

NW Natural
Washington Quarterly Results of Operations Report
Monthly 2017

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Sales of Gas													
480.1 Residential	\$10,215,488	\$7,725,548	\$6,090,998	\$4,486,281	\$3,272,998	\$2,106,080	\$1,648,610	\$1,444,843	\$1,530,237	\$2,339,532	\$4,028,402	\$6,259,476	51,148,494
481.1 Commercial	\$3,832,314	\$2,980,470	\$2,345,000	\$1,690,591	\$1,319,319	\$910,524	\$746,134	\$651,465	\$671,787	\$892,395	\$1,430,253	\$2,255,823	19,735,075
481.2 Industrial Firm	\$262,194	\$232,780	\$215,195	\$187,795	\$160,665	\$142,809	\$130,358	\$120,361	\$119,235	\$142,031	\$167,178	\$205,624	2,086,226
481.3 Interruptible	\$93,340	\$67,403	\$59,856	\$45,872	\$43,667	\$41,112	\$37,175	\$34,392	\$31,967	\$39,376	\$58,774	\$66,984	619,918
481.5 Interruptible Incentive	-	-	-	-	-	-	-	-	-	-	-	-	-
495.20 Unbilled Revenue	(635,572)	(1,608,498)	(890,639)	(813,560)	(1,142,553)	(488,803)	(5,703)	(21,068)	258,024	1,559,458	1,733,466	2,016,720	(38,727)
Total Sales of Gas	13,767,763	9,397,703	7,820,411	5,605,979	3,654,096	2,711,722	2,556,575	2,229,994	2,611,250	4,972,791	7,418,075	10,804,627	73,550,986
Transportation Revenue													
489.12 Firm Transportation	\$155,273	\$132,206	\$129,582	\$124,463	\$105,138	\$100,606	\$98,212	\$97,279	\$100,558	\$119,474	\$130,276	\$148,057	1,441,124
489.13 Interruptible	\$73,112	\$64,846	\$75,835	\$71,653	\$81,612	\$72,070	\$73,789	\$79,241	\$78,930	\$95,835	\$76,851	\$78,855	922,629
489.15 Interruptible Incentive	-	-	-	-	-	-	-	-	-	-	-	-	-
489.3 Agency Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Transportation Revenue	228,385	197,052	205,416	196,116	186,750	172,676	172,001	176,520	179,488	215,310	207,127	226,912	2,363,753
Rate Adjustments - Amortizations													
	(533,430)	(400,538)	(310,368)	(221,146)	(157,481)	(94,902)	(70,005)	(57,855)	(62,210)	(103,405)	(194,744)	(324,545)	(2,530,630)
Miscellaneous Revenues													
487 Late Payment Charge	11,012	17,844	14,140	12,358	9,952	7,780	5,367	4,055	3,546	3,228	4,760	7,413	101,454
488.1 Returned Check Charge	825	1,335	1,125	975	765	750	1,035	840	1,110	720	765	960	11,205
488.3 Reconnection Charge CR During Office Hours	725	875	1,575	1,450	1,480	1,425	1,200	1,375	1,275	1,250	1,380	645	14,655
488.4 Field Collection Charge	1,695	3,345	4,565	4,235	3,385	3,315	3,320	2,740	2,585	1,785	1,710	1,890	34,570
488.5 Reconnection Charge CR After Office Hours	2,100	4,700	6,475	3,950	4,250	3,975	2,700	2,200	2,350	1,750	1,550	2,250	38,250
488.6 Reconnection Charge Seas During Office Hours	100	50	30	80	25	25	25	25	25	200	125	75	760
488.7 Reconnection Charge Seas After Office Hours	200	650	350	200	150	300	-	150	-	50	150	100	2,300
488.6.4 Delinquent Reconnect Fee	-	50	300	250	350	100	150	150	150	50	150	100	1,700
495.6 Curtailment Unauthorized Take	-	-	-	-	-	-	-	-	-	-	-	-	-
488.8 Automated Payment Charge	535	693	743	633	713	580	465	408	378	325	340	415	6,225
493.2 Rent - Utility Property	2,286	2,285	2,291	2,285	711	712	713	711	711	716	718	717	14,857
495.1 Meter Rentals	1,686	1,617	1,743	1,680	1,680	1,090	2,270	1,680	1,680	1,600	1,600	1,600	19,931
495.2 Other Gas Revenue - Misc	193	1,101	1,430	443	2,189	256	623	784	286	286	486	1,370	9,447
Total Miscellaneous Revenues	21,357	34,545	34,767	28,540	25,650	20,284	17,868	15,118	14,096	11,960	13,635	17,535	255,354
Total Operating Revenue	13,484,076	9,228,763	7,750,226	5,609,489	3,709,015	2,809,780	2,676,440	2,363,775	2,742,623	5,096,656	7,444,093	10,724,529	73,639,464
Cost of Gas													
804.7 WACOG Incurred	4,933,217	2,893,219	2,198,606	1,535,034	980,857	704,963	542,575	544,799	535,027	1,202,610	2,236,894	3,329,903	21,637,703
805.7 WACOG Deferred	(389,592)	133,253	192,040	192,040	82,436	38,671	122,679	18,444	149,596	291,810	(16,914)	17,087	943,228
804.6 Demand Incurred	709,585	672,566	723,222	679,278	696,260	664,977	696,595	696,044	677,695	704,177	723,726	662,964	8,307,090
805.8 Demand Deferred	(1,177,911)	591,297	313,111	38,832	(257,065)	(355,711)	(419,622)	(461,348)	(390,950)	(81,074)	264,664	828,194	1,248,219
