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COMPANY NAME:

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes If yes, submit a redacted public version (or a cover letter) by email. Submit the confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

Select report type: RE (Electric) RG (Gas) RW (Water) RT (Telecommunications)
RO (Other, for example, industry safety information)

Did you previously file a similar report? No Yes, report docket number:

Report is required by: OAR
Statute
Order

Note: A one-time submission required by an order is a compliance filing and not a report (file compliance in the applicable docket)

Other
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Is this report associated with a specific docket/case? No Yes, docket number:

List Key Words for this report. We use these to improve search results.

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April 28, 2022

VIA ELECTRONIC FILING AND MAIL

Public Utility Commission of Oregon
Attention: Filing Center
201 High Street SE, Suite 100
Salem, Oregon 97301-3398

RE: RG 40 – NW Natural’s Earnings Review for the 12 Months Ended December 31, 2021

Pursuant to OAR 860-022-0070, Northwest Natural Gas Company, dba NW Natural (“NW Natural” or “Company”), files herewith its Earnings Review for the 12 months ended December 31, 2021. Per order No. 15-049, please see the second page of the earnings review that incorporates the Asset Management Agreement Optimization (“AMA”) revenues. NW Natural’s Earnings Review return on equity results are as follows:

- **Traditional Review: 8.68%**
- **Traditional Including AMA: 8.91%**

Per the January 3, 2022, notification from Staff, two CDs of the report with supporting workpapers and schedules in Excel format will be mailed via FedEx and emailed to puc.workpapers@puc.oregon.gov.

Please feel free to call if you have any questions.

Sincerely,

/s/ Kyle Walker, CPA

Kyle Walker, CPA
Rates/Regulatory Manager
Telephone: (503) 610-7051
Email: kyle.walker@nwnatural.com

Attachments



REPORT: RG 40

**ANNUAL EARNINGS REVIEW
WITHOUT WORKPAPERS**

(For the twelve months ended December 31, 2021)

NW Natural Gas Company
2021 Oregon Earnings Review
12 Months Ended December 31, 2021
(\$000's)

OREGON EARNINGS TEST REVIEW								
Line No.	Test Year Results	TYPE I Adjustments	Results after Type I	Gas Reserves Adjustment ⁽²⁾	Results Excl. Gas Reserves ⁽²⁾	TYPE II Adjustments	Results after Type II	
	(a)	(b)	(c)	(d)	(e)	(f)	(g) = (c) + (f)	
Operating Revenues								
1	Sale of Gas	\$656,925	\$10,607	\$667,532		\$667,532	\$0	\$667,532
2	WARM Revenues	11,742	(11,742)	0		0	0	0
3	Revenue & Technical Adjustments	18,941	0	18,941		18,941	0	18,941
4	Decoupling Adjustments	(6,045)	6,045	0		0	0	0
5	Transportation	17,771	0	17,771		17,771	0	17,771
6	Miscellaneous Revenues	2,723	255	2,978		2,978	0	2,978
7	Total Operating Revenues	702,058	5,165	707,223	0	707,223	0	707,223
Operating Revenue Deductions								
8	Gas Purchased	261,644	4,381	266,025	1,176	267,201	0	266,025
9	Uncollectible Accrual for Gas Sales	884	71	955		955	0	955
10	Other Operating & Maintenance Expenses ⁽¹⁾	184,355	(9,069)	175,286		175,286	0	175,286
11	Total Operating & Maintenance Exp.	446,884	(4,617)	442,267	1,176	443,443	0	442,267
12	Federal Income Tax	9,314	1,724	11,038	89	11,126	0	11,038
13	State Excise	10,590	677	11,267	0	11,267	0	11,267
14	Property Taxes	23,919	1,036	24,955		24,955	0	24,955
15	Other Taxes	25,687	(24)	25,663		25,663	0	25,663
16	Depreciation & Amortization	93,124	0	93,124		93,124	0	93,124
17	Total Operating Revenue Deductions	609,517	(1,203)	608,314	1,265	609,578	0	608,314
18	Net Operating Revenues	\$92,541	\$6,368	\$98,909	(\$1,265)	\$97,644	\$0	\$98,909
Average Rate Base								
19	Utility Plant in Service	\$3,369,471	(\$4,735)	\$3,364,736	(187,307)	\$3,177,429	\$0	\$3,364,736
20	Accumulated Depreciation	(1,500,752)	0	(1,500,752)	148,631	(1,352,121)	0	(1,500,752)
21	Net Utility Plant	1,868,719	(4,735)	1,863,984	(38,676)	1,825,308	0	1,863,984
22	Aid in Advance of Construction	(5,530)	0	(5,530)		(5,530)	0	(5,530)
23	Customer Deposits	(1,808)	0	(1,808)		(1,808)	0	(1,808)
24	Materials & Supplies	57,119	0	57,119		57,119	0	57,119
25	Leasehold Improvements	22,601	0	22,601		22,601	0	22,601
26	Accumulated Deferred Income Taxes	(431,665)	0	(431,665)	18,092	(413,573)	0	(431,665)
27	Total Rate Base	\$1,509,436	(\$4,735)	\$1,504,701	(\$20,584)	\$1,484,117	\$0	\$1,504,701
28	Rate of Return	6.13%		6.57%	6.14%	6.58%		6.57%
29	Return on Common Equity	7.77%		8.68%	7.79%	8.70%		8.68%

Notes: ⁽¹⁾ Column (a) excludes expenses not included in our last general rate case therefore are not included in customer rates.

Notes: ⁽²⁾ Columns (d) and (e) added in accordance with Order No. 11-176 pertaining to Encana.

NW Natural Gas Company
2021 Oregon Earnings Review
12 Months Ended December 31, 2021
(\$'000's)

Line No.	OREGON EARNINGS TEST REVIEW						
	Test Year	TYPE I	Results	TYPE II	Results	Results	
	Results	Adjustments	after Type I	Adjustments	after Type II	AMA	after AMA
	(a)	(b)	(c) = ((a)+(b)	(d)	(e) = (c)+(d)	(f)	(g) = (e)+(f)
	Operating Revenues						
1	Sale of Gas	\$656,925	\$10,607	\$667,532	\$0	\$667,532	\$667,532
2	WARM Revenues	11,742	(11,742)	0	0	0	0
3	Revenue & Technical Adjustments	18,941	0	18,941	0	18,941	18,941
4	Decoupling Adjustments	(6,045)	6,045	0	0	0	0
5	Transportation	17,771	0	17,771	0	17,771	17,771
6	Miscellaneous Revenues	2,723	255	2,978	0	2,978	5,206
7	Total Operating Revenues	702,058	5,165	707,223	0	707,223	709,450
	MARGIN (Rev less COG less FF)	#REF!					
	Operating Revenue Deductions						
8	Gas Purchased	261,644	4,381	266,025	0	266,025	266,025
9	Uncollectible Accrual for Gas Sales	884	71	955	0	955	955
10	Other Operating & Maintenance Expenses ⁽¹⁾	184,355	(9,069)	175,286	0	175,286	175,286
11	Total Operating & Maintenance Exp.	446,884	(4,617)	442,267	0	442,267	442,267
12	Federal Income Tax	9,314	1,724	11,038	0	11,038	11,470
13	State Excise	10,590	677	11,267	0	11,267	11,436
14	Property Taxes	23,919	1,036	24,955	0	24,955	24,955
15	Other Taxes (i.e Franchise, Payroll, PUC & DOE Fee)	25,687	(24)	25,663	0	25,663	25,663
16	Depreciation & Amortization	93,124	0	93,124	0	93,124	93,124
17	Total Operating Revenue Deductions	609,517	(1,203)	608,314	0	608,314	608,915
18	Net Operating Revenues	\$92,541	\$6,368	\$98,909	\$0	\$98,909	\$100,535
	Average Rate Base						
19	Utility Plant in Service	\$3,369,471	(\$4,735)	\$3,364,736	\$0	\$3,364,736	\$3,364,736
20	Accumulated Depreciation	(1,500,752)	0	(1,500,752)	0	(1,500,752)	(1,500,752)
21	Net Utility Plant	1,868,719	(4,735)	1,863,984	0	1,863,984	1,863,984
22	Aid in Advance of Construction	(5,530)	0	(5,530)	0	(5,530)	(5,530)
23	Customer Deposits	(1,808)	0	(1,808)	0	(1,808)	(1,808)
24	Materials & Supplies	13,467	0	13,467	0	13,467	13,467
25	Gas Inventory	43,652		43,652		43,652	43,652
26	EDIT Adjustment to Rate Base	8,462		8,462		8,462	8,462
27	Leasehold Improvements	22,601	0	22,601	0	22,601	22,601
28	Accumulated Deferred Income Taxes	(440,127)	0	(440,127)	0	(440,127)	(440,127)
29	Total Rate Base	\$1,509,436	(\$4,735)	\$1,504,701	\$0	\$1,504,701	\$1,504,701
30	Rate of Return	6.13%		6.57%		6.57%	6.68%
31	Return on Common Equity	7.77%		8.68%		8.68%	8.91%

Notes: ⁽¹⁾ Column (a) excludes expenses not included in our last general rate case therefore are not included in customer rates.

NW Natural
2021 Storage and Optimization Revenues

2021

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total Schedule 185 Revenue	140,519	2,038,598	55,796	227,937	271,763	319,662	320,558	312,925	276,470	224,078	109,603	186,847	4,484,757
Less: Optimization O&M (I/O 417-02230)	(5,820)	4,018	(1,066)	(4,104)	(3,582)	(4,465)	(3,170)	(2,780)	(1,655)	(2,911)	(2,079)	(2,061)	(29,674)
Less: OR CAT Tax	(801)	(11,620)	(318)	(1,299)	(1,549)	(1,822)	(1,827)	(1,784)	(1,576)	(1,277)	(625)	(1,065)	(25,563)
Net Schedule 185 Revenue	133,898	2,030,996	54,412	222,534	266,633	313,375	315,561	308,361	273,239	219,890	106,899	183,721	4,429,520
Oregon Allocation	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%
Schedule 185 Revenue to Oregon	118,251	1,793,659	48,054	196,529	235,475	276,755	278,685	272,327	241,309	194,194	94,407	162,251	3,911,897
% to Core	58.64%	58.64%	58.64%	58.64%	58.64%	58.64%	58.64%	58.64%	58.64%	58.64%	58.64%	58.64%	58.64%
Total Schedule 185 Revenue Allocated to Core	69,339	1,051,747	28,177	115,239	138,075	162,281	163,412	159,684	141,496	113,869	55,358	95,139	2,293,816
NWN's Share of Revenue (10%)	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
NWN's Schedule 185 Revenue	6,934	105,175	2,818	11,524	13,808	16,228	16,341	15,968	14,150	11,387	5,536	9,514	229,382
50% to Earnings Test Calculation	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Total Schedule 185 Revenue for Earnings Test	3,467	52,587	1,409	5,762	6,904	8,114	8,171	7,984	7,075	5,693	2,768	4,757	114,691
Gross Schedule 186 Revenue	465,962	37,474,943	846,161	791,055	1,082,725	1,062,966	1,187,031	1,343,226	1,503,137	776,669	728,448	1,024,828	48,287,153
Less: Optimization O&M (I/O 417-02230)	(19,298)	(12,078)	(18,402)	(14,243)	(14,576)	(14,731)	(11,873)	(12,687)	(11,514)	(10,265)	(11,767)	(11,531)	(162,967)
Less: OR CAT Tax	(2,656)	(213,607)	(4,823)	(4,509)	(6,172)	(6,059)	(6,766)	(7,656)	(8,568)	(4,427)	(4,152)	(5,842)	(275,237)
Net Schedule 186 Revenue	444,008	37,249,258	822,936	772,302	1,061,977	1,042,177	1,168,392	1,322,883	1,483,055	761,977	712,529	1,007,455	47,848,949
Oregon Allocation	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%	88.314%
Schedule 186 Revenue to Oregon	392,123	32,896,399	726,769	682,053	937,877	920,390	1,031,857	1,168,294	1,309,749	672,934	629,264	889,726	42,257,435
NWN's Share of Revenue (10%)	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
NWN's Schedule 186 Revenue	39,212	3,289,640	72,677	68,205	93,788	92,039	103,186	116,829	130,975	67,293	62,926	88,973	4,225,743
50% to Earnings Test Calculation	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Total Schedule 186 Revenue for Earnings Test	19,606	1,644,820	36,338	34,103	46,894	46,020	51,593	58,415	65,487	33,647	31,463	44,486	2,112,872
Total Schedule 185 & 186 Revenue for Earnings Test	23,073	1,697,407	37,747	39,865	53,798	54,134	59,763	66,399	72,562	39,340	34,231	49,243	2,227,563



ANNUAL EARNINGS REVIEW
For the Twelve Months Ended December 31, 2021

Description of TYPE I Adjustments

This report was developed in a manner consistent with the earnings review directives adopted in UM 903. The determination of the various adjustments included in this report reflect those typical and routinely developed adjustments as were also adopted in the Company's 2011 general rate filing (UG 221), 2018 general rate case filing (UG 344), and 2019 general rate case filing (UG 388), and continue to be appropriate. Adjustments arising from general rate cases have been prorated.

