Kyle Walker, CPA

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September 14, 2018

NWN OPUC Advice No. 18-12 / UG ____ (UM 1804)

VIA ELECTRONIC FILING

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

Re: Credits to Customers Related to Holding Company Formation

Northwest Natural Gas Company, dba NW Natural ("NW Natural" or the "Company"), files herewith revisions to its Tariff, P.U.C. Or. 25¹ ("the Tariff"), stated to become effective with service on and after November 1, 2018, as follows:

Original Sheet 173-1, Schedule 173, "Credits to Customers Related to Holding Company Formation"; and

Original Sheet 173-2, Schedule 173, "Credits to Customers Related to Holding Company Formation (continued)."

The purpose of this compliance filing is to request approval of a new Adjustment Schedule for inclusion in the Company's Tariff to reflect the credit to be applied to customer bills in accordance with Stipulated Condition 44 adopted by the Commission in Docket UM 1804, OPUC Order No. 17-526 dated December 28, 2017.

The effect of the application of the new temporary adjustments is to decrease the Company's annual revenues by \$514,483, or about 0.08%. In accordance with the order, the amounts are proposed to be recovered on an equal-percentage-of-margin basis.

The monthly bill of the average residential customer served under Rate Schedule 2 using 53 therms will decrease by about five cents. The monthly decrease for the average commercial Rate Schedule 3 customer using 244 therms per month is about \$0.15, and the monthly decrease for the average industrial Schedule 32 firm sales customer using 20,036 therms is about \$4.31.

Because the rate adjustments are calculated on an equal-percentage-of-margin basis, the proposed adjustments vary by rate schedule and as such are too numerous to list here. A worksheet showing all of the rate adjustments can be found in Exhibit A to this filing.

The number of customers affected by the proposed change is 597,459 residential customers, 61,205 commercial customers, and 956 industrial customers.

¹ Tariff P.U.C. Or. 25 originated November 1, 2012 with Docket UG 221; OPUC Order No. 12-408 as supplemented by Order No. 12-437, and was filed pursuant to ORS 767.205 and OAR 860-022-0005.

Public Utility Commission of Oregon UG ____; NWN OPUC Advice No. 18-12 September 14, 2018, Page 2

In addition to the supporting materials submitted as part of this filing, the Company will separately submit work papers in electronic format, all of which are incorporated herein by reference.

The Company requests that the tariff sheets filed herewith be permitted to become effective with service on and after November 1, 2018.

In accordance with ORS 757.205, copies of this letter and the filing made herewith are available in the Company's main office in Oregon and on its website at www.nwnatural.com.

Notice to customers will be made in accordance with OAR 860-022-0017.

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

eFiling Rates & Regulatory Affairs NW Natural 220 NW Second Avenue Portland, Oregon 97209 Telecopier: (503) 721-2516

Telephone: (503) 226-4211, x3589

eFiling@nwnatural.com

Sincerely,

NW NATURAL

/s/ Kyle Walker, CPA

Kyle Walker, CPA Rates & Regulatory Affairs

Attachments: Exhibit A – Supporting Materials

P.U.C. Or. 25 Original Sheet 173-1

SCHEDULE 173 CREDITS TO CUSTOMERS RELATED TO HOLDING COMPANY FORMATION

PURPOSE:

To identify adjustments to rates in the Rate Schedules listed below for the credits to customers related to the formation of a holding company. The rate adjustments under this Schedule are made in compliance with Stipulated Condition 44 in Docket UM 1804 adopted by the Commission in Order No. 17-526.

APPLICABLE:

To the following Rate Schedules of this Tariff:

Rate Schedule 2 Rate Schedule 27 Rate Schedule 32 Rate Schedule 31 Rate Schedule 33

APPLICATION TO RATE SCHEDULES:

The Total Adjustment amount shown below is included in the Temporary Adjustments reflected in the above-listed Rate Schedules. NO ADDITIONAL ADJUSTMENT TO RATES IS REQUIRED.