805.4 Amortization of Gas Costs	(572,449)	(335,537)	(241,364)	(173,757)	(241,364)	(107,762)	(89,993)	(68,159)	(72,458)	(117,092)	(223,710)	(395,433)	(2,819,553)
Total Cost of Gas	5,858,652	3,859,797	3,202,838	2,203,820	1,328,731	945,138	861,234	729,781	898,910	2,000,410	2,984,660	4,442,715	29,316,687
Environmental Expense													
407.03	-	-	-	-	-	-	-	-	-	-	-	-	-
Detail													
Operations & Maintenance	1,315,516	1,149,719	1,393,672	1,211,476	1,268,574	1,184,861	1,314,526	1,268,177	1,108,585	1,379,221	1,288,987	1,651,901	15,535,213
Other Taxes													
408-03185 Property	131,747	131,591	(158,556)	130,461	128,431	124,987	149,638	130,594	130,690	129,768	129,925	(64,894)	1,094,383
408-03170.71 Franchise	565,388	402,535	331,879	241,795	166,504	120,232	108,029	95,443	106,238	181,848	272,508	405,039	2,997,437
408-03180 Payroll	53,392	51,312	73,772	51,570	52,081	49,144	48,659	50,488	48,258	49,484	49,865	49,411	627,435
408-03180.175 Other	2,784	10,325	17,230	15,357	3,906	8,467	4,325	9,418	4,791	3,625	9,959	9,519	92,319
408-03045.603190 Regulatory	-	-	-	120,705	-	-	-	-	-	-	-	-	120,705
Total Other Taxes	753,310	595,673	264,324	559,888	350,822	302,829	310,650	279,791	294,664	365,890	455,923	399,515	4,933,279
403.1 Depreciation	668,968	674,219	677,098	680,693	682,580	684,826	688,253	691,724	681,357	690,123	691,774	696,980	8,208,594
Income Taxes													
409.11 Federal Income Taxes	1,618,047	939,621	681,978	239,935	(66,191)	(202,164)	(269,199)	(311,407)	(184,175)	130,505	605,318	1,131,755	4,314,024
410.11 Federal Income Taxes - Deferred	-	-	-	-	-	-	-	-	-	-	-	-	-
411.42 Federal Income Tax Credit	(349)	(349)	(349)	(349)	(349)	(349)	(349)	(349)	(349)	(349)	(349)	(349)	(4,192)
Total Income Taxes	1,617,698	939,272	681,629	239,586	(66,541)	(202,514)	(269,548)	(311,757)	(184,524)	130,156	604,969	1,131,406	4,309,832
Total Operating Revenue Deductions	10,214,143	7,218,681	6,219,560	4,895,463	3,564,167	2,915,140	2,905,116	2,657,716	2,798,991	4,565,800	6,026,313	8,322,517	62,303,606
Total Operating Revenue	3,269,932	2,010,082	1,530,666	714,026	144,848	(105,360)	(228,676)	(293,940)	(56,367)	530,855	1,417,780	2,402,011	11,335,858
101 Gross Plant													
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	316,153,748	319,402,661	322,633,106		
108.1X Accumulated Depreciation													
(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)	(129,134,975)	(129,788,423)	(130,181,128)		
117.X Storage Gas - Cushion													
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	1,316,418	1,316,223	1,316,009		
186.XX Leasehold Improvements													
48,867	46,774	44,685	42,595	40,506	38,255	36,005	33,724	31,507	29,376	27,684	28,360		
252.XX Customer Contributions													
(509,260)	(520,525)	(531,820)	(566,429)	(590,465)	(607,209)	(619,005)	(645,500)	(621,337)	(653,473)	(657,716)	(668,837)		
283.XX Deferred Taxes - Federal													
(39,058,513)	(39,450,860)	(40,135,883)	(40,323,086)	(40,228,592)	(40,158,253)	(40,420,343)	(40,287,470)	(39,938,691)	(40,005,211)	(40,396,467)	(40,411,007)		
283.XX Deferred Taxes - State													
Rate Base (Less Working Capital)	137,633,818	137,669,592	137,268,664	139,110,355	138,828,525	139,820,241	140,324,223	145,948,400	146,498,648	147,705,883	149,903,962	152,716,503	
Allocation of Unbilled													
System Net Unbilled \$	(5,206,499)	(16,598,617)	(8,054,554)	(6,392,996)	(11,895,484)	(4,729,240)	(454,431)	(34,768)	2,537,130	14,572,406	15,693,911	19,011,641	
Washington Unbilled \$ from JE 60	(635,572)	(1,608,498)	(890,639)	(813,560)	(1,142,553)	(488,803)	(5,703)	(21,068)	258,024	1,559,458	1,733,466	2,016,720	
	12.21%	9.69%	11.06%	12.73%	9.60%	10.34%	1.25%	60.59%	10.17%	10.70%	11.05%	10.61%	
Interest on Rate Base													
Monthly Interest Rate (ST & LT)	321,146	321,229	320,294	324,591	323,933	326,247	327,423	340,546	341,830	344,647	349,776	356,339	
	2.800%	<= 2016 cost of ST & LT from Annual Commission Basis Report											
EBIT													
4,887,631	2,949,354	2,212,295	953,611	78,307	(307,873)	(498,224)	(605,697)	(240,891)	661,011	2,022,749	3,533,418		
Interest	321,146	321,229	320,294	324,591	323,933	326,247	327,423	340,546	341,830	344,647	349,776	356,339	