Weather Normalization and Gas Costs [Column 2(a)]:

This adjustment approximates the volumetric effects of weather on sales and gas costs. Core market volumes have been weather normalized; however, no industrial volumes have been adjusted. The adjustment also reflects the removal of the effects of the WARM mechanism pursuant to Order No. 03-507.

Miscellaneous Revenue Adjustment [Column 2(b)]:

This adjustment reflects the normalization of other tariffed utility fees and revenues to a historical three-year average. The adjustment also reflects the removal of the effect of the Decoupling mechanism pursuant to Order No. 03-507 and the removal of the effect of deferrals related to SB408.

388 Adjustments [Column 2(c)]:

This adjustment O&M and capital adjustments ordered in UG 388. O&M adjustments include: salary/incentives/medical benefits, miscellaneous administrative and general expense, directors and officers insurance premiums, membership dues, and meals and entertainment. Capital adjustments are related to salary/incentives/medical benefits.

Normalization of Property Tax Expense [Column 2(d)]:

Removes the expense accruals for the year and reflects the actual cash payments made during the test period.

Uncollectible Accounts [Column 2(e)]:

This adjustment normalizes the test year accrual for Uncollectible expense to a three-year average of "actual net bad debt write-offs."

Description of TYPE II Adjustments:

The Company has no Type II adjustments for 2021.

NW Natural Gas Company
Test Year Normalizing Adjustments: TYPE I ADJUSTMENTS
2021 Oregon Earnings Review
(\$000)

Line No.	Column A from Page 1 worksheet #:	Weather Normalization & Gas Costs Adjustment (2a)	Miscellaneous Revenue Adjustment (2b)	Rate Case Adjustment (2c)	Property Taxes Adjustment (2d)	Uncollectible Accounts Adjustment (2e)	Total Type I Adjustments	Column C from Page 1
Operating Revenues								
1	Sale of Gas	\$656,925	\$10,607				\$10,607	\$667,532
2	WARM Revenue	11,742	(8,081)	(3,661)			(\$11,742)	
3	Revenue & Technical Adjustments	18,941		0			\$0	18,941
4	Decoupling Adjustment	(6,045)		6,045			\$6,045	0
5	Transportation	17,771					\$0	17,771
6	Miscellaneous Revenues	2,723		255			\$255	2,978
7	Total Operating Revenues	702,058	2,526	2,639	0	0	5,165	707,223
Operating Revenue Deductions								
8	Gas Purchased	261,644	4,381				4,381	266,025
9	Uncollectible Accrual	884	15	0		0	71	955
10	Other Operating & Maintenance Expenses	184,355			(9,069)		(9,069)	175,286
11	Total Operating & Maintenance Exp.	446,884	4,396	0	(9,069)	0	(4,617)	442,267
12	Federal Income Tax	9,314	(376)	530	1,782	(201)	1,724	11,038
13	State Excise	10,590	(147)	208	699	(79)	677	11,267
14	Property Taxes	23,919				1,036	1,036	24,955
15	Other Taxes	25,687	68	(91)	0	0	(24)	25,663
16	Depreciation & Amortization	93,124					0	93,124
17	Total Operating Revenue Deductions	609,517	3,941	647	(6,588)	756	(1,203)	608,314
18	Net Operating Revenues	92,541	(1,415)	1,993	6,588	(756)	6,368	98,909
Average Rate Base								
19	Utility Plant in Service	3,369,471			(4,735)		(4,735)	3,364,736
20	Accumulated Depreciation Materials & Supplies	(1,500,752)					0	(1,500,752)
21	Net Utility Plant	1,868,719	0	0	(4,735)	0	(4,735)	1,863,984
22	Aid in Advance of Construction	(5,530)					0	(5,530)
23	Customer Deposits	(1,808)					0	(1,808)
24	Materials & Supplies	57,119					0	57,119
25	Leasehold Improvements	22,601					0	22,601
26	Accumulated Deferred Income Taxes	(431,665)					0	(431,665)
27	Total Rate Base	\$1,509,436	\$0	\$0	(\$4,735)	\$0	(\$4,735)	\$1,504,701
28	Interest Coordination		0	0	(111)	0	(111)	(111)

Northwest Natural Gas Company
Test Year Normalizing Adjustments: TYPE I ADJUSTMENTS
2021 Oregon Earnings Review
(\$000)

Income Tax Calculations

Line No.		Weather Normalization & Repricing Adjustment (2a)	Other Revenue Adjustment (2b)	UG 344 Adjustments (2c)	Property Taxes Adjustment (2d)	Uncollectible Accounts Adjustment (2e)	Total Adjustments
1	Book Revenues	2,526	2,639	0	0	0	5,165
2	Book Expenses before Deprec. & Int.	4,464	(91)	(9,069)	1,036	56	(3,604)
3	State Tax Depreciation	0	0	0	0	0	0
4	Interest Expense (Income)	0	0	(111)	0	0	(111)
5	Book/Tax Differences (Sched. M)	0	0	1	0	0	1
6	State Taxable Income	(1,938)	2,731	9,179	(1,036)	(56)	8,879
7	State Excise Tax [1]	(147)	208	698	(79)	(4)	676
8	State Tax Credit	0	0	1	0	0	1
9	Net State Income Tax	(147)	208	699	(79)	(4)	677
10	Excess Book(Tax) Deprec.	0	0	0	0	0	0
11	Other Sched. M Differences	0	0	0	0	0	0
12	Federal Taxable Income	(1,791)	2,523	8,480	(957)	(52)	8,202
13	Federal Income Tax [2]	(376)	530	1,781	(201)	(11)	1,723
14	ITC	0	0	1	0	0	1
15	Current Federal Tax	(376)	530	1,782	(201)	(11)	1,724
16	Deferred Income Tax - Federal	0	0	0	0	0	0
17	Deferred Income Tax - State	0	0	0	0	0	0
18	ITC Restored (Deferred)	0	0	0	0	0	0
19	Total Federal Tax	(376)	530	1,782	(201)	(11)	1,724
20	Total State Tax	(147)	208	699	(79)	(4)	677

[1] Statutory State Excise Tax Rate: 7.60%

[2] Statutory Federal Income Tax Rate: 21.00%

Northwest Natural Gas Company
 Test Year Normalizing Adjustments: TYPE II ADJ Income Tax Calculations
 2021 Oregon Earnings Review
 (\$000)

Line No.		No Adjustments	No Adjustments	No Adjustments	No Adjustments	No Adjustments	No Adjustments	No Adjustments	No Adjustments	Total Adjustments
1	Book Revenues	0	0	0	0	0	0	0	0	0
2	Book Expenses before Deprec. & Int.	0	0	0	0	0	0	0	0	0
3	State Tax Depreciation	0	0	0	0	0	0	0	0	0
4	Interest Expense (Income)	0	0	0	0	0	0	0	0	0
5	Book/Tax Differences (Sched. M)	0	0	0	0	0	0	0	0	0
6	State Taxable Income	0	0	0	0	0	0	0	0	0
7	State Excise Tax [1]	0	0	0	0	0	0	0	0	0
8	State Tax Credit	0	0	0	0	0	0	0	0	0
9	Net State Income Tax	0	0	0	0	0	0	0	0	0
10	Excess Book(Tax) Deprec.	0	0	0	0	0	0	0	0	0
11	Other Sched. M Differences	0	0	0	0	0	0	0	0	0
12	Federal Taxable Income	0	0	0	0	0	0	0	0	0
13	Federal Income Tax [2]	0	0	0	0	0	0	0	0	0
14	ITC	0	0	0	0	0	0	0	0	0
15	Current Federal Tax	0	0	0	0	0	0	0	0	0
16	Deferred Income Tax - Federal	0	0	0	0	0	0	0	0	0
17	Deferred Income Tax - State	0	0	0	0	0	0	0	0	0
18	ITC Restored (Deferred)	0	0	0	0	0	0	0	0	0
19	Total Federal Tax	0	0	0	0	0	0	0	0	0
20	Total State Tax	0	0	0	0	0	0	0	0	0

[1] Statutory State Excise Tax Rate: 7.60%
 [2] Statutory Federal Income Tax Rate: 21.00%

**NW Natural Gas Company
Tax Provision - Historic
2021 Oregon Earnings Review
(\$000)**

Line No.	State Taxes	Federal Taxes	
1 Operating Revenues	\$702,058	\$702,058	
2 Operating Revenue Deductions	446,884	446,884	
3 Property & Other Taxes	49,606	49,606	
4 Book Depreciation	93,124	93,124	
5 Interest (Rate Base * Cost of Debt)	35,472	35,472	
6 State Tax Deduction	\$4,601	10,590	
7 Subtotal	\$72,371	\$66,382	
8 Permanent Differences	6,425	5,225	89.23% Depreciation Factor
9 Taxable Income	\$78,796	\$71,607	
10 Tax Rate	7.60%	21.00%	
11 Tax Before Credits and Adjustments	5,989	15,038	
12 Credits & Adjustments	4,601	(5,724)	
13 Total Tax	\$10,590	\$9,314	

NW Natural Gas Company
12 Months Ended December 31, 2021
Input Assumptions
Proforma Cost of Capital

Line No.		13-month averages		
		% of Total Capital	Average Cost	Average Weighted Cost
		(a)	(b)	(c)
1	Long Term Debt	51.38%	4.575%	2.35%
2	Preferred Stock	0.00%	0.000%	0.00%
3	Common Stock	48.62%	9.400%	4.57%
4	Total	<u>100.00%</u>		<u>6.920%</u>
Revenue Sensitive Costs				
5	Gas Sales	94.39%		
6	Transportation	2.51%		
7	Other	3.10%		
8	Subtotal	<u>100.00%</u>		
9	O & M - Uncollectible	0.143%		
10	Franchise Taxes at	2.311%		
11	OPUC Fee	0.375%		
12	State Taxable Income	<u>97.17%</u>		
13	State Income Tax	7.38%		
14	Federal Taxable Income	<u>89.79%</u>		
15	Federal Income Tax	18.86%		
16	Total Income Taxes	<u>26.24%</u>		
17	Total Revenue Sensitive Costs	29.07%		
18	Utility Operating Income	<u>70.93%</u>		
19	Materials & Supplies	140.98%		
20	Interest Coordination Factor	2.35%		
21	Rate of Return	9.40%		
22	Federal tax rate	21.000%		
23	State tax rate	7.600%		
24	Franchise Fees	2.311%		
25	Uncollectible Accounts	0.143%		
26	Regulatory fees	0.375%		

