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July 31, 2020

**VIA ELECTRONIC FILING**

Attention: Filing Center  
Public Utility Commission of Oregon  
201 High Street SE, Suite 100  
P.O. Box 1088  
Salem, Oregon 97308-1088

**Re: Docket UG 388 – Northwest Natural Gas Company, dba NW Natural, Request for a General Rate Revision.**

Attention Filing Center:

Attached for filing in the above-captioned docket is the Comprehensive Stipulation of the Joint Parties.

Please contact this office with any questions.

Sincerely,

Cheyenne Aguilera  
Paralegal

Attachment

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UG 388**

In the Matter of

NW NATURAL GAS COMPANY D/B/A  
NW NATURAL

Application for a General Rate Revision.

**COMPREHENSIVE STIPULATION**

**INTRODUCTION**

1           The purpose of this Stipulation is to resolve all issues among NW Natural Gas  
2 Company d/b/a NW Natural (NW Natural or the Company), Staff of the Public Utility  
3 Commission of Oregon (Staff), Oregon Citizens' Utility Board (CUB), and the Alliance of  
4 Western Energy Consumers (AWEC) (collectively, the Stipulating Parties) in Docket UG 388,  
5 NW Natural's Application for a General Rate Revision. The Stipulating Parties are the only  
6 parties to this proceeding,<sup>1</sup> and expect that this Stipulation (Comprehensive Stipulation),  
7 together with the stipulation addressing cost of capital issues filed on March 12, 2020 (Cost  
8 of Capital Stipulation), will fully resolve the issues in this docket.

**BACKGROUND**

9           On December 30, 2019, NW Natural filed a request for a general rate increase (the  
10 Initial Filing) to become effective November 1, 2020 (the Rate Effective Date). The Company's  
11 Initial Filing requested a revision to customer rates that would increase the Company's annual  
12 Oregon jurisdictional revenues by \$71.4 million which would have resulted in an approximate  
13 11.5 percent increase to current customer rates, or an 18.9 percent increase to margin.<sup>2</sup>

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<sup>1</sup> The Community Action Partnership of Oregon also intervened in this proceeding, but subsequently withdrew its intervention on June 5, 2020.

<sup>2</sup> Initial Filing at 1.

1 Administrative Law Judge Traci Kirkpatrick convened a prehearing conference on January 30,  
2 2020.

3 On March 3, 2020, Staff convened a Workshop, the first portion of which had been set  
4 aside to discuss settlement of Cost of Capital issues. At that time, the Stipulating Parties  
5 reached agreement on Cost of Capital issues, which was memorialized in the Cost of Capital  
6 Stipulation filed on March 12, 2020 and supported by testimony filed by the parties on May  
7 13, 2020.

8 The Stipulating Parties convened an additional workshop on April 6, 2020, and  
9 additional settlement conferences on April 29, 2020, May 6, 2020, June 8, 2020 and June 9,  
10 2020. As a result of the settlement discussions, the Stipulating Parties reached a  
11 comprehensive settlement of all issues in this case. This Comprehensive Stipulation  
12 memorializes the Stipulating Parties' agreements.

#### TERMS OF AGREEMENT

13 The Stipulating Parties agree to resolve all issues raised in this case as follows:

14 1. Revenue Requirement. The Stipulating Parties agree that the total increase to  
15 NW Natural's annual revenue requirement should be \$45.8 million, which would result in an  
16 approximate 7.4 percent increase to current customer rates or a 12.11 percent increase to  
17 margin, as summarized in Appendix A to this Comprehensive Stipulation. The annual  
18 revenue requirement increase in this proceeding is based on the Stipulating Parties'  
19 agreement that the Company's requested Oregon-allocated increase to annual revenue  
20 requirement shall be reduced by a total of \$25.6 million from the initial filing amount of \$71.4  
21 million, based on the following adjustments to NW Natural's Initial Filing:

22 (a) Rate Case & Expense and Regulatory Expense. A reduction to expense of  
23 \$92,000;

- 1 (b) Plant Test Year Additions. A reduction to rate base of \$23,290,000 and a  
2 reduction to expense of \$1,639,000 to reflect removal of projects that will not  
3 go into service until after November 1, 2020, except that the Stipulating Parties  
4 have agreed to include for the Test Year a portion of the capital additions  
5 related to customer acquisitions. In recognition of the capital associated with  
6 customer acquisitions, the Stipulating Parties agree to an increase to rate base  
7 of \$22,405,000 and an increase to expense of \$637,000;
- 8 (c) Removal Work in Progress. A reduction to expense of \$60,000;
- 9 (d) Gas Storage Operating Expense and Operations and Maintenance Expense.  
10 A reduction to expense of \$250,000;
- 11 (e) Property Taxes. A reduction to expense of \$30,000;
- 12 (f) Franchise Fees. A reduction to expense of \$24,000;
- 13 (g) Oregon Department of Energy Fee. A reduction to expense of \$37,000;
- 14 (h) Commission Regulatory Fee. An increase of \$313,000 to reflect the updated  
15 regulatory fee;
- 16 (i) Directors and Officers Insurance. A reduction to expense of \$251,000;
- 17 (j) Wages, Salaries, and Incentives. A reduction to expense of \$7,161,000 and a  
18 reduction to rate base of \$4,735,000. The Stipulating Parties agree that the  
19 adjustment for this category includes removal of executive bonuses from the  
20 Company's proposed revenue requirement in the Test Year;
- 21 (k) Materials and Supplies. A reduction to rate base of \$1,694,000 from the  
22 Company's proposed revenue requirement in the Test Year;
- 23 (l) Demonstration and Selling. A reduction to expense of \$400,000;
- 24 (m) Plant Maintenance. A reduction to expense of \$75,000;
- 25 (n) Employee Benefits. A reduction to expense of \$8,000;

- 1 (o) Miscellaneous Revenues. An increase to revenues of \$101,000;
- 2 (p) Dues and Memberships. A reduction to expense of \$316,000;
- 3 (q) Meals and Entertainment, Miscellaneous, Awards and Gifts. A reduction to
- 4 expense of \$641,000;
- 5 (r) Equity Flotation Costs. A reduction to expense of \$3,430,000 (which results in
- 6 a reduction to revenue requirement of \$4,836,000);
- 7 (s) Portland LNG Liquefaction Study Project. A reduction to rate base of
- 8 \$842,000, and a reduction to expense of \$18,000, to reflect that this project
- 9 now will not be completed until after the Test Year in this rate case;
- 10 (t) Schedule H CNG O&M. A reduction to expense of \$15,000, to reflect that such
- 11 expense is recovered in a separate, cost-of-service rate schedule;
- 12 (u) 250 Taylor Property Tax. A reduction to expense of \$1,083,000, to reflect a
- 13 lower assessed value to be applied by Multnomah County;
- 14 (v) Forecasted Administrative Overhead Rate. A reduction to expense of \$13,000;
- 15 (w) Mist FERC Allocations. A reduction to rate base of \$1,769,000 and an increase
- 16 to expense of \$31,000 due to a misclassification Mist plant not yet in-service;
- 17 (x) Removal of Lease Expense for 250 Taylor Lease Associated with 3 Full Time
- 18 Equivalentents (FTE). A reduction to rate base of \$4,000 and a reduction to
- 19 expense of \$9,000;
- 20 (y) Mist Compressor Study and Replacement Project. A reduction to rate base of
- 21 \$630,000 and a reduction to expense of \$12,000, to reflect that this project now
- 22 will not be completed until after the Test Year in this rate case;
- 23 (z) Category A Advertising. A reduction to expense of \$350,000;

1 (aa) Vancouver Retrofit. A reduction to rate base of \$10.5 million and a reduction  
2 to expense of \$240,000 to reflect that this project is located outside of, and  
3 does not relate to service provided in, Oregon.

