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August 6, 2018

VIA ELECTRONIC FILING

Public Utility Commission of Oregon Attn: Filing Center 201 High Street SE Suite 100 Post Office Box 1088 Salem, Oregon 97308-1088

Re: UG 344: NW Natural's Application for a General Rate Revision Partial Stipulation

Attached for filing in the above-referenced docket is the partial stipulation entered into between Northwest Natural Gas Company, Commission Staff, the Alliance of Western Energy Consumers, and the Oregon Citizens' Utility Board. The parties plan to file supporting testimony in the coming weeks.

Please address correspondence on this matter to me with copies to the following:

eFiling

NW Natural

Zachary Kravitz NW Natural 220 NW Second Avenue Portland, Oregon 97209 Telephone: (503) 220-2379 zdk@nwnatural.com

Rates and Regulatory Affairs 220 NW Second Avenue Portland, Oregon 97209 Facsimile: (503) 721-2516 Telephone: (503) 226-4211, ext. 3589 eFiling@nwnatural.com

Lisa Rackner McDowell Rackner & Gibson PC 419 SW 11th Avenue, Suite 400 Portland, OR 97205

Telephone: 503-595-3925 Facsimile: 503-595-3928 lisa@mcd-law.com Public Utility Commission of Oregon UG 344 – Partial Stipulation August 6, 2018; Page 2

Please feel free to contact me with any questions.

Sincerely,

NW NATURAL

/s/ Zachary D. Kravitz

Zachary D. Kravitz Associate Counsel

Northwest Natural Gas Company

enclosures

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UG 344

In the Matter of

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NW NATURAL GAS COMPANY D/B/A NW NATURAL

STIPULATION

Application for a General Rate Revision.

INTRODUCTION

The purpose of this Stipulation is to resolve issues among NW Natural Gas Company d/b/a NW Natural (NW Natural or the Company), Staff of the Public Utility Commission of Oregon (Staff), Oregon Citizens' Utility Board (CUB), and the Alliance of Western Energy Consumers (AWEC) (collectively, the Stipulating Parties) in Docket No. UG 344, NW Natural's Application for a General Rate Revision. The Stipulating Parties are the only parties to this proceeding, and they expect this Stipulation to resolve all the issues raised in this docket with the exception of issues related to the Company's pension balancing account, sharing of revenues produced by optimization of certain NW Natural assets and the Company's Interstate Storage operations, and the impact of the 2017 federal Tax Cuts and Jobs Act on the Company's accumulated deferred income tax and the Company's tax expense during the time period leading up to the rate effective date. These remaining issues continue to be litigated by the Stipulated Parties.

BACKGROUND

On December 29, 2017, NW Natural filed a request for a general rate increase and revised tariff sheets to become effective November 1, 2018 (the Initial Filing). The Company's Initial Filing requested a revision to customer rates that would increase the Company's annual Oregon jurisdictional revenues by \$52.4 million (or \$40.38 million after the adjustment for

Page 1 - UG 344—STIPULATION

decoupling is considered), or an approximately 8.3 percent over current customer rates. Administrative Law Judge Allan J. Arlow convened a prehearing conference on February 1, 2018. On March 20, 2018, the Company filed supplemental direct testimony regarding updates to the test year and revenue requirement that accounted for the impacts of the 2017 federal Tax Cuts and Jobs Act to the Test Year and revised the application of the depreciation study approved by the Commission on January 5, 2018 in Docket No. UM 1808 (the Supplemental Filing). The impact of these revisions was to reduce the requested revenue requirement to \$37.8 million (or \$25.7 million after the consideration for decoupling).

Page

On April 20, 2018, Staff, CUB, and AWEC filed opening testimony proposing various adjustments to NW Natural's Initial Filing. The parties convened an initial settlement conference on April 30, 2018. NW Natural filed its reply testimony on May 23, 2018. In its reply testimony (Reply Filing), the Company provided corrections and updates to its Initial Filing and responded to the testimony of Staff, CUB, and AWEC. The Stipulating Parties convened a second settlement conference on May 30-31, 2018. As a result of those discussions, the Stipulating Parties made progress towards settlement of the issues presented in this Stipulation. The Stipulating Parties convened a final settlement conference on June 12, 2018 and reached a settlement of all issues presented in this Stipulation. This Stipulation memorializes the Stipulating Parties' agreements reached at the June 12, 2018 settlement conference.