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Pre-Tax Net Income	4,566,485	2,628,125	1,892,001	629,021	(245,626)	(634,121)	(825,647)	(946,243)	(582,722)	316,364	1,672,973	3,177,079	
Less: Permanent Differences	56,508	56,508	56,508	56,508	56,508	56,508	56,508	56,508	56,508	56,508	56,508	56,508	56,508
Taxable Income	4,622,993	2,684,633	1,948,509	685,529	(189,118)	(577,613)	(769,140)	(889,735)	(526,214)	372,872	1,729,461	3,233,587	
Tax Rate	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
Tax	1,618,047	939,621	681,978	239,935	(66,191)	(202,164)	(269,199)	(311,407)	(184,175)	130,505	605,318	1,131,755	
Less ITC	349	349	349	349	349	349	349	349	349	349	349	349	349
Total Income Tax	1,617,698	939,272	681,629	239,586	(66,541)	(202,514)	(269,548)	(311,757)	(184,524)	130,156	604,969	1,131,406	

Gross plant direct assian Payroll Factor 10.94%
9.97%

	Wash	Ore	System	
Depreciation Expense factor	7,854,198 10.30%	68,434,501	76,288,699	<= 2017 Depreciation Expense allocation from 2016 Annual Commission Basis Report

(62,854.00)	(307,515.00)	20,252.00	166,414.00	37,322.00	181,303.00	167,812.00	103,009.00	(58,007.00)	(5,332.00)	385,061.00	538,080.00	800,115.00
200601	200602	200603	200604	200604	200605	200606	200607	200608	200609	200610	200611	200612

