10,082,382      | 10,002,238       | 10,055,692    | 9,321,189     | 8,604,976   | 10,300,474   | 10,369,872   | 10,304,141     | 10,272,679        | 10,236,295      | 10,276,048       | 10,338,739       |
| <b>Total</b>                             | 82,945,531      | 83,409,734       | 84,355,337    | 83,723,177    | 82,461,480  | 84,398,357   | 84,671,300   | 84,851,904     | 84,806,891        | 85,410,300      | 85,447,706       | 84,646,925       |
| <b>Average Customers</b>                 |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |
| Residential                              | 69,720          | 69,883           | 70,048        | 70,216        | 70,384      | 70,557       | 70,729       | 70,906         | 71,078            | 71,247          | 71,418           | 71,582           |
| Commercial                               | 6,243           | 6,254            | 6,266         | 6,282         | 6,299       | 6,317        | 6,334        | 6,353          | 6,368             | 6,382           | 6,402            | 6,423            |
| Industrial Firm                          | 43              | 44               | 44            | 45            | 46          | 47           | 47           | 48             | 49                | 49              | 49               | 49               |
| Interruptible                            | 5               | 5                | 5             | 5             | 5           | 5            | 5            | 5              | 5                 | 5               | 5                | 5                |
| <b>Transport Firm</b>                    | 23              | 24               | 24            | 25            | 26          | 27           | 27           | 28             | 29                | 30              | 30               | 30               |
| <b>Transport Interruptible</b>           | 11              | 11               | 11            | 11            | 11          | 11           | 11           | 11             | 11                | 11              | 11               | 11               |
| <b>Total</b>                             | 76,045          | 76,220           | 76,399        | 76,583        | 76,771      | 76,963       | 77,154       | 77,351         | 77,540            | 77,724          | 77,914           | 78,101           |
| <b>12 Month Use per Average Customer</b> |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |
| Residential                              | 593             | 597              | 605           | 606           | 598         | 599          | 601          | 601            | 600               | 605             | 605              | 596              |
| Commercial                               | 2,970           | 2,978            | 2,997         | 2,997         | 2,960       | 2,958        | 2,963        | 2,963          | 2,946             | 2,951           | 2,946            | 2,888            |
| Industrial Firm                          | 62,588          | 61,750           | 61,821        | 60,689        | 59,702      | 58,891       | 58,007       | 57,181         | 56,687            | 56,804          | 56,142           | 55,224           |
| Interruptible                            | 248,837         | 251,732          | 255,284       | 254,110       | 255,380     | 256,475      | 258,807      | 256,262        | 256,617           | 256,582         | 250,994          | 249,942          |
| <b>Transport Firm</b>                    | 393,860         | 394,034          | 373,310       | 361,303       | 351,980     | 342,859      | 333,860      | 325,238        | 316,142           | 310,560         | 305,668          | 305,622          |
| <b>Transport Interruptible</b>           | 909,689         | 902,456          | 907,280       | 840,435       | 775,223     | 929,366      | 926,605      | 929,697        | 919,941           | 909,893         | 913,426          | 918,999          |

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

|                         | 2017<br>January | 2017<br>February | 2017<br>March | 2017<br>April | 2017<br>May | 2017<br>June | 2017<br>July | 2017<br>August | 2017<br>September |
|-------------------------|-----------------|------------------|---------------|---------------|-------------|--------------|--------------|----------------|-------------------|
| <b>Volumes</b>          |                 |                  |               |               |             |              |              |                |                   |
| Residential             | 11,650,193      | 8,661,732        | 6,698,721     | 4,772,255     | 3,314,570   | 1,917,135    | 1,362,546    | 1,117,834      | 1,218,049         |
| Commercial              | 4,653,275       | 3,571,195        | 2,781,100     | 1,980,304     | 1,502,059   | 987,979      | 779,778      | 664,361        | 695,055           |
| Industrial Firm         | 428,454         | 364,423          | 335,587       | 288,298       | 236,384     | 208,033      | 184,823      | 169,812        | 164,712           |
| Interruptible           | 213,454         | 142,194          | 124,909       | 108,214       | 98,811      | 88,824       | 83,679       | 78,914         | 80,320            |
| <b>Transport Firm</b>   |                 |                  |               |               |             |              |              |                |                   |
| Transport Interruptible | 1,123,050       | 911,622          | 933,482       | 877,184       | 767,162     | 689,924      | 680,459      | 661,872        | 675,313           |
|                         | 916,504         | 736,846          | 904,576       | 820,637       | 890,658     | 799,284      | 794,855      | 893,093        | 912,587           |
| <b>Total</b>            | 18,984,930      | 14,388,012       | 11,778,375    | 8,846,892     | 6,809,644   | 4,691,179    | 3,886,140    | 3,585,886      | 3,746,036         |
| <b>Customers</b>        |                 |                  |               |               |             |              |              |                |                   |
| Residential             | 72,798          | 73,013           | 73,182        | 73,393        | 73,492      | 73,656       | 73,809       | 73,925         | 74,081            |
| Commercial              | 6,662           | 6,650            | 6,710         | 6,650         | 6,717       | 6,702        | 6,659        | 6,717          | 6,732             |
| Industrial Firm         | 51              | 52               | 52            | 51            | 52          | 52           | 52           | 53             | 53                |
| Interruptible           | 5               | 5                | 5             | 5             | 5           | 5            | 5            | 5              | 5                 |
| <b>Transport Firm</b>   |                 |                  |               |               |             |              |              |                |                   |
| Transport Interruptible | 30              | 30               | 30            | 30            | 30          | 30           | 30           | 30             | 30                |
|                         | 11              | 11               | 11            | 11            | 11          | 11           | 11           | 11             | 11                |
| <b>Total</b>            | 79,557          | 79,761           | 79,990        | 80,140        | 80,307      | 80,456       | 80,566       | 80,741         | 80,912            |
| <b>Use per Customer</b> |                 |                  |               |               |             |              |              |                |                   |
| Residential             | 160             | 119              | 92            | 65            | 45          | 26           | 18           | 15             | 16                |
| Commercial              | 698             | 537              | 414           | 298           | 224         | 147          | 117          | 99             | 103               |
| Industrial Firm         | 8,401           | 7,008            | 6,454         | 5,653         | 4,546       | 4,001        | 3,554        | 3,204          | 3,108             |
| Interruptible           | 42,691          | 28,439           | 24,982        | 21,643        | 19,762      | 17,765       | 16,736       | 15,783         | 16,064            |
| <b>Transport Firm</b>   |                 |                  |               |               |             |              |              |                |                   |
| Transport Interruptible | 37,435          | 30,387           | 31,116        | 29,239        | 25,572      | 22,997       | 22,682       | 22,062         | 22,510            |
|                         | 83,319          | 66,986           | 82,234        | 74,603        | 80,969      | 72,662       | 72,260       | 81,190         | 82,962            |

