

NW Natural
Rates & Regulatory Affairs
2020 Commission Basis Reprt
Calculation of 13-month average Cost of Capital

| | 2019 Dec | 2020 Jan | 2020 Feb | 2020 Mar | 2020 Apr | 2020 May | 2020 Jun | 2020 Jul | 2020 Aug | 2020 Sep | 2020 Oct | 2020 Nov | 2020 Dec | (13mo. AMA) 13 Mo Average |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|------------------------------|
| <u>Balances</u> | | | | | | | | | | | | | | |
| 1 Long Term Debt | 849,700,000 | 849,700,000 | 774,700,000 | 924,700,000 | 924,700,000 | 924,700,000 | 924,700,000 | 924,700,000 | 924,700,000 | 924,700,000 | 924,700,000 | 924,700,000 | 924,700,000 | 902,825,000 |
| 2 Short Term Debt [1] | 125,100,000 | 106,900,000 | 176,100,000 | 73,000,000 | 10,000,000 | 2,000,000 | 3,000,000 | 2,000,000 | 2,000,000 | 0 | 195,025,000 | 220,025,000 | 231,525,000 | 80,696,875 |
| 4 Preferred Stock | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 Common Stock | 822,396,768 | 844,992,113 | 849,218,800 | 857,858,011 | 861,339,855 | 845,245,992 | 839,437,550 | 830,907,305 | 810,200,544 | 805,543,627 | 805,585,192 | 809,612,267 | 835,214,333 | 832,395,567 |
| 7 Total Capital | 1,797,196,768 | 1,801,592,113 | 1,800,018,800 | 1,855,558,011 | 1,796,039,855 | 1,771,945,992 | 1,767,137,550 | 1,757,607,305 | 1,736,900,544 | 1,730,243,627 | 1,925,310,192 | 1,954,337,267 | 1,991,439,333 | 1,815,917,442 |
| <u>% of Total Capital</u> | | | | | | | | | | | | | | |
| 11 Long Term Debt | 47.28% | 47.16% | 43.04% | 49.83% | 51.49% | 52.19% | 52.33% | 52.61% | 53.24% | 53.44% | 48.03% | 47.32% | 46.43% | 49.79% |
| 12 Short Term Debt | 6.96% | 5.93% | 9.78% | 3.93% | 0.56% | 0.11% | 0.17% | 0.11% | 0.12% | 0.00% | 10.13% | 11.26% | 11.63% | 4.28% |
| 13 Preferred Stock | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 14 Common Stock | 45.76% | 46.90% | 47.18% | 46.23% | 47.96% | 47.70% | 47.50% | 47.27% | 46.65% | 46.56% | 41.84% | 41.43% | 41.94% | 45.92% |
| 15 | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| <u>Average Cost</u> | | | | | | | | | | | | | | |
| 18 Long Term Debt | 4.999% | 4.999% | 4.773% | 4.598% | 4.598% | 4.598% | 4.597% | 4.597% | 4.597% | 4.597% | 4.597% | 4.597% | 4.597% | 4.66% |
| 19 Short Term Debt | 1.891% | 1.832% | 1.736% | 1.655% | 1.744% | 1.520% | 1.335% | 0.782% | 0.759% | 0.756% | 0.715% | 0.398% | 0.387% | 1.20% |
| 20 Preferred Stock | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.00% |
| 21 Common Stock | 9.400% | 9.400% | 9.400% | 9.400% | 9.400% | 9.400% | 9.400% | 9.400% | 9.400% | 9.400% | 9.400% | 9.400% | 9.400% | 9.40% |
| <u>Weighted Average Cost of Debt</u> | | | | | | | | | | | | | | |
| 25 Long Term Debt | 2.36% | 2.36% | 2.05% | 2.29% | 2.37% | 2.40% | 2.41% | 2.42% | 2.45% | 2.46% | 2.21% | 2.18% | 2.13% | 2.32% |
| 26 Short Term Debt | 0.13% | 0.11% | 0.17% | 0.07% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.07% | 0.04% | 0.05% | 0.05% |
| 27 Preferred Stock | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 28 Common Stock | 4.30% | 4.41% | 4.43% | 4.35% | 4.51% | 4.48% | 4.47% | 4.44% | 4.38% | 4.38% | 3.93% | 3.89% | 3.94% | 4.32% |
| 29 | 6.79% | 6.88% | 6.65% | 6.71% | 6.89% | 6.88% | 6.88% | 6.86% | 6.83% | 6.84% | 6.21% | 6.11% | 6.12% | 6.68% |

[1] Short term debt related to COVID-19 has been removed

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