

EXHIBIT A

BEFORE THE
WASHINGTON UTILITIES & TRANSPORTATION COMMISSION

NW NATURAL
SUPPORTING MATERIALS

Combined Effects

NWN WUTC Advice No. 20-10 / UG-_____

September 14, 2020

NW NATURAL

EXHIBIT A

Supporting Materials

Combined Effects

NWN WUTC ADVICE NO. 20-10 / UG-_____

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NW Natural
 Rates & Regulatory Affairs
 2020-2021 PGA Filing - Washington: September Filing
 PGA Effects on Average Bill by Rate Schedule
 Calculation of Effect on Customer Average Bill by Rate Schedule [1]

1		Washington	Normal	Current	Proposed	Proposed	Proposed					
2		PGA Normalized	Therms in	11/1/2019	11/1/2019	11/1/2020	11/1/2020	Proposed				
3		Volumes page,	Block	Billing	Current	Total	Total	Total				
4		Column D	Average use	Rates	Average Bill	Rates	Average Bill	% Bill Change				
5				Monthly	F=D+(C * E)		AA=D+(C * Z)	AB=(AA - F)/F				
6	Schedule	Block	A	B	C	D	E	F	Z	AA	AB	
7	1R		218,577	N/A	20.0	\$5.50	\$1.04886	\$26.48	\$1.15253	\$28.55	7.8%	
8	1C		38,726	N/A	92.0	\$7.00	\$1.09471	\$107.71	\$1.18929	\$116.41	8.1%	
9	2R		55,009,539	N/A	57.0	\$8.00	\$0.81021	\$54.18	\$0.88948	\$58.70	8.3%	
10	3 CFS		18,385,905	N/A	242.0	\$22.00	\$0.79219	\$213.71	\$0.86690	\$231.79	8.5%	
11	3 IFS		263,842	N/A	916.0	\$22.00	\$0.76295	\$720.86	\$0.82714	\$779.66	8.2%	
12	27		591,910	N/A	65.0	\$9.00	\$0.58291	\$46.89	\$0.64433	\$50.88	8.5%	
13	41C Firm Sales	Block 1	1,992,236	2,000	3,745.0	\$250.00	\$0.57634		\$0.65150			
14		Block 2	2,142,068	all additional			\$0.53271		\$0.60427			
15		TOTAL						\$2,332.26		\$2,607.45	11.8%	
16	41C Interr Sales	Block 1	0	2,000	0.0	\$250.00	\$0.59162		\$0.66025			
17		Block 2	0	all additional			\$0.54840		\$0.61317			
18		TOTAL						\$250.00		\$250.00	0.0%	
19	41 Firm Trans	Block 1	169,264	2,000	4,482.0	\$500.00	\$0.32489		\$0.34946			
20		Block 2	260,994	all additional			\$0.28625		\$0.30789			
21		TOTAL						\$1,860.25		\$1,963.10	5.5%	
22	41I Firm Sales	Block 1	399,967	2,000	4,770.0	\$250.00	\$0.53622		\$0.60577			
23		Block 2	630,361	all additional			\$0.49736		\$0.56396			
24		TOTAL						\$2,700.13		\$3,023.71	12.0%	
25	41I Interr Sales	Block 1	0	2,000	0.0	\$250.00	\$0.55420		\$0.61581			
26		Block 2	0	all additional			\$0.51543		\$0.57402			
27		TOTAL						\$250.00		\$250.00	0.0%	
28	42C Firm Sales	Block 1	542,976	10,000	18,685.0	\$1,300.00	\$0.37151		\$0.43535			
29		Block 2	474,167	20,000			\$0.35450		\$0.41634			
30		Block 3	97,891	20,000			\$0.32067		\$0.37852			
31		Block 4	6,094	100,000			\$0.29838		\$0.35361			
32		Block 5	0	600,000			\$0.26868		\$0.32038			
33		Block 6	0	all additional			\$0.23154		\$0.27890			
34		TOTAL						\$8,093.93		\$9,269.41	14.5%	
35	42I Firm Sales	Block 1	1,086,353	10,000	13,593.0	\$1,300.00	\$0.34641		\$0.40593			
36		Block 2	638,955	20,000			\$0.33204		\$0.38999			
37		Block 3	68,923	20,000			\$0.30341		\$0.35831			
