

	<u>Issue</u>	<u>Tab</u>	<u>Settlement Action</u>	<u>Revenue Requirement Impact</u>
1	Original Filing			\$8,312,044
2	Allocation Factor Revision - Submitted with Bench Request 1	see files submitted with Bench Request 1 Response		<u>(\$123,042)</u>
3	Revenue Requirement after Revision			\$8,189,002
4	Cost of Capital	KSM-3 p8 - Cost of Cap	Adjusted ROE and Cap Structure %'s	(\$1,166,217)
5	Revenue and Gas Cost - UPC added Revenue	KSM-4 p2 &p3 - Adjust Issues	Added Column u	(\$113,035)
6	Bonus/LTIP reduction	KSM-4 p2 &p3 - Adjust Issues	Added Column r	
7		KSM-4 p8 - Bonuses	Changed Bonus calc to 5-yr average	(\$271,144)
8	Payroll/Payroll Overhead reduction	KSM-4 p2 &p3 - Adjust Issues	Added Column s	(\$87,414)
9	Miscellaneous O&M Reduction	KSM-4 p2 &p3 - Adjust Issues	Added Column t	(\$260,844)
10	Working Capital	KSM-4 p2 &p3 - Adjust Issues	Revised Working Capital - column f	(\$1,027,567)
11	Removal of Post Test Year Projects	KSM-4 p20 - Post TY Capital	Adjusted supporting tab	(\$107,326)
12	Non-Plant Excess Deferred Tax	KSM-4 p21 - EDIT Amort	Removed Non-Plant Amount	
13		WP - Deferred Tax	Removed Non-Plant Amount	<u>(\$16,924)</u>
14	Settlement - Revenue Requirement			<u><u>\$5,138,531</u></u>

NW Natural  
Washington Rate Case  
Test Year Based on Twelve Months Ended September 30, 2018

		Washington Allocated Results				
Line No.	Test Year Results	Adjustments	Test Year Adjusted	Proposed Rate Increase	Test Year at 9.40% Equity Return	
	(a)	(b)	(c)	(d)	(e)	
<b>Operating Revenues</b>						
1	Sale of Gas	\$67,314,413	(\$3,389,642)	\$63,924,771	\$5,138,531	\$69,063,302
2	Transportation	2,370,981	(9,877)	2,361,104	0	2,361,104
3	Miscellaneous Revenues	(2,048,364)	2,287,568	239,204	0	239,204
4	<b>Total Operating Revenues</b>	67,637,030	(1,111,951)	66,525,079	5,138,531	71,663,610
<b>Operating Revenue Deductions</b>						
5	Gas Purchased	25,772,083	(1,240,143)	24,531,940	0	24,531,940
6	Uncollectible Accrual for Gas Sales	58,166	17,692	75,858	5,424	81,282
7	Other Operating & Maintenance Expenses	17,640,139	(166,730)	17,473,408	0	17,473,408
8	<b>Total Operating &amp; Maintenance Expense</b>	43,470,387	(1,389,181)	42,081,206	5,424	42,086,630
9	Federal Income Tax	1,370,297	(64,376)	1,305,921	1,034,228	2,340,149
10	Property Taxes	1,268,490	228,144	1,496,634	0	1,496,634
11	Other Taxes	3,688,228	(3,790)	3,684,438	208,213	3,892,651
12	Depreciation & Amortization	9,325,935	79,408	9,405,344	0	9,405,344
13	<b>Total Operating Revenue Deductions</b>	59,123,338	(1,149,794)	57,973,543	1,247,865	59,221,408
14	<b>Net Operating Revenues</b>	\$8,513,692	\$37,843	\$8,551,535	\$3,890,666	\$12,442,202
15	<b>Total Rate Base</b>	\$162,789,768	\$10,959,853	\$173,749,621	\$0	\$173,749,621
16	<b>Rate of Return</b>	5.23%		4.92%		7.16%
17	<b>Return on Common Equity</b>	5.46%		4.83%		9.40%

NW Natural  
Washington Rate Case  
Test Year Based on Twelve Months Ended September 30, 2018

<u>Line No.</u>	<u>System Test Year Results</u>	<u>Washington Test Year Results</u>
	(a)	(b)
<b>Operating Revenues</b>		
1	\$665,326,649	\$67,314,413
2	19,869,300	2,370,981
3	2,191,735	(2,048,364)
4	687,387,683	67,637,030
<b>Operating Revenue Deductions</b>		
5	277,028,949	25,772,083
6	525,404	58,166
7	166,944,399	17,640,139
8	444,498,752	43,470,387
9	16,396,260	1,370,297
10	6,457,861	0
11	21,280,809	1,268,490
12	27,628,043	3,688,228
13	82,584,431	9,325,935
14	598,846,155	59,123,338
15	\$88,541,528	\$8,513,692
16	\$1,300,658,040	\$162,789,768
17	6.81%	5.23%
18	8.68%	5.46%

NW Natural  
Washington Quarterly Results of Operations Report  
Operations and Maintenance Expense: Allocation of System Amounts  
Twelve Months Ended September 30, 2018