NW Natural Gas Company
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	2020 Dec	2021 Jan	2021 Feb	2021 Mar	2021 Apr	2021 May	2021 June	2021 July	2021 August	2021 September	2021 October	2021 November	2021 December	Dec 20 - Dec 21 13 month average
SYSTEM	System	System	System	System	System	System	System	System	System	System	System	System	System	System
Gross Plant	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Intangible														
Software	171,374,549	171,985,003	172,589,576	172,905,001	170,810,668	171,816,455	167,554,866	167,609,292	171,268,756	172,280,547	172,665,948	174,062,051	177,438,535	171,662,892
Other	84,795	84,795	84,795	84,795	84,795	84,795	84,795	84,795	84,795	84,795	84,795	84,795	84,795	84,795
Production	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198
Transmission	201,262,954	201,243,550	201,267,284	202,835,916	203,246,568	203,738,640	204,084,933	205,025,265	205,259,154	206,180,825	207,438,345	207,491,609	207,852,729	204,364,161
Distribution	2,493,115,391	2,508,988,258	2,518,298,633	2,528,858,242	2,533,659,575	2,542,392,858	2,551,365,667	2,561,792,408	2,567,254,773	2,582,924,631	2,591,799,867	2,597,055,329	2,606,701,502	2,552,858,224
General	284,215,595	287,250,592	287,872,569	288,912,416	300,590,369	301,135,974	298,936,764	299,160,509	299,660,519	299,917,897	300,720,990	309,898,370	322,820,353	298,131,245
Storage and storage transmission	373,302,404	373,690,085	373,921,152	374,432,511	375,411,890	375,911,814	377,641,614	378,389,023	378,431,034	382,357,201	383,208,844	385,971,698	386,258,607	378,262,281
CNG and LNG	3,790,768	3,790,768	3,790,768	3,790,768	3,790,768	3,790,768	3,790,768	3,790,768	3,790,768	3,790,768	3,790,768	3,790,768	3,790,768	3,790,768
Gas Reserves	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385
Total Gross Plant	3,715,129,040	3,735,015,634	3,745,807,362	3,759,802,233	3,775,577,217	3,786,853,888	3,791,441,991	3,803,834,644	3,813,732,383	3,835,519,248	3,847,692,142	3,866,337,204	3,892,929,872	3,797,136,950
Accumulated Depreciation														
Intangible	(79,146,252)	(79,973,995)	(80,805,825)	(81,641,213)	(77,059,135)	(77,927,177)	(74,610,237)	(75,460,086)	(76,369,629)	(77,286,714)	(78,209,558)	(79,136,642)	(80,092,795)	(78,174,978)
Production	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)
Transmission	(47,780,905)	(48,093,353)	(48,405,810)	(48,719,509)	(49,034,756)	(49,350,713)	(49,667,331)	(49,984,952)	(50,303,560)	(50,622,914)	(50,944,158)	(51,266,339)	(51,588,811)	(49,673,188)
Distribution	(1,124,770,402)	(1,128,348,300)	(1,132,445,937)	(1,135,879,301)	(1,138,845,856)	(1,143,264,415)	(1,147,101,619)	(1,150,998,814)	(1,154,038,269)	(1,156,526,942)	(1,160,886,545)	(1,163,888,510)	(1,167,731,191)	(1,146,539,609)
General	(76,865,495)	(78,512,632)	(79,943,455)	(81,447,219)	(83,025,785)	(84,211,370)	(82,053,170)	(82,723,754)	(84,022,976)	(85,163,325)	(86,751,835)	(84,575,289)	(86,040,772)	(82,823,662)
Storage and storage transmission	(151,461,135)	(152,068,279)	(152,676,388)	(153,285,271)	(153,852,886)	(154,464,623)	(155,077,538)	(155,693,390)	(156,311,018)	(156,925,937)	(157,554,581)	(158,183,173)	(158,815,203)	(155,102,604)
CNG and LNG	(2,331,394)	(2,338,056)	(2,344,718)	(2,351,380)	(2,358,042)	(2,364,704)	(2,371,366)	(2,378,028)	(2,384,690)	(2,391,352)	(2,398,014)	(2,404,676)	(2,411,338)	(2,371,366)
Gas Reserves	(141,475,505)	(142,677,168)	(143,757,632)	(144,936,386)	(146,050,964)	(147,247,240)	(148,727,998)	(150,213,012)	(151,417,467)	(152,568,475)	(153,670,232)	(154,193,903)	(154,746,904)	(148,630,973)
Total Accumulated Depreciation	(1,624,522,124)	(1,632,702,820)	(1,641,070,801)	(1,648,951,315)	(1,650,918,461)	(1,659,521,278)	(1,660,300,295)	(1,668,143,073)	(1,675,538,646)	(1,682,176,695)	(1,691,105,957)	(1,694,339,567)	(1,702,118,050)	(1,664,007,416)
Storage Gas	47,414,879	41,229,220	33,908,650	31,468,854	34,113,856	38,450,495	43,748,540	49,580,114	57,195,821	62,878,086	71,382,489	71,254,220	60,092,670	49,080,343
Customer Advances	(6,253,436)	(6,434,054)	(6,433,512)	(6,638,481)	(6,922,974)	(7,130,245)	(7,552,440)	(7,760,955)	(8,091,481)	(7,838,253)	(7,417,260)	(7,952,657)	(8,157,679)	(7,281,489)
Customer Deposits	(3,213,864)	(2,835,035)	(2,472,158)	(2,016,235)	(1,731,682)	(1,721,548)	(1,726,996)	(1,699,354)	(1,625,504)	(1,591,313)	(1,588,911)	(1,544,434)	(1,534,781)	(1,910,624)
Materials and Supplies	16,639,963	16,470,701	16,459,109	15,938,238	15,502,434	15,232,504	16,440,479	17,387,787	17,243,576	18,342,687	17,369,422	17,878,578	18,212,515	16,807,646
Appliances	(968,529)	(961,704)	(1,005,119)	(1,055,247)	(1,039,523)	(1,080,920)	(1,081,532)	(1,211,304)	(1,144,587)	(1,135,948)	(1,159,081)	(1,086,316)	(1,160,801)	(1,085,496)
Leasehold Improvements	26,300,264	26,187,706	26,061,883	25,971,134	25,674,404	25,543,252	25,471,413	25,391,474	25,449,267	25,730,859	25,959,584	26,171,929	26,154,104	25,820,007
Total Rate Base Excluding ADIT	2,170,526,193	2,175,969,649	2,171,255,414	2,174,519,182	2,190,255,271	2,196,626,148	2,206,441,160	2,217,379,334	2,227,220,829	2,249,728,672	2,261,132,428	2,276,718,958	2,284,417,851	2,214,559,922

NW Natural Gas Company
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OREGON		2020 Dec	2021 Jan	2021 Feb	2021 Mar	2021 Apr	2021 May	2021 June	2021 July	2021 August	2021 September	2021 October	2021 November	2021 December	Dec 20 - Dec 21 13 month average OREGON
Gross Plant		OREGON	OREGON	OREGON	OREGON	OREGON	OREGON	OREGON	OREGON	OREGON	OREGON	OREGON	OREGON	OREGON	OREGON
Intangible	Software	151,118,077	151,656,375	152,189,488	152,467,630	150,620,847	151,507,750	147,749,881	147,797,874	151,024,789	151,916,986	152,256,833	153,487,916	156,465,300	151,372,338
	Other	84,348	84,348	84,348	84,348	84,348	84,348	84,348	84,348	84,348	84,348	84,348	84,348	84,348	84,348
Production		675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198	675,198
Transmission		200,147,320	200,127,916	200,151,650	200,962,143	201,355,286	201,831,862	202,091,223	202,996,753	203,230,238	204,095,156	204,157,217	204,202,575	204,561,129	202,296,354
Distribution		2,176,852,562	2,186,979,774	2,194,773,237	2,203,926,228	2,208,024,086	2,215,443,343	2,223,238,204	2,232,065,248	2,237,118,374	2,244,154,229	2,249,629,603	2,254,289,922	2,262,203,851	2,222,430,871
General		249,759,067	252,453,921	253,927,075	253,927,075	264,018,151	264,496,466	262,556,359	262,753,674	263,195,244	263,420,495	264,134,505	271,937,653	283,090,898	261,860,513
Storage and storage transmission		335,664,958	336,009,762	336,215,273	336,670,075	337,541,135	337,985,767	339,524,251	340,188,997	340,226,361	343,718,295	344,475,746	346,933,029	347,188,205	340,076,273
CNG and LNG		3,367,719	3,367,719	3,367,719	3,367,719	3,367,719	3,367,719	3,367,719	3,367,719	3,367,719	3,367,719	3,367,719	3,367,719	3,367,719	3,367,719
Gas Reserves		187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385	187,307,385
Total Gross Plant		3,304,976,634	3,318,662,397	3,327,771,372	3,339,388,362	3,352,994,156	3,362,699,838	3,366,594,569	3,377,237,195	3,386,229,657	3,398,739,811	3,406,088,553	3,422,285,744	3,444,944,033	3,369,470,999
Accumulated Depreciation															
Intangible		(69,791,165)	(70,521,069)	(71,254,576)	(71,991,222)	(67,950,746)	(68,716,184)	(65,791,307)	(66,540,704)	(67,342,739)	(68,151,424)	(68,965,188)	(69,782,690)	(70,625,827)	(68,934,696)
Production		(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)	(691,036)
Transmission		(47,568,375)	(47,879,075)	(48,189,785)	(48,501,142)	(48,813,440)	(49,126,422)	(49,439,985)	(49,754,454)	(50,069,884)	(50,386,015)	(50,703,055)	(51,020,089)	(51,337,407)	(49,444,686)
Distribution		(1,000,491,780)	(1,003,474,573)	(1,006,965,037)	(1,009,865,685)	(1,012,327,880)	(1,016,135,878)	(1,019,439,984)	(1,022,562,499)	(1,025,078,727)	(1,027,168,537)	(1,030,815,805)	(1,033,361,643)	(1,036,631,320)	(1,018,813,150)
General		(67,831,815)	(69,290,980)	(70,557,971)	(71,889,759)	(73,287,730)	(74,336,302)	(74,434,627)	(73,025,691)	(74,175,236)	(75,183,632)	(76,590,172)	(74,651,506)	(75,951,683)	(73,109,613)
Storage and storage transmission		(135,755,886)	(136,300,354)	(136,845,681)	(137,391,697)	(137,901,008)	(138,449,562)	(138,999,163)	(139,551,378)	(140,105,170)	(140,656,554)	(141,220,145)	(141,783,690)	(142,350,292)	(139,021,458)
CNG and LNG		(2,071,210)	(2,077,129)	(2,083,047)	(2,088,966)	(2,094,885)	(2,100,803)	(2,106,722)	(2,112,640)	(2,118,559)	(2,124,477)	(2,130,396)	(2,136,314)	(2,142,233)	(2,106,722)
Gas Reserves		(141,475,505)	(142,677,168)	(143,757,632)	(144,936,386)	(146,050,964)	(147,247,240)	(148,727,998)	(150,213,012)	(151,417,467)	(152,568,475)	(153,670,232)	(154,193,903)	(154,746,904)	(148,630,973)
Total Accumulated Depreciation		(1,465,676,772)	(1,472,911,384)	(1,480,344,765)	(1,487,355,892)	(1,489,117,688)	(1,496,803,427)	(1,497,630,821)	(1,504,451,414)	(1,510,998,818)	(1,516,930,150)	(1,524,786,028)	(1,527,620,872)	(1,534,476,700)	(1,500,752,333)
Storage Gas		42,170,793	36,669,268	30,158,354	27,988,399	30,340,863	34,197,871	38,909,952	44,096,554	50,869,963	55,923,770	63,487,586	63,373,503	53,446,421	43,652,058
Customer Advances		(5,145,257)	(5,294,650)	(5,265,016)	(5,430,828)	(5,520,969)	(5,634,432)	(5,744,335)	(5,852,943)	(6,009,748)	(5,693,553)	(5,319,653)	(5,311,002)	(5,421,491)	(5,530,042)
Customer Deposits		(2,834,306)	(2,834,306)	(2,500,217)	(2,180,196)	(1,778,117)	(1,527,170)	(1,518,233)	(1,523,038)	(1,498,660)	(1,433,532)	(1,403,379)	(1,401,261)	(1,362,037)	(1,808,023)
Materials and Supplies		12,465,639	14,339,392	14,329,300	13,875,830	13,496,419	13,261,418	14,313,081	15,137,808	15,012,257	15,969,144	15,121,819	15,565,090	15,855,816	14,548,524
Appliances		(879,463)	(961,704)	(1,005,119)	(1,055,247)	(1,039,523)	(1,080,920)	(1,081,532)	(1,211,304)	(1,144,587)	(1,135,948)	(1,159,081)	(1,086,316)	(1,160,801)	(1,081,784)
Leasehold Improvements		23,018,632	22,920,143	22,809,857	22,730,766	22,468,475	22,353,450	22,291,177	22,221,701	22,274,723	22,526,792	22,731,840	22,922,321	22,908,088	22,601,217
Total Rate Base Excluding ADIT		1,908,095,900	1,910,589,155	1,905,953,766	1,907,961,194	1,921,843,615	1,927,466,628	1,936,133,857	1,945,654,558	1,954,734,785	1,967,966,333	1,974,761,659	1,988,727,208	1,994,733,329	1,941,100,614

