

**NATURAL GAS COMPANIES**  
(Class A and B)

# **ANNUAL REPORT**

**OF**

## **NORTHWEST NATURAL GAS COMPANY**

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**(Exact Legal Name of Respondent)**

If name was changed during year, show also the previous name and date of change

**PORTLAND, OREGON**

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**(Address of Principal Business Office at End of Year)**

**TO THE**

**PUBLIC UTILITY COMMISSION OF OREGON**

**AND**

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**FOR THE**

# **YEAR ENDED DECEMBER 31, 2022**

Name, Title, and address of officer or other person to whom should be addressed any communication concerning this report:

Brody J. Wilson, Vice President, Chief Accounting Officer, Controller and Treasurer  
250 S.W. Taylor Street  
Portland, Oregon 97204

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THIS FILING IS
Item 1: <input checked="" type="checkbox"/> An Initial (Original    OR <input type="checkbox"/> Resubmission No. _____ Submission)

Form 2 Approved  
OMB No. 1902-0028  
Expires 4/30/2024

Form 2A Approved  
OMB No: 1902-0030  
Expires: 4/30/24

Form 3-Q Approved  
OMB No. 1902-0205  
Expires 7/31/2025



# FERC FINANCIAL REPORT

**FERC FORM No. 2: Annual Report of Major Natural Gas Companies**

**Form No. 2-A: Annual Report for Non-Major Natural Gas Companies**

**Supplemental Form No. 3-Q: Quarterly Financial Report**

<p>These reports are mandatory under the Natural Gas Act, Sections 10(a), and 16 and 18 CFR Parts 260.1 and 260.300. Failure to report may result in criminal fines, civil penalties, and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of a confidential nature.</p>
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<b>Exact Legal Name of Respondent (Company)</b> <b>NORTHWEST NATURAL GAS COMPANY</b>	<b>Year/Period of Report</b> End of            12/31/2022
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# INSTRUCTIONS FOR FILING FERC FORMS 2, 2-A and 3-Q

## GENERAL INFORMATION

### I Purpose

FERC Forms 2, 2-A, and 3-Q are designed to collect financial and operational information from natural gas companies subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be a non-confidential public use forms.

### II. Who Must Submit

Each natural gas company whose combined gas transported or stored for a fee exceed 50 million dekatherms in each of the previous three years must submit FERC Form 2 and 3-Q.

Each natural gas company not meeting the filing threshold for FERC Form 2, but having total gas sales or volume transactions exceeding 200,000 dekatherms in each of the previous three calendar years must submit FERC Form 2-A and 3-Q.

Newly established entities must use projected data to determine whether they must file the FERC Form 3-Q and FERC Form 2 or 2-A.

### III. What and Where to Submit

(a) Submit Forms 2, 2-A and 3-Q electronically through the submission software at <http://www.ferc.gov/docs-filing/eforms/form-2/elec-subm-soft.asp>.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Form 2 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mailing two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analysts, or industry associations. Do not include monthly and quarterly reports. Indicate by checking the appropriate box on Form 2, Page 3, List of Schedules, if the reports to stockholders will be submitted or if no annual report to stockholders is prepared. Unless eFiling the Annual Report to Stockholders, mail these reports to the Secretary of the Commission at:

Secretary of the Commission  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

(d) For the Annual CPA certification, submit with the original submission of this form, a letter or report (not applicable to respondents classified as Class C or Class D prior to January 1, 1984) prepared in conformity with the current standards of reporting which will:

(i) Contain a paragraph attesting to the conformity, in all material respects, of the schedules listed below with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and

(ii) be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§158.10-158.12 for specific qualifications.)

Reference	<u>Reference</u> <u>Schedules Pages</u>
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

Filers should state in the letter or report, which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

(e) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders" and "CPA Certification Statement," have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission website at <http://www.ferc.gov/help/how-to.asp>

(f) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 2 and 2-A free of charge from: <http://www.ferc.gov/docs-filing/eforms/form-2/form-2.pdf> and <http://www.ferc.gov/docs-filing/eforms/form-2a/form-2a.pdf>, respectively. Copies may also be obtained from the Public Reference and Files Maintenance Branch, Federal Energy Regulatory Commission, 888 First Street, NE. Room 2A, Washington, DC 20426 or by calling (202).502-8371

#### **IV. When to Submit:**

FERC Forms 2, 2-A, and 3-Q must be filed by the dates:

- (a) FERC Form 2 and 2-A --- by April 18th of the following year (18 C.F.R. §§ 260.1 and 260.2)
- (b) FERC Form 3-Q --- Natural gas companies that file a FERC Form 2 must file the FERC Form 3-Q within 60 days after the reporting quarter (18 C.F.R. § 260.300), and
- (c) FERC Form 3-Q --- Natural gas companies that file a FERC Form 2-A must file the FERC Form 3-Q within 70 days after the reporting quarter (18 C.F.R. § 260.300).