Schedule	Block	Total
		Adjustment
2		(\$0.00090)
3 CSF		(\$0.00063)
3 ISF		(\$0.00054)
27		(\$0.00071)
31 CSF	Block 1	(\$0.00049)
	Block 2	(\$0.00045)
31 CTF	Block 1	(\$0.00051)
	Block 2	(\$0.00046)
31 ISF	Block 1	(\$0.00035)
	Block 2	(\$0.00032)
31 ITF	Block 1	(\$0.00037)
	Block 2	(\$0.00034)
32 CSF	Block 1	(\$0.00033)
	Block 2	(\$0.00028)
	Block 3	(\$0.00020)
	Block 4	(\$0.00012)
	Block 5	(\$0.00007)
	Block 6	(\$0.00003)

Schedule	Block	Total Adjustment
32 ISF	Block	(\$0.00023)
	Block	(\$0.00020)
	Block	(\$0.00014)
	Block	(\$0.00008)
	Block	(\$0.00005)
	Block	(\$0.00002)
32 CTF/ITF	Block	(\$0.00021)
	Block	(\$0.00018)
	Block	(\$0.00012)
	Block	(\$0.00007)
	Block	(\$0.00004)
	Block	(\$0.00002)
32 CSI	Block	(\$0.00020)
	Block	(\$0.00017)
	Block	(\$0.00012)
	Block	(\$0.00007)
	Block	(\$0.00004)
	Block	(\$0.00002)

Schedule	Block	Total Adjustment
32 ISI	Block 1	(\$0.00019)
	Block 2	(\$0.00016)
	Block 3	(\$0.00012)
	Block 4	(\$0.00007)
	Block 5	(\$0.00004)
	Block 6	(\$0.00002)
32 CTI/ITI	Block 1	(\$0.00017)
	Block 2	(\$0.00015)
	Block 3	(\$0.00010)
	Block 4	(\$0.00006)
	Block 5	(\$0.00003)
	Block 6	(\$0.00002)
33 (all)		(\$0.00001)

Effective: November 1, 2018

(continue to Sheet 173-2)

Issued September 14, 2018 NWN OPUC Advice No. 18-12 Effective with service on and after November 1, 2018

NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25 Original Sheet 173-2

SCHEDULE 173 CREDITS TO CUSTOMERS RELATED TO HOLDING COMPANY FORMATION (continued)

GENERAL TERMS:

This Schedule is governed by the terms of this Schedule, the General Rules and Regulations contained in this Tariff, any other schedules that by their terms or by the terms of the Schedule apply to service under this Schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

Issued September 14, 2018 NWN OPUC Advice No. 18-12 Effective with service on and after November 1, 2018

EXHIBIT A

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

NW NATURAL SUPPORTING MATERIALS

Credits to Customers Related to Holding Company Formation

NWN OPUC Advice No. 18-12 / UG ____ September 14, 2018

NW NATURAL

EXHIBIT A

Supporting Material

Credits to Customers Related to Holding Company Formation

NWN OPUC ADVICE NO. 18-12 / UG ____

Description	Page
Calculation of Increments Allocated on Equal Percentage of Revenue	1
Effects of Average Bill by Rate Schedule	2
Basis for Revenue Related Costs	3
Effects on Revenue	4