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WASHINGTON		2020 Dec	2021 Jan	2021 Feb	2021 Mar	2021 Apr	2021 May	2021 June	2021 July	2021 August	2021 September	2021 October	2021 November	2021 December	Dec 20 - Dec 21 13 month average WASHINGTON
Gross Plant		WASHINGTON	WASHINGTON	WASHINGTON	WASHINGTON	WASHINGTON	WASHINGTON	WASHINGTON	WASHINGTON	WASHINGTON	WASHINGTON	WASHINGTON	WASHINGTON	WASHINGTON	WASHINGTON
Intangible	Software	20,256,472	20,328,627	20,400,088	20,437,371	20,189,821	20,308,705	19,804,985	19,811,418	20,243,967	20,363,561	20,409,115	20,574,134	20,973,235	20,290,554
	Other	447	447	447	447	447	447	447	447	447	447	447	447	447	447
Production		0	0	0	0	0	0	0	0	0	0	0	0	0	
Transmission		1,115,634	1,115,634	1,115,634	1,873,773	1,891,282	1,906,778	1,993,711	2,028,513	2,028,916	2,085,669	3,281,129	3,289,035	3,291,600	2,067,808
Distribution		316,262,829	322,008,484	323,525,396	324,932,013	325,635,489	326,949,515	328,127,463	329,727,160	330,136,398	338,770,403	342,170,265	342,765,407	344,497,651	330,427,353
General		34,456,528	34,796,671	34,865,495	34,984,781	36,572,217	36,639,508	36,380,404	36,406,835	36,465,275	36,497,402	36,586,485	37,960,717	39,729,455	36,270,732
Storage and storage transmission		37,637,446	37,680,323	37,705,879	37,762,436	37,870,755	37,926,047	38,117,362	38,200,026	38,204,672	38,638,906	38,733,098	39,038,670	39,070,402	38,186,008
CNG and LNG		423,050	423,050	423,050	423,050	423,050	423,050	423,050	423,050	423,050	423,050	423,050	423,050	423,050	423,050
Total Gross Plant		410,152,406	416,353,237	418,035,990	420,413,871	422,583,061	424,154,049	424,847,422	426,597,449	427,502,726	436,779,438	441,603,588	444,051,460	447,985,840	427,665,951
Accumulated Depreciation															
Intangible		(9,355,087)	(9,452,926)	(9,551,248)	(9,649,991)	(9,108,390)	(9,210,992)	(8,818,930)	(8,919,382)	(9,026,890)	(9,135,290)	(9,244,370)	(9,353,951)	(9,466,968)	(9,240,282)
Production		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transmission		(212,530)	(214,277)	(216,025)	(218,367)	(221,316)	(224,291)	(227,347)	(230,498)	(233,676)	(236,899)	(241,103)	(246,250)	(251,404)	(228,501)
Distribution		(124,278,622)	(124,873,727)	(125,480,900)	(126,013,616)	(126,517,976)	(127,128,536)	(127,661,634)	(128,436,316)	(128,959,542)	(129,358,406)	(130,070,740)	(130,526,867)	(131,099,872)	(127,726,459)
General		(9,033,680)	(9,221,652)	(9,385,485)	(9,557,460)	(9,738,055)	(9,875,068)	(9,618,544)	(9,698,062)	(9,847,740)	(9,979,693)	(10,161,662)	(9,923,782)	(10,089,089)	(9,714,049)
Storage and storage transmission		(15,705,250)	(15,767,925)	(15,830,707)	(15,893,574)	(15,951,878)	(16,015,061)	(16,078,374)	(16,142,013)	(16,205,848)	(16,269,383)	(16,334,436)	(16,399,483)	(16,464,911)	(16,081,147)
CNG and LNG		(260,184)	(260,927)	(261,671)	(262,414)	(263,158)	(263,901)	(264,644)	(265,388)	(266,131)	(266,875)	(267,618)	(268,362)	(269,105)	(264,644)
Total Accumulated Depreciation		(158,845,352)	(159,791,435)	(160,726,036)	(161,595,423)	(161,800,773)	(162,717,850)	(162,669,473)	(163,691,659)	(164,539,827)	(165,246,545)	(166,319,929)	(166,718,695)	(167,641,350)	(163,255,083)
Storage Gas		5,244,086	4,559,952	3,750,296	3,480,455	3,772,993	4,252,624	4,838,588	5,483,560	6,325,858	6,954,316	7,894,903	7,880,717	6,646,249	5,428,286
Customer Advances		(1,108,179)	(1,139,403)	(1,168,495)	(1,207,652)	(1,402,004)	(1,495,813)	(1,808,105)	(1,908,011)	(2,081,733)	(2,144,699)	(2,097,607)	(2,641,655)	(2,736,189)	(1,751,447)
Customer Deposits		(379,557)	(728)	28,059	163,961	46,436	(194,378)	(208,763)	(176,316)	(126,843)	(157,781)	(185,533)	(143,173)	(172,744)	(102,601)
Materials and Supplies		4,174,324	2,131,309	2,129,809	2,062,408	2,006,015	1,971,086	2,127,398	2,249,979	2,231,319	2,373,543	2,247,603	2,313,488	2,356,699	2,259,122
Appliances		(89,067)	0	0	0	0	0	0	0	0	0	0	0	0	(3,711)
Leasehold Improvements		3,311,304	3,297,107	3,281,429	3,269,666	3,234,915	3,218,643	3,208,990	3,198,433	3,203,248	3,233,038	3,256,928	3,278,990	3,275,365	3,247,893
Total Rate Base Excluding ADIT		262,459,964	265,410,038	265,331,052	266,587,286	268,440,643	269,188,361	270,336,057	271,753,436	272,514,746	281,791,310	286,399,952	288,021,131	289,713,870	273,488,411

Average Rate Base Allocation Factors

	OR	WA	System
13 MONTH AVERAGES:			
Average Gross Plant	3,369,470,999	427,665,951	3,797,136,950
Gross Plant Average Factor	88.740%	11.260%	
Average Accumulated Deprec	(1,352,121,360)	(163,255,083)	(1,515,376,443)
Accumulated Deprec Average Factor	89.230%	10.770%	
Average Leasehold Improvements	22,601,217	3,247,893	25,849,110
Leasehold Improvement Average Factor	87.440%	12.560%	
Average Customer Advances	(5,530,042)	(1,751,447)	(7,281,489)
Customer Advance Average Factor	75.950%	24.050%	
Growth in Gross Plant	139,967,399	37,833,434	177,800,833
Gross Plant Growth Factor	78.720%	21.280%	
Average Materials & Supplies	57,118,797	7,683,697	64,802,494
Materials & Supplies Average Factor	88.140%	11.860%	
Average Distribution Plant	2,222,430,871	330,427,353	2,552,858,224
Distribution Plant Average Factor	87.060%	12.940%	
Average Total Rate Base	1,941,100,614	273,488,411	2,214,589,025
Rate Base Average Factor	87.651%	12.349%	

NW Natural Gas Company
2021 Oregon Earnings Review
12 Months Ended December 31, 2021

Deferred Income Taxes

1 **WA Allocation factor: Accumulated Depreciation** **10.77%**

2

3 **2020 December Balances:**

4

	Federal	State	SYS Total	Washington Allocation	Oregon Allocation	
5						
6						
7						
8	Accumulated Deferred Income Tax - Depreciation	(369,268,765)	(78,976,848)	(448,245,613)	(40,169,106)	(408,076,507)
9	Accumulated Deferred Income Tax - Gas Reserves	(18,571,714)	(2,766,868)	(21,338,582)	0	(21,338,582)
10	Accumulated Deferred Income Tax - Other	(11,482,095)	(1,573,121)	(13,055,216)	(837,699)	(12,217,517)
11						
12						
13						
14	2019 Balances	(399,322,574)	(83,316,837)	(482,639,411)	(41,006,805)	(441,632,606)
15						

16

17 **2021 December Balances:**

18

	Federal	State	SYS Total	Washington Allocation	Oregon Allocation	
19						
20						
21						
22	Accumulated Deferred Income Tax - Depreciation	(374,071,067)	(82,294,887)	(456,365,954)	(40,886,093)	(415,479,861)
23	Accumulated Deferred Income Tax - Gas Reserves	(13,033,981)	(1,811,323)	(14,845,304)	0	(14,845,304)
24	Accumulated Deferred Income Tax - Other	(7,442,026)	(1,693,240)	(9,135,266)	(839,802)	(8,295,464)
25						
26	2020 Balances	(394,547,074)	(85,799,450)	(480,346,524)	(41,725,895)	(438,620,629)
27						

27

28

29					
30	Simple Average December Balances (use for Rate Base)			(41,366,350)	(440,126,617)
31					
32					
33					
34					
35					
				EDIT Rate Base - 13 AMA	8,462,000
				Total DIT Rate Base	(431,664,617)

35 **Gas Reserves Average December Balances** **(18,091,943)**

**NW Natural Gas Company
State Allocation Factors
As of December 31, 2021**

	System	Oregon	Washington
Customers			
Total Customers			
December 2021	785,897	691,805	94,092
December 2020	774,476	684,153	90,323
Average	780,187	687,979	92,208
% of System		88.18%	11.82%
Residential Customers			
December 2021	714,000	629,262	84,738
December 2020	702,721	621,692	81,029
Average	708,361	625,477	82,884
% of System		88.30%	11.70%
Commercial Customers			
December 2021	68,961	61,636	7,325
December 2020	68,753	61,487	7,266
Average	68,857	61,562	7,296
% of System		89.40%	10.60%
Industrial Customers			
December 2021	978	907	71
December 2020	989	915	74
Average	984	911	73
% of System		92.63%	7.37%
The Dalles			
December 2021	8,665	6,486	2,179
December 2020	8,604	6,430	2,174
Average	8,635	6,458	2,177
% of System		74.79%	25.21%
Portland / Vancouver			
December 2021	559,297	467,384	91,913
December 2020	550,730	462,581	88,149
Average	555,014	464,983	90,031
% of System		83.78%	16.22%
Portland / Vancouver Commercial			
December 2021	44,897	37,788	7,109
December 2020	44,797	37,745	7,052
Average	44,847	37,767	7,081
% of System		84.21%	15.79%

**NW Natural
State Allocation Factors**

Volumes - 12 Months Ended 12/31/21

Firm Sales Delivered (exclude Unbilled)	719,814,758	640,202,426	79,612,332
% of System		88.94%	11.06%
Sales Volumes (exclude Unbilled)	775,299,913	694,535,199	80,764,714
% of System		89.58%	10.42%
Sendout Volumes	1,184,773,617	1,082,113,113	102,660,504
% of System		91.34%	8.66%

3-factor formula (simple average)

Gross Plant Directly Assigned		87.93%	12.07%
Number of Employees Directly Assigned		90.42%	9.58%
Number of Customers		88.18%	11.82%
Average		88.84%	11.16%

Derivation of factor for 3-factor - Gross Plant Directly Assigned

December 31, 2021

	System	Oregon	Washington
Intangible - Other	84,795	84,348	447
Production	675,198	675,198	0
Transmission	207,852,729	204,561,129	3,291,600
Distribution	2,606,701,502	2,262,203,851	344,497,651

December 31, 2020

	System	Oregon	Washington
Intangible - Other	84,795	84,348	447
Production	759,993	675,198	0
Transmission	201,938,152	200,147,320	1,115,634
Distribution	2,694,378,345	2,176,852,562	316,262,829

Average

	System	Oregon	Washington
Intangible - Other	84,795	84,348	447
Production	675,198	675,198	0
Transmission	204,557,842	202,354,225	2,203,617
Distribution	2,549,908,446	2,219,528,206	330,380,240

**Gross Plant Directly Assigned
% of System**

	2,755,226,281	2,422,641,977	332,584,304
		87.93%	12.07%

**NW Natural Gas Company
State Allocation Factors
As of December 31, 2021**

Allocation Factors - Summary		Oregon	Washington
1	Customers-all	88.180%	11.820%
2	Customers-Residential	88.300%	11.700%
3	Customers-Commercial	89.400%	10.600%
4	Customers-Industrial	92.630%	7.370%
5	Customers-The Dalles	74.790%	25.210%
6	3-factor	88.840%	11.160%
7	firm sales volumes	88.940%	11.060%
8	sales volumes	89.580%	10.420%
9	sendout volumes	91.340%	8.660%
10	sales/sendout volumes	90.460%	9.540%
11	Payroll	90.662%	9.338%
12	Admin Transfer	88.498%	11.503%
13	Employee Cost	89.657%	10.343%
14	Regulatory	70.000%	30.000%
15	Telemetry	86.957%	13.043%
16	Direct-Wa	0.000%	100.000%
17	Direct-Or	100.000%	0.000%
18	Gross plant direct assign	87.930%	12.070%
19	Transmission	98.762%	1.238%
20	Accum Depreciation	89.230%	10.770%
21	Rate Base	87.714%	12.286%
22	Distribution	87.060%	12.940%
23	Perimeter	93.182%	6.818%
24	Environmental Admin Costs	96.680%	3.320%

**NW Natural Gas Company
Test Year Normalizing Adjustments
Revenues and Deliveries
2021 Oregon Earnings Review**

1	<u>Oregon Total Revenues</u>	
2		<u>Revenue</u>
3		
4	Sales Revenues	649,537,962
5	Unbilled Revenues	15,468,449
6		
7		
8	Total Sales Revenues	665,006,411
9		
10	Transportation Revenues	<u>17,771,271</u>
11		
12	Grand Total Revenues	<u><u>682,777,683</u></u>
13		
14		
15	<u>Gas Costs</u>	
16		
17	Demand Charges	66,961,323
18		
19	Commodity Charges	232,687,375
20		
21		
22	Oregon Deferral Activities	<u>(38,004,698)</u>
23		
24	Grand Total Gas Costs	<u><u>261,644,000</u></u>
25		

Normalization Adjustments		
<u>Revenue Adjustment</u>	<u>Therms</u>	<u>Revenue</u>
<u>WARM Adjustment</u>		
WARM Revenues		(11,669,113)
WARM Revenues - Unbilled		<u>3,587,896</u>
		(8,081,217)
<u>Weather Normalization Adjustment</u>		
Residential	8,294,451	8,040,812
Commercial 3	3,110,314	2,645,992
Commercial 3 & 31	<u>(103,018)</u>	<u>(79,791)</u>
	11,301,747	10,607,013
TOTAL NORMALIZING MARGIN ADJUSTMENT	<u><u>11,301,747</u></u>	<u><u>2,525,796</u></u>
<u>Gas Cost Adjustment</u>		<u>Cost of Gas</u>
WACOG equalization		0
Weather Normalization Gas Costs		<u>4,381,045</u>
TOTAL GAS COST ADJUSTMENT		<u><u>4,381,045</u></u>