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

| 12 Months Ended                          | 2017<br>January | 2017<br>February | 2017<br>March | 2017<br>April | 2017<br>May | 2017<br>June | 2017<br>July | 2017<br>August | 2017<br>September |
|--|-----------------|------------------|---------------|---------------|-------------|--------------|--------------|----------------|-------------------|
| <b>Volumes</b>                           |                 |                  |               |               |             |              |              |                |                   |
| Residential                              | 45,463,455      | 48,335,493       | 50,114,429    | 51,357,422    | 52,588,174  | 52,757,688   | 52,773,082   | 52,736,119     | 52,691,443        |
| Commercial                               | 19,662,371      | 20,810,303       | 21,570,713    | 21,958,695    | 22,446,870  | 22,509,040   | 22,518,885   | 22,502,355     | 22,461,545        |
| Industrial Firm                          | 2,817,258       | 2,898,346        | 2,943,043     | 3,011,130     | 3,052,032   | 3,067,495    | 3,100,688    | 3,097,287      | 3,094,474         |
| Interruptible                            | 1,334,646       | 1,355,603        | 1,353,224     | 1,357,825     | 1,355,107   | 1,357,205    | 1,358,376    | 1,356,590      | 1,350,663         |
| <b>Transport Firm</b>                    | 9,223,040       | 9,320,337        | 9,410,523     | 9,614,667     | 9,734,296   | 9,781,983    | 9,804,135    | 9,821,305      | 9,864,314         |
| <b>Transport Interruptible</b>           | 10,459,045      | 10,515,760       | 10,633,023    | 10,677,259    | 10,723,222  | 10,693,454   | 10,701,774   | 10,668,378     | 10,499,963        |
| <b>Total</b>                             | 88,959,815      | 93,235,842       | 96,024,955    | 97,976,998    | 99,899,701  | 100,166,865  | 100,256,940  | 100,182,034    | 99,962,402        |
| <b>Average Customers</b>                 |                 |                  |               |               |             |              |              |                |                   |
| Residential                              | 71,747          | 71,917           | 72,090        | 72,269        | 72,449      | 72,633       | 72,820       | 73,006         | 73,188            |
| Commercial                               | 6,451           | 6,477            | 6,506         | 6,527         | 6,550       | 6,570        | 6,588        | 6,614          | 6,644             |
| Industrial Firm                          | 50              | 50               | 50            | 50            | 51          | 51           | 51           | 51             | 52                |
| Interruptible                            | 5               | 5                | 5             | 5             | 5           | 5            | 5            | 5              | 5                 |
| <b>Transport Firm</b>                    | 30              | 30               | 30            | 30            | 30          | 30           | 30           | 30             | 30                |
| <b>Transport Interruptible</b>           | 11              | 11               | 11            | 11            | 11          | 11           | 11           | 11             | 11                |
| <b>Total</b>                             | 78,294          | 78,490           | 78,692        | 78,892        | 79,096      | 79,300       | 79,506       | 79,717         | 79,930            |
| <b>12 Month Use per Average Customer</b> |                 |                  |               |               |             |              |              |                |                   |
| Residential                              | 634             | 672              | 695           | 711           | 726         | 726          | 725          | 722            | 720               |
| Commercial                               | 3,048           | 3,213            | 3,315         | 3,364         | 3,427       | 3,426        | 3,418        | 3,402          | 3,381             |
| Industrial Firm                          | 56,819          | 58,064           | 58,568        | 59,725        | 60,337      | 60,443       | 60,600       | 60,239         | 59,797            |
| Interruptible                            | 262,553         | 266,676          | 266,208       | 267,113       | 266,578     | 266,991      | 267,222      | 271,318        | 270,133           |
| <b>Transport Firm</b>                    | 310,018         | 312,414          | 314,558       | 320,489       | 324,477     | 326,066      | 326,805      | 327,377        | 328,810           |
| <b>Transport Interruptible</b>           | 936,631         | 941,710          | 952,211       | 956,172       | 960,289     | 957,623      | 958,368      | 955,377        | 947,365           |