TERMS OF AGREEMENT

The Stipulation resolves the issues addressed below:

1. Revenue Requirement. The Stipulating Parties agree that the total increase to NW Natural's annual Oregon revenue requirement amount is \$16,000,000, as summarized in the table in Appendix A to this Stipulation. The \$16,000,000 annual revenue requirement increase in this proceeding is based on the Stipulating Parties' agreement that the 2 - UG 344—STIPULATION

1	Company's requested Oregon-allocated increase to annual revenue requirement shall be
2	reduced by a total of \$21.8 million from the Supplemental Filing amount of \$37.8 million,
3	based on the following adjustments to NW Natural's Initial Filing and Supplemental Filing:
4	(a) ODOE Fees. A reduction of \$19,000 in expense to reflect a weighting of the
5	last two years of fees equally. This adjustment results in a reduction to revenue
6	requirement of \$20,000;
7	(b) Property Taxes. A reduction of \$147,000 in expense based on a compromise
8	position between Staff's recommendation to adopt a three-year average, and the
9	Company's position. This adjustment results in a reduction to revenue
10	requirement of \$152,000;
11	(c) Customer deposits. A reduction to rate base of \$291,000 based on Staff's
12	methodology of trending over the 2010-2017 period, with a change to Staff's
13	methodology to update the calculation to use monthly values instead of Staff's
14	year-end approach. This adjustment results in a reduction to revenue
15	requirement of \$27,000;
16	(d) Salary, Wages, and Incentives, and Medical Benefits. A reduction of \$5,791,000
17	in expense and \$2,300,000 to rate base to reflect a compromise between the
18	Company's Initial Filing and Staff's proposed adjustments. This adjustment
19	results in a decrease to revenue requirement of \$6,171,000. The Company also
20	retains the right to request a separate generic docket to revisit Commission
21	policy regarding incentive pay. The impacts of any such docket would not apply
22	to this proceeding;
23	(e) Plant Adjustments. A reduction of \$33,730,000 to rate base to reflect removal of
24	projects that will not go into service until after November 1, 2018, except that the
25	Stipulating Parties have agreed to include for the Test Year a portion of the

Page 3 - UG 344—STIPULATION

capital additions related to customer acquisitions. This adjustment results in a
reduction to revenue requirement of \$5,389,000. In recognition of the capital
associated with customer additions, the Stipulating Parties have agree to also
include an addition of \$13,516,000 to rate base to reflect the capital additions
associated with new customers added during the test year, which increases
revenue requirement by \$1,671,000. As described below, the Company has
agreed to respond to additional discovery requests regarding forecast capital
additions.

- (f) Advertising Expense, Promotions and Concessions, Affiliated Interest, and Miscellaneous A&G. A reduction of \$3,306,000 to reflect a compromise between the Company's Initial Filing and Staff's recommendations for these categories of expense. This results in a reduction to revenue requirement of \$3,401,000.
- (g) <u>Miscellaneous Revenues.</u> An increase of \$70,000 in revenue. This results in a \$70,000 reduction to revenue requirement;
- (h) Fee Free Bankcard Program. A reduction of \$180,000 in expense to reflect savings estimated by Staff related to adoption of the program. This results in a revenue requirement reduction of \$185,000;
- (i) <u>Director and Officer Insurance Premiums.</u> A reduction of \$191,000 in expense.
 This adjustment results in a reduction to revenue requirement of \$196,000;
- (j) Gas Storage and Fuel Stock. A reduction of \$16,000 to revenue requirement to reflect a compromise between the Company's Initial Filing and Staff's proposal to use a three-year average to calculate this amount.
- (k) <u>Plaint Maintenance</u>. A reduction of \$40,000 to expense to reflect a compromise between the Company's Initial Filing and Staff's proposal to use a three-year