Type I

1 Weather Normalization
 2
 3
 4

	Residential			Commercial - 3			Commercial - 31		
	Volumes	Revenues	Gas Costs	Volumes	Revenues	Gas Costs	Volumes	Revenues	Gas Costs
7 January	5,811,346	5,431,865	2,072,965	2,849,147	2,349,549	1,016,319	295,915	179,435	105,556
8 February	(7,310,300)	(6,832,938)	(2,607,657)	(2,623,829)	(2,163,741)	(935,946)	(257,050)	(155,868)	(91,692)
9 March	(4,814,252)	(4,499,881)	(1,717,292)	(2,223,517)	(1,833,624)	(793,151)	(445,349)	(270,047)	(158,861)
10 April	7,443,978	6,957,887	2,655,342	2,558,954	2,110,241	912,804	156,510	94,903	55,829
11 May	2,598,572	2,428,885	926,937	743,334	612,991	265,155	79,991	48,504	28,534
12 June	2,236,825	2,090,760	797,898	1,220,347	1,006,359	435,310	287,338	174,234	102,496
13 July	914,515	854,797	326,217	616,282	508,217	219,834	177,359	107,545	63,266
14 August	959,592	896,930	342,296	373,949	308,377	133,391	172,583	104,650	61,562
15 September	(335,309)	(313,413)	(119,608)	(89,874)	(74,115)	(32,059)	11,176	6,777	3,986
16 October	(3,641,792)	(3,403,983)	(1,299,064)	(1,561,931)	(1,288,047)	(557,157)	(282,039)	(171,020)	(100,606)
17 November	6,509,898	6,507,880	2,745,224	2,609,874	2,321,848	1,100,584	83,288	55,322	35,122
18 December	(2,078,621)	(2,077,977)	(876,555)	(1,362,421)	(1,212,064)	(574,533)	(382,739)	(254,225)	(161,401)
19 Total	8,294,451	8,040,812	3,246,702	3,110,314	2,645,992	1,190,552	(103,018)	(79,791)	(56,209)

20
 21
 22
 23
 24
 25
 26 **Total Revenue Change** **10,607,013**
 27 **Total Gas Cost Change** **4,381,045**

**NW Natural Gas Company
2021 Oregon Earnings Review
Adjustments to Miscellaneous Revenues
(\$000)**

Worksheet 2b

<u>Line No.</u>	<u>Actual</u>	<u>Normalized</u>	<u>Adjustment</u>	
	(a)	(b)	(c)	
<u>Revenue & Technical Adjustments</u>				
1	(\$146.9)	(\$146.9)	\$0.0	
2	9,053.6	\$9,053.6	0.0	
3	11,578.6	\$11,578.6	0.0	
4	0.0	\$0.0	0.0	
5	53.8	\$53.8	0.0	
6	0.0	\$0.0	0.0	
7	0.0	\$0.0	0.0	
8	0.0	\$0.0	0.0	
9	0.0	\$0.0	0.0	
10	(1,598.0)	(\$1,598.0)	0.0	
11	18,941.0	18,941.0	0.0	
12	(6,044.7)	0.0	6,044.7	
13	3,660.6	0.0	(3,660.6)	
<u>Other Miscellaneous Revenues</u>				
14	38.7	\$383.5	\$344.9	[1]
15	273.7	176.3	(97.3)	[1]
16	2,005.3	2,002.1	(3.2)	[1]
17	79.7	110.8	31.2	[1]
18	168.1	169.1	1.0	[1]
19	158.0	120.4	(37.6)	[1]
20	0.0	16.0	16.0	[1]
21	0.0	0.0	0.0	[1]
22	2,723.3	2,978.3	254.9	

Notes:

[1] Normalized to 3-year average

**NW Natural Gas Company
2021 Oregon Earnings Review
12 Months Ended December 31, 2021
UG 388 Regulatory Adjustments**

Line No.

	Adjustments:	UG 388
1		
2	<u>O&M Adjustments:</u>	
3	Salary/Incentives/Medical Ben.	7,169,000
4	Misc. A&G	750,000
5	D&O Insurance Premiums	251,000
6	Membership Dues	258,200
7	Meals and Entertainment	641,000
8		
9	TOTAL	\$ 9,069,200
10		
11	<u>Capital Adjustments:</u>	
12	Salary/Incentives/Medical Ben.	\$ 4,735,000
13	TOTAL	\$ 4,735,000
14		
15	TOTAL Disallowance	\$ 13,804,200

**NW Natural Gas Company
2021 Oregon Earnings Review
Property Tax Adjustment
(\$000)**

Worksheet 2d

<u>Line No.</u>	<u>Amount (a)</u>
1 Property Tax Accrual - Oregon	\$23,919
2 Property Taxes Paid - Oregon	<u>24,955</u>
3 Property Tax Adjustment	<u><u>\$1,036</u></u>

**NW Natural Gas Company
2021 Oregon Earnings Review
Uncollectible Accounts Adjustments
(\$000)**

Worksheet 2e

<u>Line No.</u>		<u>2019-2021 Total</u> (a)	<u>2021 Actual</u> (b)	<u>2020 Actual</u> (c)	<u>2019 Actual</u> (d)
Gas Revenues					
1	Residential	\$1,374,028	\$484,611	\$450,902	\$438,515
2	Commercial	623,150	214,853	193,255	215,042
3	Industrial	62,734	21,740	20,151	20,843
4	Interruptible	59,538	23,927	18,578	17,033
5	Total	<u>\$2,119,450</u>	<u>745,131</u>	<u>682,886</u>	<u>691,434</u>
Net Write-Offs					
6	Residential	2,433	1,476	438	518
7	Commercial	562	276	174	112
8	Industrial	19	(4)	7	16
9	Interruptible	20	-	-	20
10	Total	<u>3,033</u>	<u>1,748</u>	<u>620</u>	<u>666</u>
Write-Off Percentage					
11	Residential	0.177%	0.305%	0.097%	0.118%
12	Commercial	0.090%	0.128%	0.090%	0.052%
13	Industrial	0.030%	-0.020%	0.037%	0.076%
14	Interruptible	0.034%	0.000%	0.000%	0.117%
15	Weighted Total [1]	<u>0.143%</u>	<u>0.235%</u>	<u>0.091%</u>	<u>0.096%</u>
Normalized Uncollectible					
16	Residential	\$858			
17	Commercial	194			
18	Industrial	7			
19	Interruptible	8			
20	Total	<u>\$1,066</u>			
21	Materials & Supplies Allocation Factor (Total Customers)	<u>88.18%</u>			
22	Oregon Normalized Amount	940			
23	Oregon Allocation of Accrued Amount	<u>884</u>			
24	Adjustment (Normalized less Accrued)	<u>56</u>			

[1] Weighted uncollectible rate of :

0.1430% is used on page 1, column (b).

NW Natural
Schedule of Regulatory Assets and Liabilities
Balances as of December 31, 2021

Account	Account Name	Description	Docket	Included in OR Rate Base?	Balancing Account?	Balance at 12/31/2021
REGULATORY ASSETS						
192640	FAS 133 Short-term Regulatory Losses - Financial	This account is used for recording the mark-to-market adjustment for the difference between the fixed price and the fair value of a financial derivative (losses in this case) at a point in time. As required by GAAP, this account captures the adjustment for financial derivatives that will settle within 12 months. Since this relates to hedges on gas costs for sales customers, it is included in the regulatory deferrals classification. The offsetting account is 262640. (Note: since it is a valuation at a point in time, the mark-to-market adjustments are not included in customer rates.)	Oregon - UM 1496 (last Order was 20-350) Washington - UG-200799	No	No	6,027,903
192645	FAS 133 Short-term Regulatory Losses - Physical	This account is used to record the fair value of the index adjuster (to be paid out) on existing commodity deals within the next 12 months. Since this relates to physical gas purchases for sales customers, it is included in the regulatory deferrals classification. The offsetting account is 262645. (Note: since it is a valuation at a point in time, the mark-to-market adjustments are not included in customer rates.)	Oregon - UM 1496 (last Order was 20-350) Washington - UG-200799	No	No	3,259,350
192647	FAS 133 Short-term Regulatory Losses - Physical Options	This account captures the fair value of existing physical commodity options (losses in this case) for potential gas flows within the next 12 months using a Black 76 model calculation. Since this relates to gas costs for sales customers, it is included in the regulatory deferrals classification. The offsetting account is 262648. (Note: since it is a valuation at a point in time, the mark-to-market adjustments are not included in customer rates.)	Oregon - UM 1496 (last Order was 20-350) Washington - UG-200799	No	No	1,114,419
192630	FAS 133 Long-term Regulatory Losses - Financial	This account is used for recording the mark-to-market adjustment for the difference between the fixed price and the fair value of a financial derivative (losses in this case) at a point in time. As required by GAAP, this account captures the adjustment for financial derivatives that will settle beyond 12 months. Since this relates to hedges on gas costs for sales customers, it is included in the regulatory deferrals classification. The offsetting liability account is 262630. (Note: since it is a valuation at a point in time, the mark-to-market adjustments are not included in customer rates.)	Oregon - UM 1496 (last Order was 20-350) Washington - UG-200799	No	No	411,607
192635	FAS 133 Long-term Regulatory Losses - Physical	This account is used to record the fair value of the index adjuster (to be paid out) on existing commodity purchase deals beyond 12 months. Since this relates to physical gas purchases for sales customers, it is included in the regulatory deferrals classification. The offsetting liability account is 262635. (Note: since it is a valuation at a point in time, the mark-to-market adjustments are not included in customer rates.)	Oregon - UM 1496 (last Order was 20-350) Washington - UG-200799	No	No	-
192637	FAS 133 Long-term Regulatory Losses - Physical Options	This account captures the fair value of existing physical commodity options (losses in this case) for potential gas flows beyond the next 12 months using a Black 76 model calculation. Since this relates to gas costs for sales customers, it is included in the regulatory deferrals classification. The offsetting liability account is 262638. (Note: since it is a valuation at a point in time, the mark-to-market adjustments are not included in customer rates.)	Oregon - UM 1496 (last Order was 20-350) Washington - UG-200799	No	No	-
189008	Unamortized Loss 9.75% Bonds	Represents the unamortized balance of the discount at which the bond was issued. The balance is being amortized over the life of the bonds.	This is included in the embedded cost of debt which is considered in a rate case. Most recently: Oregon - UG 388, Order 20-364 Washington - UG-181053, Order 06	No	No	748,912
189013	Unamortized Loss 5.62% Bonds	Represents the unamortized balance of the discount at which the bond was issued. The balance is being amortized over the life of the bonds.	This is included in the embedded cost of debt which is considered in a rate case. Most recently: Oregon - UG 344, Order 18-419 Washington - UG-080546, Order 04	No	No	270,688
182300	Current Regulatory Asset - Pension Balancing	Represents the recovery of the PBA balance over the next 12 months via a tariff rate. The PBA balance is to be amortized over 10 years beginning April 2019.	Oregon - UG 344, Order 19-105	No	No	7,131,059