January	February	March	April	May	June	July	August	September	October	November	December	Total
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NW Natural
Washington Qtrly Results of Operations
Monthly Volumes, Customers, and
Use/Customer

	2016 December	2017 January	2017 February	2017 March	2017 April	2017 May	2017 June	2017 July	2017 August	2017 September	2017 October	2017 November	2017 December
Volumes													
Residential	6,837,853	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	2,187,917	4,277,177	7,143,662
Commercial	2,595,188	4,653,275	3,571,195	2,781,100	1,980,304	1,502,059	987,979	779,778	664,361	695,055	979,454	1,681,326	2,806,693
Industrial Firm	293,181	428,454	364,423	288,298	236,384	208,033	208,033	184,823	169,812	164,712	209,112	253,564	326,677
Interruptible	135,943	213,454	142,194	124,909	108,214	98,811	88,824	83,679	78,914	80,320	104,819	126,269	147,531
Transport Firm	1,026,220	1,123,050	911,622	933,482	877,184	767,162	689,924	680,459	661,872	675,313	846,034	932,293	1,108,762
Transport Interruptible	924,444	916,504	736,846	904,576	820,637	890,658	799,284	794,855	893,093	912,587	1,199,942	890,238	958,794
Total	11,812,829	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	5,527,278	8,160,867	12,492,119
Customers													
Residential	72,566	72,798	73,013	73,182	73,393	73,492	73,656	73,809	73,925	74,081	74,258	74,551	74,805
Commercial	6,600	6,662	6,650	6,710	6,650	6,717	6,702	6,659	6,717	6,732	6,814	6,868	6,937
Industrial Firm	51	51	52	52	51	52	52	52	53	53	53	54	54
Interruptible	5	5	5	5	5	5	5	5	5	5	5	5	5
Transport Firm	30	30	30	30	30	30	30	30	30	30	30	30	30
Transport Interruptible	11	11	11	11	11	11	11	11	11	11	11	11	11
Total	79,263	79,557	79,761	79,990	80,140	80,307	80,456	80,566	80,741	80,912	81,171	81,519	81,842
Use per Customer													
Residential	94	160	119	92	65	45	26	18	15	16	29	57	95
Commercial	393	698	537	414	298	224	147	117	99	103	144	245	405
Industrial Firm	5,749	8,401	7,008	6,454	5,653	4,546	4,001	3,554	3,204	3,108	3,946	4,696	6,050
Interruptible	27,189	42,691	28,439	24,982	21,643	19,762	17,765	16,736	15,783	16,064	20,964	25,254	29,506
Transport Firm	34,207	37,435	30,387	31,116	29,239	25,572	22,997	22,682	22,062	22,510	28,201	31,076	36,959
Transport Interruptible	84,040	83,319	66,986	82,234	74,603	80,969	72,662	72,260	81,190	82,962	109,086	80,931	87,163

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

12 Months Ended	2016 December												
Volumes													
Residential	42,693,483	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	52,886,036	54,015,982	54,321,791
Commercial	18,548,400	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	22,489,483	22,871,074	23,082,579
Industrial Firm	2,728,984	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	3,106,729	3,136,383	3,169,879
Interruptible	1,270,536	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	1,359,971	1,386,350	1,397,938
Transport Firm	9,066,783	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	9,956,455	10,124,615	10,207,157
Transport Interruptible	10,338,739	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	10,669,796	10,683,664	10,718,014
Total	84,646,925	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	100,468,470	102,218,068	102,897,358
Average Customers													
Residential	71,582	71,747	71,917	72,090	72,269	72,449	72,633	72,820	73,006	73,188	73,373	73,560	73,747
Commercial	6,423	6,451	6,477	6,506	6,527	6,550	6,570	6,588	6,614	6,644	6,678	6,707	6,735
Industrial Firm	49	50	50	50	50	51	51	51	51	52	52	52	52
Interruptible	5	5	5	5	5	5	5	5	5	5	5	5	5
Transport Firm	30	30	30	30	30	30	30	30	30	30	30	30	30
Transport Interruptible	11	11	11	11	11	11	11	11	11	11	11	11	11
Total	78,101	78,294	78,490	78,692	78,892	79,096	79,300	79,506	79,717	79,930	80,149	80,365	80,580
12 Month Use per Average Customer													
Residential	596	634	672	695	711	726	726	725	722	720	721	734	737
Commercial	2,888	3,048	3,213	3,315	3,364	3,427	3,426	3,418	3,402	3,381	3,368	3,410	3,427
Industrial Firm	55,224	56,819	58,064	58,568	59,725	60,337	60,443	60,600	60,239	59,797	59,841	60,122	60,475
Interruptible	249,942	262,553	266,676	266,208	267,113	266,578	266,991	267,222	271,318	270,133	271,994	277,270	279,588

