

EXHIBIT A

BEFORE THE  
WASHINGTON UTILITIES & TRANSPORTATION COMMISSION

NW NATURAL  
SUPPORTING MATERIALS

Credits to Customers Related to Holding Company Formation

NWN WUTC Advice No. 18-06 / UG-\_\_\_\_\_

September 13, 2018

# NW NATURAL

## EXHIBIT A

### Supporting Materials

#### Credits to Customers Related to Holding Company Formation

NWN WUTC ADVICE NO. 18-06 / UG-\_\_\_\_\_

<b>Description</b>	<b>Page</b>
Calculation of Increments Allocated on the Equal Percentage of Margin Basis	1
Calculation of Effect on Customer Average Bill by Rate Schedule	2
Effects on Revenue	3

NW Natural  
 Rates & Regulatory Affairs  
 2018-2019 PGA Filing - Washington: September Filing  
 Calculation of Increments Allocated on the EQUAL PERCENTAGE OF MARGIN BASIS

Schedule	Block	PGA Column D	Billing Rate from Column A	WACOG & Demand from Rates page, Column B+C+D	Tempora Increment, page, Column A	MARGIN Rate E=B-C-D	Volumetric Margin F = E * A	Customer Charge G	Customers H	I = (G*H*12) + F	Total Margin	Proposed Amount: Revenue Sensitive Multiplier: Amount to Amortize:	HoldCo Credit							
													(65,000) Allocated to Rate Schedules	4.372% add revenue sensitive factor	(57,515) All Customers	Multiplier	Allocation to RS	Increment		
1																				
2																				
3																				
4																				
5																				
6																				
7	1R	204,474	\$1,093,444	\$0,39196	\$0,68448	\$1,39,958	\$3,47	875		\$176,393				1.0						
8	1C	38,632	\$1,084,23	\$0,39196	\$0,68407	\$26,427	\$3,47	38		\$28,009				1.0						
9	2R	51,583,578	\$0,80224	\$0,39196	\$0,41454	\$21,383,456	\$7,00	75,145		\$27,695,636				1.0						
10	3 CFS	17,687,989	\$0,80187	\$0,39196	\$0,41858	\$7,403,839	\$15,00	6,038		\$8,490,679				1.0						
11	3 IES	479,219	\$0,71510	\$0,39196	\$0,41845	\$200,529	\$15,00	28		\$205,569				1.0						
12	27	506,107	\$0,62079	\$0,39196	\$0,41537	\$254,20	\$128,652	745		\$182,292				1.0						
13	41C Firm Sales Block 1	1,945,641	\$0,53691	\$0,27038	\$0,01511	\$0,30164	\$1,097,542	\$250,00	86	\$1,355,542				1.0						
14	Block 2	1,921,286	\$0,51811	\$0,27038	\$0,01806	\$0,26579								1.0						
15	41C Interr Sales Block 1	0	\$0,57864	\$0,27038	\$0,00685	\$0,30141	\$0	\$250,00	0	\$0				1.0						
16	Block 2	0	\$0,54001	\$0,27038	\$0,00607	\$0,26556								1.0						
17	41 Firm Trans Block 1	374,507	\$0,30077	\$0,00000	\$0,00000	\$0,30077	\$267,788	\$500,00	17	\$369,788				1.0						
18	Block 2	585,464	\$0,26500	\$0,00000	\$0,00000	\$0,26500								1.0						
19	41I Firm Sales Block 1	319,582	\$0,53626	\$0,27038	\$0,03580	\$0,30168	\$193,680	\$250,00	15	\$238,680				1.0						
20	Block 2	365,920	\$0,49991	\$0,27038	\$0,03629	\$0,26582								1.0						
21	41I Interr Sales Block 1	0	\$0,55922	\$0,27038	\$0,01257	\$0,30141	\$0	\$250,00	0	\$0				1.0						
22	Block 2	0	\$0,52290	\$0,27038	\$0,01304	\$0,26556								1.0						
23	42C Firm Sales Block 1	572,162	\$0,36597	\$0,27038	\$0,02318	\$0,11877	\$125,411	\$1,300,00	6	\$219,011				1.0						
24	Block 2	452,310	\$0,35176	\$0,27038	\$0,02494	\$0,10632								1.0						
25	Block 3	113,398	\$0,32347	\$0,27038	\$0,02845	\$0,08154								1.0						
26	Block 4	1,826	\$0,30485	\$0,27038	\$0,03076	\$0,04523								1.0						
27	Block 5	0	\$0,28003	\$0,27038	\$0,03383	\$0,04348								1.0						
28	Block 6	0	\$0,24900	\$0,27038	\$0,03768	\$0,01650								1.0						
29	42I Firm Sales Block 1	1,138,365	\$0,35161	\$0,27038	\$0,03748	\$0,11871	\$218,844	\$1,300,00	12	\$406,044				1.0						