1	average. This adjustment results in a reduction to revenue requirement of
2	\$41,000;
3	(I) <u>Distribution Operations and Maintenance (O&M)</u> . A reduction of \$200,000 to
4	expense to reflect a compromise between the Company's Initial Filing and Staff's
5	proposal to use a three-year average. The adjustment results in a reduction to
6	revenue requirement of \$206,000;
7	(m) Stock Issuance Costs. A reduction of \$1,198,000 to expense to reflect Staff's
8	recommendation not to account for these costs separately from return on equity.
9	This adjustment results in a reduction to revenue requirement of \$1,233,000;
10	(n) Customer Account Expense. A reduction of \$100,000 to expense to reflect a
11	compromise between the Company's Initial Filing and Staff's proposal to use a
12	three-year average. The adjustment results in a reduction to revenue
13	requirement of \$103,000;
14	(o) Memberships, Dues and Donations. A reduction of \$186,000 to expense to
15	reflect Staff's recommendation for removal of 25% of the fees associated with
16	national organizations. This adjustment results in a reduction to revenue
17	requirement of \$191,000;
18	(p) Meals, Entertainment and Travel. A reduction of \$910,000 to expense. This
19	adjustment reflects a compromise between the Company's Initial Filing and
20	Staff's proposed adjustments and results in a reduction to revenue requirement
21	of \$936,000;
22	(q) Research and Development (R&D) Tax Credits. A reduction of \$22,000 to
23	revenue requirement, to reflect the R&D tax credit as proposed by AWEC.
24	2. <u>Cost of Capital.</u> The Stipulating Parties agree to a rate of return of 7.317%,
25	which is based on a 50.0 percent equity and 50.0 percent long term debt capital structure,
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with a Return on Equity (ROE) of 9.400% and a debt cost of 5.233%. An ROE of 9.400% results in a reduction to the revenue requirement of \$ 5,127,000.

Agreed-upon Cost of Capital								
	Percent of Total Capital	Cost	Component					
Long-Term Debt	50.0%	5.233%	2.617%					
Common Equity	50.0%	9.400%	4.700%					
Total	100.0%		7.317%					

- 3. Rate Spread and Rate Design. The agreed upon rate spread is shown in Appendix B to this Stipulation. The Stipulating Parties agreed to a consistent increase for all rate classes (equal percentage of margin).
- 4. <u>Capital Additions.</u> The Company agrees to respond to additional discovery requests regarding forecast capital additions. These requests and responses to these requests will not inform this proceeding but could be used to inform the Company's future rate proceedings.
- 5. <u>Promotions and Concessions.</u> The Company agrees to review and amend its promotions and concessions accounting practices to address concerns raised by Staff in the proceeding.
- 6. <u>Attestation.</u> The Company agrees to file an attestation of a Company officer by October 5, 2018, attesting to whether any projects forecast to cost over \$1,000,000 and

to be completed by October 31, 2018 will not be complete by this time. In the event that there are such projects, those projects will be removed from rate base for purposes of calculating the rates pursuant to this Stipulation, and rates adjusted accordingly.

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- 7. <u>Tariffs</u>. Subject to approval of this Stipulation, NW Natural will file revised rate schedules as a compliance filing in Docket No. UG 344, to be effective November 1, 2018, reflecting rates as agreed in this Stipulation.
- 8. Revenue Decoupling. The Company agrees to withdraw its proposed changes to its revenue decoupling mechanism which it proposed in this proceeding. The Stipulating Parties do agree, however, to administer decoupling for the Commercial customer class on a rate schedule specific basis (Rate Schedules 3 and 31), as compared to the previous combined basis.
- 9. The Stipulating Parties recommend and request that the Commission approve the adjustments and provisions described herein as appropriate and reasonable resolutions of the identified issues in this docket.
- 10. The Stipulating Parties agree that this Stipulation is in the public interest, and will result in rates that are fair, just and reasonable, consistent with the standard in ORS 756.040.
- 11. This Stipulation will be offered into the record as evidence pursuant to OAR 860-001-350(7). The Stipulating Parties agree to support this Stipulation throughout this proceeding and any appeal, provide witnesses to sponsor this Stipulation at hearing, and recommend that the Commission issue an order adopting the Stipulation. The Stipulating Parties also agree to cooperate in drafting and submitting joint testimony or a brief in support of the Stipulation in accordance with OAR 860-001-0350(7).
- 12. If this Stipulation is challenged, the Stipulating Parties agree that they will continue to support the Commission's adoption of the terms of this Stipulation. The Page 7 UG 344—STIPULATION

- Stipulating Parties agree to cooperate in cross-examination and put on such a case as they deem appropriate to respond fully to the issues presented, which may include raising issues that are incorporated in the settlements embodied in this Stipulation.
- 13. The Stipulating Parties have negotiated this Stipulation as an integrated document. If the Commission rejects all or any material portion of this Stipulation or imposes additional material conditions in approving this Stipulation, any of the Stipulating Parties are entitled to withdraw from the Stipulation or exercise any other rights provided in OAR 860-001-0350(9). To withdraw from the Stipulation, a Stipulating Party must provide written notice to the Commission and other Stipulating Parties within five days of service of the final order rejecting, modifying or conditioning this Stipulation.
- 14. By entering into this Stipulation, no Stipulating Party approves, admits, or consents to the facts, principles, methods, or theories employed by any other Stipulating Party in arriving at the terms of this Stipulation, other than those specifically identified in the body of this Stipulation. No Stipulating Party shall be deemed to have agreed that any provision of this Stipulation is appropriate for resolving issues in any other proceeding, except as specifically identified in this Stipulation.
- 15. This Stipulation is not enforceable by any Stipulating Party unless and until adopted by the Commission in a final order. Each signatory to this Stipulation avers that they are signing this Stipulation in good faith and that they intend to abide by the terms of this Stipulation unless and until the Stipulation is rejected or adopted only in part by the Commission. The Stipulating Parties agree that the Commission has exclusive jurisdiction to enforce or modify the Stipulation. If the Commission rejects or modifies this Stipulation, the Stipulating Parties reserve the right to seek reconsideration or rehearing of the Commission order under ORS 756.561 and OAR 860-001-0720 or to appeal the Commission order under ORS 756.610.