	System	Washington	Oregon
<b>Natural Gas Storage</b>			
<b>Underground Storage Expense</b>			
Operation			
816 Wells Expense	291,774	30,403	261,371
818 Compressor Station Expense	73,078	7,615	65,463
820 Measuring and Regulator Station Expense	2,626,828	272,282	2,354,546
821 Purification Expense	20,987	2,138	18,849
Maintenance			
832 Wells Expense	237,434	24,741	212,693
834 Storage Maint. Expense of Compressor Equip	232,439	24,220	208,219
Total Underground Storage Expense	3,482,540	361,399	3,121,141
<b>Other Storage Expense</b>			
Operation			
840 Supervision and Engineering	172,057	17,928	154,129
Total Other Storage Expense	172,057	17,928	154,129
<b>Liquefied Natural Gas Expense</b>			
Operation			
844 Supervision and Engineering	1,892,077	197,154	1,694,922
845 LNG Fuel Expense - Credit Liquef Costs	(100,562)	(10,479)	(90,083)
Maintenance			
847 Supervision and Engineering	1,117,824	116,477	1,001,347
Total Liquefied Natural Gas Expense	2,909,339	303,153	2,606,186
Total Natural Gas Storage	6,563,936	682,480	5,881,456
<b>Transmission Expense</b>			
Operation			
856 Mains Expense	1,998,785	136,823	1,861,962
Maintenance			
863 Maintenance of Mains	166,376	18,635	147,741
Total Transmission Expense	2,165,161	155,458	2,009,703
<b>Distribution Expense</b>			
Operation			
870 Supervision and Engineering	3,497,212	302,733	3,194,479
874 Mains and Services Expense	12,875,979	1,505,881	11,370,098
875 Measuring and Regulator Station Expense - General	159,446	20,982	178,464
877 Measuring and Regulator Station Expense - City Gate	504,447	43,950	460,497
878 Meter and House Regulator Expense	6,022,667	670,319	5,352,348
879 Customer Installation Expense	11,036,726	1,229,188	9,807,538
880 Other Expense	1,778,614	182,701	1,595,912
881 Rents	224,751	31,096	193,654
Maintenance			
885 Supervision and Engineering	7,357,254	345,761	7,011,493
887 Mains	3,229,685	167,524	3,062,161
889 Measuring and Regulator Station Expense - General	1,499,234	136,355	1,362,879
891 Measuring and Regulator Station Expense - City Gate	201,538	14,445	187,093
892 Services	689,871	51,311	638,561
893 Meters and House Regulators	2,834,505	282,506	2,551,998
894 Other Equipment	70,468	2,289	68,179
Total Distribution Expense	52,022,395	4,987,042	47,035,353
<b>Customer Accounts Expense</b>			
Operation			
901 Supervision	1,718,146	191,745	1,526,401
902 Meter Reading Expenses	890,734	99,320	791,413
903 Customer Records and Collection Expense	18,222,749	2,023,144	16,199,605
904 Uncollectible Accounts	525,404	58,166	467,238
Total Customer Accounts Expense	21,357,033	2,372,375	18,984,658
<b>Customer Service and Informational</b>			
Operation			
907 Supervision	2,697	304	2,393
908 Customer Assistance Expense	2,330,246	278,562	2,051,684
909 Customer Information Expense	3,040,743	339,347	2,701,396
910 Miscellaneous Customer Service Expense	247,276	27,867	219,409
Total Customer Service and Informational	5,620,961	646,080	4,974,881
<b>Sales Expense</b>			
Operation			
911 Supervision	162,705	18,158	144,547
912 Demonstration and Selling Expense	3,675,850	407,174	3,268,676
913 Advertising	452,073	50,451	401,622
916 Miscellaneous Sales Expense	0	0	0
Total Sales Expense	4,290,629	475,783	3,814,845
<b>Administrative and General Expense</b>			
Operation			
921 Office Supplies and Expense	62,735,083	7,368,438	55,366,644
922 Administrative Expenses Transferred - Credit	(20,271,976)	(2,526,442)	(17,745,534)
924 Property Insurance Premium	3,182,476	356,756	2,825,721
925 Injuries and Damages	267,745	30,014	237,731
926 Employee Pensions and Benefits	4,898,086	1,826,251	3,071,835
928 Regulatory Commission Expense	0	0	0
930 Miscellaneous General Expense	3,226,983	361,745	2,865,238
931 Rents	4,775,372	529,184	4,246,188
Maintenance			
935 Maintenance of General Plant	3,990,022	433,140	3,556,882
Total Administrative and General Expense	62,803,791	8,379,086	54,424,705
Total Operations and Maintenance Expense	154,823,906	17,698,305	137,125,602
Percent of Total		11.43%	88.57%

Note: O&M above excludes amounts that are not intended to be recoverable in ratemaking.  
O&M based on Regulatory application of Pension related costs in O&M (costs map to Non-Operating for GAAP).  
O&M above varies from Test Year Result for System due to exclusions above and SRRM environmental offset.

<b>Allocation Factors - All in Washington %'s</b>	<b>Oregon</b>	<b>Washington</b>
Customers-all	88.840%	11.160%
Customers-Residential	88.730%	11.270%
Customers-Commercial	89.880%	10.120%
Customers-Industrial	91.610%	8.390%
Customers-The Dalles	74.850%	25.150%
3-factor	88.790%	11.210%
firm volumes	89.580%	10.420%
sales volumes	90.120%	9.880%
sendout volumes	91.640%	8.360%
sales/sendout volumes	90.880%	9.120%
Customers Portland/Vancouver	84.710%	15.290%
Customers Portland/Vancouver 80%	87.770%	12.230%
Customers Portland/Vancouver Commercial	84.990%	15.010%
Payroll	89.243%	10.758%
Admin Transfer	86.974%	13.026%
Employee Cost	88.792%	11.208%
Regulatory	70.000%	30.000%
Telemetry	87.234%	12.766%
Direct-Wa	0.000%	100.000%
Direct-Or	100.000%	0.000%
Gross plant direct assign	88.420%	11.580%
Transmission	98.860%	1.200%
Depreciation	88.707%	11.293%
Rate Base	87.988%	12.012%

**NW Natural**  
**Test Year Based on Twelve Months Ended September 30, 2018**  
**Test Period Actuals Tax Adjustment**

**Washington**

<u>Line No.</u>	<u>Amount (a)</u>
1 Utility Income before Interest and Taxes	\$9,883,990
2 Interest on Historic Average Rate Base	<u>4,159,279</u>
3 Pre-Tax Net Income	5,724,711
4 Permanent Differences	849,455
5 Pre Tax Income Adjusted for Permanents	6,574,166
6 Tax Rate	<u>21.00%</u>
7 Federal Income Tax Before Credits	\$1,380,575
8 Federal Tax Credits	(10,277)
9 Federal Income Tax	<u><u>\$1,370,297</u></u>

NW Natural  
Washington Rate Case  
Test Year Based on Twelve Months Ended September 30, 2018  
Rate Base - System & Washington

Table with columns for months from September 2017 to 13 Month AMA and rows for System, Gross Plant, Reserve, Subtotal Rate Base, Average Rate Base, and Washington. Rows include categories like Intangible Software, Production, Transmission, Distribution, General, Land, Structures, Storage and storage transmission, and CN&G and LNG Refueling.