38		Block 4	0	100,000			\$0.28459		\$0.33744			
39		Block 5	0	600,000			\$0.25951		\$0.30965			
40		Block 6	0	all additional			\$0.22810		\$0.27486			
41		TOTAL						\$5,957.12		\$6,760.53	13.5%	
42	42C Firm Trans	Block 1	479,847	10,000	48,994.0	\$1,550.00	\$0.12884		\$0.13852			
43		Block 2	792,463	20,000			\$0.11534		\$0.12400			
44		Block 3	542,281	20,000			\$0.08844		\$0.09508			
45		Block 4	537,117	100,000			\$0.07077		\$0.07607			
46		Block 5	0	600,000			\$0.04718		\$0.05071			
47		Block 6	0	all additional			\$0.01768		\$0.01901			
48		TOTAL						\$6,825.03		\$7,221.15	5.8%	
49	42I Firm Trans	Block 1	901,597	10,000	63,120.0	\$1,550.00	\$0.13275		\$0.14000			
50		Block 2	1,041,722	20,000			\$0.11883		\$0.12531			
51		Block 3	957,215	20,000			\$0.09112		\$0.09610			
52		Block 4	2,490,044	100,000			\$0.07291		\$0.07688			
53		Block 5	1,426,372	600,000			\$0.04860		\$0.05125			
54		Block 6	0	all additional			\$0.01823		\$0.01922			
55		TOTAL						\$8,033.08		\$8,386.87	4.4%	
56	42C Interr Sales	Block 1	239,999	10,000	39,641.0	\$1,300.00	\$0.37347		\$0.42349			
57		Block 2	454,151	20,000			\$0.35825		\$0.40680			
58		Block 3	230,285	20,000			\$0.32792		\$0.37361			
59		Block 4	26,942	100,000			\$0.30799		\$0.35180			
60		Block 5	0	600,000			\$0.28141		\$0.32269			
61		Block 6	0	all additional			\$0.24819		\$0.28632			
62		TOTAL						\$15,361.18		\$17,272.87	12.4%	
63	42I Interr Sales	Block 1	160,966	10,000	8,520.0	\$1,300.00	\$0.36417		\$0.41614			
64		Block 2	145,741	20,000			\$0.34993		\$0.40023			
65		Block 3	0	20,000			\$0.32155		\$0.36858			
66		Block 4	0	100,000			\$0.30289		\$0.34777			
67		Block 5	0	600,000			\$0.27800		\$0.32002			
68		Block 6	0	all additional			\$0.24690		\$0.28530			
69		TOTAL						\$4,402.73		\$4,845.51	10.1%	
70	42 Inter Trans	Block 1	861,932	10,000	63,670.0	\$1,550.00	\$0.12574		\$0.13460			
71		Block 2	1,453,508	20,000			\$0.11256		\$0.12049			
72		Block 3	976,710	20,000			\$0.08631		\$0.09238			
73		Block 4	3,078,834	100,000			\$0.06906		\$0.07392			
74		Block 5	1,269,411	600,000			\$0.04605		\$0.04929			
75		Block 6	0	all additional			\$0.01725		\$0.01846			
76		TOTAL						\$7,728.85		\$8,163.89	5.6%	
77	43 Firm Trans		0	N/A	0.0	\$38,000.00	\$0.00456	\$38,000.00	\$0.00492	\$38,000.00	N/A	
78	43 Interr Trans		0	N/A	0.0	\$38,000.00	\$0.00456	\$38,000.00	\$0.00492	\$38,000.00	N/A	
79	Intentionally blank											

[1] Rate Schedule 41 and 42 customers may choose demand charges at a volumetric rate or based on MDDV. For convenience of presentation, demand charges are not included in the calculations for those schedules.

[2] Proposed rates include the effect of removing the current Schedule 215 adjustment and applying the proposed Schedule 215 adjustment. The rate shown is for illustrative purposes only and assumes no other changes to rates occur November 1.