1	This Stipulation n	nay be executed	d in counterparts and each signed counterpart
2	shall constitute an original doc	cument.	
3	This Stipulation is entere	ed into by each	Stipulating Party on the date entered below
4	such Stipulating Party's signat	ture.	
5			
6	DATED this 6th day of August	, 2018.	
	NW NATURAL COMPANY D	D/B/A NW	STAFF OF PUBLIC UTILITY COMMISSION OF OREGON
	By: ful		By:
	Date: 8/6(18		Date:
	OREGON CITIZENS' UTILIT	Y BOARD	ALLIANCE OF WESTERN ENERGY CONSUMERS
	Ву:		
	Date:		By:
			Date:

OREGON CITIZENS' UTILITY BOARD	ALLIANCE OF WESTERN ENERGY CONSUMERS
By:	
Date: 7/27/18	Ву:
	Date:

1	16.	This Stipulation may be executed	in counterparts and each signed counterpart					
2	shall consti	tute an original document.						
3	This Stipulation is entered into by each Stipulating Party on the date entered below							
4	such Stipula	ating Party's signature.						
5								
6	DATED this	s day of, 2018.						
	NW NATU NATURAL	JRAL COMPANY D/B/A NW -	STAFF OF PUBLIC UTILITY COMMISSION OF OREGON					
	Ву:		Ву:					
	Date:		Date:					
	OREGON	CITIZENS' UTILITY BOARD	ALLIANCE OF WESTERN ENERGY CONSUMERS					
	Ву:		Al u					
	Date:		Ву:					
			Date: 8/6/)8					

15. This Stipulation is not enforceable by any Stipulating Party unless and ur	nti
adopted by the Commission in a final order. Each signatory to this Stipulation avers th	ıat
they are signing this Stipulation in good faith and that they intend to abide by the terms	of
this Stipulation unless and until the Stipulation is rejected or adopted only in part by the	he
Commission. The Stipulating Parties agree that the Commission has exclusive jurisdiction	on
to enforce or modify the Stipulation. If the Commission rejects or modifies this Stipulation	'n,
the Stipulating Parties reserve the right to seek reconsideration or rehearing of the	he
Commission order under ORS 756.561 and OAR 860-001-0720 or to appeal the	ne
Commission order under ORS 756.610.	
16. This Stipulation may be executed in counterparts and each signe	∋d
counterpart shall constitute an original document.	
This Stipulation is entered into by each Stipulating Party on the date entered belo)W
such Stipulating Party's signature.	
DATED this day of, 2018.	
NW NATURAL COMPANY D/B/A NW STAFF OF PUBLIC UTILITY	
NATURAL COMPANY BIBLIO STALL COMMISSION OF OREGON	
By:	
Date: Date: 0. 18 / 3018	