Average Rate Base 162,292,282  
Average Deferred Taxes 39,065,927  
Ending Deferred Taxes (38,568,441)  
Total Rate Base \$162,789,768

NW Natural  
 Test Year Based on Twelve Months Ended September 30, 2018  
 Cost of Capital and Revenue Sensitive Calculations

Line No.		Percent of Total Capital (a)	Average Cost (b)	Weighted Cost (c)
<b>Cost of Capital</b>				
1	Long Term Debt	50.00%	5.07%	2.533%
2	Short Term Debt	1.00%	2.19%	0.022%
3	Common Stock	49.00%	9.40%	4.606%
4	<b>Total</b>	<u>100.00%</u>		<u>7.161%</u>
<b>Revenue Sensitive Costs</b>				
5	Gas Sales	96.091%		0.0400214
6	Transportation	3.549%		
7	Other	<u>0.360%</u>		
8	<b>Subtotal</b>	100.000%		
9	O & M - Uncollectible	0.106%		
10	WA Utility Tax	3.852%		
11	WUTC Fee	<u>0.200%</u>		
12	<b>Total Rev Sensitive Costs Incl Tax</b>	4.158%		
13	Federal Taxable Income	95.842%		
14	Federal Income Tax	<u>20.127%</u>		
15	<b>Total Income Taxes</b>	20.127%		
16	<b>Total Rev Sensitive Costs Incl Tax</b>	<u>24.284%</u>		
17	<b>Utility Operating Income</b>	<u>75.716%</u>		
18	<b>Net-to-gross factor</b>	<u>132.073%</u>		
19	Interest Coordination Factor	2.555%		
20	Federal tax rate	21.000%		
21	Uncollectible Accounts	0.106%		



NW Natural  
Washington Rate Case  
Test Year Based on Twelve Months Ended September 30, 2018

Line No.	Washington Allocated Results					
	Test Year		Test Year	Proposed	Test Year at	
	Results	Adjustments	Adjusted	Rate	9.40%	
	(a)	(b)	(c)	(d)	(e)	
<b>Operating Revenues</b>						
1	Sale of Gas	\$67,314,413	(\$3,389,642)	\$63,924,771	\$5,138,531	\$69,063,302
2	Transportation	2,370,981	(9,877)	2,361,104	0	2,361,104
3	Miscellaneous Revenues	(2,048,364)	2,287,568	239,204	0	239,204
4	<b>Total Operating Revenues</b>	<b>67,637,030</b>	<b>(1,111,951)</b>	<b>66,525,079</b>	<b>5,138,531</b>	<b>71,663,610</b>
<b>Operating Revenue Deductions</b>						
5	Gas Purchased	25,772,083	(1,240,143)	24,531,940	0	24,531,940
6	Uncollectible Accrual for Gas Sales	58,166	17,692	75,858	5,424	81,282
7	Other Operating & Maintenance Expenses	17,640,139	(166,730)	17,473,408	0	17,473,408
8	<b>Total Operating &amp; Maintenance Expense</b>	<b>43,470,387</b>	<b>(1,389,181)</b>	<b>42,081,206</b>	<b>5,424</b>	<b>42,086,630</b>
9	Federal Income Tax	1,370,297	(64,376)	1,305,921	1,034,228	2,340,149
10	Property Taxes	1,268,490	228,144	1,496,634	0	1,496,634
11	Other Taxes	3,688,228	(3,790)	3,684,438	208,213	3,892,651
12	Depreciation & Amortization	9,325,935	79,408	9,405,344	0	9,405,344
13	<b>Total Operating Revenue Deductions</b>	<b>59,123,338</b>	<b>(1,149,794)</b>	<b>57,973,543</b>	<b>1,247,865</b>	<b>59,221,408</b>
14	<b>Net Operating Revenues</b>	<b>\$8,513,692</b>	<b>\$37,843</b>	<b>\$8,551,535</b>	<b>\$3,890,666</b>	<b>\$12,442,202</b>
15	<b>Total Rate Base</b>	<b>\$162,789,768</b>	<b>\$10,959,853</b>	<b>\$173,749,621</b>	<b>\$0</b>	<b>\$173,749,621</b>
16	<b>Rate of Return</b>	<b>5.23%</b>		<b>4.92%</b>		<b>7.16%</b>
17	<b>Return on Common Equity</b>	<b>5.46%</b>		<b>4.83%</b>		<b>9.40%</b>

page is duplicate of "KSM-2 p1 - Rev Req" tab

NW Natural  
Adjustments to Test Period  
Test Year Based on Twelve Months Ended September 30, 2018

Line No.	Restating											Settlement Issues											Total Pro Forma			
	Weather											Total Restating												Pro Forma		
	Normalized Gas Sales & Purchases	Misc. Revenues Adjustment	Bonus Adjustment	Property Tax Adjustment	Uncollectible Accounts Adjustment	Working Capital Adjustment	Marketing and Cust. Comm. Adjustment	Claims Adjustment	Rate Case Adjustment	Clearing Adjustment	Total Restating Adjustments	Payroll Adjustment	Payroll Overhead Adjustment	Depreciation Adjustment	Post Test Year Capital Adjustment	EBIT Amortization Adjustment	Holdco Adjustment	Bonus Adjustment	Payroll Adjustment	Misc. Expense Adjustment	UPC Adjustment	Director Adjustment				
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)			
Operating Revenues																										
1 Sale of Gas	(3,593,725)									(3,593,725)											204,083			204,083	(3,389,642)	
2 Transportation	(9,877)									(9,877)															(9,877)	
3 Miscellaneous Revenues		2,287,568								2,287,568															2,287,568	
4 Total Operating Revenues	(1,603,022)	2,287,568	0	0	0	0	0	0	0	0	(1,316,034)	0	0	0	0	0	0	0	0	0	204,083	0	204,083	(1,111,951)		
Operating Revenue Deductions																										
5 Gas Purchased	(1,327,405)									(1,327,405)											87,262			87,262	(1,240,143)	
6 Uncollectible Accrual	(1,804)				21,280					17,476										215			215	17,692		
7 Other Operating & Maintenance Expenses		(288,191)				(287,523)	35,323	137,833	16,185	(385,174)	539,431	159,872							(37,467)	(127,772)	83,790	(250,000)	15,160	219,443	(166,730)	
8 Total Operating & Maintenance Expense	(1,331,208)	0	(288,191)	0	21,280	0	(287,523)	35,323	137,833	16,185	(1,696,102)	539,431	159,872	0	0	0	0	0	(37,467)	(127,772)	83,790	(250,000)	87,477	15,160	306,921	(1,389,181)
9 Federal Income Tax	(446,539)	460,024	61,640	(47,910)	(4,469)	(5,219)	60,980	(7,402)	(28,945)	(4,795)	37,665	(113,280)	(42,339)	39,295	(106,117)	(3,218)	7,868	26,832	17,594	52,500	22,751	(4,024)	(102,041)	(64,176)		
10 Property Taxes	(146,018)	92,692			228,144					(53,326)										8,269				228,144		
11 Other Taxes										0															0	
12 Depreciation & Amortization										0															0	
13 Total Operating Revenue Deductions	(1,923,765)	553,016	(226,551)	180,234	16,811	(5,219)	(227,143)	27,921	108,888	11,590	(1,481,638)	426,131	158,899	(147,817)	160,401	(3,219)	(29,599)	(100,940)	165,190	(197,000)	118,436	15,136	353,824	(1,149,790)		
14 Net Operating Revenues	(1,679,837)	1,733,052	226,551	(180,234)	(16,811)	5,219	227,143	(27,921)	(108,888)	(11,590)	167,584	(426,131)	(158,899)	147,817	(160,401)	3,219	29,599	100,940	66,196	197,000	85,585	(15,136)	(129,741)	37,843		
Average Rate Base																										
15 Utility Plant in Service			(208,763)			972,715		(2,895)		252,310	1,013,364			9,346,489	0								9,346,489	10,359,853		
16 Accumulated Depreciation										0															0	
17 Net Utility Plant	0	0	(208,763)	0	0	972,715	0	(2,895)	0	252,310	1,013,364	0	0	9,346,489	0	0	0	0	0	0	0	0	0	9,346,489	10,359,853	
18 Storage Gas										0															0	
19 Add-in Advance of Construction										0															0	
20 Leasehold Improvements										0															0	
21 Accumulated Deferred Income Taxes										0						600,000									600,000	600,000
22 Total Rate Base	0	0	(208,763)	0	0	972,715	0	(2,895)	0	252,310	1,013,364	0	0	9,346,489	600,000	0	0	0	0	0	0	0	0	9,946,489	10,959,853	
23 Interest Coordination	0	0	(5,334)	0	0	24,853	0	(74)	0	6,447	25,891	0	0	0	238,803	15,330	0	0	0	0	0	0	0	254,133	19,445	