Sources:

Direct Inputs	per Tariff	per Tariff
Rates in summary	Column A	

NW Natural
 Rates & Regulatory Affairs
 2020-2021 PGA Filing - Washington: September Filing
 Calculation of Proposed Rates - SUMMARY

		11/1/2019			Proposed	Net change	Proposed	2020-21 PGA
		Billing	Net change	Net change	Rates	Temporary	11/1/2020	Change in
		Rates	WACOG	Demand [1]	PGA Only [1]	Increments	Billing	Rate
					D=A+B+C		Rates [1]	
							G=D+E+F	
Schedule	Block	A	B	C	D	E	G	
1R		1.04886	0.06042	(0.00949)	1.09979	0.05274	1.15253	0.10367
1C		1.09471	0.06042	(0.00949)	1.14564	0.04365	1.18929	0.09458
2R		0.81021	0.06042	(0.00949)	0.86114	0.02834	0.88948	0.07927
3 CFS		0.79219	0.06042	(0.00949)	0.84312	0.02378	0.86690	0.07471
3 IFS		0.76295	0.06042	(0.00949)	0.81388	0.01326	0.82714	0.06419
27		0.58291	0.06042	(0.00949)	0.63384	0.01049	0.64433	0.06142
41C Firm Sales	Block 1	0.57634	0.06042	0.00000	0.63676	0.01474	0.65150	0.07516
	Block 2	0.53271	0.06042	0.00000	0.59313	0.01114	0.60427	0.07156
41C Interr Sales	Block 1	0.59162	0.06042	0.00000	0.65204	0.00821	0.66025	0.06863
	Block 2	0.54840	0.06042	0.00000	0.60882	0.00435	0.61317	0.06477
41 Firm Trans	Block 1	0.32489	0.00000	0.00000	0.32489	0.02457	0.34946	0.02457
	Block 2	0.28625	0.00000	0.00000	0.28625	0.02164	0.30789	0.02164
41I Firm Sales	Block 1	0.53622	0.06042	0.00000	0.59664	0.00913	0.60577	0.06955
	Block 2	0.49736	0.06042	0.00000	0.55778	0.00618	0.56396	0.06660
41I Interr Sales	Block 1	0.55420	0.06042	0.00000	0.61462	0.00119	0.61581	0.06161
	Block 2	0.51543	0.06042	0.00000	0.57585	(0.00183)	0.57402	0.05859
42C Firm Sales	Block 1	0.37151	0.06042	0.00000	0.43193	0.00342	0.43535	0.06384
	Block 2	0.35450	0.06042	0.00000	0.41492	0.00142	0.41634	0.06184
	Block 3	0.32067	0.06042	0.00000	0.38109	(0.00257)	0.37852	0.05785
	Block 4	0.29838	0.06042	0.00000	0.35880	(0.00519)	0.35361	0.05523
	Block 5	0.26868	0.06042	0.00000	0.32910	(0.00872)	0.32038	0.05170
	Block 6	0.23154	0.06042	0.00000	0.29196	(0.01306)	0.27890	0.04736
42I Firm Sales	Block 1	0.34641	0.06042	0.00000	0.40683	(0.00090)	0.40593	0.05952
	Block 2	0.33204	0.06042	0.00000	0.39246	(0.00247)	0.38999	0.05795
	Block 3	0.30341	0.06042	0.00000	0.36383	(0.00552)	0.35831	0.05490
	Block 4	0.28459	0.06042	0.00000	0.34501	(0.00757)	0.33744	0.05285
	Block 5	0.25951	0.06042	0.00000	0.31993	(0.01028)	0.30965	0.05014