4 2. Cost of Capital. In addition, the Stipulating Parties have agreed to incorporate  
5 into this Comprehensive Stipulation the following components of Cost of Capital, which were  
6 included in the Cost of Capital Stipulation:

Agreed-upon Cost of Capital			
	Percent of Total Capital	Cost	Component
Long-Term Debt	50.0%	4.529%	2.265%
Common Equity	50.0%	9.40%	4.700%
Total	100.0%		6.965%

7 3. Schedule 185/186 Credits. The Stipulating Parties agree that NW Natural will  
8 change the timing of its issuance of customer credits under Schedules 185 and 186, moving  
9 the issuance of credits from June to February of each year. Beginning with the February  
10 2022 credit, NW Natural will calculate credits over a one-year period ending on October 31  
11 of each preceding year and will apply the credits to customers' bills in February. However,  
12 for the February 2021 credit, NW Natural will calculate that credit based on the January 1,  
13 2020 through October 31, 2020 period. To effectuate this agreement NW Natural will file a  
14 new tariff schedule with its compliance filing in this docket, consistent with Exhibit NW  
15 Natural/1301.

16 4. Curtailement and Entitlement Revenues. The Stipulating Parties agree that,  
17 beginning in 2021, NW Natural will credit curtailment and entitlement revenues to firm sales  
18 customers through the Purchased Gas Adjustment (PGA) on an equal percent of margin

1 basis; however, the amount of revenues to be credited to firm sales customers will be offset  
2 by identifiable incremental costs that result from a violation that gives rise to the curtailment  
3 or entitlement revenues. To effectuate this agreement NW Natural will file a new tariff  
4 schedule with its compliance filing in this docket, consistent with Exhibit NW Natural/2402.

5 5. Fuel Mix Communications. The Stipulating Parties agree that NW Natural will  
6 include information about its fuel mix (conventional natural gas vs. renewable natural gas)  
7 in annual customer communications beginning in the first year NW Natural has renewable  
8 natural gas on its system.

9 6. Oregon Corporate Activity Tax. The Stipulating Parties agree that NW Natural  
10 will begin to recover the Corporate Activity Tax (CAT) as of the effective date of customer  
11 rates in this proceeding by increasing the annual revenue requirement reflected in  
12 Paragraph 1 of this Comprehensive Stipulation by \$3.15 million, as summarized in Appendix  
13 B. The \$3.15 million of CAT will be allocated on an equal percent of revenues basis after all  
14 other adjustments have been made and margin has been established based on the revenue  
15 requirement increase. The Stipulating Parties also agree that:

16 a. The annual PGA adjustment will include a CAT component to reflect  
17 changes in gross revenue and cost of goods sold that occur as a result of the PGA. The CAT  
18 component will be allocated on an equal percent of revenues basis. For the 2020-21 gas year,  
19 the CAT component will be adjusted in the compliance filing to this rate case. For example, if  
20 the annual PGA filing would increase both cost of goods sold and revenue by \$10 thousand  
21 dollars, the CAT component would reflect an increase in CAT of \$57 (0.57 percent of the  
22 revenue increase) offset by a CAT reduction of \$19.95 (0.57 percent of the increase in cost  
23 of goods sold multiplied by 35 percent);

24 b. For purposes of calculating the CAT liability, the agreed upon revenue  
25 requirement in this proceeding includes amounts for the recovery of fees payable under ORS

1 756.310, right-of-way fees, franchise fees, privilege taxes, federal taxes and local taxes of  
2 \$61.7 million (see Appendix B);

3 c. CAT deferred from January 2020 through June 2020 will be included in  
4 the compliance filing of this rate case for amortization over one year, and additional CAT  
5 deferred from July 2020 through the effective date of this rate case will be included in the  
6 November 2021 PGA for amortization over one year.

7 d. If the calculation methodology used by NW Natural for annual Oregon  
8 State tax compliance filing purposes differs in a fundamental way from the form of the  
9 calculation presented in Appendix B, as a result of a prospective change in the underlying  
10 CAT legislation, a CAT rulemaking by the Oregon Department of Revenue (ODOR), a judicial  
11 proceeding, or an ODOR policy decision, NW Natural will defer a surcharge or credit to reflect  
12 the difference in calculation methodology and amortize the surcharge or credit at the time of  
13 NW Natural's next purchased gas adjustment. The Stipulating Parties agree that this  
14 provision will remain effective through the rate effective date of NW Natural's next general  
15 rate case. NW Natural will amend its current deferral application in Docket UM 2068 to reflect  
16 this provision.

17 7. Decoupling Calculation Treatment for the Month of April. The Stipulating  
18 Parties agree that NW Natural will use the same decoupling calculation treatment for the  
19 month of April that it already is authorized to use for the months of November and May. To  
20 effectuate this agreement NW Natural will file a revision to its tariff Schedule 190 (Partial  
21 Decoupling Mechanism) with its compliance filing in this docket.

22 8. Excess Deferred Income Taxes (EDIT) True-up Credit. The Stipulating Parties  
23 agree that NW Natural will include the EDIT true-up credit of \$1,039,209 in the temporary  
24 rate in the compliance filing in this case and will amortize that amount with the effective date  
25 of the 2020-2021 PGA. The credit has two components, one attributable to unprotected and

1 protected EDIT and the other non-plant gas reserves. Unprotected and protected EDIT  
2 represents 65%, or \$675,433, of the total credit to be allocated on an equal percent of margin  
3 basis. The gas reserves EDIT component represents the remaining 35%, or \$363,776, of  
4 the total credit to be allocated on an equal cent per therm basis.

5 9. Historical Gas Reserves EDIT to Be Included in the PGA. The Stipulating  
6 Parties agree that NW Natural will include all historical amortization of EDIT related to gas  
7 reserves in the gas reserves model that is used to calculate the cost of service and gas  
8 reserves rates used in the PGA.<sup>3</sup>

9 10. Prospective Gas Reserves EDIT Amortization to Be Included in Temporary  
10 Rates. The Stipulating Parties agree that NW Natural will move prospective EDIT  
11 amortization from base rates to temporary rates to reflect the full amortization of the  
12 remaining balance.

13 11. Rate Spread and Rate Design. The agreed upon rate spread and rate design  
14 are shown in Appendix C to this Comprehensive Stipulation, which reflects the approach  
15 described in Exhibit NW Natural/2500, Wyman.