Figure 1971 State Part Part State Part State Part Part State Part State			Oregon PGA	Billing Rate from	WACOG & Demand from	Temps from Temporary						Proposed Amount:	Holding Co (500,000) Tem	Holding Company Credit (0,000) Temporary Increment	
No. 10, 10, 10, 10, 10, 10, 10, 10, 10, 10,			Volumes page, Column F			Increment page, Column A	MARGIN Rate			Customers	Total Margin	Revenue Sensitive Multiplier: Amount to Amortize:	2.815% add (514,483) to all	revenue sensitive	factor edules
1,10,10,10,10,10,10,10,10,10,10,10,10,10	Schedule	Bock	٨		ن	٥	E=B-C-D E	F=E*A		Ī	 -		Multiplier Allo	ocation to RS	ncremen
1,10,10,10,10,10,10,10,10,10,10,10,10,10	2R		382,340,529	\$0.83850	\$0.41107	(\$0.01727)	\$0.44470	\$170,026,833	\$8.00	597,459	\$227,382,897			(\$343,641)	(\$0.00090
1,12,12,126 15,12,127 1,12,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,12,127 1,12,	3C Firm Sales		169,517,330	\$0.79685	\$0.41107	\$0.03136	\$0.35442	\$60,080,332	\$15.00	57,970	\$70,514,932		1.0	(\$106,568)	(\$0.0006
11,12,12,000 20,0	31 Firm Sales 27 Dry Out		1.072.229	\$0.73387	\$0.41107	\$0.01614	\$0.34312	\$1,607,242	\$15.00	355	\$1,6/1,142		1.0	(\$2,526)	(\$0.0005)
1,102,249 501,178 500,000 51	31C Firm Sales	Block 1	13,712,695	\$0.54893	\$0.29186	\$0.04321	\$0.21386	\$5,141,384	\$325.00	669	\$7,867,484		1.0	(\$11,890)	(\$0.00049)
1,2,2,20 2,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1	31C Firm Trans	Block 1	1,495,770	\$0.18791	\$0.00000	\$0.00669	\$0.18122	\$587,922	\$575.00	72	\$1,084,722		0.1.	(\$1,639)	(\$0.00043)
10,000,000 10,	311 Firm Sales	Block 1	4,480,787	\$0.47445	\$0.29186	\$0.01371	\$0.16888	\$2,148,120	\$325.00	211	\$2,971,020		0.1.0	(\$4,490)	(\$0.00035
8, 194, 194, 25, 25, 25, 25, 25, 25, 25, 25, 25, 25	311 Firm Trans	Block 1	112,620	\$0.16963	\$0.00000	\$0.00560	\$0.16403	\$68,463	\$575.00	2	\$102,963		1.0	(\$156)	(\$0.00037
8 178 1 10 10 10 10 10 10 10 10 10 10 10 10 1	32C Firm Sales ¹	Block 2 Block 1	337,199	\$0.15333	\$0.00000	\$0.00508	\$0.14825	\$3,847,713	\$675.00	471	\$8,483,357		1.0	(\$12,821)	(\$0.0003
1,0,0,1,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0		Block 2	8,789,140	\$0.38859	\$0.29186	\$0.01279	\$0.08394						1.0		(\$0.00028
0 0.0000 0.0000 0.0000 0.0000 0.000 0.000 0.000 0.000 0.000 0.000 0.000 0.00		Block 3 Block 4	949,347 25,135	\$0.36280	\$0.29186 \$0.29186	\$0.01166 \$0.01052	\$0.05928 \$0.03458						1.0		(\$0.0002)
6, 50, 75, 72, 88, 61, 61, 61, 61, 61, 61, 61, 61, 61, 61		Block 5	0 0	\$0.32119	\$0.29186	\$0.00955	\$0.01978						1.0		(\$0.00007
1, 698,1561 8 50,3012 8 10,2016 8 50,0012 9 10,0021	321 Firm Sales ¹	Block 1	5,602,336	\$0.40145	\$0.29186	\$0.01206	\$0.09753	\$1,191,019	\$675.00	09	\$1,862,326		1.0	(\$2,815)	(\$0.00023
187 250 20 20 20 20 20 20 2		Block 2	6,047,501	\$0.38637	\$0.29186	\$0.01160	\$0.08291						1.0		(\$0.0002