Northwest Natural Gas Company  
 Adjustments to Test Period  
 Test Year Based on Twelve Months Ended September 30, 2018  
 (\$000)

Line No.	Income Tax Calculations	Weather Normalized Gas Sales & Purchases	Misc Revenues Adjustment	Bonus Adjustment	Property Tax Adjustment	Uncollectible Accounts Adjustment	Working Capital Adjustment	Marketing and Cust. Comm. Adjustment	Claims Adjustment	Rate Case Adjustment	Clearing Adjustment	Total Restating Adjustments	Payroll Adjustment	Payroll Overhead Adjustment	Depreciation Adjustment	Post Test Year Capital Adjustment	EDIT Amortization Adjustment	Holdco Adjustment	Bonus Adjustment	Payroll Adjustment	Misc Expense Adjustment	UPC Adjustment	Director Adjustment	Total Pro Forma Adjustments	Total Adjustments
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)
1	Book Revenues	(1,603,602)	2,287,568	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	204,083	0
2	Book Expenses before Deprec. & Interest	(1,477,236)	92,692	(283,193)	228,344	21,280	0	(287,523)	35,323	137,833	16,385	539,431	201,138	0	0	0	0	(37,467)	(127,772)	(83,780)	(250,000)	95,747	19,140	19,140	0
3	State Tax Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	(187,110)	266,518	0	0	0	0	0	0	0	0	0
4	Interest Expense (Income)	0	0	(5,334)	0	0	24,853	0	(74)	0	6,447	0	0	0	0	238,803	15,330	0	0	0	0	0	0	0	
5	Book/Tax Differences (Sched. M)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Federal Taxable Income	(2,126,376)	2,194,876	293,525	(228,144)	(21,280)	(24,853)	287,523	(35,249)	(137,833)	(22,832)	(539,431)	(201,138)	187,110	(505,321)	(15,330)	37,467	127,772	83,780	250,000	108,336	(19,140)	(19,140)	0	
7	Federal Income Tax [1]	(446,539)	460,924	61,640	(47,910)	(4,469)	(5,219)	60,380	(7,402)	(28,945)	(4,795)	(113,280)	(42,239)	39,293	(106,117)	(3,219)	7,868	26,832	17,594	52,500	22,751	(4,024)	(4,024)	0	
8	ITC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Current Federal Tax	(446,539)	460,924	61,640	(47,910)	(4,469)	(5,219)	60,380	(7,402)	(28,945)	(4,795)	(113,280)	(42,239)	39,293	(106,117)	(3,219)	7,868	26,832	17,594	52,500	22,751	(4,024)	(4,024)	0	
10	Deferred Income Tax - Federal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
11	Deferred Income Tax - State	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
12	ITC Restored (Deferred)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
13	Total Federal Tax	(446,539)	460,924	61,640	(47,910)	(4,469)	(5,219)	60,380	(7,402)	(28,945)	(4,795)	(113,280)	(42,239)	39,293	(106,117)	(3,219)	7,868	26,832	17,594	52,500	22,751	(4,024)	(4,024)	0	

NW Natural  
 Test Year Based on Twelve Months Ended September 30, 2018  
 Weather Normalized Gas Sales and Purchases Adjustment

Revenues	Actual			Normalized			Adjustment
	Therm Deliveries	Average Class Price Per Therm	Revenues and Margin	Therm Deliveries	Average Class Price Per Therm	Revenues and Margin	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Sales Volumes and Revenues</b>							
1 Residential	50,068,986	0.93166	\$46,647,052	50,368,669	0.87489	\$44,067,223	
2 Commercial	21,738,480	0.83207	\$18,087,986	21,869,677	0.78588	\$17,187,046	
3 Industrial Firm	3,052,386	0.64441	\$1,966,975	3,064,902	0.62388	\$1,912,138	
4 Interruptible	1,319,198	0.41212	\$543,668	1,319,198	0.42016	\$554,280	
5 Total Sales of Gas Revenues	76,179,050		\$67,245,682	76,622,447		\$63,720,688	(\$3,524,994)
6 Unbilled amounts	117,158		\$68,731				(\$68,731)
7 Unaccounted For Gas	228,702						
<b>Transportation Volumes and Revenues</b>							
8 Firm	7,065,720	0.16811	\$1,187,790	7,065,720	0.16734	\$1,182,353	
9 Interruptible	10,909,907	0.08649	\$943,569	10,908,382	0.08609	\$939,123	
10 Special Contracts - Firm	2,813,155	0.08518	\$239,621	2,813,155	0.08518	\$239,628	
11 Total Transportation	20,788,782		\$2,370,981	20,787,257		\$2,361,104	(\$9,877)
12 Total Deliveries and Revenues	97,313,692		\$69,685,394	97,409,704		\$66,081,791	(\$3,603,602)
<b>Gas Costs</b>							
13 Demand Charges (Net of Deferral)			\$8,770,697			\$8,063,564	
14 Commodity Charges (Net of Deferral)			19,856,051			16,381,114	
15 Commodity and Demand Amortizations			(2,854,665)			0	
16 Total Cost of Gas			\$25,772,083			\$24,444,678	(\$1,327,405)
17 Total Margin			\$43,913,311			\$41,637,113	