16 12. Attestation. The Company agrees to file an attestation of a Company officer  
17 by October 5, 2020, attesting to whether any projects forecast to cost over \$1,000,000 and  
18 to be completed by October 31, 2020 will not be complete by this time. In the event that  
19 there are such projects, those projects will be removed from rate base for purposes of  
20 calculating the rates pursuant to this Comprehensive Stipulation, and rates adjusted  
21 accordingly.

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<sup>3</sup> It is anticipated that the Commission order for UG 388 will likely come after the 2020-21 PGA filing, therefore any adjustments to the gas reserves model will be done in the compliance filing to this proceeding.

1           13. Tariffs. Subject to the approval of this Comprehensive Stipulation, NW Natural  
2 will file revised rate schedules as a compliance filing in Docket UG 388, to be effective  
3 November 1, 2020, reflecting rates as agreed to in this Comprehensive Stipulation.

4           14. The Stipulating Parties agree that this Comprehensive Stipulation is in the  
5 public interest, and will result in rates that are fair, just and reasonable, consistent with the  
6 standard in ORS 756.040.

7           15. This Comprehensive Stipulation will be offered into the record as evidence  
8 pursuant to OAR 860-001-350(7). The Stipulating Parties agree to support this  
9 Comprehensive Stipulation throughout this proceeding and any appeal, provide witnesses  
10 to sponsor this Comprehensive Stipulation at hearing, and recommend that the Commission  
11 issue an order adopting this Comprehensive Stipulation. The Stipulating Parties also agree  
12 to cooperate in drafting and submitting joint testimony or a brief in support of this  
13 Comprehensive Stipulation in accordance with OAR 860-001-0350(7).

14           16. If this Comprehensive Stipulation is challenged, the Stipulating Parties agree  
15 that they will continue to support the Commission's adoption of the terms of this  
16 Comprehensive Stipulation. The Stipulating Parties agree to cooperate in cross-  
17 examination and put on such a case as they deem appropriate to respond fully to the issues  
18 presented, which may include raising issues that are incorporated in the settlements  
19 embodied in this Comprehensive Stipulation.

20           17. The Stipulating Parties have negotiated this Comprehensive Stipulation as an  
21 integrated document. If the Commission rejects all or any material portion of this  
22 Comprehensive Stipulation or imposes additional material conditions in approving this  
23 Comprehensive Stipulation, any of the Stipulating Parties are entitled to withdraw from this  
24 Comprehensive Stipulation or exercise any other rights provided in OAR 860-001-0350(9).

25           18. By entering into this Comprehensive Stipulation, no Stipulating Party approves,

1 admits, or consents to the facts, principles, methods, or theories employed by any other  
2 Stipulating Party in arriving at the terms of this Comprehensive Stipulation, other than those  
3 specifically identified in the body of this Comprehensive Stipulation. No Stipulating Party  
4 shall be deemed to have agreed that any provision of this Comprehensive Stipulation is  
5 appropriate for resolving issues in any other proceeding, except as specifically identified in  
6 this Comprehensive Stipulation.

7           19. The substantive terms of this Comprehensive Stipulation are not enforceable  
8 by any Stipulating Party unless and until adopted by the Commission in a final order. Each  
9 Stipulating Party avers that it is signing this Comprehensive Stipulation in good faith and  
10 that it intends to abide by the terms of this Comprehensive Stipulation unless and until this  
11 Comprehensive Stipulation is rejected or adopted only in part by the Commission. The  
12 Stipulating Parties agree that the Commission has exclusive jurisdiction to enforce or modify  
13 this Comprehensive Stipulation. If the Commission rejects or modifies this Comprehensive  
14 Stipulation, the Stipulating Parties reserve the right to seek reconsideration or rehearing of  
15 the Commission order under ORS 756.561 and OAR 860-001-0720 or to appeal the  
16 Commission order under ORS 756.610.

17           20. This Comprehensive Stipulation may be executed in counterparts and each  
18 signed counterpart shall constitute an original document.

19           This Comprehensive Stipulation is entered into by each Stipulating Party on the date  
20 entered below such Stipulating Party's signature.

DATED this 31<sup>st</sup> day of July 2020

NW NATURAL COMPANY D/B/A NW  
NATURAL

By: 