16,505,188 \$10,0974 \$10,00000 \$10,		Block 4	787,826	\$0.33605	\$0.29186	\$0.01004	\$0.03415						1.0		(\$0.0000
16,205,188 \$10,09271 \$10,00000 \$10		Block 5 Block 6	00	\$0.32066	\$0.29186	\$0.00930	\$0.01950						1.0		(\$0.0000
10,755,2046 50,08473 50,00000 50,000240 10,055,944 50,056941 50,	32 Firm Trans	Block 1	16,505,188	\$0.09971	\$0.0000	\$0.00273	\$0.09698	\$4,842,889	\$925.00	177	\$6,807,589		1.0	(\$10,288)	(\$0.0002
20,210,199 \$0.03492 \$0.00000 \$0.00004 \$0.00000 \$0.00004 \$0.000000 \$0.000000 \$0.000000 \$0.00000 \$0.00000		Block 2	18,272,096	\$0.08473	\$0.0000	\$0.00232	\$0.08241						1.0		(\$0.0001
20,407/155 \$0.00005 \$0.00005 \$0.00005 \$0.00005 \$0.00005 \$0.00005 \$0.00005 \$0.00005 \$0.00005 \$0.00005 \$0.000000 \$0.00005 \$0.000005 \$0.00005 \$0.00005 \$0.00005		Block 4	20,210,199	\$0.03492	\$0.0000	\$0.00097	\$0.03395						1.0		(\$0.00007
5,440,472 \$0.1962 \$0.0261 \$0.10055 \$1,598,776 \$6.50.63,543 1.0 (\$3,103) 7,486,554 \$0.0254 \$0.0264 \$0.0264 \$0.02497 \$0.00633 \$0.2497 \$0.00033 \$0.2497 \$0.00033 \$0.02497 \$0.00033 \$0.02497 \$0.00033 \$0.02497 \$0.00033 \$0.02497 \$0.00033 \$0.02497 \$0.00033 \$0.02497 \$0.00034 \$0.02497 \$0.00034 \$0.02497 \$0.00034 \$0.02497 \$0.00034 \$0.02497 \$0.00034 \$0.02497 \$0.00034 \$0.02497 \$0.00034 \$0.02497 \$0.00034 \$0.00040 \$0.02497 \$0.00034 \$0.00040 \$0.000040 \$0.000040 \$0.00040 \$0.0		Block 5	3,247,753	\$0.01995	\$0.00000	\$0.00056	\$0.01939						1.0		(\$0.0000
7,486,554 80,040295 80,029186 \$0,02437 \$0,00247 \$0,00247 \$0,00240 \$0,00241 \$0,00240 \$0,00240 \$0,00240 \$0,00241 \$0,00240 \$0,00241 \$0,00240 \$0,00241 \$0,00240 \$0,00240 \$0,00240 \$0,00240 \$0,00240 \$0,00240 \$0,00240 \$0,00240 \$0,00240 \$0,00240 \$0,00240 \$0,00240 \$0,00240 \$0,00240 \$0,00240 \$0,00240 \$0,00240 \$0,00240 \$0,00240	32C Interr Sales	Block 1	5,440,472	\$0.41842	\$0.29186	\$0.02601	\$0.10055	\$1,598,776	\$675.00	29	\$2,053,543	-	1.0	(\$3,103)	(\$0.0002
4.5747.306 \$0.02474 \$0.02434 \$0.02434 \$0.02434 \$0.02434 \$0.02434 \$0.02434 \$0.02434 \$0.02434 \$0.024016 \$0.02434 \$0.02010 \$0.02434 \$0.02010 \$0.02434 \$0.02010 \$0.02434 \$0.02010 \$0.02434 \$0.02010 \$0.02434 \$0.02010 \$0.02434 \$0.02010 \$0.02434 \$0.02010 \$0.02434 \$0.02010 \$0.02434 \$0.02344 \$0.02434 \$0.02434		Block 2	7,486,554	\$0.40295	\$0.29186	\$0.02562	\$0.08547						1.0		(\$0.00017)
65,604 \$0.2354 \$0.02344 \$0.02010 \$6,504 \$6,504 \$0.32544 \$0.29186 \$0.02349 \$0.0000 \$1.00		Block 3 Block 4	3,972,506 4,854,576	\$0.37716	\$0.29186	\$0.02497	\$0.06033						1.0		(\$0.0001
6,350,897 50,1224 50,2024 50,0000 6,550,897 50,415,894 1.0 (83,651) 7,728,77 50,4027 50,29186 50,02563 50,0000 50,0024 50,0000 1.0 </td <td></td> <td>Block 5</td> <td>65,604</td> <td>\$0.33590</td> <td>\$0.29186</td> <td>\$0.02394</td> <td>\$0.02010</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>1.0</td> <td></td> <td>(\$0.00004)</td>		Block 5	65,604	\$0.33590	\$0.29186	\$0.02394	\$0.02010						1.0		(\$0.00004)