NW Natural  
Washington Rate Case  
Test Year Based on Twelve Months Ended September 30, 2018  
Adjustments to Miscellaneous Revenues

## Worksheet b

Line No.		Actual (a)	Normalized (b)	Adjustment (c)
	<b>Revenue &amp; Technical Adjustments</b>			
1	DSM - Amortization	(\$2,032,720)	\$0	\$2,032,720
2	WA GREAT, WA-LIEE	(\$304,443)	\$0	\$304,443
3	<b>Subtotal</b>	(\$2,337,162)	\$0	\$2,337,162
	<b>Other Miscellaneous Revenues</b>			
4	FORFEITED DISCOUNTS-LATE PAYMENT CHARGE	\$89,244	\$90,177	\$933
5	MISC SERVICE REVENUES-AUTOMATED PAYMENT	\$5,723	\$5,951	\$228
6	MISC SERVICE REVENUES-DELINQ RECONN FEE	\$1,500	\$1,500	\$0
7	MISC SERVICE REVENUES-FIELD COLLECTION C	\$33,220	\$33,220	\$0
8	MISC SERVICE REVENUES-GAS DIVERSIONS	\$1,383	\$1,383	\$0
9	MISC SERVICE REVENUES-RECONN CHG-CR-AFTE	\$34,700	\$34,433	(\$267)
10	MISC SERVICE REVENUES-RECONN CHG-CR-DURI	\$15,900	\$15,900	\$0
11	MISC SERVICE REVENUES-RECONN CHG-SEAS-AF	\$1,200	\$1,717	\$517
12	MISC SERVICE REVENUES-RECONN CHG-SEAS-DU	\$550	\$550	\$0
13	MISC SERVICE REVENUES-RETURNED CHECK CHA	\$11,658	\$11,658	\$0
14	MISC SERVICE REVENUES-SEAS RECONN FEE	\$300	\$300	\$0
15	MISC SERVICE REVENUES-SUMMARY BILL SVCS	\$0	(\$8)	(\$8)
16	OTHER GAS REVENUES-METER RENTALS	\$18,356	\$19,365	\$1,008
17	OTHER GAS REV-LNG SALES & OTHER MISC REV	\$600	\$1,370	\$770
18	RENT FROM GAS PROPERTY-RENT - UTILITY PR	\$74,465	\$21,689	(\$52,776)
13	<b>Subtotal</b>	\$288,798	\$239,204	(\$49,594)
14	<b>Total</b>	(\$2,048,364)	\$239,204	\$2,287,568

Northwest Natural Gas Company  
 Test Year Based on Twelve Months Ended September 30, 2018  
 Bonus Adjustment

Worksheet c

Line No.		2013 paid in 2014	2014 paid in 2015	2015 paid in 2016 1/ (a)	2016 paid in 2017 1/ (b)	2017 paid in 2018 (c)	Three Year Average (d)	Test Year Accrual (e)	Adjustment (f)=(d)-(e)
<b>Officers/Exempt</b>									
1	Performance Bonus - O & M	\$4,330,699	\$2,986,058	\$6,213,593	\$5,597,391	\$6,107,412	\$5,047,031	\$6,572,483	(\$1,525,453)
2	Performance Bonus - Construction	2,187,716	1,502,230	2,580,181	2,594,415	2,952,686	\$2,363,446	3,587,548	(1,224,102)
<b>Clerical/Hourly</b>									
3	Key Goals Bonus - O & M	0	69,528	0	597,200	1,105,922	\$354,530	1,400,378	(1,045,848)
4	Key Goals Bonus - Construction	0	34,842	0	358,883	534,668	\$185,679	764,387	(578,709)
5	<b>Total</b>	<b>6,518,415</b>	<b>4,592,658</b>	<b>8,793,774</b>	<b>9,147,889</b>	<b>10,700,688</b>	<b>7,950,685</b>	<b>12,324,796</b>	<b>(4,374,111)</b>
6	Total Adjusted O & M (line 3 + line 9)								(\$2,571,301)
7	Washington Allocation Factor						<b>Employee Cost</b>		11.21%
8	Adjustment to Washington - O&M								<u>(\$288,191)</u>
9	Total Adjusted Construction (line 6 + line 12)								(\$1,802,811)
10	Washington Allocation Factor						<b>Gross Plant</b>		11.58%
11	Adjustment to Washington - Rate Base								<u>(\$208,765)</u>

Adjustment takes expense from test period accrual to 3 year paid average - Settlement uses 5 year average

**NW Natural**  
**Test Year Based on Twelve Months Ended September 30, 2018**  
**Property Tax Adjustment**

**Worksheet d**

<u>Line No.</u>	<u>Expense (a)</u>	<u>Source</u>
1 Property Taxes - Test Period Expense	\$1,268,490	'WP - Other Rev & Tax'!E21
2 Property Taxes - Paid During 2018	1,509,613	per Tax Dept
3 Property Taxes - Capitalized	<u>12,979</u>	Uses 2017 Calendar as proxy
4 Adjustment	<u><u>\$228,144</u></u>	

NW Natural  
 Test Year Based on Twelve Months Ended September 30, 2018  
 Uncollectible Accounts Adjustments