Date: July, 31 2020

STAFF OF PUBLIC UTILITY  
COMMISSION OF OREGON

By: \_\_\_\_\_

Date: \_\_\_\_\_

OREGON CITIZENS' UTILITY BOARD

By: \_\_\_\_\_

Date: \_\_\_\_\_

ALLIANCE OF WESTERN ENERGY  
CONSUMERS

By: \_\_\_\_\_

Date: \_\_\_\_\_

DATED this 31<sup>st</sup> day of July 2020

NW NATURAL COMPANY D/B/A NW  
NATURAL

By: \_\_\_\_\_

Date: \_\_\_\_\_

STAFF OF PUBLIC UTILITY  
COMMISSION OF OREGON

By: Stephanie Andrus

Date: July 31, 2020

OREGON CITIZENS' UTILITY BOARD

By: \_\_\_\_\_

Date: \_\_\_\_\_

ALLIANCE OF WESTERN ENERGY  
CONSUMERS

By: \_\_\_\_\_

Date: \_\_\_\_\_

DATED this 31<sup>st</sup> day of July 2020

NW NATURAL COMPANY D/B/A NW  
NATURAL

STAFF OF PUBLIC UTILITY  
COMMISSION OF OREGON

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

OREGON CITIZENS' UTILITY BOARD

ALLIANCE OF WESTERN ENERGY  
CONSUMERS

By:  \_\_\_\_\_

By: \_\_\_\_\_

Date: July 31, 2020

Date: \_\_\_\_\_

DATED this 31<sup>st</sup> day of July 2020

NW NATURAL COMPANY D/B/A NW  
NATURAL

STAFF OF PUBLIC UTILITY  
COMMISSION OF OREGON

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

OREGON CITIZENS' UTILITY BOARD

ALLIANCE OF WESTERN ENERGY  
CONSUMERS

By: \_\_\_\_\_

By:  \_\_\_\_\_

Date: \_\_\_\_\_

Date: 07/31/2020

# APPENDIX A

**NW Natural  
UG 388  
Twelve Months Ended October 31, 2019  
(000)**

	2019 Results Per Company Filing at Present Rates (1)	(2)	2021 Results Per Company Filing (3)	Company Filed Required Change for Reasonable Return (4)	Company Filed 2021 Results at Reasonable Return (5)	Adjustments to Company 2021 Results (6)	Adjusted 2021 Company Results (3) + (6) (7)	Required Change for Reasonable Return (8)	Results at Reasonable Return (7) + (8) (9)	CAT Revenues & Expenses	Results at Reasonable Return w/ CAT
<b>SUMMARY SHEET</b>											
<b>1 Operating Revenues</b>											
2 General Business	604,894	248	605,142	71,447	676,589	-	605,142	45,847	650,989	3,147	654,136
3 Transportation	17,715	(430)	17,285	-	17,285	-	17,285	-	17,285	-	17,285
4 Decoupling	(4,998)	4,998	-	-	-	-	-	-	-	-	-
5 WARM	(4,652)	4,652	-	-	-	-	-	-	-	-	-
6 Miscellaneous Revenues	6,283	(2,911)	3,372	-	3,372	101	3,473	-	3,473	-	3,473
7 Total Operating Revenues	619,242	6,557	625,799	71,447	697,246	101	625,900	45,847	671,747	3,147	674,894
<b>8 Operating Expenses</b>											
9 Gas Purchased	237,624	(903)	236,721	-	236,721	-	236,721	-	236,721	-	236,721
10 Transmission & Storage	8,926	1,509	10,435	-	10,435	(250)	10,185	-	10,185	-	10,185
11 Distribution	46,682	7,275	53,957	-	53,957	-	53,957	-	53,957	-	53,957
12 Customer Accounts	17,926	5,407	23,333	-	23,333	-	23,333	-	23,333	-	23,333
13 Customer Service	5,864	737	6,601	-	6,601	-	6,601	-	6,601	-	6,601
14 Sales	2,182	(421)	1,761	-	1,761	-	1,761	-	1,761	-	1,761
15 OPUC Fees	1,887	(10)	1,877	214	2,091	313	2,190	160	2,351	11.01	2,362
16 Franchise Fees	15,049	(74)	14,975	1,710	16,685	(28)	14,947	1,097	16,045	75.31	16,120
17 Uncollectibles	614	(16)	598	70	668	0	598	45	643	3.06	646
18 General Operations & Maintenance	3,848	1,079	4,927	-	4,927	(2,186)	2,741	-	2,741	-	2,741
19 Admin & General Expenses	65,683	13,586	79,269	-	79,269	(8,228)	71,041	-	71,041	-	71,041
20 Environmental Rider	5,000	-	5,000	-	5,000	-	5,000	-	5,000	-	5,000
21 Total Operation & Maintenance	411,285	28,169	439,454	1,994	441,448	(10,378)	429,076	1,302	430,378	89	430,467
22 Depreciation & Amortization	76,843	14,427	91,270	-	91,270	(1,290)	89,980	-	89,980	-	89,980
23 Taxes Other than Income	26,942	3,574	30,516	-	30,516	(79)	30,437	-	30,437	3,058	33,495
24 Equity Floatation	-	3,430	3,430	-	3,430	(3,430)	-	-	-	-	-
25 Income Taxes	15,510	(11,088)	4,422	18,755	23,177	3,462	7,883	12,029	19,912	-	19,912
26 Total Operating Expenses	530,580	38,512	569,092	20,748	589,840	(11,716)	557,376	13,331	570,707	-	573,854
27 Net Operating Revenues	88,662	(31,955)	56,707	50,697	107,406	11,817	68,524	32,516	101,040	-	101,040
<b>28 Average Rate Base</b>											
29 Utility Plant in Service	2,805,289	383,802	3,189,091	-	3,189,091	(19,450)	3,169,641	-	3,169,641	-	3,169,641
30 Less: Accumulated Depreciation & Amortization	(1,237,623)	(134,409)	(1,372,032)	-	(1,372,032)	130	(1,371,902)	-	(1,371,902)	-	(1,371,902)
31 Accumulated Deferred Income Taxes	(410,685)	689	(409,996)	-	(409,996)	-	(409,996)	-	(409,996)	-	(409,996)
32 Accumulated Deferred Inv. Tax Credit	-	-	-	-	-	-	-	-	-	-	-
33 Net Utility Plant	1,156,981	250,082	1,407,063	-	1,407,063	(19,320)	1,387,743	-	1,387,743	-	1,387,743
34 Plant Held for Future Use	-	-	-	-	-	-	-	-	-	-	-
<b>35 Other Rate Base</b>											
36 Aid in Advance of Construction	(3,939)	(355)	(4,294)	-	(4,294)	-	(4,294)	-	(4,294)	-	(4,294)
37 Customer Deposits	(2,894)	203	(2,691)	-	(2,691)	-	(2,691)	-	(2,691)	-	(2,691)
38 Gas Inventory	36,104	(6,346)	29,758	-	29,758	-	29,758	-	29,758	-	29,758
39 Materials & Supplies	12,780	1,694	14,474	-	14,474	(1,694)	12,780	-	12,780	-	12,780
40 Weatherization Loans	-	-	-	-	-	-	-	-	-	-	-
41 Prepayments	-	-	-	-	-	-	-	-	-	-	-
42 Misc. Deferred Debits & Credits	-	-	-	-	-	-	-	-	-	-	-
43 Misc. Rate Base Additions/(Deductions) EDIT; Leasehold Improv.	15,379	12,006	27,385	-	27,385	(4)	27,381	-	27,381	-	27,381
44 Total Average Rate Base	1,214,411	257,284	1,471,695	-	1,471,695	(21,018)	1,450,677	-	1,450,677	-	1,450,677
<b>45 Rate of Return</b>	7.301%		3.853%		7.298%		4.724%		6.965%		6.965%
<b>46 Implied Return on Equity</b>	10.006%		3.110%		10.000%		4.917%		9.400%		9.400%