7,728,275 \$0.40279 \$0.02563 \$0.005630 1.0 3,911,705 \$0.21916 \$0.0249 \$0.06221 \$0.06221 1.0 2,630,559 \$0.33764 \$0.0236 \$0.02026 \$0.00026	321 Interr Sales	Block 1	6,350,897	\$0.41821	\$0.29186	\$0.02547	\$0.10033	\$1,890,561	\$675.00	99	\$2,415,894		1.0	(\$3,651)	(\$0.0001
3,711,705 30,37100 \$0,37100 \$0,37100 \$0,37100 \$0,37100 \$0,37100 \$0,37100 \$0,37100 \$0,37100 \$0,37100 \$0,37100 \$0,37100 \$0,37100 \$0,37100 \$0,37100 \$0,37100 \$0,37100 \$0,37100 \$0,37100 \$0,000000 \$0,000000 \$0,00000 \$0,00000		Block 2	7,728,275	\$0.40279	\$0.29186	\$0.02563	\$0.08530						1.0		(\$0.0001
2,630,559 \$0.33588 \$0.29186 \$0.02366 \$0.02366 \$0.02366 \$0.02366 \$0.02366 \$0.02366 \$0.002666 \$0.002666 \$0.00266 \$0.00266		Block 3	3,911,705	\$0.37706	\$0.29186	\$0.02499	\$0.06021						0. 6		(\$0.0001
0 \$0.325.44 \$0.29186 \$0.00258 \$0.0000 \$0.00256 \$0.0000 \$0.00256 \$0.0000 \$0.0000 \$0.000000 \$0.00000 \$0.00000 \$0.0		Block 5	2,630,559	\$0.33588	\$0.29186	\$0.02396	\$0.02006						1.0		(\$0.00004)
8.689/346 \$0.00000 \$0.00026 \$0.00026 \$0.00000 \$0.00026 \$0.00000 \$0.00026 \$0.00000	H	Block 6	0	\$0.32544	\$0.29186	\$0.02353	\$0.01005	1000	1000	6	1		1.0	101010	(\$0.0000
11,585,346 \$0.06027 \$0.00000 \$0.00136 \$0.05891 1.0	32 Interr Irans	Block 1	8,589,936	\$0.10042	\$0.0000	\$0.00226	\$0.09816	\$5,785,117	\$925.00	83	\$6,706,41,		0.0	(\$10,135)	(\$0.0001
2.9 6x3.048 \$0.03515 \$0.00000 \$0.000436 1.0 5.3 55.522 \$0.02010 \$0.00004 \$0.00046 \$0.00004 <td></td> <td>Block 3</td> <td>11,585,346</td> <td>\$0.06027</td> <td>\$0.00000</td> <td>\$0.00136</td> <td>\$0.05891</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>1.0</td> <td></td> <td>(\$0.00010)</td>		Block 3	11,585,346	\$0.06027	\$0.00000	\$0.00136	\$0.05891						1.0		(\$0.00010)
55,322,222 30,02010 30,00045 30,00045 30,00045 30,00045 30,00045 30,00045 30,00045 30,00045 30,00045 30,00045 30,00045 30,00045 \$0.000000 \$0.00000 \$0.00000 \$0.00000 \$0.00000 \$0.00000 \$0.00000 \$0.000000		Block 4	29,563,048	\$0.03515	\$0.00000	\$0.00079	\$0.03436						1.0		(\$0.00006)
1,001,320,067 \$0.00575 \$0.00000 \$0.00566 \$0.\$38,000.00 0 \$0.\$00 0 \$0.\$00575 \$0.00000 \$0.00566 \$0.\$38,000.00 0 \$0.\$340,426,603 \$0.\$10,482)		Block 5	53,552,522 86,265,853	\$0.02010	\$0.00000	\$0.00023	\$0.00984						<u> </u>		(\$0.0000
1,001,320,067 \$ \$ 340,426,603 \$ \$ 340,426,603 \$ \$ 340,426,603 \$	33		0	\$0.00575	\$0.00000	\$0.00009	\$0.00566		\$38,000.00	0	\$0		1.0	\$0	(\$0.00001
	TOTALS	<u>.</u>	1,001,320,067					\$ 259,179,224		€9			340,426,603	(514,482)	
<u>Tariff Schedules</u>	Inputs page	apove.											Line 59		
	Tariff Schedules														