	Block 6	0.22810	0.06042	0.00000	0.28852	(0.01366)	0.27486	0.04676
42C Firm Trans	Block 1	0.12884	0.00000	0.00000	0.12884	0.00968	0.13852	0.00968
	Block 2	0.11534	0.00000	0.00000	0.11534	0.00866	0.12400	0.00866
	Block 3	0.08844	0.00000	0.00000	0.08844	0.00664	0.09508	0.00664
	Block 4	0.07077	0.00000	0.00000	0.07077	0.00530	0.07607	0.00530
	Block 5	0.04718	0.00000	0.00000	0.04718	0.00353	0.05071	0.00353
	Block 6	0.01768	0.00000	0.00000	0.01768	0.00133	0.01901	0.00133
42I Firm Trans	Block 1	0.13275	0.00000	0.00000	0.13275	0.00725	0.14000	0.00725
	Block 2	0.11883	0.00000	0.00000	0.11883	0.00648	0.12531	0.00648
	Block 3	0.09112	0.00000	0.00000	0.09112	0.00498	0.09610	0.00498
	Block 4	0.07291	0.00000	0.00000	0.07291	0.00397	0.07688	0.00397
	Block 5	0.04860	0.00000	0.00000	0.04860	0.00265	0.05125	0.00265
	Block 6	0.01823	0.00000	0.00000	0.01823	0.00099	0.01922	0.00099
42C Interr Sales	Block 1	0.37347	0.06042	0.00000	0.43389	(0.01040)	0.42349	0.05002
	Block 2	0.35825	0.06042	0.00000	0.41867	(0.01187)	0.40680	0.04855
	Block 3	0.32792	0.06042	0.00000	0.38834	(0.01473)	0.37361	0.04569
	Block 4	0.30799	0.06042	0.00000	0.36841	(0.01661)	0.35180	0.04381
	Block 5	0.28141	0.06042	0.00000	0.34183	(0.01914)	0.32269	0.04128
	Block 6	0.24819	0.06042	0.00000	0.30861	(0.02229)	0.28632	0.03813
42I Interr Sales	Block 1	0.36417	0.06042	0.00000	0.42459	(0.00845)	0.41614	0.05197
	Block 2	0.34993	0.06042	0.00000	0.41035	(0.01012)	0.40023	0.05030
	Block 3	0.32155	0.06042	0.00000	0.38197	(0.01339)	0.36858	0.04703
	Block 4	0.30289	0.06042	0.00000	0.36331	(0.01554)	0.34777	0.04488
	Block 5	0.27800	0.06042	0.00000	0.33842	(0.01840)	0.32002	0.04202
	Block 6	0.24690	0.06042	0.00000	0.30732	(0.02202)	0.28530	0.03840
42 Inter Trans	Block 1	0.12574	0.00000	0.00000	0.12574	0.00886	0.13460	0.00886
	Block 2	0.11256	0.00000	0.00000	0.11256	0.00793	0.12049	0.00793
	Block 3	0.08631	0.00000	0.00000	0.08631	0.00607	0.09238	0.00607
	Block 4	0.06906	0.00000	0.00000	0.06906	0.00486	0.07392	0.00486
	Block 5	0.04605	0.00000	0.00000	0.04605	0.00324	0.04929	0.00324
	Block 6	0.01725	0.00000	0.00000	0.01725	0.00121	0.01846	0.00121
43 Firm Trans		0.00456	0.00000	0.00000	0.00456	0.00036	0.00492	0.00036
43 Interr Trans		0.00456	0.00000	0.00000	0.00456	0.00036	0.00492	0.00036