**APPENDIX A**

<b>Incremental Revenue Requirement</b>						
		NWN supplemental filing	NW Natural/1002, Walker/1 at 1, col e.			\$ <b>71,447</b>
<b>Testimony</b>	<b>Issue No.</b>	<b>Proposed Staff Adjustments</b>	<b>Revenue</b>	<b>Expense</b>	<b>Rate Base</b>	<b>Revenue Requirement Effect</b>
<b>Stipulation</b>	COC - Terms of Agreement per Stipulation					<b>(6,723)</b>
Staff 100	a	Rate Case & Expense	-	(92)	-	<b>(94)</b>
Staff 200	b	Plant TY additions - Freeze	-	(1,640)	(23,290)	<b>(3,774)</b>
Staff 200	b	Plant TY additions (Cat. 1)	-	637	22,405	<b>2,663</b>
Staff 200	c	RWIP	-	(60)	-	<b>(61)</b>
Staff 300	d	Gas Storage - operating expense	-	(250)	-	<b>(257)</b>
Staff 300	e	Property taxes	-	(30)	-	<b>(31)</b>
Staff 300	f	Franchise Fees	-	(24)	-	<b>(24)</b>
Staff 300	g	ODOE fee	-	(37)	-	<b>(38)</b>
Staff 300	h	OPUC regulatory fee	-	313	-	<b>322</b>
Staff 300	h	OPUC regulatory fee - revenue sensitive	-	-	-	<b>33</b>
Staff 300	i	D&O insurance	-	(251)	-	<b>(258)</b>
Staff 400	j	Wages & salaries	-	(7,161)	(4,735)	<b>(7,795)</b>
Staff 500	k	Materials & Supplies	-	-	(1,694)	<b>(152)</b>
Staff 500	l	Demonstration & Selling	-	(400)	-	<b>(411)</b>
Staff 600	m	Plant Maintenance	-	(75)	-	<b>(77)</b>
Staff 600	n	Employee Benefits	-	(8)	-	<b>(8)</b>
Staff 700	o	Misc revenues	101	-	-	<b>(101)</b>
Staff 1200	p	Dues & memberships	-	(316)	-	<b>(326)</b>
Staff 1200	q	O&M - M&E, Misc, Awards, Gifts	-	(641)	-	<b>(660)</b>
Staff 1300	r	Equity Flotation	-	(3,430)	-	<b>(4,836)</b>
NWN 2400	s	Portland LNG Study	-	(18)	(842)	<b>(94)</b>
NWN 2400	t	Sch H CNG O&M	-	(15)	-	<b>(15)</b>
NWN 2400	u	250 Taylor Property Tax	-	(1,083)	-	<b>(1,115)</b>
NWN 2400	v	Forecast OH Admin	-	(13)	-	<b>(13)</b>
NWN 2400	w	MIST FERC allocations	-	31	(1,769)	<b>(126)</b>
NWN 2400	x	3 FTEs out of 250 Taylor	-	(9)	(4)	<b>(9)</b>
CUB	x	Cat A advertising	-	(350)	-	<b>(360)</b>
NWN 2400	y	Mist compressor study	-	(12)	(630)	<b>(69)</b>
NWN Revision	aa	Vancouver Service Cntr	-	(240)	(10,459)	<b>(1,183)</b>
		<b>Subtotal</b>	<b>101</b>	<b>(15,174)</b>	<b>(21,018)</b>	<b>(25,594)</b>
		Corporate Activity Tax (CAT)	3,147	3,147		-
		<b>Total Proposed Adjustments (Base Rates):</b>	<b>3,248</b>	<b>(12,027)</b>	<b>(21,018)</b>	<b>(25,594)</b>
		Rounding Adjustment				<b>(6)</b>
		<b>Incremental Revenue Requirements Change (Base Rates):</b>				<b>45,847</b>

**NW Natural  
Oregon Jurisdictional Rate Case  
Test Year Twelve Months Ended October 31, 2021  
UG 388 - Appendix B, Updated Oregon Corporate Activity Tax ("CAT") for Settlement  
(\$000)**

**Oregon Revenue Requirement - With and Without Oregon CAT**

			(1)		
Line No.			Without CAT	Change	With CAT
1	Revenue Requirement	A	668,277	3,147	671,423
2	Misc. Revenues	B	3,473		3,473
3	<b>Total Operating Revenues</b>	C	<u>671,749</u>	3,147	<u>674,896</u>
4	Gas Purchased (PGA)	D	236,721		236,721
5	Other O&M and Bad Debt	E	175,238		175,238
6	<b>Total Operating Expenses</b>		<u>411,959</u>		<u>411,959</u>
7	Federal Income Tax	F	12,694		12,694
8	State Income/Excise Tax	G	7,214		7,214
9	Property Tax	H	23,074		23,074
10	Federal Payroll Tax	I	4,000		4,000
11	Other Payroll Tax	J	2,303		2,303
12	Franchise Tax	K = 2.388% x C	16,048	75	16,124
13	OPUC Annual Fee	L = 0.35% x C	2,351	11	2,362
14	DOE Fee	M	856		856
15	<b>Oregon CAT</b>	N	-	<b>3,060</b>	<b>3,060</b>
16	Other Tax	O	230		230
17	Depreciation and Amortization	P	89,980		89,980
18	<b>Total Operating Deductions</b>		<u>158,751</u>		<u>161,897</u>
19	<b>Net Revenue (before interest and other)</b>		101,040	-	101,040
	<i>Check Figure (Revenue solves for this)</i>		101,040		101,040

**Oregon Corporate Activity Tax - Regulatory Calculation:**

20	Total Gross Revenue				674,896
21	Less Excludable Revenue Collected For:				
22	Federal Income Taxes	1.24 x F			15,741
23	Property Taxes	1.0 x H			23,074
24	Federal Payroll Taxes	1.0 x I			4,000
25	Local Franchise Tax	1.025 x K			16,519
26	OPUC Utility Fee	1.004 x L			2,370
27	<b>Total Excludable Revenue</b>			9.1%	<u>61,704</u>
28	Less 35% of Cost of Goods Sold	35% x D x Rev%			75,277
29	Taxable Commercial Activity for CAT				537,915
30	Less \$1 million Exclusion				<u>(1,000)</u>
31	<b>Net Taxable Commercial Activity</b>				536,915
32	CAT Rate				<u>0.57%</u>
33	<b>CAT Tax Liability</b>				3,060

(1) From UG 388 - Revenue Requirement for Stipulated Settlement

(2) Excludable commercial activity of \$61.7 million per Section 50, subsection (KK) of Oregon 2019 House Bill 2164:  
"Moneys collected or recovered, by entities listed in ORS 756.310, cable operators as defined in 47 U.S.C. 522(5), telecommunications carriers as defined in 47 U.S.C. 153(51) and providers of information services as defined in 47 U.S.C. 153(24), for fees payable under ORS 756.310, right-of-way fees, franchise fees, privilege taxes, federal taxes and local taxes"

(3) Only includes local franchise taxes in base rates (not supplemental itemized amounts not in base rates)  
Separate itemized local franchise taxes are expected to be included in 'Total Gross Revenue' and 'Excludable Revenue' resulting in no change to CAT Tax Liability

**NW Natural  
Oregon Jurisdictional Rate Case  
Test Year Twelve Months Ended October 31, 2021  
Proposed Incremental Revenue Requirement Allocation by Rate Schedule Summary - Revenue Requirement Effects**

Source: UG 388 - Rate Spread for Comprehensive Stipulation

*Impacts of UG 388 Settled Revenue Requirement items, prior to the following adjustments: Gas Reserves EDIT Amortization, Corporate Activities Tax (CAT), and EDIT True-Up Credit.*