Account	Account Name	Description	Docket	Included in OR Rate Base?	Balancing Account?	Balance at 12/31/2021
182302	Current Regulatory Asset - Income Tax	Balance represents the current portion of future rate recovery of deferred tax assets, resulting from differences in utility plant financial statement and tax bases and utility plant removal costs, which were previously flowed through for rate making purposes and to account for the additional future taxes (i.e., gross up) and will be generated by that recovery.	Utility deferred tax assets and liabilities have been included and approved in rate base in our most recent general rate cases. Oregon - UG 388, Order 20-364 Washington - UG-181053, Order 06	Yes	No	2,208,426
186016	FAS 109 Deferred Tax Asset	Balance represents the non-current portion of future rate recovery of deferred tax liabilities, resulting from differences in utility plant financial statement and tax bases and utility plant removal costs, which were previously flowed through for rate making purposes and to account for the additional future taxes (i.e., gross up) and will be generated by that recovery.	Included in rate base in our last general rate cases: Oregon - UG 388, Order 20-364 Washington - UG-181053, Order 06	Yes	No	10,223,255
186020	Tax - AFUDC Equity Recovery	Balance represents the book-tax difference in accrued AFUDC equity interest.	N/A	Yes	No	1,037,665
186033	Tax - AFUDC Equity Recovery - N. Mist	Balance represents the book-tax difference in accrued AFUDC equity interest for N. Mist.	N/A	Yes - calculation of PGE rate base	No	1,348,297
186145	Environmental site deferral - Gasco - Oregon	Includes 96.68% of pre-prudence reviewed costs incurred pertaining to remediation of Gasco Upland, Source Control, Sediments, and Siltronic beginning in 2017 forward. Also includes 100% of estimated future costs to complete remediation of which a portion will be allocated to Washington once the costs are incurred. Interest is charged only on the actual spend amounts.	Oregon - UM 1078 (last Order was 20-046)	No	No	117,392,686
186147	Environmental site deferral - Siltronic - Oregon	This account captured pre-prudence reviewed costs; however, all costs have since been approved as prudent. From 2017 forward remediation activities are included in the Gasco site.	Oregon - UM 1078 (last Order was 20-046)	No	No	0
186148	Environmental site deferral - Harbor - Oregon	Includes 96.68% of pre-prudence reviewed costs incurred pertaining to the Portland Harbor. Also includes 100% of estimated future costs to complete remediation of which a portion will be allocated to Washington once the costs are incurred. Interest is charged only on the actual spend amounts.	Oregon - UM 1078 (last Order was 20-046)	No	No	13,721,670
186149	Environmental site deferral - PGM - Oregon	Includes 96.68% of pre-prudence reviewed costs incurred pertaining to the Portland Harbor. Also includes 96.68% of estimated future costs to complete remediation. Interest is charged only on the actual spend amounts.	Oregon - UM 1078 (last Order was 20-046)	No	No	3,234,711
186151	Environmental site deferral - Tar - Oregon	This account captured pre-prudence reviewed pertaining to an early action to clean up a tar body at the Gasco site as required by the EPA. All costs have since been approved as prudent.	Oregon - UM 1078 (last Order was 20-046)	No	No	-
186152	Environmental site deferral - Oregon Steel - Oregon	This account captured 96.68% of pre-prudence reviewed costs incurred pertaining to the Oregon Steel site. These costs have since been deemed prudent. It also includes 96.68% of estimated future costs. Interest is charged only on the actual spend amounts.	Oregon - UM 1078 (last Order was 20-046)	No	No	179,077
186153	Environmental site deferral - Central - Oregon	Includes 96.68% of pre-prudence reviewed costs incurred pertaining to the Central Service Center site. Also includes 100% of estimated future costs to complete remediation of which a portion will be allocated to Washington once the costs are incurred. Interest is charged only on the actual spend amounts.	Oregon - UM 1078 (last Order was 20-046)	No	No	0
186160	Insurance and Third Party Recoveries - Oregon	Includes 96.68% of insurance proceeds and third party recoveries received that have yet to be applied towards pre-prudence spend and future costs.	Oregon: UM 1078 (last Order was 20-046) UM 1635, Orders 16-029 and 15-049	No	No	(58,014,083)
186282	Insurance Carryforward - Oregon	Balance represents the excess of offsets (insurance proceeds and third party recoveries) to costs deemed prudent in prior years which will be applied to be towards future year costs.	Oregon - UM 1635, Orders 16-029 and 15-049	No	No	-
186161	Environmental Base Rate Deferral Oregon	Represents the accumulation of \$5M collected annually in Oregon customers' base rates. This is applied to costs once deemed prudent.	Oregon - UM 1635, Orders 16-029 and 15-049	No	No	(5,000,000)
186175	Environmental site deferral - Gasco - Washington	Includes 3.32% of costs incurred pertaining to remediation of Gasco Upland, Source Control, Sediments, and Siltronic beginning in 2017 forward.	Washington - UG-110199, Order 01	No	No	526,641
186176	Environmental site deferral - Central - Washington	Includes 3.32% of costs incurred pertaining to remediation of the Central Service Center site.	Washington - UG-110199, Order 01	No	No	-
186177	Environmental site deferral - Tar - Washington	Includes 3.32% of costs incurred pertaining to the early action to clean up of a tar body as required by the EPA.	Washington - UG-110199, Order 01	No	No	-
186178	Environmental site deferral - Harbor - Washington	Includes 3.32% of costs incurred pertaining to the Portland Harbor.	Washington - UG-110199, Order 01	No	No	56,573

Account	Account Name	Description	Docket	Included in OR Rate Base?	Balancing Account?	Balance at 12/31/2021
186179	Environmental site deferral - Siltronic - Washington	Includes 3.32% of costs incurred pertaining to the Siltronic site until remediation efforts to clean up Siltronic were combined with the Gasco site.	Washington - UG-110199, Order 01	No	No	-
186180	Insurance and Third Party Recoveries - Washington	Includes 3.32% of insurance proceeds and third party recoveries received for environmental remediation efforts.	Washington - UG-110199, Order 01	No	No	(1,550,387)
186182	Environmental SRRM Post Prudence - Oregon	Balance represents costs deemed prudent that will be recovered on a rolling 5 year basis.	Oregon: UG 221, Orders 12-408 and 12-437 UM 1635, Orders 16-029 and 15-049	No	No	25,143,659
186183	Environmental SRRM Amortization - Oregon	Represents costs currently being amortized through customer rates.	Oregon - UG 351, Order 18-398	No	No	5,261,664
186184	Environmental Cost Recovery Mechanism (ECRM) Costs Amortization - Washington	Represents costs currently being amortized through customer rates.	Washington - UG-181053, Order 06	No	No	378,535
186404	DBP Pension Costs	Represents the accumulated gains/losses on the pension plan due to changes in actuarial assumptions (mortality rates, discount rate, expected returns, etc.) as well as prior service cost adjustments. These amounts are generally amortized over the remaining service period of active employees.	Amortization of these accounts are included in pension expense in NW Natural's general rate cases. Oregon - UG 388, Order 20-364 Washington - UG-181053, Order 06	No	No	110,938,311
186406	FAS 106 Costs	Represents the accumulated gains/losses on post retirement medical plan due to changes in actuarial assumptions (mortality rates, discount rate, expected returns, etc.) as well as prior service cost adjustments. These amounts are generally amortized over the remaining service period of active employees.	Amortization of these accounts are included in pension expense in NW Natural's general rate cases. Oregon - UG 388, Order 20-364 Washington - UG-181053, Order 06	No	No	5,501,569
191400	Commodity Cost Deferral - Oregon	Represents 90% of the difference between estimated commodity costs embedded in current Oregon customer rates and actual commodity costs.	Oregon - UM 1496 (last Order was 20-350)	No	No	15,939,577
191401	Commodity Cost Amortization - Oregon	Represents the prior PGA year's commodity deferrals currently being amortized in customer's rates.	Oregon - UG 410, Order 20-360	No	No	24,443,601
191410	Demand Cost Deferral - Oregon	Represents the difference between estimated pipeline capacity costs embedded in current Oregon customer rates and actual pipeline capacity costs.	Oregon - UM 1496 (last Order was 20-350)	No	No	732,177
191411	Demand Cost Amortization - Oregon	Represents the prior PGA year's demand deferrals currently being amortized in customer's rates.	Oregon - UG 410, Order 20-360	No	No	2,435,042
191417	Coos County Demand Cost Deferral - Oregon	Represents the Coos County pipeline demand charge in excess of the surcharge collected from Coos Bay customers.	Oregon - UG 152, Order 03-236	No	No	232,678
191420	Commodity Cost Deferral - Washington	Represents the difference between estimated commodity costs embedded in current Washington customer rates and actual commodity costs.	Washington - UG-200799	No	No	2,820,903
191421	Commodity Cost Amortization - Washington	Represents the prior PGA year's commodity deferrals currently being amortized in customer's rates.	Washington - UG-200799	No	No	3,398,869
191430	Demand Cost Deferral - Washington	Represents the difference between the pipeline capacity costs collected from Washington customers and actual pipeline capacity costs.	Washington - UG-200799	No	No	(320,736)
191431	Demand Cost Amortization - Washington	Represents the prior PGA year's demand deferrals currently being amortized in customer's rates.	Washington - UG-200799	No	No	608,973
191450	Seasonalized Demand Cost Deferral - Oregon	Represents the difference between the pipeline capacity costs collected from Oregon customers and estimated pipeline capacity costs on a seasonalized basis.	Oregon - UM 1496 (last Order was 20-350)	No	No	247,571
191451	WACOG Equalization - Oregon	Tracks the monthly difference between the annual PGA Rate in Oregon and the monthly estimated commodity costs used to develop that rate. For the PGA year, the activity nets to \$0.	Oregon - UM 1496 (last Order was 20-350)	No	No	313,765
186203	Estimated Unbilled Revenues - estimated amortizations	Whereas the other amortization accounts calculate the amortization of deferrals based on customer billings, this account tracks the amortization of other deferrals based on estimated unbilled volumes for a month. This estimate is reversed the following month and the amortizations are recorded in their respective accounts based on billed volumes.	n/a - for GAAP reporting purposes only as we report on an accrual basis	No	No	(4,163,618)
186225	250 Taylor Lease Deferral	Represents the difference between lease expense calculated in accordance with GAAP and the lease payments used for cost recovery purposes. This account will build and then reduce such that at the end of the lease the balance will equal \$0. Please note that this account does not accrue interest.	Oregon - UM 2034, Order 19-407	No	Yes	5,660,562

Account	Account Name	Description	Docket	Included in OR Rate Base?	Balancing Account?	Balance at 12/31/2021
186227	Oregon Corporate Activity Tax (CAT) Deferral	Deferral of the Corporate Activity Tax incurred between the 1/1/20 effective date and the 11/1/20 date in which the CAT was embedded in customer rates.	Oregon - UM 2044, Order 20-373	No	No	-
186228	Oregon CAT Amortization	Represents the CAT deferral currently being amortized through customer rates.	Oregon - UM 2044, Order 20-373	No	No	359,488
186232	Oregon Industrial DSM Deferral	Represents the payments made to Energy Trust of Oregon for administering a DSM program on NWN's behalf. The cost is then passed on to Oregon industrial customers.	Oregon - UM 1420 (last Order was 20-103)	No	No	5,521,260
186233	Oregon Industrial DSM Amortization	Represents the prior Program Year's Industrial DSM deferrals currently being amortized in customer's rates.	Oregon - UG 405, Order 20-345	No	No	2,482,581
186234	Washington GREAT Program Deferral	Represents the deferral of costs for the bill pay assistance program offered to Washington residential customers that qualify for the program.	Washington - UG-011230 and UG-011231	No	No	44,738
186235	Washington GREAT Program Amortization	Represents the prior year's deferrals currently being amortized in customer's rates.	Washington - UG-180784	No	No	464,301
186236	Oregon Regulatory Fee Deferral	Deferral of the difference between the PUC fee rate embedded in rates and the actual PUC fee rate.	Oregon - UM 1766 (last Order was 20-332)	No	No	-
186237	Oregon Regulatory Fee Amortization	Represents the prior PGA year's PUC deferral currently being amortized in customer's rates.	Oregon - UG 403, Order 20-343	No	No	358,368
186238	Oregon Residential WARM Deferral	Represents the portion of WARM adjustments to Oregon Residential customer bills that exceed or fall below thresholds on a bill-by-bill basis. This deferral is then amortized in all Oregon Residential rates the following PGA year.	Oregon - UM 1798 (last Order was 20-383)	No	No	450,420
186239	Oregon Residential WARM Amortization	Represents the prior PGA year's Residential WARM deferral currently being amortized in customer's rates.	Oregon - UG 407, Order 20-347	No	No	1,408,794
186310	Washington Res and Comm EE Deferral - ETO	Represents the payments made to Energy Trust of Oregon to deliver and administer the Washington Residential and Commercial DSM program. The cost is then passed on to Washington Residential and Commercial customers via rates each PGA year.	Washington - UG-011230 and UG-011231	No	No	605
186312	Washington Res and Comm EE Deferral - NWN costs	Represents NWN's incremental costs to administer the Washington Residential and Commercial DSM program. The cost is then passed on to Washington Residential and Commercial customers via rates each PGA year.	Washington - UG-011230 and UG-011231	No	No	-
186244	Oregon Commercial WARM Deferral	Represents the portion of WARM adjustments to Oregon Commercial 3 customer bills that exceed or fall below thresholds on a bill-by-bill basis. This deferral is then amortized in all Oregon Commercial 3 rates the following PGA year.	Oregon - UM 1798 (last Order was 20-383)	No	No	502,941
186245	Oregon Commercial WARM Amortization	Represents the prior PGA year's Commercial WARM deferral currently being amortized in customer's rates.	Oregon - UG 407, Order 20-347	No	No	972,071
186250	Western States Pension Regulatory Asset - Oregon	In 2013, NWN withdrew from a multi-employer retirement plan which resulted in a one-time charge to exit the plan. This account, approved by an OPUC accounting order, captures the deferral of the one-time charge (representing the PV of 20 years of payments) allocated to Oregon and is being amortized over the 20 years of payments to the plan for withdrawing. The offset is included in liability account 253201. In particular, this account includes the payments to be made beyond 12 months whereas account 186251 represents the payments to be made within 12 months.	Oregon - UM 1680, Order 14-041	No	No	4,813,381
186251	Curr. Portion of West States Pension Asset - Oregon	See explanation in account 186250. This account represents the payments to be made in the next 12 months.	Oregon - UM 1680, Order 14-041	No	No	341,232
186254	Western States Pension Regulatory Asset - Washington	In 2013, NWN withdrew from a multi-employer retirement plan which resulted in a one-time charge to exit the plan. This account, approved by a WUTC accounting order, captures the deferral of the one-time charge (representing the PV of 20 years of payments) allocated to Washington and is being amortized over the 20 years of payments to the plan for withdrawing. The offset is included in liability account 253201. In particular, this account includes the payments to be made beyond 12 months whereas account 186251 represents the payments to be made within 12 months.	Most recent docket approving the retirement plan expense in rates Washington Docket UG-181053, Order 06	No	No	555,701