Sources:

Direct Inputs	2019-20 PGA+GRC
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Rates in detail	Column F - B	Column G+H-C-D	Column K - J	Column N
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[1] Rate Schedule 41 and 42 customers may choose demand charges at a volumetric rate or based on MDDV.

NW Natural
 Rates & Regulatory Affairs
 2020-2021 PGA Filing - Washington: September Filing
 Calculation of Proposed Rates - DETAIL

11/1/2019 Billing Rates	REMOVE Current WACOG	REMOVE Current FIRM Demand	REMOVE Current INTERR Demand	Subtotal [1]	ADD Proposed WACOG	ADD Proposed FIRM Demand	ADD Proposed INTERR Demand	Subtotal [1]	REMOVE Current Temporary Items	ADD Proposed Temporary Items	11/1/2020 Proposed Tariff Rates [1]		
				E=A-B-C-D					I=E+F+G+H			L=I-J+K	
Schedule	Block	A	B	C	D	E	F	G	H	I	J	K	L
1R		1.04886	0.20291	0.11090	0.00000	0.73505	\$0.26333	\$0.10141	0.00000	1.09979	0.05852	0.11126	1.15253
1C		1.09471	0.20291	0.11090	0.00000	0.78090	\$0.26333	\$0.10141	0.00000	1.14564	0.04941	0.09306	1.18929
2R		0.81021	0.20291	0.11090	0.00000	0.49640	\$0.26333	\$0.10141	0.00000	0.86114	0.03824	0.06658	0.88948
3 CFS		0.79219	0.20291	0.11090	0.00000	0.47838	\$0.26333	\$0.10141	0.00000	0.84312	0.03470	0.05848	0.86690
3 IFS		0.76295	0.20291	0.11090	0.00000	0.44914	\$0.26333	\$0.10141	0.00000	0.81388	(0.01335)	(0.00009)	0.82714
27		0.58291	0.20291	0.11090	0.00000	0.26910	\$0.26333	\$0.10141	0.00000	0.63384	0.02822	0.03871	0.64433
41C Firm Sales	Block 1	0.57634	0.20291			0.37343	\$0.26333			0.63676	0.02869	0.04343	0.65150
	Block 2	0.53271	0.20291			0.32980	\$0.26333			0.59313	0.02603	0.03717	0.60427
41C Interr Sales	Block 1	0.59162	0.20291			0.38871	\$0.26333			0.65204	0.04498	0.05319	0.66025
	Block 2	0.54840	0.20291			0.34549	\$0.26333			0.60882	0.04264	0.04699	0.61317
41 Firm Trans	Block 1	0.32489	0.00000			0.32489	\$0.00000			0.32489	(0.02302)	0.00155	0.34946
	Block 2	0.28625	0.00000			0.28625	\$0.00000			0.28625	(0.02028)	0.00136	0.30789
41I Firm Sales	Block 1	0.53622	0.20291			0.33331	\$0.26333			0.59664	(0.01085)	(0.00172)	0.60577
	Block 2	0.49736	0.20291			0.29445	\$0.26333			0.55778	(0.00880)	(0.00262)	0.56396
41I Interr Sales	Block 1	0.55420	0.20291			0.35129	\$0.26333			0.61462	0.00756	0.00875	0.61581
	Block 2	0.51543	0.20291			0.31252	\$0.26333			0.57585	0.00967	0.00784	0.57402
42C Firm Sales	Block 1	0.37151	0.20291			0.16860	\$0.26333			0.43193	0.01614	0.01956	0.43535
	Block 2	0.35450	0.20291			0.15159	\$0.26333			0.41492	0.01512	0.01634	0.41634
	Block 3	0.32067	0.20291			0.11776	\$0.26333			0.38109	0.01309	0.01052	0.37852
	Block 4	0.29838	0.20291			0.09547	\$0.26333			0.35880	0.01174	0.00655	0.35361
	Block 5	0.26868	0.20291			0.06577	\$0.26333			0.32910	0.00996	0.00124	0.32038
	Block 6	0.23154	0.20291			0.02863	\$0.26333			0.29196	0.00771	(0.00535)	0.27890
42I Firm Sales	Block 1	0.34641	0.20291			0.14350	\$0.26333			0.40683	(0.00371)	(0.00461)	0.40593
	Block 2	0.33204	0.20291			0.12913	\$0.26333			0.39246	(0.00264)	(0.00511)	0.38999