Line No.	Rate Schedule	Margin Revenue at Present Rates	Total Revenue at Present Rates	Revenue Requirement		Revenue Requirement Effects			
				Margin Increase (\$) (1)	Margin Revenue at Proposed Rates	Total Revenue at Proposed Rates	Margin Revenue Increase (%)	Total Revenue Increase (%)	Average Bill Increase (%)
		A	B	C	D = A+C	E = B+C	F	G	H
1	02	\$ 254,772,129	\$ 390,706,141	\$ 30,615,849	\$ 285,387,977	\$ 421,321,990	12.02%	7.84%	7.60%
2	03CSF	\$ 77,838,498	\$ 137,288,632	\$ 12,953,516	\$ 90,792,014	\$ 150,242,148	16.64%	9.44%	9.10%
3	03ISF	\$ 1,940,175	\$ 3,678,408	\$ 79,042	\$ 2,019,217	\$ 3,757,451	4.07%	2.15%	2.00%
4	27R	\$ 637,828	\$ 1,071,122	\$ 76,647	\$ 714,475	\$ 1,147,770	12.02%	7.16%	6.90%
5	31CSF	\$ 7,852,361	\$ 15,662,353	\$ 319,904	\$ 8,172,265	\$ 15,982,257	4.07%	2.04%	2.40%
6	31CTF	\$ 1,031,425	\$ 1,031,425	\$ 42,020	\$ 1,073,445	\$ 1,073,445	4.07%	4.07%	5.00%
7	31ISF	\$ 3,031,708	\$ 7,442,007	\$ 123,511	\$ 3,155,220	\$ 7,565,519	4.07%	1.66%	1.90%
8	31ITF	\$ 123,711	\$ 123,711	\$ 5,040	\$ 128,751	\$ 128,751	4.07%	4.07%	4.70%
9	32CSF	\$ 10,535,052	\$ 25,906,079	\$ 429,197	\$ 10,964,248	\$ 26,335,276	4.07%	1.66%	2.20%
10	32ISF	\$ 2,329,451	\$ 7,784,255	\$ 94,902	\$ 2,424,352	\$ 7,879,156	4.07%	1.22%	1.50%
11	32CTF	\$ 1,174,671	\$ 1,174,671	\$ 47,856	\$ 1,222,526	\$ 1,222,526	4.07%	4.07%	5.30%
12	32ITF	\$ 6,628,135	\$ 6,628,135	\$ 270,029	\$ 6,898,165	\$ 6,898,165	4.07%	4.07%	5.10%
13	32CSI	\$ 1,803,595	\$ 6,808,968	\$ 73,478	\$ 1,877,073	\$ 6,882,446	4.07%	1.08%	1.00%
14	32ISI	\$ 2,302,847	\$ 8,793,619	\$ 93,818	\$ 2,396,665	\$ 8,887,436	4.07%	1.07%	1.00%
15	32CTI / 32ITI	\$ 6,566,209	\$ 6,566,209	\$ 267,506	\$ 6,833,716	\$ 6,833,716	4.07%	4.07%	4.30%
16	33T	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%
Total		\$ 378,567,792	\$ 620,665,735	\$ 45,492,316 (2)	\$ 424,060,108	\$ 666,158,051	12.02%	7.33%	

NOTE (1): Revenue Requirement spread based on Reply Testimony NW Natural 2500/Wyman. This increase *does not* include an adjustment for the amount of gas reserves excess deferred income tax (EDIT) amortization credits included in the revenue requirement. This amount is similarly *not* adjusted for gas reserves associated rate base for future amortization. The full effects of these items are noted in the table labeled "Combined Effects."

NOTE (2): The proposed margin revenue increase is based on volumetric billing rates rounded to the fifth decimal as necessitated by the Company's tariff. Therefore, there may be a small discrepancy with the indicated revenue requirement presented in Appendix A and B of this stipulation. As noted in (1), this figure also does not include gas reserves associated effects.

NOTE: The average customer bill percentage impact figure calculation excludes pipeline capacity charges for RS 31 and RS 32 rate classes, and thus the bill rate impacts for these schedules are overstated.

# APPENDIX C

**NW Natural  
Oregon Jurisdictional Rate Case  
Test Year Twelve Months Ended October 31, 2021  
Proposed Incremental Revenue Requirement Allocation by Rate Schedule Summary - Combined Effects**

Source: UG 388 - Rate Spread for Comprehensive Stipulation

*Combined Impacts of UG 388 Settled Revenue Requirement Items (adjusted for Gas Reserves EDIT Amortization, Gas Reserves Rate Base), Corporate Activities Tax (CAT), and EDIT True-Up Credit.*

Line No.	Rate Schedule	Margin Revenue at Present Rates	Total Revenue at Present Rates	Revenue Requirement Adj		Corporate Activity Tax (CAT)		EDIT True-Up Credit	Margin Revenue at Proposed Rates	Total Revenue at Proposed Rates	Combined Effects		
				Margin Increase (\$)	Margin Increase (%)	Margin Increase (\$)	Margin Increase (%)				Margin Revenue Increase (%)	Total Revenue Increase (%)	Average Bill Increase (%)
		A	B	(1)	D	(2)	F	(3)	H = A+C+E	I = B+C+E	J	K	L
1	02	\$ 254,772,129	\$ 390,706,141	\$ 31,265,630	12.27%	\$ 2,007,520	0.79%	\$ (651,947)	\$ 288,045,278	\$ 423,327,344	13.06%	8.35%	8.10%
2	03CSF	\$ 77,838,498	\$ 137,288,632	\$ 12,907,173	16.58%	\$ 718,031	0.92%	\$ (226,015)	\$ 91,463,702	\$ 150,687,821	17.50%	9.76%	9.40%
3	03ISF	\$ 1,940,175	\$ 3,678,408	\$ 68,371	3.52%	\$ 17,843	0.92%	\$ (5,998)	\$ 2,026,388	\$ 3,758,623	4.44%	2.18%	2.00%
4	27R	\$ 637,828	\$ 1,071,122	\$ 77,009	12.07%	\$ 5,487	0.86%	\$ (1,875)	\$ 720,323	\$ 1,151,742	12.93%	7.53%	7.20%
5	31CSF	\$ 7,852,361	\$ 15,662,353	\$ 276,690	3.52%	\$ 72,038	0.92%	\$ (25,395)	\$ 8,201,089	\$ 15,985,685	4.44%	2.06%	2.50%
6	31CTF	\$ 1,031,425	\$ 1,031,425	\$ 36,352	3.52%	\$ 9,473	0.92%	\$ (1,830)	\$ 1,077,250	\$ 1,075,419	4.44%	4.27%	5.20%
7	31ISF	\$ 3,031,708	\$ 7,442,007	\$ 106,789	3.52%	\$ 27,869	0.92%	\$ (11,903)	\$ 3,166,366	\$ 7,564,763	4.44%	1.65%	1.90%
8	31ITF	\$ 123,711	\$ 123,711	\$ 4,362	3.53%	\$ 1,137	0.92%	\$ (223)	\$ 129,211	\$ 128,988	4.45%	4.27%	4.90%
9	32CSF	\$ 10,535,052	\$ 25,906,079	\$ 370,964	3.52%	\$ 96,827	0.92%	\$ (41,244)	\$ 11,002,843	\$ 26,332,626	4.44%	1.65%	2.10%
10	32ISF	\$ 2,329,451	\$ 7,784,255	\$ 82,105	3.52%	\$ 21,390	0.92%	\$ (12,128)	\$ 2,432,946	\$ 7,875,622	4.44%	1.17%	1.50%
11	32CTF	\$ 1,174,671	\$ 1,174,671	\$ 41,448	3.53%	\$ 10,795	0.92%	\$ (2,074)	\$ 1,226,913	\$ 1,224,839	4.45%	4.27%	5.50%
12	32ITF	\$ 6,628,135	\$ 6,628,135	\$ 233,478	3.52%	\$ 60,721	0.92%	\$ (12,032)	\$ 6,922,334	\$ 6,910,302	4.44%	4.26%	5.30%
13	32CSI	\$ 1,803,595	\$ 6,808,968	\$ 63,546	3.52%	\$ 16,563	0.92%	\$ (13,402)	\$ 1,883,703	\$ 6,875,675	4.44%	0.98%	0.90%
14	32ISI	\$ 2,302,847	\$ 8,793,619	\$ 81,162	3.52%	\$ 21,162	0.92%	\$ (17,298)	\$ 2,405,171	\$ 8,878,646	4.44%	0.97%	0.90%
15	32CTI / 32ITI	\$ 6,566,209	\$ 6,566,209	\$ 231,365	3.52%	\$ 60,533	0.92%	\$ (11,220)	\$ 6,858,107	\$ 6,846,887	4.45%	4.27%	4.50%
16	33T	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%	\$ -	\$ -	\$ -	0.00%	0.00%	0.00%
<b>Total</b>		<b>\$ 378,567,792</b>	<b>\$ 620,665,735</b>	<b>\$ 45,846,443</b>	<b>12.11%</b>	<b>\$ 3,147,388</b>	<b>0.83%</b>	<b>\$ (1,034,583)</b>	<b>\$ 427,561,623</b>	<b>\$ 668,624,983</b>	<b>12.94%</b>	<b>7.73%</b>	