Rate Adjustment Schedule
Note: Discussion or rate schedules or blocks with zero volumes is calculated on an overall margin percentage change basis.
Since Billing Rates for all schedules above 31 do not include demand, column c for those schedules is WACOG only
Rate schedule 32 firm service includes as total margin the storage and distrubtion capacity charges and are derived using MDDV therm usages

NW Natural Rates & Regulatory Affairs

2018-19 PGA - Oregon: September Filing Effects on Average Bill by Rate Schedule [1]

Advice 18-12

ALL	VOLUMES IN THEI	RMS	,								See note [10]
1			Oregon PGA		Normal				Proposed	Proposed	Proposed
2			Normalized		Therms		11/1/2017	11/1/2017	11/1/2018	11/1/2018	11/1/2018
3			Volumes page,	Therms in	Monthly	Monthly	Billing	Current	HoldCo Credit	HoldCo Credit	HoldCo Credit
4			Column D	Block	Average use	Charge	Rates	Average Bill	Rates	Average Bill	% Bill Change
5 6	Schedule	Block	Α	В	С	D	Ε	F=D+(C * E) F	AB	AC = D + (C*AB) AC	AD = (AC-F)/F AD
7	2R		382,340,529	N/A	53	\$8.00	\$0.83850	\$52.44	\$0.83760	\$52.39	-0.1%
8	3C Firm Sales		169,517,330	N/A	244	\$15.00	\$0.79685	\$209.43	\$0.79622	\$209.28	-0.1%
9	31 Firm Sales		4,684,198	N/A	1,100	\$15.00	\$0.77033	\$862.36	\$0.76979	\$861.77	-0.1%
10	27 Dry Out		1,072,229	N/A	46	\$6.00	\$0.73387	\$39.76	\$0.73316	\$39.73	-0.1%
11	31C Firm Sales	Block 1	13,712,695	2,000	2,982	\$325.00	\$0.54893	\$1,943.28	\$0.54844	\$1,941.86	-0.1%
12		Block 2	11,300,457	all additional			\$0.52996		\$0.52951	-	
13	31C Firm Trans	Block 1	1,495,770	2,000	1,731	\$575.00	\$0.18791	\$900.27	\$0.18740	\$899.39	-0.1%
14		Block 2	1,912,244	all additional			\$0.17183		\$0.17137		
15	311 Firm Sales	Block 1	4,480,787	2,000	5,371	\$325.00	\$0.47445	\$2,816.91	\$0.47410	\$2,815.13	-0.1%
16		Block 2	9,117,388	all additional			\$0.45773		\$0.45741		
17	31I Firm Trans	Block 1	112,620	2,000	7,497	\$575.00	\$0.16963	\$1,757.12	\$0.16926	\$1,754.51	-0.1%
18		Block 2	337,199	all additional			\$0.15333		\$0.15299		
19	32C Firm Sales	Block 1	30,908,235	10,000	7,196	\$675.00	\$0.40410	\$3,582.90	\$0.40377	\$3,580.53	-0.1%
20		Block 2	8,789,140	20,000			\$0.38859		\$0.38831		
21		Block 3	949,347	20,000			\$0.36280		\$0.36260		
22		Block 4	25,135	100,000			\$0.33696		\$0.33684		
23		Block 5	0	600,000			\$0.32119		\$0.32112		
24		Block 6	0	all additional			\$0.31083		\$0.31080		
25	321 Firm Sales	Block 1	5,602,336	10,000	20,036	\$675.00	\$0.40145	\$8,567.11	\$0.40122	\$8,562.80	-0.1%
26		Block 2	6,047,501	20,000			\$0.38637		\$0.38617		
27		Block 3	1,988,054	20,000			\$0.36119		\$0.36105		
28		Block 4	787,826	100,000			\$0.33605		\$0.33597		
29		Block 5	0	600,000			\$0.32066		\$0.32061		
30		Block 6	0	all additional			\$0.31065		\$0.31063		
31	32 Firm Trans	Block 1	16,505,188	10,000	42,064	\$925.00	\$0.09971	\$4,338.61	\$0.09950	\$4,331.46	-0.2%
32		Block 2	18,272,096	20,000			\$0.08473		\$0.08455		
33		Block 3	10,705,944	20,000			\$0.05984		\$0.05972		
34		Block 4	20,210,199	100,000			\$0.03492		\$0.03485		
35		Block 5	20,401,757	600,000			\$0.01995		\$0.01991		
36		Block 6	3,247,753	all additional			\$0.01002		\$0.01000		
37	32C Interr Sales	Block 1	5,440,472	10,000	32,387	\$675.00		\$13,818.48	\$0.41822	\$13,812.79	0.0%
38		Block 2	7,486,554	20,000			\$0.40295		\$0.40278		
39		Block 3	3,972,506	20,000			\$0.37716		\$0.37704		
40		Block 4	4,854,576	100,000			\$0.35139		\$0.35132		
41		Block 5	65,604	600,000			\$0.33590		\$0.33586		
42		Block 6	0	all additional			\$0.32544		\$0.32542		
43	321 Interr Sales	Block 1	6,350,897	10,000	37,687	\$675.00	\$0.41821	\$15,811.36	\$0.41802	\$15,805.34	0.0%
44		Block 2	7,728,275	20,000			\$0.40279		\$0.40263		
45		Block 3	3,911,705	20,000			\$0.37706		\$0.37694		
46		Block 4	8,709,010	100,000			\$0.35132		\$0.35125		
47		Block 5	2,630,559	600,000			\$0.33588		\$0.33584		
48		Block 6	0	all additional			\$0.32544		\$0.32542		
49	32 Interr Trans	Block 1	8,589,936	10,000	206,472	\$925.00	\$0.10042	\$9,491.89	\$0.10025	\$9,477.49	-0.2%
50		Block 2	16,089,250	20,000			\$0.08536		\$0.08521		
51		Block 3	11,585,346	20,000			\$0.06027		\$0.06017		
52		Block 4	29,563,048	100,000			\$0.03515		\$0.03509		
53		Block 5	53,552,522	600,000			\$0.02010		\$0.02007		
54		Block 6	86,265,853	all additional			\$0.01007		\$0.01005		
55	33		0	N/A	0	\$38,000	\$0.00575	\$38,000.00	\$0.00574	\$38,000.00	0.0%

