

BEFORE THE
WASHINGTON UTILITIES & TRANSPORTATION COMMISSION

UG-__
GENERAL RATE APPLICATION
OF
NORTHWEST NATURAL GAS COMPANY

December 18, 2020

Summary Document Required by WAC 480-07-510(5)

Attachment A

NW NATURAL
Summary of Requested Rate Increase
GAS Service
Based on Rates Currently in Effect
Washington Jurisdiction
Filed December 18, 2020

- a) **The date and amount of the latest prior general rate increase authorized by the Commission, and revenue realized from that authorized increase in the test period, based on the company's test period units of revenue.**

Effective Date	UG-181053	11/01/2019
Amount (thousands)		\$ 5,139
Revenue realized (thousands)		\$ 5,493

- b) **Total general business revenues at present rates and at requested rates.**

Present Rates (thousands)	\$ 78,601
Requested Rates (thousands) - Year 1	\$ 84,857
Requested Rates (thousands) - Year 2	\$ 88,007

- c) **Requested revenue change in percentage, in total and by major customer class.**

	Year 1 Rate Period	
	Base Tariff Revenue	Billed Revenue
Residential	12.7%	8.1%
Commercial	12.7%	7.6%
Industrial Firm Sales	12.7%	6.2%
Interruptible Sales	12.7%	5.1%
Transportation	12.7%	12.7%
Overall	12.7%	8.0%

- Requested revenue change in percentage, in total and by major customer class.**

	Year 2 Rate Period	
	Base Tariff Revenue	Billed Revenue
Residential	5.6%	3.8%
Commercial	5.6%	3.5%
Industrial Firm Sales	5.6%	2.9%
Interruptible Sales	5.6%	2.4%
Transportation	5.6%	5.7%
Overall	5.6%	3.7%

- d) **Requested revenue change in thousands of dollars, in total and by major customer class.**

	Year 1	Year 2
	Residential	\$ 4,310
Commercial	\$ 1,504	\$ 747
Industrial Firm Sales	\$ 133	\$ 66
Interruptible Sales	\$ 31	\$ 15
Transportation	\$ 279	\$ 138
Total	\$ 6,255	\$ 3,106

- e) **Requested rate change in dollars per month, per average customer, by customer class.**

	Billing Rates Year 1	Billing Rates Year 2
	Residential	\$ 2.66
Commercial	\$ 10.52	\$ 8.61
Industrial Firm Sales	\$ 175.98	\$ 101.57
Interruptible Sales	\$ 359.00	\$ 257.66
Transportation	\$ 717.83	\$ 414.41

f) Most current customer count by major customer class. (1)		
Residential	82,030	
Commercial	7,224	
Industrial Firm Sales	54	
Interruptible Sales	5	
Transportation	28	
Total	89,341	
(1) as of September 30, 2020		
g) Current authorized overall rate of return and authorized rate of return on common equity.		
Overall rate of return	7.16%	
Rate of return on common equity	9.40%	
h)		
Requested overall rate of return and requested rate of return on common equity, and the method or methods used to calculate rate of return on common equity.		
Overall rate of return	6.91%	
Rate of return on common equity	9.40%	
The methodologies utilized in the derivation of the rate of return on common equity were discounted cash flow analyses (single and multi-stage), risk premium model analysis, capital asset pricing model (CAPM) analysis, and Empirical CAPM analysis.		
i)		
Actual rate of return and actual rate of return on common equity for the test period		
Actual rate of return	5.58%	
Actual Rate of return on common equity for test period	6.68%	
j) Requested capital structure.		
Long Term Debt	50.00%	
Short-Term Debt	1.00%	
Common Equity	49.00%	
Total	100.00%	
k) Requested total net operating income.		
	Year 1	Year 2
Net operating income (thousands) - Year 1	\$ 15,614	\$ 17,095
l) Requested total rate base and method of calculation, or equivalent.		
	Year 1	Year 2
Rate base (thousands) - Year 1	\$ 225,867	\$ 247,287
Method of calculation is end of period basis.		
m) Requested revenue effect of attrition allowance, if any requested.		
No attrition allowance requested	\$ -	