Transport Firm	305,622	310,018	312,414	314,558	320,489	324,477	326,066	326,805	327,377	328,810	331,882	337,487	340,239
Transport Interruptible	918,999	936,631	941,710	952,211	956,172	960,289	957,623	958,368	955,377	947,365	969,981	971,242	974,365

NW Natural
Washington Annual Commission Basis Report and Quarterly ROO
Test Year Based on Twelve Months Ended December 31, 2017
Rate Base (Less Gas Reserves)

SYSTEM	2016	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017
	December	January	February	March	April	May	June	July	August	September	October	November	December	System	System	System
Gross Plant																
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	102,343,776	102,795,439	103,900,996	105,175,574	Software	System	System
Other	84,795	84,795	84,795	84,795	84,795	84,795	84,795	84,795	84,795	84,795	84,795	84,795	84,795	Other	System	System
Production	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	Production	System	System
Transmission	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	165,103,248	165,326,590	165,348,542	166,587,143	Transmission	System	System
Distribution	2,078,201,641	2,083,518,338	2,086,518,571	2,094,207,113	2,100,504,089	2,103,991,742	2,110,080,894	2,115,879,982	2,126,680,760	2,132,478,622	2,140,000,757	2,148,386,972	2,161,775,493	Distribution	System	System
General	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	198,212,122	201,757,405	203,449,576	General	System	System
Storage and storage transmission	293,475,193	293,497,583	293,770,417	293,777,783	301,659,419	301,250,486	300,065,442	312,313,607	312,605,292	312,776,512	316,309,651	316,695,313	314,220,159	Storage and storage transmission	System	System
CNG and LNG	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	3,790,768	3,790,768	3,790,768	CNG and LNG	System	System
Total Gross Plant	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	2,919,338,628	2,927,195,682	2,940,639,990	2,955,758,707			
Accumulated Depreciation																
Intangible	(60,448,256)	(60,486,739)	(60,928,816)	(61,173,082)	(61,417,411)	(61,661,765)	(61,906,153)	(62,150,581)	(62,395,130)	(62,624,338)	(62,759,202)	(62,996,864)	(63,238,775)	Intangible	System	System
Production	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	Production	System	System
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)	(35,611,864)	(36,025,882)	(36,441,032)	Transmission	System	System
Distribution	(958,244,108)	(961,751,548)	(965,529,153)	(969,562,909)	(972,136,684)	(975,600,817)	(979,317,630)	(982,994,616)	(986,632,490)	(990,378,350)	(994,028,245)	(997,877,669)	(1,001,460,546)	Distribution	System	System
General	(59,083,510)	(59,800,130)	(59,844,626)	(60,442,706)	(61,408,378)	(61,835,353)	(62,634,131)	(63,510,202)	(64,404,614)	(64,966,112)	(65,732,421)	(66,598,195)	(67,488,973)	General	System	System
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)	(137,060,613)	(137,688,204)	(138,314,204)	Storage and storage transmission	System	System
CNG and LNG	(2,100,000)	(2,102,640)	(2,105,293)	(2,107,937)	(2,110,582)	(2,113,226)	(2,115,871)	(2,118,515)	(2,121,159)	(2,123,804)	(2,126,448)	(2,129,092)	(2,131,737)	CNG and LNG	System	System
Total Accumulated Depreciation	(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)	(1,297,009,829)	(1,302,006,941)	(1,307,294,972)			
Storage Gas	14,133,895	14,161,020	14,159,408	14,158,125	14,155,353	14,152,417	14,149,590	14,146,981	14,144,375	14,141,902	14,139,824	14,137,732	14,135,435	Storage Gas	System	System
Customer Contributions	(3,740,828)	(3,789,913)	(3,968,433)	(4,027,857)	(4,132,732)	(4,034,214)	(4,058,079)	(4,187,356)	(4,187,356)	(4,053,177)	(4,111,811)	(3,965,149)	(3,945,149)	Customer Contributions	System	System
Leasehold Improvements	500,783	482,395	461,741	441,117	420,486	399,865	377,644	355,433	332,912	311,030	289,990	273,289	279,959	Leasehold Improvements	System	System
Total Rate Base Excluding ADIT and WC	1,596,180,879	1,597,532,844	1,600,612,975	1,604,207,123	1,614,561,711	1,613,089,171	1,622,027,727	1,628,933,738	1,635,602,318	1,637,442,082	1,643,503,857	1,651,142,177	1,663,714,010			
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)	(430,624,299)	(431,477,544)	(435,743,224)	(435,941,174)	Less: ADIT	System	System