**NOTE (1):** Revenue Requirement Adjustment spread based on Reply Testimony NW Natural 2500/Wyman. This increase is adjusted for the amount of gas reserves excess deferred income tax (EDIT) amortization credits included in the revenue requirement. This amount is also adjusted for gas reserves associated rate base for future amortization. The EDIT amortization and gas reserves rate base is spread on an equal cent per therm basis to each of three rate classes: (a) residential; (b) small commercial; and (c) large commercial and industrial. For (c), rates are spread intraclass on an equal percent of margin basis.

**NOTE (2):** The Corporate Activities Tax (CAT) is spread on an equal percent of revenue basis, after the revenue requirement increase at (1) has been applied. For rate class (c), rates are spread intraclass on an equal percent of margin basis.

**NOTE (3):** The non-revenue requirement gas reserves EDIT True-Up Credit is spread in two ways. (a) 65% of the total credit will be allocated on an equal percent of margin basis to all customers (this represents the percentage of non-protected and protected rate base amounts from UG 344); and (b) 35% of the total credit will be allocated on an equal cent per therm basis to sales customers only (this represents the percentage of non-plant gas reserves rate base amount from UG 344).

**NOTE (4):** The proposed margin revenue and CAT increments are based on volumetric billing rates rounded to the fifth decimal as necessitated by the Company's tariff. Therefore, there may be a small discrepancy with the indicated revenue requirement presented in Appendix A and B of this stipulation.

**NOTE:** The average customer bill percentage impact figure calculation excludes pipeline capacity charges for RS 31 and RS 32 rate classes, and thus the bill rate impacts for these schedules are overstated.

# APPENDIX C

**NW Natural  
Oregon Jurisdictional Rate Case  
Test Year Twelve Months Ended October 31, 2021  
Proposed Base and Total Billing Rates by Rate Schedule and Block - Combined Effects**