Account	Account Name	Description	Docket	Included in OR Rate Base?	Balancing Account?	Balance at 12/31/2021
186257	Curr. Portion of West States Pension Asset - Washington	See explanation in account 186254. This account represents the payments to be made in the next 12 months.	Most recent docket approving the retirement plan expense in rates Washington Docket UG-181053, Order 06	No	No	39,393
186265	Oregon Commercial 31 Decoupling Deferral	Represents deferral of the margin difference caused by the differences between actual Oregon Commercial 31 customer volumes (normalized for weather) and baseline volumes set in the most recent rate case.	Oregon - UM 1027 (last Order was 20-442)	No	No	(79,656)
186266	Oregon Commercial 31 Decoupling Amortization	Represents the prior PGA year's Commercial 31 decoupling deferral currently being amortized in customer's rates.	Oregon - UG 406, Order 20-346	No	No	116,877
186269	Oregon Commercial 3 Decoupling Amortization	Represents the prior PGA year's Commercial 3 decoupling deferral currently being amortized in customer's rates.	Oregon - UG 406, Order 20-346	No	No	852,473
186270	Oregon Commercial 3 Decoupling Deferral	Represents deferral of the margin difference caused by the differences between actual Oregon Commercial 3 customer volumes (normalized for weather) and baseline volumes set in the most recent rate case.	Oregon - UM 1027 (last Order was 20-442)	No	No	(1,114,281)
186271	Oregon Commercial 3 Decoupling Amortization	Represents the prior PGA year's Commercial 3 decoupling deferral currently being amortized in customer's rates.	Oregon - UG 406, Order 20-346	No	No	-
186275	Oregon Residential Decoupling Deferral	Represents deferral of the margin difference caused by the differences between actual Oregon Residential customer volumes (normalized for weather) and baseline volumes set in the most recent rate case.	Oregon - UM 1027 (last Order was 20-442)	No	No	(3,177,282)
186276	Oregon CUB Intervenor Funding Deferral	Represents the payments made to the Citizens Utility Board as ordered by the OPUC. The cost is then passed on to Oregon residential customers via rates each PGA year.	Oregon - UM 1101 (last Order was 20-258)	No	No	-
186277	Oregon Residential Decoupling Amortization	Represents the prior PGA year's Residential decoupling deferral currently being amortized in customer's rates.	Oregon - UG 406, Order 20-346	No	No	(3,515,326)
186278	Oregon Nwigu/AWEC Intervenor Funding Deferral	Represents the payments made to the industrial user intervenor group as ordered by the OPUC. The cost is then passed on to Oregon industrial customers via rates each PGA year.	Oregon - UM 1101 (last Order was 20-258)	No	No	40,349
186284	Oregon Intervenor Funding Deferral - Issue Specific	Includes payments made to intervenor groups for the work performed in specific dockets. The cost is then passed on to the appropriate customer classes through rates each PGA year.	Oregon - UM 1101 (last Order was 20-258)	No	No	5,000
186285	Oregon SB 844 Deferral	Balance captures the deferral of costs incurred related to projects submitted (or to be submitted) under Oregon Senate Bill 844.	Oregon - UM 1714 (last Order was 19-065)	No	No	-
186286	Oregon CUB Intervenor Funding Amortization	Represents the prior PGA year's deferral of payments to CUB currently being amortized in customer's rates.	Oregon - UG 402, Order 20-342	No	No	139,676
186288	Oregon Nwigu/AWEC Intervenor Funding Amortization	Represents the prior PGA year's deferral of payments to industrial intervenors being amortized in customer's rates.	Oregon - UG 402, Order 20-342	No	No	68,222
186314	Washington Low Income Energy Efficiency Deferral	Includes the costs incurred (administrative, program funding, etc.) for the WA-LIEE program offered to qualifying Residential customers.	Washington - UG-091044	No	No	77,422
186315	Washington Low Income Energy Efficiency Amortization	Represents the prior PGA year's deferral of costs for the WA-LIEE program currently being amortized in rates.	Washington - UG-200796	No	No	(11,696)
186316	Washington Residential and Commercial EE Amortization	Represents the prior PGA year's deferral of costs for the Washington Residential and Commercial DSM programs currently being amortized in rates.	Washington - UG-200796	No	No	888,375
186317	Washington Residential and Commercial EE Deferral - Historical	Represents the balance in the historical energy efficiency deferral as of Oct. 2018 that is to be amortized over a four year period.	Washington - UG-181053, Order 06	No	No	2,048,279
186318	Washington Residential and Commercial EE Deferral - True Up	Represents the PGA year-to-date difference between the amount collected in rates in the current year for the Res. and Comm. energy efficiency program and the actual expenses. Any amount remaining at the end of the PGA year will be amortized in the following year's PGA.	Washington - UG-181053, Order 06	No	No	(1,002,740)
186370	Oregon Pension Balancing Account	Represents the recovery balance of the PBA balance minus the amounts included in account 182300. The PBA balance is to be amortized over 10 years beginning April 2019 through a tariff rate.	Oregon - UM 1475, Order 11-051	No	Yes	38,301,663
186380	Oregon Multi-family Tariffs	Deferral of expenditures associated with Schedule 405 and Schedule 4 multi-family tariffs (e.g. incentive payments to developers and cost of shut-off valves).	Oregon - UM 1850, Order 17-285	Yes (for multi-family customers only)	No	333,533

Account	Account Name	Description	Docket	Included in OR Rate Base?	Balancing Account?	Balance at 12/31/2021
186381	Oregon Multi-family Tariffs Amortization	Represents the portion of account 186380 recovered from multi-family customers. For GAAP purposes, the recovery is treated as a contra-asset account much like accumulated depreciation is a contra-asset account for plant.	Oregon - UM 1850, Order 17-285	No	No	(14,663)
186421	Oregon ISS/Optimization Study Amortization	Represents the amortization of the approved deferral of the third-party study of NWN's interstate/intrastate storage and optimization activities as ordered by the OPUC.	Oregon - UM 1807, Order 19-360	No	No	-
186311	Oregon Residual Amortization	Represents residual amortization balances of various one-time deferrals. For the 2020-21 PGA year, this was not included in customer rates as the balance was too small (would not create a rate increment within 5 decimal places).	Oregon - Last amortization authorization given in Docket UG 328, Order 17-404	No	No	(66,147)
186430	Oregon COVID Uncollectibles Deferral	Represents the difference between actual uncollectible expense and the amount embedded in the last general rate case. The deferral was filed in response to the COVID19 pandemic.	Oregon - UM 2068, Order 20-380	No	No	1,959,677
186431	Oregon COVID Late Fees Deferral	Represents the difference between actual late fee revenue and the amount embedded in the last general rate case. In response to the COVID19 pandemic, beginning in April 2020 Oregon utilities were prohibited from charging late fees on delinquent accounts until a date as determined by the OPUC.	Oregon - UM 2068, Order 20-380	No	No	2,517,765
186432	Oregon COVID Other Expenses Deferral	Represents Oregon's allocation of direct expenses incurred as a result of the COVID19 pandemic.	Oregon - UM 2068, Order 20-380	No	No	3,281,179
186434	Washington COVID Uncollectibles Deferral	Represents the difference between actual uncollectible expense and the amount embedded in the last general rate case. The deferral was filed in response to the COVID19 pandemic.	Washington - UG-200264, Order 01	No	No	230,896
186435	Washington COVID Late Fees Deferral	Represents the difference between actual late fee revenue and the amount embedded in the last general rate case. In response to the COVID19 pandemic, beginning in April 2020 Oregon utilities were prohibited from charging late fees on delinquent accounts until a date as determined by the WUTC.	Washington - UG-200264, Order 01	No	No	132,999
186436	Washington COVID Other Expenses Deferral	Represents Washington's allocation of direct expenses incurred as a result of the COVID19 pandemic.	Washington - UG-200264, Order 01	No	No	406,595
186442	Oregon COVID Cost Savings Deferral	Represents Oregon's allocation of cost savings as as result of the COVID19 pandemic.	Oregon - UM 2068, Order 20-380	No	No	(814,028)
186443	Washington COVID Cost Savings Deferral	Represents Washington's allocation of cost savings as as result of the COVID19 pandemic.	Washington - UG-200264, Order 01	No	No	(300,179)
186444	Oregon COVID Late Fees Deferral Reserve	This is a contra asset account to account 186431 as GAAP rules do not allow the recognition of forgone revenues until the Commission approves amortization of the amounts. This is a timing issue for accounting purposes as NWN's deferral request was approved.	Oregon - UM 2068, Order 20-380	No	No	(2,517,765)
186445	Washington COVID Late Fees Deferral Reserve	This is a contra asset account to account 186435 as GAAP rules do not allow the recognition of forgone revenues until the Commission approves amortization of the amounts. This is a timing issue for accounting purposes as NWN's deferral request was approved.	Washington - UG-200264, Order 01	No	No	(132,999)
186446	Oregon Hood River Outage Deferral	Represents the costs incurred to restore service to customers in the Hood River area after damage occurred at NWPL's district regulator station.	UM 2139, Order pending	No	No	569,348
186447	Washington White Salmon Outage Deferral	Represents the costs incurred to restore service to customers in the White Salmon area after damage occurred at NWPL's district regulator station.	UG-200999, Order pending	No	No	197,211
186448	OR COVID AMP Deferral	Represents costs of Arrearage Management Program for Oregon customers, which helps customers to pay past due balances to avoid losing service.	NW Natural filed an OPUC Advice No. 21-02 to add Schedule R (Residential Arrearage Management Program (AMP) under Docket UM 2114 and Order No. 20-41	No	No	3,730,918
186449	WA COVID AMP Deferral	Represents costs of Arrearage Management Program for Washington customers, which helps customers to pay past due balances to avoid losing service.	Washington - UG-210193	No	No	67,339
186061	TSA SEC DIR2 OM OR	Represents Oregon's allocation of costs incurred to comply with the Department of Homeland Security's Transportation Security Administration Security Directive 2.	Oregon - UM 2192, Order Pending	No	No	940,409
186063	TSA SEC DIR2 OM WA	Represents Washington's allocation of costs incurred to comply with the Department of Homeland Security's Transportation Security Administration Security Directive 2.	Washington - UG-210900	No	No	82,077
186294	OR Horizon O&M Deferral	Represents Oregon's allocation of start-up costs associated with developing and implementing the first phase of a major information technology and services project known as Horizon.	Oregon - UM 2132, Order 21-246	No	No	5,951,927

Account	Account Name	Description	Docket	Included in OR Rate Base?	Balancing Account?	Balance at 12/31/2021
186296	WA Horizon O&M Deferral	Represents Washington's allocation of start-up costs associated with developing and implementing the first phase of a major information technology and services project known as Horizon.	Washington - UG-200996, Order 04	No	No	763,537
186320	Oregon GeoTEE Commercial Deferral	Represents costs for increased energy efficiency incentives for commercial customers in the Creswell/Cottage Grove area as part of Phase 3 of the Geographically Targeted Energy Efficiency pilot program.	Oregon - Docket UM 2155; last approval given in Order 21-121; current period pending approval	No	No	108,593
186321	Oregon GeoTEE Residential Deferral	Represents costs for increased energy efficiency incentives for residential customers in the Creswell/Cottage Grove area as part of Phase 3 of the Geographically Targeted Energy Efficiency pilot program.	Oregon - Docket UM 2155; last approval given in Order 21-121; current period pending approval	No	No	548,854