Worksheet e

Line No.		12 Months Ended September			
		2016 - 2018	2018	2017	2016
		Total	Actual	Actual	Actual
		(a)	(b)	(c)	(d)
<b>Gas Revenues</b>					
1	Residential	\$1,279,892,130	\$422,699,759	\$454,168,194	\$403,024,176
2	Commercial	636,944,211	208,617,626	227,807,903	200,518,682
3	Industrial	65,643,595	21,527,710	22,807,945	21,307,940
4	Interruptible	62,809,074	20,395,258	22,239,876	20,173,941
5	<b>Total</b>	<b>2,045,289,010</b>	<b>673,240,352</b>	<b>727,023,918</b>	<b>645,024,739</b>
<b>Net Write-Offs</b>					
6	Residential	1,732,214	430,995	694,701	606,517
7	Commercial	275,086	86,089	95,298	93,699
8	Industrial	151,544	2,307	27,123	122,114
9	Interruptible	0	0	0	0
10	<b>Total</b>	<b>2,158,844</b>	<b>519,392</b>	<b>817,122</b>	<b>822,330</b>
<b>Write-Off % - 3-Year Average</b>					
11	Residential	0.135%	0.102%	0.153%	0.150%
12	Commercial	0.043%	0.041%	0.042%	0.047%
13	Industrial	0.231%	0.011%	0.119%	0.573%
14	Interruptible	0.000%	0.000%	0.000%	0.000%
15	<b>Weighted Total [1]</b>	<b>0.106%</b>	<b>0.077%</b>	<b>0.112%</b>	<b>0.127%</b>
<b>Normalized Uncollectible</b>					
16	Residential	\$572,084			
17	Commercial	90,099			
18	Industrial	49,699			
19	Interruptible	0			
20	<b>Total</b>	<b>\$711,882</b>			
21	<b>Allocation Factor (Customers - All)</b>	<b>11.16%</b>			
22	Washington Normalized Amount	\$79,446			
23	Washington Allocation of Accrued Amount	\$58,166			
24	<b>Adjustment (Normalized less Accrued)</b>	<b>\$21,280</b>			

[1] Weighted uncollectible rate of

0.106% is used on page 1, column (b)



NW Natural  
 Washington Rate Case  
 Working Capital Calculation

## Worksheet f

This tab superceded by settlement amount on adjustments tab

	<u>AMA</u>
<b>Average Invested Capital</b>	
1 Common Equity	776,767,236
2 Preferred Stock	-
3 Miscellaneous Debt	813,733,020
4 Deferred ITC	322
5 Deferred Liabilities	<u>16,505,113</u>
6 Total Invested Capital	1,607,005,690
<b>Average Investments</b>	
<b>Utility Operating Investments</b>	
7 Plant in Service	2,981,614,839
8 Accumulated Depreciation	(1,327,857,300)
9 Deferred Income Taxes	(362,148,977)
10 Gas Stored Underground - Cushion Gas	18,056,545
11 Property Held for Future Use	960,295
12 Customer Advances	(5,072,451)
13 Contributions in Aid of Construction	(4,207,252)
14 Investment in Gas Reserves	<u>114,848,596</u>
15 Total Operating Investments	1,416,194,296
<b>Other Investments</b>	
16 Construction Work In Process	186,480,461
17 Non-Utility Property	52,659,384
18 Accumulated Depreciation - non utility	(19,054,381)
19 Deferred Income Tax - non-utility & Oregon	(130,058,467)
20 Investments in Subsidiary Companies	58,304,491
21 Temporary Cash Investments	3,298,275
22 Deferred Gas Costs	(21,270,245)
23 Other Deferred Debits	<u>113,293,024</u>
24 Total Other Investments	243,652,542
25 Total Average Investments (In 15 + In 24)	1,659,846,838
26 Less CWIP (In 16)	(186,480,461)
27 Less Deferred Gas Costs (In 22)	<u>21,270,245</u>
28 Total Base Investment - System	1,494,636,622
29 Investor Supplied Working Capital (In 6 - In 28)	\$ 112,369,069
30 Less Working Gas Inventory	<u>34,231,890</u>
31 Allowable Working Capital - System	\$ 78,137,179
32 Working Capital Percentage Allowable (In 31 / In 28)	5.27%
33 Washington Rate Base (excludes WC - includes adjustments)	\$173,761,403
34 Allowable Investor Supplied Working Capital (In 33 X In 32)	\$ 9,150,577
35 Working Gas Inventory	\$ 34,231,890
36 Inventory allocation % - firm delivered	<u>10.42%</u>
37 Washington Gas Inventory (In 35 X In 36)	\$ 3,566,963
38 Total Working Capital Allowance (In 37 + In 34)	<u>\$ 12,717,540</u>
Washington Rate Base (excludes WC - includes adjustments)	\$172,776,906

**NW Natural**  
**Test Year Based on Twelve Months Ended September 30, 2018**  
**Marketing and Customer Communications Adjustment**

Worksheet g

Line No.	Marketing	Washington Allocated Amount (a)	Disallowance Percent (b)	Disallowed Amount (c)	Source
1	Marketing Expenses - Account 912	<u>\$236,575</u>	100%	<u>(\$236,575)</u>	181053-NWN-KSM-xlsx-WP15-1-4-2019
	Advertising	System Expensed Amount (a)	Allocation Factor (Residential Customers) (b)	Disallowed Washington Allocated Amount (c)	
2	Expenses not qualifying under 480-90-223	<u>\$452,073</u>	11.27%	<u>(\$50,949)</u>	181053-NWN-KSM-xlsx-WP15-1-4-2019
<u>Total Marketing and Advertising</u>					
3	Total Adjustment for Marketing & Communications			<u><u>(\$287,523)</u></u>	

**NW Natural**  
**Test Year Based on Twelve Months Ended September 30, 2018**  
**Claims Expense Adjustment**

**Worksheet h**

<u>Line No.</u>	<u>O&amp;M Expense</u>	<u>Construction</u>
	(a)	(b)
1 Expensed during Test period	\$112,509	\$145,967
<b>Normalized Expenses</b>		
2 Actual Claims - Ordinary (Paid)	186,612	120,967
3 3-Year Average Claims - Extraordinary 1/	240,998	0
4 Subtotal	<u>427,610</u>	<u>120,967</u>
5 Adjustment - System (line 4 - line 1)	315,101	(25,000)
6 Allocation to Washington (O&M on 3-factor, const on gross plant)	<u>11.21%</u>	<u>11.58%</u>
7 Adjustment	<u><u>\$35,323</u></u>	<u><u>(\$2,895)</u></u>

1/ Extraordinary Claims	<u>TME December</u>
TME 9/30/16	298,383
TME 9/30/17	358,715
TME 9/30/18	<u>65,897</u>
3-Year Average	240,998

**NW Natural**  
**Test Year Based on Twelve Months Ended September 30, 2018**  
**Rate Case Expense Adjustment**

**Worksheet i**

<u>Line No.</u>	<u>O&amp;M Expense (a)</u>
1 Outside Services - Washington Rate Case	<u>\$413,500</u>
2 3-Year Average for rate case frequency	<u>\$137,833</u>
Return on Equity Consultant	83,500
Cost of Service / Rate Design Consultant	130,000
Outside Legal	<u>200,000</u>
Total	<u>413,500</u>

**NW Natural**  
**Test Year Based on Twelve Months Ended September 30, 2018**  
**Elimination of Clearing Account Balances**