NW Natural UG 344	Twelve Months Ended October 31, 2019 (000)	
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Staff Results at Reasonable Return (7) + (8) (9)	0 626,015 - 16,647 - 3,496 0 646,158	8	4 4 10 10 10 10 10 10 10 10 10 10 10 10 10	2,775,226 (1,212,218) (409,074) - 1,153,934	(3,476) (4,140) (4,140) (5,373) (10,399)	- 1,192,090 7.317% 9.400%
Staff Required Change for Reasonable Return (8)	16,000		379 18 445 - 4,200 4,646 11,354			
Staff Adjusted 2019 Company Results (3) + (6) (7)	610,016 16,647 - 3,496 630,159	276,854 7,301 47,309 18,191 4,416 4,302 1,890	14,935 710 4,456 46,554 5,000 431,918 74,674 28,297 - 19,399 554,287 75,871	2,775,226 (1,212,218) (409,074) 1,153,934	(3,476) (4,140) 35,373 10,399	1,192,090 6.365% 7.495%
Staff Adjustments to Company 2019 Results (6)		(16) (240) (100) (100)	2 0 0 (10,584) (10,918) (1,697) (1,198) 3,963 (10,104)	(55,972) 32,691 767 (22,514)	(291)	- - (22,805)
Company Filed 2019 Results at Reasonable Return (5)	647,831 16,647 - 3,426 667,904	276,854 7,317 47,549 18,191 4,516 4,302 2,004	15,829 753 4,456 57,118 5,000 443,889 76,371 28,551 1,198 25,363 575,372	2,831,198 (1,244,909) (409,841) - 1,176,449	. (3,476) (3,849) (3,843) (10,399	- 1,214,895 7.616%
Company Filed Required Change for Reasonable Return (4)	37,816 - - 37,816		896 43 			
2019 Results Per Company Filing (3)	610,016 16,647 - 3,426 630,089	276,854 7,317 47,549 18,191 4,516 4,302 1,890	14,933 710 4,456 57,118 5,000 442,836 76,371 1,198 15,435,6727 564,392 65,697	2,831,198 (1,244,909) (409,841) 1,176,449	. (3,476) (3,849) (3,543) (10,399	- 1,214,895 5.408% 5.582%
(2)	(27,330) (743) (11,599) 16,622 (138) (23,189)	(14,907) (111) (355) (855) (301) 73	(550) (7) (7) (7) (39 13,115 - (3,427) 5,009 2,337 1,198 (19,660) (14,544) (8,645)	13,674 (6,365) (70) - 7,238	(179) 340 (19,402) 1,312	122,154
2017 Results Per Company Filing at Present Rates (1)	637,346 17,390 11,599 (16,622) 3,564 653,277	291,761 7,428 47,904 19,047 4,817 4,229 1,960	15,483 716 3,916 44,003 5,000 446,63 71,362 26,214 35,096 578,935 74,342	2,576,151 (1,143,047) (396,737) 1,036,366	(3,298) (4,189) 54,775 9,087	- 1,092,742 6.803% 5.582%
SUMMARY SHEET	Operating Revenues General Business Transportation Decoupling WARM Miscellaneous Revenues Total Operating Revenues	Operating Expenses Gas Purchased Transmission & Storage Distribution Customer Accounts Customer Service Sales OPUC Fees	Franchise Fees Uncollectibles General Operations & Maintenance Admin & General Expenses Environmental Rider Total Operation & Maintenance Depreciation & Amortization Taxes Other than Income Equity Floatation Income Taxes Total Operating Expenses Net Operating Revenues	Average Rate Base Utility Plant in Service .: Accumulated Depreciation & Amortization Accumulated Deferred Income Taxes Accumulated Deferred Inv. Tax Credit Net Utility Plant Plant Held for Future Use	Other Rate Base Aid in Advance of Construction Customer Deposits Gas Inventory Materials & Supplies Weatherization Loans	Prepayments Misc. Deferred Debits & Credits Misc. Rate Base Additions/(Deductions) Total Average Rate Base Rate of Return Implied Return on Equity
	- N M 4 W O P	8 6 7 7 7 7 4 £	16 17 18 19 19 19 19 19 19 19 19 19 19 19 19 19	28 29 30 Less: 32 33 34	35 36 37 39 39	1 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4

NW Natural APPENDIX B - UG 344 STIPULATION Oregon Jurisdictional Rate Case
Test Year Twelve Months Ended October 31, 2019

Allocation by Rate Schedule Summary

		То	tal Revenue at	Proposed Revenue	To	tal Revenue at	Total Revenue Percentage	Percentage Increase to
Line No.	Rate Schedule	P	resent Rates	Increase	Pr	oposed Rates	Increase	Average Bill
1	02	\$	387,770,097	\$ 10,696,958	\$	398,467,055	2.76%	2.81%
2	03CSF	\$	137,975,522	\$ 3,265,092	\$	141,240,613	2.37%	2.40%
3	03ISF	\$	3,740,132	\$ 81,855	\$	3,821,987	2.19%	2.22%
4	27CSF	\$	1,038,854	\$ 25,607	\$	1,064,461	2.46%	2.50%
5	31CSF	\$	18,521,031	\$ 382,345	\$	18,903,376	2.06%	2.12%
6	31CTF	\$	1,113,636	\$ 51,199	\$	1,164,835	4.60%	4.61%
7	31ISF	\$	8,813,710	\$ 146,530	\$	8,960,240	1.66%	1.70%
8	31ITF	\$	89,844	\$ 4,131	\$	93,975	4.60%	4.61%
9	32 CSF	\$	24,565,050	\$ 407,601	\$	24,972,651	1.66%	1.87%
10	32ISF	\$	7,608,655	\$ 94,748	\$	7,703,403	1.25%	1.42%
11	32TF	\$	7,460,021	\$ 342,970	\$	7,802,991	4.60%	5.87%
12	32CSI	\$	9,271,906	\$ 100,304	\$	9,372,210	1.08%	1.42%
13	32ISI	\$	10,710,650	\$ 115,869	\$	10,826,519	1.08%	1.39%
14	32TI	\$	6,194,584	\$ 284,792	\$	6,479,376	4.60%	4.87%
15	33T	\$	-	\$ -	\$	-	0.00%	0.00%
16	Total	\$	624,873,692	\$ 16,000,000	\$	640,873,692	2.56%	