Source: UG 388 - Rate Spread for Comprehensive Stipulation

Line No.	Schedule	Block	Block Volumes	Test Year Volumes	Test Year Customers	Current Monthly Base Charge	Proposed Monthly Base Charge	Current Rates: Base Rate	Proposed Increase: Base Rates	Proposed Increase: Base Rates	UG 388	EDIT Amort	EDIT True-Up	UG 388
											Proposed Base Rates	Proposed Increase: Temporary Rate	Proposed Increase: Temporary Rate	Proposed Billing Rates
1	2R		N/A	397,528,668	623,209	\$ 8.00	\$ 8.00	\$0.49039	\$0.08381	\$0.00505	\$0.57925	(\$0.00516)	(\$0.00164)	\$0.94770
2	3C Firm Sales		N/A	173,857,392	59,995	\$ 15.00	\$ 15.00	\$0.38560	\$0.07940	\$0.00413	\$0.46913	(\$0.00516)	(\$0.00130)	\$0.83602
3	3I Firm Sales		N/A	5,083,337	350	\$ 15.00	\$ 15.00	\$0.36928	\$0.01993	\$0.00351	\$0.39271	(\$0.00648)	(\$0.00118)	\$0.78377
4	27 Dry Out		N/A	1,267,136	2,299	\$ 6.00	\$ 8.00	\$0.37273	\$0.02239	\$0.00433	\$0.39945	(\$0.00516)	(\$0.00148)	\$0.76871
5	31C Firm Sales	Block 1	2,000	12,134,053	676	\$ 325.00	\$ 325.00	\$0.23815	\$0.01872	\$0.00329	\$0.26016	(\$0.00609)	(\$0.00114)	\$0.53384
6		Block 2	all additional	10,705,676				\$0.21729	\$0.01709	\$0.00300	\$0.23738	(\$0.00556)	(\$0.00108)	\$0.51136
7	31C Firm Transpt	Block 1	2,000	1,237,478	59	\$ 575.00	\$ 575.00	\$0.20857	\$0.01800	\$0.00317	\$0.22973	(\$0.00585)	(\$0.00061)	\$0.22640
8		Block 2	all additional	1,920,419				\$0.19070	\$0.01645	\$0.00289	\$0.21004	(\$0.00535)	(\$0.00056)	\$0.20700
9	31I Firm Sales	Block 1	2,000	4,148,074	206	\$ 325.00	\$ 325.00	\$0.18515	\$0.01315	\$0.00231	\$0.20062	(\$0.00428)	(\$0.00095)	\$0.48385
10		Block 2	all additional	8,749,504				\$0.16690	\$0.01186	\$0.00209	\$0.18085	(\$0.00386)	(\$0.00091)	\$0.46431
11	31I Firm Transpt	Block 1	2,000	118,697	5	\$ 575.00	\$ 575.00	\$0.18577	\$0.01345	\$0.00237	\$0.20159	(\$0.00437)	(\$0.00046)	\$0.19973
12		Block 2	all additional	400,006				\$0.16790	\$0.01216	\$0.00214	\$0.18220	(\$0.00395)	(\$0.00042)	\$0.18057
13	32C Firm Sales	Block 1	10,000	33,364,119	526	\$ 675.00	\$ 675.00	\$0.11429	\$0.01288	\$0.00227	\$0.12944	(\$0.00419)	(\$0.00094)	\$0.41230
14		Block 2	20,000	9,992,148				\$0.09648	\$0.01088	\$0.00191	\$0.10928	(\$0.00354)	(\$0.00087)	\$0.39250
15		Block 3	20,000	1,397,941				\$0.06688	\$0.00755	\$0.00133	\$0.07575	(\$0.00245)	(\$0.00076)	\$0.35959
16		Block 4	100,000	197,195				\$0.03721	\$0.00419	\$0.00074	\$0.04214	(\$0.00136)	(\$0.00064)	\$0.32661
17		Block 5	600,000	-				\$0.01588	\$0.00179	\$0.00032	\$0.01798	(\$0.00058)	(\$0.00056)	\$0.30274
18		Block 6	all additional	-				\$0.00577	\$0.00065	\$0.00011	\$0.00653	(\$0.00021)	(\$0.00052)	\$0.29151
19	32I Firm Sales	Block 1	10,000	6,000,723	66	\$ 675.00	\$ 675.00	\$0.10799	\$0.00937	\$0.00165	\$0.11901	(\$0.00305)	(\$0.00082)	\$0.40282
20		Block 2	20,000	6,072,266				\$0.09116	\$0.00792	\$0.00139	\$0.10047	(\$0.00257)	(\$0.00077)	\$0.38458
21		Block 3	20,000	2,271,665				\$0.06307	\$0.00547	\$0.00096	\$0.06951	(\$0.00178)	(\$0.00069)	\$0.35408
22		Block 4	100,000	1,607,504				\$0.03503	\$0.00305	\$0.00054	\$0.03861	(\$0.00099)	(\$0.00060)	\$0.32369
23		Block 5	600,000	-				\$0.01550	\$0.00134	\$0.00024	\$0.01708	(\$0.00044)	(\$0.00055)	\$0.30247
24		Block 6	all additional	-				\$0.00565	\$0.00050	\$0.00009	\$0.00623	(\$0.00016)	(\$0.00052)	\$0.29168
25	32C Firm Transpt	Block 1	10,000	3,279,561	33	\$ 925.00	\$ 925.00	\$0.10964	\$0.00943	\$0.00166	\$0.12072	(\$0.00306)	(\$0.00032)	\$0.11909
26		Block 2	20,000	2,720,836				\$0.09317	\$0.00801	\$0.00141	\$0.10259	(\$0.00260)	(\$0.00027)	\$0.10128
27		Block 3	20,000	1,048,244				\$0.06579	\$0.00566	\$0.00099	\$0.07244	(\$0.00184)	(\$0.00019)	\$0.07164
28		Block 4	100,000	814,825				\$0.03839	\$0.00330	\$0.00058	\$0.04227	(\$0.00107)	(\$0.00011)	\$0.04201
29		Block 5	600,000	12,377				\$0.02191	\$0.00188	\$0.00033	\$0.02412	(\$0.00061)	(\$0.00006)	\$0.02418
30		Block 6	all additional	-				\$0.01099	\$0.00095	\$0.00017	\$0.01211	(\$0.00031)	(\$0.00003)	\$0.01238
31	32I Firm Transpt	Block 1	10,000	10,055,646	106	\$ 925.00	\$ 925.00	\$0.10964	\$0.00809	\$0.00142	\$0.11916	(\$0.00263)	(\$0.00028)	\$0.11800
32		Block 2	20,000	15,265,458				\$0.09317	\$0.00688	\$0.00121	\$0.10126	(\$0.00224)	(\$0.00023)	\$0.10035
33		Block 3	20,000	10,449,168				\$0.06579	\$0.00485	\$0.00085	\$0.07150	(\$0.00158)	(\$0.00017)	\$0.07098
34		Block 4	100,000	22,599,870				\$0.03839	\$0.00283	\$0.00050	\$0.04172	(\$0.00092)	(\$0.00010)	\$0.04162
35		Block 5	600,000	24,971,483				\$0.02191	\$0.00162	\$0.00028	\$0.02382	(\$0.00053)	(\$0.00006)	\$0.02396
36		Block 6	all additional	5,694,567				\$0.01099	\$0.00082	\$0.00014	\$0.01195	(\$0.00026)	(\$0.00003)	\$0.01226
37	32C Interr Sales	Block 1	10,000	4,466,990	49	\$ 675.00	\$ 675.00	\$0.10896	\$0.00730	\$0.00128	\$0.11754	(\$0.00237)	(\$0.00075)	\$0.40188
38		Block 2	20,000	5,267,214				\$0.09199	\$0.00616	\$0.00108	\$0.09924	(\$0.00200)	(\$0.00071)	\$0.38378
39		Block 3	20,000	3,055,988				\$0.06367	\$0.00426	\$0.00075	\$0.06868	(\$0.00139)	(\$0.00065)	\$0.35355
40		Block 4	100,000	6,002,700				\$0.03535	\$0.00236	\$0.00042	\$0.03813	(\$0.00077)	(\$0.00058)	\$0.32333
41		Block 5	600,000	1,562,403				\$0.01835	\$0.00123	\$0.00022	\$0.01979	(\$0.00040)	(\$0.00054)	\$0.30521
42		Block 6	all additional	-				\$0.00593	\$0.00039	\$0.00007	\$0.00639	(\$0.00013)	(\$0.00051)	\$0.29182
43	32I Interr Sales	Block 1	10,000	5,945,061	59	\$ 675.00	\$ 675.00	\$0.10860	\$0.00715	\$0.00126	\$0.11701	(\$0.00233)	(\$0.00074)	\$0.40165
44		Block 2	20,000	7,316,869				\$0.09168	\$0.00604	\$0.00106	\$0.09878	(\$0.00196)	(\$0.00071)	\$0.38363
45		Block 3	20,000	3,444,126				\$0.06345	\$0.00418	\$0.00074	\$0.06837	(\$0.00136)	(\$0.00064)	\$0.35358
46		Block 4	100,000	6,661,250				\$0.03522	\$0.00232	\$0.00041	\$0.03795	(\$0.00075)	(\$0.00058)	\$0.32352
47		Block 5	600,000	3,028,643				\$0.01828	\$0.00121	\$0.00021	\$0.01970	(\$0.00039)	(\$0.00054)	\$0.30549
48		Block 6	all additional	-				\$0.00589	\$0.00039	\$0.00007	\$0.00635	(\$0.00013)	(\$0.00051)	\$0.29223
49	32C Interr Transpt	Block 1	10,000	7,321,550	84	\$ 925.00	\$ 925.00	\$0.10762	\$0.00655	\$0.00115	\$0.11532	(\$0.00213)	(\$0.00022)	\$0.11457
50	32I Interr Transpt	Block 2	20,000	12,197,978				\$0.09148	\$0.00556	\$0.00098	\$0.09802	(\$0.00181)	(\$0.00019)	\$0.09745
51		Block 3	20,000	8,859,459				\$0.06459	\$0.00393	\$0.00069	\$0.06921	(\$0.00128)	(\$0.00013)	\$0.06896
52		Block 4	100,000	27,792,967				\$0.03767	\$0.00229	\$0.00040	\$0.04037	(\$0.00075)	(\$0.00008)	\$0.04040
53		Block 5	600,000	57,196,530				\$0.02154	\$0.00131	\$0.00023	\$0.02308	(\$0.00043)	(\$0.00004)	\$0.02332
54		Block 6	all additional	81,444,481				\$0.01079	\$0.00066	\$0.00012	\$0.01157	(\$0.00021)	(\$0.00002)	\$0.01192
55	33		N/A	-	-	\$ 38,000.00	\$ 38,000.00	\$0.00574	\$0.00000	\$0.00000	\$0.00574	\$0.00000	\$0.00000	\$0.00580

[1] Gas reserves EDIT amortization credit.