Total System Rate Base Less Working Capital	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	1,212,026,313	1,215,398,648	1,227,772,836			
Add: Working Capital	137,208,543	119,037,420	118,436,198	106,652,468	85,835,053	94,433,866	116,605,703	100,521,583	123,615,127	132,130,749	128,194,280	175,612,610	184,364,246	Add: Working Capital	System	System
Total System Rate Base (Less Gas Reserves)	1,317,400,751	1,290,988,320	1,289,136,737	1,273,425,848	1,269,902,074	1,269,064,179	1,300,953,224	1,293,592,814	1,324,804,848	1,338,948,433	1,340,220,593	1,391,011,459	1,412,137,082			
OREGON																
Gross Plant																
Intangible	88,348	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	91,631,854	92,617,348	93,753,506	Intangible	System	System
Other	84,348	84,348	84,348	84,348	84,348	84,348	84,348	84,348	84,348	84,348	84,348	84,348	84,348	Other	System	System
Production	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	Production	System	System
Transmission	162,342,094	162,518,136	162,800,391	162,811,932	163,321,896	163,418,054	163,438,760	163,663,390	163,917,673	163,987,674	164,212,277	164,233,868	165,472,043	Transmission	System	System
Distribution	1,829,990,997	1,824,514,224	1,837,315,510	1,844,200,902	1,848,712,908	1,851,976,130	1,857,289,366	1,862,290,960	1,867,961,511	1,872,543,945	1,878,221,890	1,883,973,494	1,894,090,110	Distribution	System	System
General	174,705,813	175,376,785	178,288,967	179,227,276	181,019,491	180,881,774	181,647,223	184,785,188	185,891,778	186,019,988	182,876,080	186,063,000	187,404,643	General	System	System
Storage and storage transmission	268,964,479	269,245,258	269,492,691	269,499,371	276,095,832	276,276,366	283,363,750	286,309,510	286,574,039	286,729,137	289,933,523	290,283,280	288,038,562	Storage and storage transmission	System	System
CNG and LNG	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	3,406,764	3,406,764	3,406,764	CNG and LNG	System	System
Total Gross Plant	2,529,098,016	2,535,307,524	2,542,622,964	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	2,611,041,934	2,621,237,330	2,633,125,601			
Accumulated Depreciation																
Intangible	(53,974,248)	(54,096,159)	(54,311,947)	(54,529,685)	(54,747,480)	(54,965,297)	(55,183,145)	(55,401,028)	(55,619,019)	(55,734,195)	(55,943,553)	(56,155,404)	(56,371,044)	Intangible	System	System
Production	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	Production	System	System
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)	(35,055,248)	(35,467,614)	(35,879,730)	(36,292,916)	Transmission	System	System
Distribution	(854,567,367)	(859,765,091)	(865,008,454)	(865,580,292)	(868,701,320)	(871,703,696)	(874,914,705)	(878,074,919)	(881,199,246)	(884,423,308)	(887,653,884)	(891,009,044)	(894,507,360)	Distribution	System	System
General	(53,868,499)	(54,455,703)	(54,504,645)	(55,227,164)	(55,922,724)	(56,313,249)	(57,038,249)	(57,832,760)	(58,643,113)	(59,155,243)	(59,256,437)	(59,210,652)	(59,479,350)	General	System	System
Storage and storage transmission	(121,105,356)	(121,786,281)	(122,342,950)	(122,898,010)	(123,463,375)	(124,038,112)	(124,616,640)	(125,203,899)	(125,793,778)	(126,375,665)	(126,951,288)	(127,527,876)	(128,104,221)	Storage and storage transmission	System	System
CNG and LNG	(1,890,003)	(1,889,450)	(1,892,027)	(1,894,403)	(1,896,780)	(1,899,156)	(1,901,533)	(1,903,909)	(1,906,286)	(1,908,663)	(1,911,039)	(1,913,416)	(1,915,792)	CNG and LNG	System	System
Total Accumulated Depreciation	(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)	(1,167,841,854)	(1,172,018,518)	(1,176,313,814)			
Storage Gas	12,803,896	12,842,629	12,841,167	12,840,003	12,837,488	12,834,827	12,832,263	12,829,897	12,827,534	12,825,291	12,823,406	12,821,590	12,819,426	Storage Gas	System	System
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)	(3,458,338)	(3,244,182)	(3,296,216)	Customer Contributions	System	System
Leasehold Improvements	450,705	433,528	414,967	396,432	377,891	359,359	339,389	319,428	299,188	279,523	260,614	245,605	251,599	Leasehold Improvements	System	System
Total Rate Base Excluding ADIT and WC	1,419,648,140	1,420,840,544	1,423,492,555	1,426,802,607	1,435,128,302	1,434,032,085	1,442,409,122	1,448,189,172	1,449,366,448	1,451,004,743	1,455,792,764	1,460,841,743	1,470,586,499			</

