

NW Natural
12 Month Income Statement
For the Twelve Months ended December 31, 2021

| | 2021 YTD ACTUAL AMOUNT | 2020 YTD ACTUAL AMOUNT | \$ VARIANCE | % VARIANCE |
|--|------------------------|------------------------|---------------------|-------------|
| | \$ | \$ | \$ | % |
| GAS SALES REVENUE: | | | | |
| GAS SALES - RES - FRANCHISE 2% | (9,046,850) | (7,967,550) | (1,079,300) | 14% |
| GAS SALES - RES-GAS SALES | (465,831,351) | (435,204,070) | (30,627,280) | 7% |
| GAS SALES - RES-WARM ADJUSTMENT | (9,701,533) | (7,720,228) | (1,981,305) | 26% |
| GAS SALES - MULTI FAM - SCHEDULE 4 | (31,265) | (9,670) | (21,595) | 223% |
| GAS SALES - COML - Franchise 2% | (4,052,400) | (3,440,540) | (611,860) | 18% |
| GAS SALES - IND - Franchise 2% | (866,063) | (698,580) | (167,482) | 24% |
| GAS SALES - COML & IND-GAS SALES | (253,633,491) | (226,137,292) | (27,496,199) | 12% |
| GAS SALES - COML & IND-WARM ADJUSTMENT | (1,967,580) | (1,707,975) | (259,605) | 15% |
| TOTAL GAS SALES REVENUE | (745,130,532) | (682,885,906) | (62,244,626) | 9% |
| UNBILLED REVENUE: | | | | |
| Other Gas Revenues - Unbilled WARM Amort | 191,029 | 170,113 | 20,916 | 12% |
| Other Gas Rev - Unbilled Decoup Amort | 793,164 | (1,102,726) | 1,895,890 | -172% |
| OTHER GAS REVENUES-WARM ADJUSTMENT | (2,835,728) | (5,951,401) | 3,115,673 | -52% |
| OTHER GAS REVENUES-P/M WARM ADJUSTMENT | 6,423,624 | 5,189,153 | 1,234,471 | 24% |
| OTHER GAS REVENUES-UNBILLED REVS-BILLING | (409,253,470) | (370,262,472) | (38,990,998) | 11% |
| OTHER GAS REVENUES-P/M UNBILLED REVS-BIL | 382,071,065 | 369,293,446 | 12,777,619 | 3% |
| OTHER GAS REV-UNBILLED REV-FRANCHISE 2% | (543,648) | (19,381) | (524,268) | 2705% |
| OTHER GAS REVENUES-UNBILLED REVS-TEMP IN | 3,873,256 | (1,971,519) | 5,844,775 | -296% |
| TOTAL Unbilled Revenue | (19,280,708) | (4,654,786) | (14,625,921) | 314% |
| TRANSPORTATION REVENUE: | | | | |
| Gas Sales - TRANS - Franchise 2% | (386,932) | (366,840) | (20,092) | 5% |
| REV-GAS STORAGE-N. MIST LEASE COMP BILL | (17,278,212) | (18,145,512) | 867,300 | -5% |
| REV-GAS STORAGE-N. MIST NON-L COMP BILL | (1,584,528) | (1,320,000) | (264,528) | 20% |
| REV-GAS STORAGE-N. MIST LEASE COMP UNBLL | | | 0 | |
| REV-GAS STORAGE-N. MIST NON-L COMP UNBLL | | | 0 | |