	Block 3	0.30341	0.20291			0.10050	\$0.26333			0.36383	(0.00055)	(0.00607)	0.35831
	Block 4	0.28459	0.20291			0.08168	\$0.26333			0.34501	0.00084	(0.00673)	0.33744
	Block 5	0.25951	0.20291			0.05660	\$0.26333			0.31993	0.00269	(0.00759)	0.30965
	Block 6	0.22810	0.20291			0.02519	\$0.26333			0.28852	0.00499	(0.00867)	0.27486
42C Firm Trans	Block 1	0.12884	0.00000			0.12884	\$0.00000			0.12884	(0.00908)	0.00060	0.13852
	Block 2	0.11534	0.00000			0.11534	\$0.00000			0.11534	(0.00813)	0.00053	0.12400
	Block 3	0.08844	0.00000			0.08844	\$0.00000			0.08844	(0.00623)	0.00041	0.09508
	Block 4	0.07077	0.00000			0.07077	\$0.00000			0.07077	(0.00498)	0.00032	0.07607
	Block 5	0.04718	0.00000			0.04718	\$0.00000			0.04718	(0.00332)	0.00021	0.05071
	Block 6	0.01768	0.00000			0.01768	\$0.00000			0.01768	(0.00125)	0.00008	0.01901
42I Firm Trans	Block 1	0.13275	0.00000			0.13275	\$0.00000			0.13275	(0.00666)	0.00059	0.14000
	Block 2	0.11883	0.00000			0.11883	\$0.00000			0.11883	(0.00596)	0.00052	0.12531
	Block 3	0.09112	0.00000			0.09112	\$0.00000			0.09112	(0.00457)	0.00041	0.09610
	Block 4	0.07291	0.00000			0.07291	\$0.00000			0.07291	(0.00365)	0.00032	0.07688
	Block 5	0.04860	0.00000			0.04860	\$0.00000			0.04860	(0.00244)	0.00021	0.05125
	Block 6	0.01823	0.00000			0.01823	\$0.00000			0.01823	(0.00091)	0.00008	0.01922
42C Interr Sales	Block 1	0.37347	0.20291			0.17056	\$0.26333			0.43389	0.03374	0.02334	0.42349
	Block 2	0.35825	0.20291			0.15534	\$0.26333			0.41867	0.03287	0.02100	0.40680
	Block 3	0.32792	0.20291			0.12501	\$0.26333			0.38834	0.03110	0.01637	0.37361
	Block 4	0.30799	0.20291			0.10508	\$0.26333			0.36841	0.02995	0.01334	0.35180
	Block 5	0.28141	0.20291			0.07850	\$0.26333			0.34183	0.02841	0.00927	0.32269
	Block 6	0.24819	0.20291			0.04528	\$0.26333			0.30861	0.02649	0.00420	0.28632
42I Interr Sales	Block 1	0.36417	0.20291			0.16126	\$0.26333			0.42459	0.01542	0.00697	0.41614
	Block 2	0.34993	0.20291			0.14702	\$0.26333			0.41035	0.01647	0.00635	0.40023
	Block 3	0.32155	0.20291			0.11864	\$0.26333			0.38197	0.01853	0.00514	0.36858
	Block 4	0.30289	0.20291			0.09998	\$0.26333			0.36331	0.01989	0.00435	0.34777
	Block 5	0.27800	0.20291			0.07509	\$0.26333			0.33842	0.02170	0.00330	0.32002
	Block 6	0.24690	0.20291			0.04399	\$0.26333			0.30732	0.02397	0.00195	0.28530
42 Inter Trans	Block 1	0.12574	0.00000			0.12574	\$0.00000			0.12574	(0.00829)	0.00057	0.13460
	Block 2	0.11256	0.00000			0.11256	\$0.00000			0.11256	(0.00742)	0.00051	0.12049
	Block 3	0.08631	0.00000			0.08631	\$0.00000			0.08631	(0.00569)	0.00038	0.09238
	Block 4	0.06906	0.00000			0.06906	\$0.00000			0.06906	(0.00455)	0.00031	0.07392
	Block 5	0.04605	0.00000			0.04605	\$0.00000			0.04605	(0.00303)	0.00021	0.04929
	Block 6	0.01725	0.00000			0.01725	\$0.00000			0.01725	(0.00114)	0.00007	0.01846
43 Firm Trans		0.00456	0.00000			0.00456	\$0.00000	\$0.00000	0.00000	0.00456	(0.00035)	0.00001	0.00492
43 Interr Trans		0.00456	0.00000			0.00456	\$0.00000	\$0.00000	0.00000	0.00456	(0.00035)	0.00001	0.00492