30	Block 2	725,589	\$0,33889	\$0,27038	\$0,03715	\$0,10626								1.0						
31	Block 3	81,079	\$0,31360	\$0,27038	\$0,03827	\$0,08149								1.0						
32	Block 4	0	\$0,29696	\$0,27038	\$0,03861	\$0,06519								1.0						
33	Block 5	0	\$0,27478	\$0,27038	\$0,03907	\$0,04347								1.0						
34	Block 6	0	\$0,24703	\$0,27038	\$0,03964	\$0,01629								1.0						
35	42 Firm Trans Block 1	1,313,594	\$0,11818	\$0,00000	\$0,00000	\$0,11818	\$532,047	\$1,550,00	12	\$755,247				1.0						
36	Block 2	1,609,433	\$0,10579	\$0,00000	\$0,00000	\$0,10579								1.0						
37	Block 3	1,138,813	\$0,08112	\$0,00000	\$0,00000	\$0,08112								1.0						
38	Block 4	1,522,236	\$0,06490	\$0,00000	\$0,00000	\$0,06490								1.0						
39	Block 5	355,242	\$0,04327	\$0,00000	\$0,00000	\$0,04327								1.0						
40	Block 6	0	\$0,01622	\$0,00000	\$0,00000	\$0,01622								1.0						
41	42C Interr Sales Block 1	250,151	\$0,38153	\$0,27038	\$0,00761	\$0,11856	\$104,866	\$1,300,00	3	\$151,666				1.0						
42	Block 2	486,821	\$0,36796	\$0,27038	\$0,00854	\$0,10612								1.0						
43	Block 3	246,036	\$0,34134	\$0,27038	\$0,01042	\$0,08138								1.0						
44	Block 4	54,140	\$0,32384	\$0,27038	\$0,01164	\$0,06510								1.0						
45	Block 5	0	\$0,30050	\$0,27038	\$0,01328	\$0,04340								1.0						
46	Block 6	0	\$0,27134	\$0,27038	\$0,01532	\$0,01628								1.0						
47	42I Interr Sales Block 1	179,269	\$0,37670	\$0,27038	\$0,01238	\$0,11870	\$36,173	\$1,300,00	2	\$67,373				1.0						
48	Block 2	140,180	\$0,36381	\$0,27038	\$0,01282	\$0,10625								1.0						
49	Block 3	0	\$0,33817	\$0,27038	\$0,01369	\$0,08148								1.0						
50	Block 4	0	\$0,32130	\$0,27038	\$0,01426	\$0,06518								1.0						
51	Block 5	0	\$0,29879	\$0,27038	\$0,01504	\$0,04345								1.0						
52	Block 6	0	\$0,27069	\$0,27038	\$0,01599	\$0,01630								1.0						
53	42 Interr Trans Block 1	906,535	\$0,11818	\$0,00000	\$0,00000	\$0,11818	\$778,666	\$1,550,00	11	\$983,266				1.0						
54	Block 2	1,644,618	\$0,10579	\$0,00000	\$0,00000	\$0,10579								1.0						
55	Block 3	1,375,643	\$0,08112	\$0,00000	\$0,00000	\$0,08112								1.0						
56	Block 4	4,240,259	\$0,06490	\$0,00000	\$0,00000	\$0,06490								1.0						
57	Block 5	2,559,794	\$0,04327	\$0,00000	\$0,00000	\$0,04327								1.0						
58	Block 6	0	\$0,01622	\$0,00000	\$0,00000	\$0,01622								1.0						
59	43 Firm Trans Block 1	0	\$0,00499	\$0,00000	\$0,00000	\$0,00499	\$0	\$38,000,00	0	\$0				1.0						
60	43 Interr Trans Block 1	0	\$0,00499	\$0,00000	\$0,00000	\$0,00499	\$0	\$38,000,00	0	\$0				1.0						
61	Intentionally blank													1.0						
62																				
63	Totals	97,119,890				\$32,637,878				\$41,325,195										
64																				
65	Sources for line 2 above:																			
66	Inputs page																			
67	Tarif Schedules:																			
68	Schedule #																			
69																				

41,325,195 (57,515)

Line 43

Column G

Sched 209

Note: Allocation to rate schedules or blocks with zero volumes is calculated on an overall margin percentage change basis.



**NW Natural  
 Rates & Regulatory Affairs  
 2018-19 Washington: September Filing Updating Energy Efficiency Schedule 215  
 Tariff Advice 18-06: Schedule 209 Holding Company Credit**

	<u>Amount</u>	<u>Reference</u>
1		
2		
3		
4		
5		
6	0	N/A - 1st Year of Credit is 2018-19
7		
8		
9	<u>(57,515)</u>	NWN 2018-19 Washington PGA rate development file September.xlsx
10		
11		
12	<u><u>(\$57,515)</u></u>	
13		
14		
15		
16	<b>\$69,186,477</b>	
17		
18	<b>-0.08%</b>	