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| TRANSPORTATION REVENUES-TRANSPORTATION R | (20,041,505) | (19,921,966) | (119,539) | 1% |
| TOTAL TRANSPORTATION REVENUE | (39,291,177) | (39,754,318) | 463,141 | -1% |
| RATE ADJUSTMENTS: | | | | |
| OTHER GAS REVENUES-Tax reform deferral | | | 0 | |
| OTHER GAS REVENUES-WARM DEFERRALS | (3,660,635) | (1,509,149) | (2,151,486) | 143% |
| OTHER GAS REVENUES-WARM AMORTIZATION | 1,598,026 | (224,391) | 1,822,417 | -812% |
| OTHER GAS REVENUES-INTERVENER FUND AMORT | 146,910 | 298,706 | (151,796) | -51% |
| Residual Amortization | 334,066 | 169,595 | 164,471 | 97% |
| OTHER GAS REVENUES-INST STRG O&M EXPENSE | (9,053,609) | (16,970,280) | 7,916,671 | -47% |
| EARNINGS TEST ADJUSTMENT | | | 0 | |
| OTHER GAS REVENUES-COOS BAY AMORTIZATION | | | 0 | |
| OTHER GAS REVENUES-DECOUPLING DEFERRAL | 6,044,724 | 5,017,292 | 1,027,432 | 20% |
| OTHER GAS REVENUES-DECOUPLING AMORTIZATI | (11,578,604) | (3,031,137) | (8,547,466) | 282% |
| OTHER GAS REVENUES-DSM - AMORTIZATION | 1,497,531 | 1,465,545 | 31,987 | 2% |
| OTHER GAS REVENUES-OREGON AMOR | (387,828) | 1,162,291 | (1,550,119) | -133% |
| OTHER GAS REV - ALBANY PROP GAIN - AMORT | 366,277 | (1,595,755) | 1,962,032 | -123% |
| OTHER GAS REVENUES-WA GREAT | 310,244 | 283,016 | 27,228 | 10% |
| OTHER GAS REVENUES-WA ENG EFF ACT COSTS | 3,192,042 | 2,705,853 | 486,188 | 18% |
| OTHER GAS REVENUES-WA ENG EFF TRUE UP | (122,792) | (183,036) | 60,244 | -33% |
| Gasco Cost of Service Reserve | | | 0 | |
| OTHER GAS REV-OR REV REQ TRUE-UP | | 569,581 | (569,581) | -100% |
| GRC REVENUE INCREASE | | | 0 | |
| TOTAL RATE ADJUSTMENTS | (11,313,648) | (11,841,869) | 528,221 | -4% |
| MISCELLANEOUS REVENUE: | | | | |
| MISC NON-OPER INC- N. Mist Budget Placeh | | | 0 | |
| FORFEITED DISCOUNTS-LATE PAYMENT CHARGE | (848,192) | (817,814) | (30,378) | 4% |
| MISC SERV REV- Scheduled CNG Main Rev | (10,411) | (10,424) | 13 | 0% |
| MISC SERV REV- Unscheduled CNG Main Rev | (20,921) | (5,384) | (15,537) | 289% |
| MISC SERVICE REVENUES-AUTOMATED PAYMENT | | (19,680) | 19,680 | -100% |
| MISC SERVICE REVENUES-FIELD COLLECTION C | (22,040) | (104,585) | 82,545 | -79% |
| MISC SERVICE REVENUES-GAS DIVERSIONS | (23,593) | (42,580) | 18,987 | -45% |
| MISC SERVICE REVENUES-RECONN CHG-CR-AFTE | (180) | (13,290) | 13,110 | -99% |