**Worksheet j**

<u>Line No.</u>		<u>Amount</u>
1	Adjustment to O&M	\$16,385
2	Adjustment to Construction	\$252,310

Northwest Natural Gas Company  
 Test Year Based on Twelve Months Ended September 30, 2018  
 Payroll Adjustment - Excluding Bonuses

## Worksheet I (1)

Line No.	Total 1/ (a)	Officers 2/ (b)	NBU (c)	BU (d)
1 12 Months Payroll - 9/30/2018	103,089,048	3,681,313	51,335,877	48,071,858
2 Payroll - Annualized 3/	104,449,105	3,620,846	51,757,006	49,071,253
3 Annualized 2018 Wage Increases (5 months) NBU	791,392		791,392	
4 Annualized 2019 Wage Increases (12 months) NBU	2,101,936		2,101,936	
5 Annualized 2017 Wage Increases (2 months) BU	278,137			278,137
6 Adjust 2018 Wage Increases (12 months) BU	1,727,229			1,727,229
7 Adjust 2019 Wage Increases (12 months) BU	1,787,682			1,787,682
8 Payroll - Normalized	111,135,479	3,620,846	54,650,334	52,864,300
9 O&M Payroll Factor	63.1%	72.5%	64.7%	60.8%
10 O&M Payroll - Normalized	70,125,373	2,625,113	35,358,766	32,141,494
11 O&M Payroll - Actual	65,110,954	2,668,952	33,214,312	29,227,690
12 Adjustment to O & M Payroll - System	5,014,419	(43,839)	2,144,454	2,913,804
13 Washington Allocation for O&M Payroll	10.76%			
14 Adjustment to O & M Payroll - Washington	\$539,431			

## Notes:

2017 BU Salary Adjustment December 1, 2017	3.50%
2018 NBU Adjustment March 1, 2018	3.75%
2018 BU Salary Adjustment December 1, 2018	3.50%
2019 NBU Adjustment March 1, 2019	4.00%
2019 BU Salary Adjustment December 1, 2019	3.50%

- 1/ Total and Officer columns included to determine company O&M % for some adjustments  
 2/ Normalized to test year average pay per executive times ending 12 Officers  
 3/ Amounts reflect average salaries at end of period count.

**Northwest Natural Gas Company**  
**Test Year Based on Twelve Months Ended September 30, 2018**  
**Payroll Adjustment - Excluding Bonuses**  
**Annualized Wages and Salaries**

**Worksheet I (2)**

<u>Line No.</u>	<u>Officers</u>	<u>NBU</u>	<u>BU</u>
	(a)	(b)	(c)
1 Adjusted Employee Count - Year-end 1/	12.0	508.3	630.2
2 Average Employee Count - Test Period	12.2	504.2	617.4
3 Test Year Payroll	\$3,681,313	\$51,335,877	\$48,071,858
4 Average Payroll per Employee (line 3 / line 2)	\$301,737	\$101,816	\$77,865
5 Payroll Based on Year-end Employees (line 4 * line 1)	<u>\$3,620,846</u>	<u>\$51,757,006</u>	<u>\$49,071,253</u>

	<u>Officers</u>	<u>NBU</u>	<u>BU</u>
2017 October	12.0	489.5	596.4
2017 November	12.0	494.6	604.4
2017 December	11.9	499.7	612.3
2018 January	12.0	501.3	617.6
2018 February	12.0	505.5	611.8
2018 March	12.5	506.0	619.2
2018 April	12.0	507.5	620.5
2018 May	12.0	510.0	619.4
2018 June	12.0	510.2	622.2
2018 July	12.0	508.7	621.4
2018 August	13.0	509.1	633.0
2018 September	13.0	508.3	630.2
Average	<u>12.2</u>	<u>504.2</u>	<u>617.4</u>

1/ Reflects expected retirement of HR executive

NW Natural  
 Test Year Based on Twelve Months Ended September 30, 2018  
 Payroll Overhead Adjustment

## Worksheet m

Line No.	System Adjustment Amount (a)	Washington Allocation Factor 1/ (b)	Washington Adjustment Amount (c)
<b><u>Health and Life Insurance Adjustment</u></b>			
1	11,830,300		
2	12,199,939		
3	<u>\$369,639</u>	10.76%	39,764
<b><u>Pension Adjustment - Washington Allocated Costs</u></b>			
4	1,844,666		
5	1,964,773		
6	<u>\$120,108</u>	100.00%	<u>120,108</u>
7			<u>159,872</u>
<b>Note: Pension administrative costs and Western States not normalized</b>			
<b><u>Payroll Tax Adjustment</u></b>			
8	70,125,373		
9	65,110,954		
10	5,014,419		
11	7.65%		
12	<u>\$383,603</u>	10.76%	<u>41,266</u>

1/ Payroll Cost Allocation Factor



**NW Natural**  
**Test Year Based on Twelve Months Ended September 30, 2018**  
**Depreciation Adjustment**

**Worksheet n**

<u>Line</u> <u>No.</u>		<u>Expense</u> <u>(a)</u>
1	Depreciation Expense - Test Year Actual	9,325,935
2	Depreciation Expense - New Rates	<u>9,138,825</u>
3	Depreciation Expense Adjustment	<u><u>(187,110)</u></u>

**NW Natural**  
**Test Year Based on Twelve Months Ended September 30, 2018**  
**Washington Post Test-Year Capital Projects**

**Worksheet o**

<u>Line No.</u>	<u>Amount</u> (a)	<u>Source</u>	<u>Filed</u>	<u>Settlement</u>
1 <b>Addition to Rate Base</b>	9,346,489	181053-NWN-KSM-xlsx-WP17-1-4-2019	10,189,608	9,346,489
2 <b>Addition to Depreciation Expense</b>	266,518	181053-NWN-KSM-xlsx-WP17-1-4-2021	298,684	266,518

**NW Natural**  
**Test Year Based on Twelve Months Ended September 30, 2018**  
**Excess Deferred Tax Amortization**

**Worksheet p**

<u>Line No.</u>	<u>Expense (a)</u>	<u>Source</u>
1 Plant Related Excess Deferred Taxes	400,000	Tax Exh. SRB-5, Pg. 1
2 Non-Plant Related Excess Deferred Taxes	_____	Tax Exh. SRB-5, Pg. 1
3 Riders external to Rate Case Revenue Requirement	<u>400,000</u>	
4 Reduction of Deferred Taxes - Rate Base (3-Year Ave)	<u>600,000</u>	

