

**Exh. JL-10r  
Docket UG-181053  
Witness: Jing Liu**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**NORTHWEST NATURAL GAS  
COMPANY, d/b/a NW NATURAL,**

**Respondent.**

**DOCKET UG-181053**

**EXHIBIT OF**

**Jing Liu**

**STAFF OF WASHINGTON UTILITIES  
AND TRANSPORTATION COMMISSION**

*Staff's Estimate on Incremental Cost for and Revenue from  
Schedule 2 Residential Customers*

**July 18, 2019**

*Revised 7/23/19*

**Incremental Cost For Serving New Customers**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Cost per Customer	\$ 508	\$ 498	\$ 487	\$ 477	\$ 467	\$ 457

Year	Number of New Customers	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
2019	2,969	\$ 1,507,728	\$ 1,478,485	\$ 1,446,549	\$ 1,415,716	\$ 1,385,914	\$ 1,357,078
2020	3,219		\$ 1,634,683	\$ 1,602,979	\$ 1,568,353	\$ 1,534,924	\$ 1,502,613
2021	3,524			\$ 1,789,570	\$ 1,754,861	\$ 1,716,954	\$ 1,680,358
2022	3,604				\$ 1,830,195	\$ 1,794,699	\$ 1,755,932
2023	3,707					\$ 1,882,501	\$ 1,845,990
2024	3,801						\$ 1,930,237

**Total Cost in Six Years** **\$ 34,416,318**

**Incremental Revenue from New Customers**

Revenue/Customer \$ 410

Year	Number of New Customers	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
2019	2,969	\$ 1,217,290	\$ 1,217,290	\$ 1,217,290	\$ 1,217,290	\$ 1,217,290	\$ 1,217,290
2020	3,219		\$ 1,319,790	\$ 1,319,790	\$ 1,319,790	\$ 1,319,790	\$ 1,319,790
2021	3,524			\$ 1,444,840	\$ 1,444,840	\$ 1,444,840	\$ 1,444,840
2022	3,604				\$ 1,477,640	\$ 1,477,640	\$ 1,477,640
2023	3,707					\$ 1,519,870	\$ 1,519,870
2024	3,801						\$ 1,558,410

**Total Revenue in Six Years** **\$ 28,713,120** REVISED

**Revenue - Cost** **\$ (5,703,198)** REVISED