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Sources:
 Direct Inputs 2019-20 PGA+GR 2019-20 PGA 2019-20 PGA 2019-20 PGA Gas Cost File Gas Cost File Gas Cost File

Temporary Increments Column A Column I

Equal % of margin

[1] Rate Schedule 41 and 42 customers may choose demand charges at a volumetric rate or based on MDDV. For convenience of presentation, demand charges are not shown for those schedules.

NW Natural
Rates & Regulatory Affairs
2020-21 Combined Effects - Washington: September Filing
Tariff Advice 20-10: Combined Effects on Revenue

	<u>Amount</u>	<u>Reference</u>
1		
2		
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Purchased Gas Cost Adjustment (PGA)

Gas Cost Change \$5,065,474 [NWN 2020-21 PGA gas cost development file September filing_WA.xls](#)

Capacity Cost Change (618,344) [NWN 2020-21 PGA gas cost development file September filing_WA.xls](#)

Total PGA Change 4,447,130

Temporary Rate Adjustments

Proposed Temporary Increments 4,988,772 [NWN 2020-21 WA PGA Rate Development file September filing.xlsx](#)

Removal of Current Temporary Increments (2,888,806) [NWN 2019-20 Washington PGA summary effects September filing_Rev092519_CompEE+TaxDef.xlsx](#)

Total Net Temporary Rate Adjustment 2,099,966

Permanent Rate Adjustments

N/A 0 [N/A - No Permanent Rate Adj. in 2020-2021](#)

TOTAL OF ALL COMPONENTS OF ALL RATE CHANGES \$6,547,096

2019 Washington CBR Normalized Total Revenues **\$65,154,832**

Effect of this filing, as a percentage change **10.05%**

PGA FILING – WASHINGTON

SEPTEMBER 2020

COMFORT ZONE - WASHINGTON

New Rates Start in November

On September 14, 2020, NW Natural filed a Purchased Gas Adjustment (PGA) request with the Washington Utilities and Transportation Commission (WUTC).

The PGA request includes the following changes:

- Rates for residential customers to increase by about \$4.52 a month.
- Rates for small-commercial customers to increase by about \$18.08 a month.

The annual PGA trues up differences between estimated and actual natural gas costs from the previous year. The combined effects of the following filings for the PGA contribute to changes for Washington customers:

1. Purchased Gas Adjustment: A 3.7% or \$2.01 increase on the average monthly residential bill, and a 4.0% or \$8.53 increase on the average small-commercial bill. The filing trues up the differences between the estimated and actual cost of natural gas, and it establishes the customer costs for natural gas from Nov. 1, 2020-Oct. 31, 2021.
2. Energy Efficiency Programs: A 0.8% or \$0.45 increase on the average monthly residential bill, and a 0.8% or \$1.71 increase on the average monthly small-commercial bill for energy efficiency programs that support cost-effective natural gas conservation.
3. Low-Income Assistance: A 0.4% or \$0.24 increase on the average monthly residential bill, and a 0.4% or \$0.89 increase on the average monthly small-commercial bill for programs that help low-income residential customers install energy efficiency improvements and stay warm during the winter.
4. Other year-to-year adjustments and costs approved by regulators: A 3.4% or \$1.82 on the average monthly residential bill, and a 3.3% or \$6.95 for small commercial.

If approved as filed, the new rates will take effect on Nov. 1, 2020.

NW Natural's filings are requests, subject to public review and a decision by the WUTC. Customers may comment on the proposed rate changes by clicking "Submit a Comment" at www.utc.wa.gov, emailing comments@utc.wa.gov, calling 1-888-333-9882 (WUTC), or mailing Washington Utilities and Transportation Commission, PO Box 47250, Olympia, WA 98504-7250.

Customers can also request more information, review the filing, and find out about open meetings.

For more information, visit the Rates and Regulations section of nwnatural.com, send a letter to NW Natural Rates and Regulatory, 250 SW Taylor St., Portland, OR 97204; call 503-226-4211 and ask for the Rates and Regulatory Department; or email from nwnatural.com/ContactUs/Email.