NW Natural  
 Test Year Based on Twelve Months Ended September 30, 2018  
 Holdco Adjustment

Worksheet q

Washington

Source

<u>Line No.</u>	<u>O&amp;M Expense (a)</u>
1 Washington Allocated amounts from Departments	425,738
2 Amount Allocable to Affiliates (3.4%) 1/	<u>(14,475)</u>
3 Washington Allocated amounts from Departments	229,915
4 Amount Allocable to Affiliates (10%) 1/	<u>(22,991)</u>
5 Total Adjustment	<u>(37,467)</u>

42014	SEC REPORTING	13
42014	SEC REPORTING	303
42014	SEC REPORTING	72,806
44010	FIN PLANNING & BUDGE	113,861
46010	CORP SECRETARY	-
46010	CORP SECRETARY	(433)
46010	CORP SECRETARY	42
46010	CORP SECRETARY	19,763
46020	SHAREHOLDER SVCS	1,276
46020	SHAREHOLDER SVCS	2,466
46020	SHAREHOLDER SVCS	16,594
46020	SHAREHOLDER SVCS	23,300
46030	CORP ETHICS & COMPL	18,380
48010	INVESTOR RELATIONS	45,293
72500	INTERNAL AUDITING	105,976
73600	VP & CORPORATE SECTY	6,100

181053-NWN-KSM-xlsx-WP14-1-4-2021  
 select cost centers

Subject to Allocation (3.4) 425,738

46010 CORP SECRETARY 229,915

Subject to Allocation (10.0) 229,915

1/ Percentage allocations per Accounting study

**NW Natural  
Test Year Based on Twelve Months Ended September 30, 2018  
Director Adjustment**

**Worksheet r**

<u>Line No.</u>		<u>O&amp;M Expense</u> (a)
1	Washington Allocated Director Expense	229,915
2	Cost per Director (12 Directors)	19,160
3	Adjustment for Additional Director	<u>19,160</u>

**Deferred Tax- Washington Allocated**

	<u>Other</u>	<u>Depreciation</u>	<u>Total</u>
September 2017	171,510	(39,734,923)	(39,563,413)
September 2018	220,909	(38,789,350)	(38,568,441)

**Deferred Tax- System**

	<u>Other</u>	<u>Depreciation</u>	<u>Total</u>
September 2017		(430,947,126)	(430,947,126)
September 2018		(433,208,189)	(433,208,189)

**Accum Deprec Factor** 10.37%

September 2017			
DEF INC TAX-UTIL-DEP	fed	283061	(357,168,974)
DEF INC TAX-UTIL-DEP	state	283062	(73,778,152)
			<u>(430,947,126)</u>
	Fed Grossed Up		(382,991,328)
	WA Alloc		(39,734,923)

2018 September Balances:

	<u>Federal</u>	<u>State</u>	<u>SYS Total</u>	<u>Washington Allocation</u>	
Accumulated Deferred Income Tax - Depreciation	(217,460,814)	(75,091,273)	(292,552,087)	(24,197,350)	10.37% < Allocation
Tax Reform Reg. Liability - Plant (254100)	(191,300,509)		(191,300,509)	(18,470,886)	< Actual
Tax Reform DTA - Plant (283012)	37,389,597		50,644,407	3,878,886.08	< Calc'd
Net Plant Related Balance	<u>(371,371,726)</u>	<u>(61,836,462)</u>	<u>(433,208,189)</u>	<u>(38,789,350)</u>	

**NW Natural**  
**Washington Rate Case**  
**Test Year Based on Twelve Months Ended September 30, 2018**  
**Detail of Other Revenues, Other Taxes and Depreciation**

Line No.		Washington	Oregon	System	allocation
<b>Other Operating Revenues</b>					
1	Reconnect Charges	54,150	555,056	609,206	Direct
2	Late Payment Charges	89,244	1,952,953	2,042,198	Direct
3	Automated Payment Charge	5,723	34,640	40,363	Direct
4	Return Check	11,658	106,545	118,203	Direct
5	Field Collection	33,220	346,530	379,750	Direct
6	Meter Rentals	18,356	169,005	187,362	Direct
7	Utility Property Rental	74,465	715,230	789,695	Direct & Gross Plant
8	Miscellaneous	1,983	377,812	379,795	Direct
9	Rate Adjustments (Rev Def & Amort)	(2,337,162)	(17,673)	(2,354,835)	Direct
10	<b>Total Other Op Revenues</b>	<b>(2,048,364)</b>	<b>4,240,099</b>	<b>2,191,735</b>	
<b>Other Taxes</b>					
11	Property	1,268,490	20,012,319	21,280,809	Direct
12	Franchise	2,759,453	14,839,281	17,598,735	Direct
13	Payroll	667,912	5,540,837	6,208,749	Payroll
14	Regulatory Fee	147,230	1,790,395	1,937,625	Direct
15	Department of Energy	0	854,967	854,967	Direct
16	North Mist Property Tax	0	752,183	752,183	Direct
17	Other	113,633	162,151	275,784	Direct & 3-Factor
18	<b>Other Taxes</b>	<b>4,956,718</b>	<b>43,952,133</b>	<b>48,908,851</b>	
<b>Depreciation Expense</b>					
19	Intangible Software	328,852	2,617,851	2,946,703	Customers All
20	Intangible Other	0	0	0	Direct
21	Production	0	0	0	Direct
22	Transmission	22,856	5,002,726	5,025,581	Direct
23	Distribution	7,311,855	50,917,777	58,229,632	Direct
24	General	850,936	6,739,927	7,590,863	3-Factor
25	Land & Structures	107,220	1,070,521	1,177,741	Per Alloc History
26	Storage and storage transmission	700,659	6,881,518	7,582,177	Firm Volumes
27	CNG and LNG Refueling	3,557	28,176	31,733	3-Factor
28	<b>Total Depreciation</b>	<b>9,325,935</b>	<b>73,258,496</b>	<b>82,584,431</b>	
<b>Cost of Gas</b>					
29	WACOG Incurred	17,934,917	176,291,228	194,226,144	
30	WACOG Deferred	1,921,134	14,110,568	16,031,702	
31	Demand Incurred	8,258,452	70,495,465	78,753,917	
32	Demand Deferred	512,245	4,362,863	4,875,108	
33	Amortizations	(2,854,665)	(14,665,139)	(17,519,804)	
34	Mist ISS Fuel-in-kind			661,882	
35	<b>Total Cost of Gas</b>	<b>25,772,083</b>	<b>250,594,985</b>	<b>277,028,949</b>	