	Percent Increase	Dollar/Year Increase
Residential	2.76%	\$10,696,958
Commercial	2.20%	\$ 4,232,148
Industrial	2.40%	\$ 1,070,894
Overall to NWN	2.56%	\$16,000,000

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NW Natural Oregon Jurisdictional Rate Case Test Year Twelve Months Ended October 31, 2019 Rates by Rate Schedule & Block

	December 10		\$ 1	31 Firm Sales \$ 5,205,092 2,40%	31C Firm Sales \$ 382,345 2.12%	311 Firm Sales \$ 146,530 1.70% 32C Firm Sales \$ 407.601 1.87%	\$ 94,748																																				
		Incremental RR	10,696,701	3,264,310	25,605	201,100	23,454	48.199	98,371	1,121	308,920	89,089	8,926	641		43,547	39,785	1,625	Caroly .		107,744	43,503	50,893	37,543	33,806	35,227	13,149	3,149		39,085	15,203	17,260	3,640	39,289	57,253	30,597	56,727	44,609		Incremental Margin			
Obeck	5	Total Revenue Incre	7	1,818,251 \$	572,155 \$	8,466,336 \$	1,164,845 \$	3 200 975 \$	\$	93,973 \$	7.570.927 \$	\$	\$5.	s.	un un	1,744,677 \$	<i>n</i> 4	n er	. «	ss.	6,911,713 \$	* *	\$5	v. v	2,094,864 \$	· «»	5 5. 6	n 40	\$5	2,452,873 \$	• •	\$	so s	6,479,172 \$	s	vs v	n •/	. 45		Margin acc cc7 71c		365 070 576	
			\$	n 40	\$	\$	S	4	•	\$	•					S					\$				S					S				\$					Ś	-	/WDDV	& Rev Sens	
	Cuescos Total	Volumetric Rate	0.84428	0.74270	0.73799	0.59504	0.18122	0.56846	0.55219	0.16403	0.14825	0.48352	0.45886	0.43416	0.40946	0.49711	0.458.00	0.43373	0.41908	0.40938	0.09698	0.05820	0.03395	0.01939	0.39804	0.38296	0.35782	0.31759	0.30758	0.39782	0.35770	0.33261	0.31755	0.09816	0.08344	0.05891	003430	0.00984	0.00566	Feet	Tot	* - W	186
Detail		Commodity Vol	0.28370	0.28370	0.28370	0.28370		0.28370	0.28370		0.28370	0.28370	0.28370	0.28370	0.28370	0.28370	0.283.00	0.28370	0.28370	0.28370					0.28370	0.28370	0.28370	0.28370	0.28370	0.28370	0.28370	0.28370	0.28370									Interessorable	
Current Rates Detail		Pipeline Capacity Co	0.11588	0.11588	0.11588	0.11588		011588	0.11588		0.11588	0.11588	0.11588	0.11588	0.11588	0.11588	0.11588	0.11588	0.11588	0.11588					0.01379	0.01379	0.01379	0.01379	0.01379	0.01379	0.01379	0.01379	0.01379									Eirm Inte	921
	O contract D		0.44470	0.34312	0.33841	0.21386	0.18122	0.16570	0.15261	0.16403	0.09877	0.08394	0.05928	0.03458	0.00988	0.09753	0.08291	0.03831	0.01950	0.00980	0.09698	0.05820	0.03395	0.01939	0.10055	0.08547	0.06033	0.02010	0.01009	0.10033	0.06021	0.03512	0.02006	0.09816	0.08344	0.05891	0.03436	0.00984	0.00566				Demand & Commodity w
Average Monthly (margin) Bill Impact	The control of the co		\$ 53 \$ 5420	n 45	51 \$ 44 \$ 45 2.5%	2,870 \$ 2,070 \$ 2,114 2.1%	3,938 \$ 1,259 \$ 1,317 4.6%	5.80 \$ 3329 \$ 3.385 1.2%	control of country	6,059 \$ 1,505 \$ 1,574 4.6%	7.553 \$ 4.439 \$ 4.522 1.9%					18,579 \$ 9,786 \$ 9,925 1.4%					109 \$ 4,323 \$ 4,577 5.9%				33,806 \$ 13,677 \$ 13,870 1.4%					33,849 \$ 13,686 \$ 13,877 1.4%				105 \$ 9,037 \$ 9,476 4,9%					. 0.0%				De