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| MISC SERVICE REVENUES-RECONN CHG-CR-DURI | (9,110) | (69,355) | 60,245 | -87% |
| MISC SERVICE REVENUES-RECONN CHG-SEAS-AF | | (1,150) | 1,150 | -100% |
| MISC SERVICE REVENUES-RECONN CHG-SEAS-DU | (1,125) | (6,495) | 5,370 | -83% |
| MISC SERVICE REVENUES-DELINQ RECONN FEE | (5,600) | (101,648) | 96,048 | -94% |
| MISC SERVICE REVENUES-SEAS RECONN FEE | (800) | (6,600) | 5,800 | -88% |
| MISC SERVICE REVENUES-RETURNED CHECK CHA | (312,682) | (159,371) | (153,311) | 96% |
| MISC SERVICE REVENUES-SUMMARY BILL SVCS | (12,284) | (15,678) | 3,394 | -22% |
| RENT FROM GAS PROP - Schedule H CNG Reve | (193,175) | (209,473) | 16,298 | -8% |
| RENT FROM GAS PROPERTY-RENT - UTILITY PR | (79,687) | (88,456) | 8,768 | -10% |
| RENT FROM GAS PROP-RENT INC - ST. HONORE | | | 0 | |
| OTHER GAS REVENUES-METER RENTALS | (186,009) | (187,824) | 1,815 | -1% |
| OTHER GAS REVENUES-CNG METER RENTALS | (838) | (927) | 90 | -10% |
| OTHER GAS REV-LNG SALES & OTHER MISC REV | (76,530) | (19,181) | (57,348) | 299% |
| OTHER GAS REVENUES-MULTIPLE CALL OUT FEE | (59,594) | (48,645) | (10,949) | 23% |
| OTHER GAS REVENUES-PRIORITY SCHEDULING F | | | 0 | |
| OTHER GAS REVENUES-CURTAILMENT UNAUTH TA | 0 | | 0 | |
| OTHER GAS REVENUES-HQ PARKING NWN | | | 0 | |
| Non-AMR Install/Remove Charge | (860) | (688) | (172) | 25% |
| Non-AMR Read Charge | (7,275) | (5,576) | (1,699) | 30% |
| TOTAL MISCELLANEOUS REVENUES | (1,870,906) | (1,934,823) | 63,918 | -3% |
| COST OF GAS: | | | | |
| TOTAL COST OF GAS | 292,538,178 | 262,979,757 | 29,558,421 | 11% |
| O&M EXPENSE: | | | | |
| TOTAL O&M EXPENSES | 201,746,958 | 184,755,427 | 16,991,531 | 9% |
| ENVIRONMENTAL REMEDIATION: | | | | |
| OR ENVIRONMENTAL EXP | 9,660,071 | 9,632,401 | 27,670 | 0% |
| WA ENVIRONMENTAL EXP | 277,482 | 58,496 | 218,986 | 374% |
| TOTAL ENVIRONMENTAL REMEDIATION EXPENSE | 9,937,553 | 9,690,897 | 246,656 | 3% |
| GENERAL TAXES: | | | | |
| TAXES OTHER THAN INCOME-TAXES-OTHER | 405,099 | 301,164 | 103,935 | 35% |
| TAXES OTHER THAN INCOME-TAXES-PAYROLL | 6,617,280 | 6,253,754 | 363,526 | 6% |
| TAXES OTHER THAN INCOME-TAXES-PROPERTY | 26,798,341 | 24,514,150 | 2,284,191 | 9% |

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| PROPERTY TAX CREDITS | (1,362,833) | (1,601,357) | 238,523 | -15% |
| PROPERTY TAX - N. MIST | 1,957,362 | 1,880,094 | 77,268 | 4% |
| TAXES OTHER THAN INCOME-TAXES-REG COMM F | 2,205,684 | 2,056,103 | 149,581 | 7% |
| TAXES OTHER THAN INCOME-DEPT OF ENERGY F | 821,841 | 729,964 | 91,877 | 13% |
| TAXES OTHER THAN INCOME-MULT CO BUS TAX | 37,953 | (325,125) | 363,078 | -112% |
| TOTAL GENERAL TAXES | 37,480,728 | 33,808,748 | 3,671,980 | 11% |
| REVENUE TAXES: | | | | |
| Other Utility Taxes - Franchise - 3% | 19,786,987 | 17,781,604 | 2,005,384 | 11% |
| Other Utility Taxes- Franchise - 3% Warm | (82,993) | 16,211 | (99,204) | -612% |
| Other Utility Taxes - Franchise - 2% | 14,895,893 | 12,492,891 | 2,403,001 | 19% |
| TOTAL REVENUE TAXES | 34,599,886 | 30,290,705 | 4,309,181 | 14% |
| DEPRECIATION: | | | | |
| DEPRECIATION EXPENSE-DEPRECIATION - PLAN | 103,557,072 | 96,274,513 | 7,282,559 | 8% |
| DEPRECIATION EXPENSE-NMEP DEPRECIATION | 3,902,612 | 3,868,542 | 34,070 | 1% |
| DEPRECIATION EXP - NWN ONLY NMEP DEPN | 14,391 | 0 | 14,391 | |
| FINANCE UTILITY LEASE DEPRECIATION EXP | 39,413 | 22,890 | 16,523 | 72% |
| DEPRECIATION EXP-CLOUD SW DEPRECIATION | 1,961,170 | 425,088 | 1536081.56 | 361% |
| TOTAL DEPRECIATION | 109,474,658 | 100,591,033 | 8,883,625 | 9% |
| OPERATING EXPENSE: | | | | |
| TOTAL OPERATING EXPENSE | 685,777,961 | 622,116,567 | 63,661,394 | 10% |
| OPERATING INCOME: | | | | |
| TOTAL OPERATING INCOME | (131,109,008) | (118,955,136) | (12,153,873) | 10% |