NW Natural
State Allocation Factors
Updated for year ended 2016 data

	System	Washington	Oregon
Customers			
Total Customers			
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%
Residential Customers			
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%
Commercial Customers			
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%
Industrial Customers			
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%
The Dalles			
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%
Portland / Vancouver			
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%
Portland / Vancouver Commercial			
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%
Volumes - 12 Months Ended 12/31/16			
Firm Delivered	784,281,575	73,037,645	711,243,930
% of System		9.31%	90.69%
Sales Volumes	677,696,235	65,241,398	612,454,837
% of System		9.63%	90.37%
Sendout Volumes	1,084,997,214	86,499,412	998,497,802

% of System	7.97%	92.03%
3-factor formula (simple average)		
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

December 31, 2016

	System	Washington	Oregon
Intangible - Other	84,795	447	84,348
Production	675,198		675,198
Transmission	163,396,889	1,054,795	162,342,094
Distribution	2,078,201,641	248,211,544	1,829,990,097

December 31, 2015

	System	Washington	Oregon
Intangible	84,795	447	84,348
Production	675,198	0	675,198
Transmission	157,894,271	1,015,489	156,878,782
Distribution	2,005,888,596	231,807,252	1,774,081,344

Average

	System	Washington	Oregon
Intangible - Other	84,795	447	84,348
Production	675,198	0	675,198
Transmission	160,645,580	1,035,142	159,610,438
Distribution	2,042,045,119	240,009,398	1,802,035,721

Gross Plant Directly Assigned
% of System

2,203,450,692	241,044,987	1,962,405,705
	10.94%	89.06%

Allocation Factors - Summary

	Washington	Oregon
Customers-all	10.860%	89.140%
Customers-Residential	10.980%	89.020%
Customers-Commercial	9.700%	90.300%
Customers-Industrial	7.710%	92.290%
Customers-The Dalles	25.350%	74.650%
3-factor	10.130%	89.870%
firm volumes	9.310%	90.690%
sales volumes	9.630%	90.370%
sendout volumes	7.970%	92.030%
sales/sendout volumes	8.800%	91.200%
Customers Portland/Vancouver	14.870%	85.130%
Customers Portland/Vancouver 80%	11.896%	88.100%
Customers Portland/Vancouver Commercial	14.340%	85.660%
Payroll	9.971%	90.029%
Admin Transfer	10.602%	89.398%
Employee Cost	9.940%	90.060%
Regulatory	30.000%	70.000%
Telemetry	10.770%	89.230%
Direct-Wa	100.000%	0.000%

Direct-Or	0.000%	100.000%
Gross plant direct assign	10.940%	89.060%
Depreciation	10.300%	89.700%
Accumulated Depreciation	10.410%	89.590%
Rate Base	9.883%	90.117%