Average	A contract A contract A	Usage Militan Avelage muli Usage Usage		13,731 1,1	610	34,445 2,8	47,251 3,5	35.55		72,714 6,0	28706					222,954 18,5					520,913 43,409				405,674 33,8					406,192 33,8				2,317,264 193,105									
Pronosed Bates		Base Rate	\$0.47248	\$0.35991	\$0.35979	\$0.22959	\$0.19661	\$0.17977	\$0.16274	\$0.17627	\$0.15931	\$0.09330	\$0.06589	\$0.03844	\$0.00988	\$0.10558	\$008972	\$0008	\$001950	\$0,00980	\$0.10422	\$0.06255	\$0.03649	\$0.02084	\$0.10716	\$0.09109	\$0.06430	\$0.02142	\$0.01009	\$0.10684	\$0.06412	\$0.03740	\$0.02136	\$0.10348	\$0.08797	\$0.06210	\$003022	\$0.01037	\$0.00566				
Change	0	Increase	\$0.02778	\$0.01679	\$0.02138	\$0.01573	\$0.01539	\$0.01121	\$0.01013	\$0.01224	50.01106	\$0.00936	\$0.00661	50.00386	\$0.00000	\$0.00805	50.00684	\$0.00282	\$0.00000	\$0.00000	\$0.00724	\$0.00435	\$0.00254	\$0.00145	\$0.00661	\$0.00562	\$0.00397	\$0.00132	\$0.00000	\$0.00651	\$0.00391	\$0.00228	\$0.00130	\$0.00532	\$0.00453	\$0.00319	\$0.00103	\$0.00053	\$0.00000				
Current Rates		Base Rate	\$0.44470	\$0.34312	\$0.33841	\$0.21386	\$0.181.22	\$0.168.88	\$0.15261	\$0.16403	50.14825	\$0.08394	\$0.05928	\$0.03458	50.01978	\$0.09753	\$0.08291	\$0.03631	\$0.01950	\$0.00980	\$0.09698	\$0.05820	\$0.03395	\$0.01939	\$0.10055	\$0.08547	\$0.06033	\$0.02010	\$0.01009	\$0.10033	\$0.06021	\$0.03512	\$0.02006	\$0.09816	\$0.08344	\$0.05891	\$0.03438	\$0.00984	\$0.00566				
Current/Proposed Rates	A Complete C	Charge	88.5	\$15	8	\$325	\$275	\$32.6	Catch	\$275	\$675					\$29\$					\$925				\$675					\$675				\$925					\$38,000				
Pronosed		Revenue Increase	\$10,696,958	\$81,855	\$25,607	\$382,345	\$51,199	\$146 530	O COLONIA DE	\$4,131	\$407,601					\$94,748					\$342,970				\$100,304					\$115,869				\$284,792					\$0	00000000	200/200/21		
Current Rates P			\$171,231,926	355 \$1,672,510	1,962 \$405,286	740 \$5,197,968	74 \$603,036	217 \$2 308 104	\$	5 \$55,344	433 \$3,656,050					62 \$1,147,760					178 \$4,592,829				58 \$1,524,771					68 \$1,786,192				85 \$5,251,084					\$0	•	•		
		Volumes	LI.	4,874,416	1,197,618	12,784,484	1,523,968	4 299 679	9,710,862	91,578	28,058,173	9,518,066	1,350,403	166,168		5,409,612	5,816,515	576.257	· Carlos		14,881,729	10,000,748	20,036,765	25,892,025	5,114,441	6,268,233	3,312,192	2,385,488		6,003,909	3,888,225	7,570,236	2,800,356	7,385,146	12,638,632	9,591,680	53 015 711	84,168,292		130 000 000	100/000/10		
		t)	N/A	N/A	N/A	Block 1 2,000 Rlock 2 all additional	Block 1 2,000	Block 2 dil additional	rp.	Block 1 2,000	Block 2 all additional		Block 3 20,000		Block 5 600,000	Block 1 10,000	Block 2 AU,UU0			в	Block 1 10,000			Block 5 600,000	Block 1 10,000		Block 3 20,000		В	Block 1 10,000			Block 5 600,000	Block 1 10,000		Block 3 20,000		m	N/A	•			
		Line No. Schedule Block	1 2R	3 31 Firm Sales	4 27 Dry Out	5 31C Firm Sales Bloc	31C Firm Trans	311 Firm Salas	0.000	311 Firm Trans	32C Firm Sales1					32l Firm Sales1					32 Firm Trans				32C Interr Sales					32l Interr Sales				43 32 Interr Trans Bloc					49 33				