THE PROPOSED CHANGES FOR NATURAL GAS RATES ARE:

Type of Service	Schedule Number	Percent Change
General Residential Sales Service	1	7.8%
General Commercial Sales Service	1	8.1%
Residential Sales Service	2	8.3%
Commercial Sales Service	3	8.5%
Industrial Sales Service	3	8.2%
Residential Heating Dry-Out Service	27	8.5%
Commercial Firm Sales	41	11.8%
Non-Residential Firm Transportation	41	5.5%
Industrial Firm Sales	41	12.0%
Large Volume Commercial Firm Sales	42	14.5%
Large Volume Commercial Interruptible Sales	42	12.4%
Large Volume Industrial Firm Sales	42	13.5%
Large Volume Industrial Interruptible Sales	42	10.1%
Large Volume Commercial Firm Transportation	42	5.8%
Large Volume Industrial Firm Transportation	42	4.4%
Large Volume Interruptible Transportation	42	5.6%

The percentages for Rate Schedule 41 and 42 do not include the effect of demand costs.

PRESS RELEASE

For Immediate Release

Portland, OR – Sept. 14, 2020 – NW Natural, a subsidiary of NW Natural Holding Company (NYSE: NWN), has filed its annual Purchased Gas Adjustment (PGA) request with the Washington Utilities and Transportation Commission (WUTC).

The PGA request includes the following changes:

- Rates for residential customers to increase by about \$4.52 month.
- Rates for small-commercial customers to increase by about \$18.08 a month.

The annual PGA trues up differences between estimated and actual natural gas costs from the previous year. The combined effects of the following filings for the PGA contribute to changes for its approximately 88,000 customers in Washington:

1. Purchased Gas Adjustment: A 3.7% or \$2.01 increase on the average monthly residential bill, and a 4.0% or \$8.53 increase on the average small-commercial bill. The filing trues up the differences between the estimated and actual cost of natural gas, and it establishes the customer costs for natural gas from Nov. 1, 2020-Oct. 31, 2021.
2. Energy Efficiency Programs: A 0.8% or \$0.45 increase on the average monthly residential bill, and a 0.8% or \$1.71 increase on the average monthly small-commercial bill for energy efficiency programs that support cost-effective natural gas conservation.
3. Low-Income Assistance: A 0.4% or \$0.24 increase on the average monthly residential bill, and a 0.8% or \$0.89 increase on the average monthly small-commercial bill for programs that help low-income residential customers install energy efficiency improvements and stay warm during the winter.

4. Other year-to-year adjustments and costs approved by regulators: A 3.4% or \$1.82 on the average monthly residential bill, and a 3.3% or \$6.95 for small commercial.

If approved as filed, the new rates will take effect on Nov. 1, 2020.

NW Natural's filings are requests, subject to public review and a decision by the WUTC. Customers may comment on the proposed rate changes by clicking "Submit a Comment" at www.utc.wa.gov, emailing comments@utc.wa.gov, calling 1-888-333-9882 (WUTC), or mailing Washington Utilities and Transportation Commission, PO Box 47250, Olympia, WA 98504-7250.

Customers can also request more information, review the filing, and find out about open meetings. For more information, visit the Rates and Regulations section of nwnatural.com, send a letter to NW Natural Rates and Regulatory, 250 SW Taylor St., Portland, OR 97204; call 503-226-4211 and ask for the Rates and Regulatory Department; or email from nwnatural.com/ContactUs/Email.

About NW Natural

NW Natural is a local distribution company that currently provides natural gas service to approximately 2.5 million people in more than 140 communities through more than 760,000 meters in Oregon and Southwest Washington with one of the most modern pipeline systems in the nation. NW Natural consistently leads the industry with high J.D. Power & Associates customer satisfaction scores.

NW Natural is part of Northwest Natural Holding Company, (NYSE: NWN) (NW Natural Holdings), is headquartered in Portland, Oregon, and through its subsidiaries has been doing business for more than 160 years. It owns NW Natural Gas Company (NW Natural), NW Natural Water Company (NW Natural Water), and other business interests and activities.

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