REGULATORY LIABILITIES

254630	FAS 133 Short-term Regulatory Gains - Financial	This account is used for recording the mark-to-market adjustment for the difference between the fixed price and the fair value of a financial derivative (gains in this case) at a point in time. As required by GAAP, this account captures the adjustment for financial derivatives that will settle within 12 months. Since this relates to hedges on gas costs for sales customers, it is included in the regulatory deferrals classification. (Note: since it is a valuation at a point in time, the mark-to-market adjustments are not included in customer rates.)	Oregon - UM 1496 (last Order was 20-350) Washington - UG-200799	No	No	(10,660,023)
254635	FAS 133 Short-term Regulatory Gains - Physical	This account is used to record the fair value of the index adjuster (to be received) on existing commodity deals within the next 12 months. Since this relates to physical gas purchases for sales customers, it is included in the regulatory deferrals classification. (Note: since it is a valuation at a point in time, the mark-to-market adjustments are not included in customer rates.)	Oregon - UM 1496 (last Order was 20-350) Washington - UG-200799	No	No	-
254637	FAS 133 Short-term Regulatory Gains - Physical Options	This account captures the fair value of existing physical commodity options (gains in this case) for potential gas flows within the next 12 months using a Black 76 model calculation. Since this relates to gas costs for sales customers, it is included in the regulatory deferrals classification. (Note: since it is a valuation at a point in time, the mark-to-market adjustments are not included in customer rates.)	Oregon - UM 1496 (last Order was 20-350) Washington - UG-200799	No	No	(70,128)
254640	FAS 133 Long-term Regulatory Gains - Financial	This account is used for recording the mark-to-market adjustment for the difference between the fixed price and the fair value of a financial derivative (gains in this case) at a point in time. As required by GAAP, this account captures the adjustment for financial derivatives that will settle beyond 12 months. Since this relates to hedges on gas costs for sales customers, it is included in the regulatory deferrals classification. (Note: since it is a valuation at a point in time, the mark-to-market adjustments are not included in customer rates.)	Oregon - UM 1496 (last Order was 20-350) Washington - UG-200799	No	No	(46,937,392)
254645	FAS 133 Long-term Regulatory Gains - Physical	This account is used to record the fair value of the index adjuster (to be received) on existing commodity purchase deals beyond 12 months. Since this relates to physical gas purchases for sales customers, it is included in the regulatory deferrals classification. (Note: since it is a valuation at a point in time, the mark-to-market adjustments are not included in customer rates.)	Oregon - UM 1496 (last Order was 20-350) Washington - UG-200799	No	No	(1,005,400)
254647	FAS 133 Long-term Regulatory Gains - Physical Options	This account captures the fair value of existing physical commodity options (gains in this case) for potential gas flows beyond the next 12 months using a Black 76 model calculation. Since this relates to gas costs for sales customers, it is included in the regulatory deferrals classification. (Note: since it is a valuation at a point in time, the mark-to-market adjustments are not included in customer rates.)	Oregon - UM 1496 (last Order was 20-350) Washington - UG-200799	No	No	(187,051)
254100	Tax Reform Regulatory Liability - EDIT - Plant	Represents the grossed-up benefit from the remeasurement of excess deferred income taxes (EDIT) related to plant that is deferred for the benefit of customers.	Oregon - UG 388, Order 20-364 Washington - UG -181053	Yes	No	(118,280,364)
254101	Tax Reform Regulatory Liability - EDIT - Plant LT - Washington	Represents the grossed-up benefit from the remeasurement of excess deferred income taxes (EDIT) related to plant that is deferred for the benefit of customers. The balance is reduced for the amounts to be credited to customers over the next 12 months which is captured in account 254200.	Washington - UG-181053, Order 06	Yes	No	(13,311,920)

Account	Account Name	Description	Docket	Included in OR Rate Base?	Balancing Account?	Balance at 12/31/2021
254102	Tax Reform Regulatory Liability - EDIT - Gross Up - LT	Represents the grossed-up benefit from the remeasurement of excess deferred income taxes (EDIT) related to non-plant items that is deferred for the benefit of customers. The balance is reduced for the amounts to be credited to customers over the next 12 months which is captured in account 254202.	Oregon - UG 388, Order 20-364 Washington - UG -181053, Order 06	No	No	(48,017,939)
254110	Tax Reform Regulatory Liability - EDIT - Gas Reserves	Represents the grossed-up benefit from the remeasurement of excess deferred income taxes (EDIT) related to gas reserves that is deferred for the benefit of customers. The balance is reduced for the amount that is to be credited to customers over the next 12 months which is included in account 254210.	Oregon - UG 388, Order 20-364	No	No	(1,794,229)
254121	Washington - Interim Period Tax Amortization	Represents the amortization of the one-time interim period tax deferral that was a result of lower income tax rates as a result of tax reform and the amount embedded in rates for Jan. 2018 through Oct. 2018.	Washington - UG-200795	No	No	-
254200	Tax Reform Regulatory Liability - EDIT - Plant ST - Oregon	Represents the grossed-up benefit from the remeasurement of excess deferred income taxes (EDIT) related to plant that is to be credited to customers over the next 12 months.	Oregon - UG 388, Order 20-364	Yes	No	(3,000,000)
254201	Tax Reform Regulatory Liability - EDIT - Plant ST - Washington	Represents the ST grossed-up benefit from the remeasurement of excess deferred income taxes (EDIT) related to plant that is to be credited to customers over the next 12 months.	Washington - UG-181053, Order 06	Yes	No	(375,000)
254202	Tax Reform Regulatory Liability - EDIT - Gross Up - ST	Represents the grossed-up benefit from the remeasurement of excess deferred income taxes (EDIT) related to non-plant items that is to be credited to customers over the next 12 months.	Oregon - UG 388, Order 20-364 Washington - UG -181053, Order 06	No	No	(2,175,298)
254210	Tax Reform Regulatory Liability - EDIT - Gas Reserves ST	Represents the grossed-up benefit from the remeasurement of excess deferred income taxes (EDIT) related to gas reserves that is to be credited to customers over the next 12 months.	Oregon - UG 388, Order 20-364	No	No	(2,641,514)
108102	Asset Retirement Obligation - Utility	Includes the estimated future cost to remove utility plant when it is retired, offset by the estimated salvage value of those assets.	Oregon - UG 388, Order 20-364	Yes	No	(442,478,265)
108103	Asset Retirement Obligation - North Mist	Includes the estimated future cost to remove utility plant when it is retired, offset by the estimated salvage value of those assets.	Oregon - UG 388, Order 20-364	Yes	No	(1,877,564)
122102	Asset Retirement Obligation - Non-Utility	Includes the estimated future cost to remove utility plant when it is retired, offset by the estimated salvage value of those assets. These assets primarily relate to NWN's storage business that is regulated by FERC.	FERC - PR19-4	No	No	(1,596,546)
252011	CIAC - Residential New Construction - Oregon	Includes customer advances received in aid of construction.	Accounts included in rate base of most recent rate case: Oregon - UG 388, Order 20-364	Yes	No	(1,542,860)
252012	CIAC - Residential New Construction - Washington	Includes customer advances received in aid of construction.	Accounts included in rate base of most recent rate case: Washington - UG-181053, Order 06	Yes	No	(1,822,149)
252013	CIAC - Residential Conversion - Oregon	Includes customer advances received in aid of construction.	Accounts included in rate base of most recent rate case: Oregon - UG 388, Order 20-364	Yes	No	(2,260,691)
252014	CIAC - Residential Conversion - Washington	Includes customer advances received in aid of construction.	Accounts included in rate base of most recent rate case: Washington - UG-181053, Order 06	Yes	No	(676,198)
252021	CIAC - Multi-Family New Construction - Oregon	Includes customer advances received in aid of construction.	Accounts included in rate base of most recent rate case: Oregon - UG 388, Order 20-364	Yes	No	(110,168)
252022	CIAC - Multi-Family New Construction - Washington	Includes customer advances received in aid of construction.	Accounts included in rate base of most recent rate case: Washington - UG-181053, Order 06	Yes	No	(67,451)
252023	CIAC - Multi-Family Conversion - Oregon	Includes customer advances received in aid of construction.	Accounts included in rate base of most recent rate case: Oregon - UG 388, Order 20-364	Yes	No	(31,342)
252024	CIAC - Multi-Family Conversion - Washington	Includes customer advances received in aid of construction.	Accounts included in rate base of most recent rate case: Washington - UG-181053, Order 06	Yes	No	(5,766)
252031	CIAC - Commercial New Construction - Oregon	Includes customer advances received in aid of construction.	Accounts included in rate base of most recent rate case: Oregon - UG 388, Order 20-364	Yes	No	(1,071,809)
252032	CIAC - Commercial New Construction - Washington	Includes customer advances received in aid of construction.	Accounts included in rate base of most recent rate case: Washington - UG-181053, Order 06	Yes	No	(151,040)
252033	CIAC - Commercial Conversion - Oregon	Includes customer advances received in aid of construction.	Accounts included in rate base of most recent rate case: Oregon - UG 388, Order 20-364	Yes	No	(385,182)
252034	CIAC - Commercial Conversion - Washington	Includes customer advances received in aid of construction.	Accounts included in rate base of most recent rate case: Washington - UG-181053, Order 06	Yes	No	(13,584)
252041	CIAC - Industrial New Construction - Oregon	Includes customer advances received in aid of construction.	Accounts included in rate base of most recent rate case: Oregon - UG 388, Order 20-364	Yes	No	(13,989)

Account	Account Name	Description	Docket	Included in OR Rate Base?	Balancing Account?	Balance at 12/31/2021
252043	CIAC - Industrial Conversion - Oregon	Includes customer advances received in aid of construction.	Accounts included in rate base of most recent rate case: Oregon - UG 388, Order 20-364	Yes	No	(5,450)
254301	Oregon - ISS/Optimization Revenue Sharing (Current Portion)	Includes interstate storage and optimization net revenues shared with Oregon utility customers. This account represents the portion that will be credited to customers within the next 12 months. The amount to be credited to customers beyond 12 months is included in account 254311.	Oregon - UG 344, Order 18-419	No	No	(41,477,059)
254302	Washington - ISS/Optimization Revenue Sharing	Includes interstate storage and optimization revenues shared with Washington utility customers.	Washington - UG-011090	No	No	(3,646,486)
254304	FAS 133 Gains/Losses on Optimization Contracts	This account is used to record the fair value of the optimization contracts using the same sharing inputs from the Oregon and Washington utility customer revenue sharing. As with the other FAS 133 regulatory assets and liabilities the amount represents a valuation at a point in time and is not added to or deducted from the revenues credited to utility customers.	Oregon - UG 344 (Order 18-419) Washington - UG-011090	No	No	0
254310	Oregon - Revenue Requirement True-up	Deferral of revenue requirement true-up for change in customer rate amortization period of EDIT and will be refunded back to customers.	Oregon - UG 344, Order 19-105	No	No	-
254311	Oregon - ISS/Optimization Revenue Sharing (Long-term Portion)	Represent's Oregon utility customers' share of revenues that will be credited beyond 12 months.	Oregon - UG 344, Order 19-105	No	No	(1,810,486)
254003	1% North Mist Construction Overhead Amortization	Represents 1% of the construction overhead incurred for the North Mist service to PGE currently being credited to customers through rates.	Oregon - UG 387, Order 19-375	No	No	-
254400	Oregon - North Mist Deferral for Gain on Sales Type lease - ST	Represents the portion of the gain calculated in accordance with GAAP for the N. Mist sales-type lease that will be amortized in the next 12 months. Since the N. Mist assets are being recovered through tariffs, the gain calculated on a GAAP basis is deferred and will reduce over the life of the lease.	n/a - for GAAP reporting purposes only	No	No	(729,659)
254401	Oregon - North Mist Deferral for Gain on Sales Type lease - LT	Represents the portion of the regulatory liability for the N. Mist gain on sales-type lease that will be amortized beyond one year.	n/a - for GAAP reporting purposes only	No	No	(3,999,775)
254305	Oregon Deferral of Gain on Sale of Property	Includes Oregon's portion of the net gain on sale of utility property that is to be credited to customers.	Current balance represents legal fees incurred for the sale of the Astoria property (UP 410, Order 20-495). Once the transaction closes, the gain will offset these costs.	No	No	(776,974)
254315	Oregon Amortization of Gain on Sale of Property	Amortization of the net gain on sale of utility property to be credited to customers.	Oregon - UG 408, Order 20-348	No	No	-
254317	Washington Deferral of Gain on Sale of Property	Includes Washington's portion of the net gain on sale of utility property that is to be credited to customers.	Washington - UG-190457, Order 01	No	No	(458,755)
254318	Deferral of Sales of OPS Leasehold Improvements	Represents the deferral of proceeds from sales of OPS Leasehold Improvements such as artwork. These amounts will be credited to customers as decided in a future proceeding.	No docket; however as customers paid for the OPS leasehold improvements, we will include the proceeds as a credit to customers in the 2021-22 PGA.	No	No	(30,476)
254320	Oregon - Amortize Gas Reserves EDIT true-up	Amortization of the Gas Reserves portion of the EDIT true-up amount that was included in the 254310 deferral account.	Oregon - UG 388, Order 20-364	No	No	-
254321	Oregon - Amortize Plant EDIT true-up	Amortization of the Plant related portion of the EDIT true-up amount that was included in the 254310 deferral account.	Oregon - UG 388, Order 20-364	No	No	-
254307	Washington Deferral of Gain on Sale of Property	Includes Washington's portion of the net gain on sale of utility property that is to be credited to customers.	Washington - UG 200120 and UG-200994, Order 05	No	No	(353,194)
254312	Oregon Curtailment/Entitlement Revenue Deferral	Represents curtailment revenue received when an interruptible customer does not follow the order to curtail service; and entitlement revenue received when a transportation service customer does not follow the order to control gas usage to be within a specified threshold percentage per its Tariff.	Oregon - UM 2123, Order 21-454	No	No	(61,240)
254313	Oregon Amortization of Curtailment/Entitlement Revenue Deferral	Represents the prior PGA year's deferral of curtailment and entitlement revenue currently being amortized in rates.	Oregon - UG 429, Order 21-373	No	No	(268,983)