 From Interruptable
 WACOG

 Demand & Commondry
 0.11821
 0.01428
 0.2388

 Delta (Rev. Sens only)
 0.0333
 0.00040
 0.00816

 MDDV Revenue
 \$ 2,499,559
 \$ 2,70,573
 \$ 5,720,573

APPENDIX B - UG 344 STIPULATION

NW Natural Oregon Jurisdictional Rate Case Test Year Twelve Months Ended October 31, 2019

Proposed Rate Spread Summary

		CUSTOMER CLASS Residential Commercial Industrial Commercial SERVICE TYPE Sales Sales Sales Sales Firm Firm Firm Firm	Residential Sales Firm	Commercial Sales Firm	Industrial C Sales Firm	Commercial (Sales Firm	Commercial Sales Firm	Commercial Commercial Sales Transportation Firm Firm	Industrial Sales Firm	Industrial Transportation Firm	Commercial Sales Firm	Industrial Sales Firm	Transportation Firm	Commercial Sales Interruptible	Commercial Industrial Sales Sales Transportatior Interruptible Interruptible	Transportation Transportation Interruptible	Transportation	
ine No.		RATE SCHEDULE	02	03CSF	03ISF	27CSF	31CSF	31CTF	311SF	311TF	32 CSF	32ISF	32TF	32CSI	32151	32TI	33T	Special Contracts
1	Current Revenue	Oregon Total \$624,873,692	\$387,770,097	egon Total \$624,873,692 \$387,770,097 \$137,975,522 \$3,740,132 \$1,038,854	\$3,740,132	\$1,038,854	\$18,521,031	\$1,113,636	\$8,813,710	\$89,844	\$24,565,050 \$7,608,655	\$7,608,655	\$7,460,021	\$9,271,906	\$9,271,906 \$10,710,650	\$6,194,584	0\$	\$1,788,868
2 0	Current Margin	\$348,020,183	\$232,672,334	\$348,020,183 \$232,672,334 \$71,019,860 \$1,780,460	\$1,780,460	\$556,990	\$8,316,491	\$1,113,636	\$3,187,208	\$89,844	\$8,865,834	\$2,060,888	\$7,460,021	\$2,181,744	\$2,520,290	\$6,194,584	\$0	\$1,788,868
Б	% of Current Margin (@ current rates)	100.00%	66.86%	20.41%	0.51%	0.16%	2.39%	0.32%	0.92%	0.03%	2.55%	0.59%	2.14%	0.63%	0.72%	1.78%	0.00%	0.51%
4 S	Incremental Increase to Revenue Requirement % Increase to Current Revenue	\$16,000,000																
9 8 6	Proposed Revenue Increase Proposed Revenue Proposed Margin	\$16,000,000 \$640,873,692 \$364,020,183	\$10,696,958 \$398,467,055 \$243,369,292	\$16,000,000 \$10,696,958 \$3,265,092 \$81,855 \$640,873,692 \$398,467,055 \$141,240,613 \$3,821,987 \$364,020,183 \$243,369,292 \$74,284,951 \$1,862,316		\$25,607 \$1,064,461 \$582,597	\$382,345 \$18,903,376 \$8,698,836	\$51,199 \$1,164,835 \$1,164,835	\$146,530 \$8,960,240 \$3,333,738	\$4,131 \$93,975 \$93,975	\$407,601 \$24,972,651 \$9,273,435	\$94,748 \$7,703,403 \$2,155,636	\$342,970 \$7,802,991 \$7,802,991	\$100,304 \$9,372,210 \$2,282,048	\$115,869 \$10,826,519 \$2,636,159	\$284,792 \$6,479,376 \$6,479,376	\$ \$ \$	0\$ 0\$ 0\$ 0\$