Totals

56 57

58

1,001,320,067

 $^{\,}$ 59 $\,$ [1] For convenience of presentation, the cent per therm demand charge is used,

rather than the available MDDV demand option for Rate Schedules 31 and 32.

^{61 [2]} Tariff Advice Notice 18-04: Non-Gas Cost Deferral Amortizations - Intervenor Funding

 ^{62 [3]} Tariff Advice Notice 18-05: Non-Gas Cost Deferral Amortizations - Residual Account
 63 [4] Tariff Advice Notice 18-06: Non-Gas Cost Deferral Amortizations - Oregon PUC Fee

^{64 [5]} Tariff Advice Notice 18-07: Non-Gas Cost Deferral Amortizations - SRRM

^{65 [6]} Tariff Advice Notice 18-08: Non-Gas Cost Deferral Amortizations - Industrial DSM

^{66 [7]} Tariff Advice Notice 18-09: Non-Gas Cost Deferral Amortizations - Decoupling

^{67 [8]} Tariff Advice Notice 18-10: Non-Gas Cost Deferral Amortizations - WARM

^{58 [9]} Tariff Advice Notice 18-11: PGA

^{69 [10]} Tariff Advice Notice 18-12: Non-Gas Cost Amortization per Order No. 17-526 - Holding Company Formation Credit

NW Natural Rates and Regulatory Affairs 2018-2019 PGA Filing - OREGON Basis for Revenue Related Costs

1		 welve Months ided 06/30/18	
2			
3	Total Billed Gas Sales Revenues	\$ 618,450,726	
4	Total Oregon Revenues	\$ 621,865,430	
5	-		
6	Regulatory Commission Fees [1]	n/a	0.300% Statutory rate
7	City License and Franchise Fees	\$ 14,963,448	2.406% Line 7 ÷ Line 4
8	Net Uncollectible Expense [2]	\$ 678,352	0.109% Line 8 ÷ Line 4
9		 	
10	Total		2.815% Sum lines 8-9
11			
12			

13 **Note:**

- 14 [1] Dollar figure is set at statutory level of 0.275% times Total Oregon Revenues (line 4).
- 15 Because the fee changed since our last general rate case, the difference between the previous fee of 0.275%
- 16 and the new fee of 0.3%, as it affects our base rates, is being captured as a temporary deferral.
- 17 [2] Represents the normalized net write-offs based on a three-year average.

NW Natural Rates & Regulatory Affairs

2018-2019 PGA Filing - Oregon: September Filing

PGA Effects on Revenue

Tariff Advice 18-12: Holding Company Credit

1		Not Including Revenue Sensitive
2	Temporary Increments	<u>Amount</u>
3	remporary morements	
4	Removal of Current Temporary Increments	
5	Amortization of Holding Company Credit	\$0
6	3 1 7	
7		
8	Addition of Proposed Temporary Increments	
9	Amortization of Holding Company Credit	(514,483)
10		
11		
12	TOTAL OF ALL COMPONENTS OF RATE CHANGES	(\$514,483)
13		
14		
15		
16	2017 Oregon Earnings Test Normalized Total Revenues	\$668,336,000
17		
18	Effect of this filing, as a percentage change (line 12 ÷ line 16)	-0.08%