#### **V. Where to Send Comments on Public Reporting Burden.**

The public reporting burden for the Form 2 collection of information is estimated to average 1,623 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the Form 2A collection of information is estimated to average 250 hours per response. The public reporting burden for the Form 3-Q collection of information is estimated to average 165 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

## GENERAL INSTRUCTIONS

- I. Prepare all reports in conformity with the Uniform System of Accounts (USofA) (18 C.F.R. Part 201). Interpret all accounting words and phrases in accordance with the USofA.
- II. Enter in whole numbers (dollars or Dth) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions.**
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the form submission only. Please explain the reason for the resubmission in a footnote to the data field.
- VIII. Footnote and further explain accounts or pages as necessary.
- IX. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- X. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.
- XI. Report all gas volumes in Dth unless the schedule specifically requires the reporting in another unit of measurement.

## DEFINITIONS

- I. Btu per cubic foot -- The total heating value, expressed in Btu, produced by the combustion, at constant pressure, of the amount of the gas which would occupy a volume of 1 cubic foot at a temperature of 60°F if saturated with water vapor and under a pressure equivalent to that of 30°F, and under standard gravitational force (980.665 cm. per sec) with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of gas and air when the water formed by combustion is condensed to the liquid state (called gross heating value or total heating value).
- II. Commission Authorization -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.
- III. Dekatherm -- A unit of heating value equivalent to 10 therms or 1,000,000 Btu.
- IV. Respondent -- The person, corporation, licensee, agency, authority, or other legal entity or instrumentality on whose behalf the report is made.



EXCERPTS FROM THE LAW (Natural Gas Act, 15 U.S.C. 717-717w)

"Sec. 10(a). Every natural-gas company shall file with the Commission such annual and other periodic or special reports as the Commission may by rules and regulations or order prescribe as necessary or appropriate to assist the Commission in the proper administration of this act. The Commission may prescribe the manner and form in which such reports shall be made and require from such natural-gas companies specific answers to all questions upon which the Commission may need information. The Commission may require that such reports include, among other things, full information as to assets and liabilities, capitalization, investment and reduction thereof, gross receipts, interest dues and paid, depreciation, amortization, and other reserves, cost of facilities, costs of maintenance and operation of facilities for the production, transportation, delivery, use, or sale of natural gas, costs of renewal and replacement of such facilities, transportation, delivery, use and sale of natural gas..."

"Section 16. The Commission shall have power to perform all and any acts, and to prescribe, issue, make, amend, and rescind such orders, rules, and regulations as it may find necessary or appropriate to carry out the provisions of this act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this act; and may prescribe the form or forms of all statements declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and time within they shall be filed..."

#### General Penalties

The Commission may assess up to \$1 million per day per violation of its rules and regulations. See NGA § 22(a), 15 U.S.C. § 717t-1(a).

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**FERC FORM NO. 2:  
ANNUAL REPORT OF MAJOR NATURAL GAS COMPANIES**

IDENTIFICATION		
<b>01 Exact Legal Name of Respondent</b>  Northwest Natural Gas Company	<b>02 Year of Report</b>  December 31, 2022	
<b>03 Previous Name and Date of Change (If name changed during year)</b>		
<b>04 Address of Principal Office at End of Year (Street, City, State, Zip Code)</b>  250 S.W.Taylor Street, Portland OR 97204		
<b>05 Name of Contact Person</b> Brody J. Wilson	<b>Title of Contact Person</b> Vice President, Chief Accounting Officer, Controller and Treasurer	
<b>07 Address of Contact Person (Street, City, State, Zip Code)</b>  250 S.W.Taylor Street, Portland OR 97204		
<b>08 Telephone of Contact Person, Including Area Code</b>  (503) 226-4211	<b>This Report Is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>10 Date of Report</b> (Mo, Day, Yr) 4/28/2023

**ANNUAL CORPORATE OFFICER CERTIFICATION**

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

<b>11 Name</b> Brody J. Wilson	<b>12 Title</b> Vice President, Chief Accounting Officer, Controller and Treasurer
<b>13 Signature</b> 	<b>14 Date Signed (Mo, Day, Yr)</b>  April 28, 2023

Title 18, U.S.C. 1001, makes it a crime for any person knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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### List of Schedules (Natural Gas Company)

Enter in Column (d) the terms "none", "not applicable", or "NA" as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none", "not applicable", or "NA".

Line No.	Title of Schedule (a)	Reference Page Number (b)	Date Revised (c)	Remarks (d)
<b>GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS</b>				
1	General Information	101		
2	Control Over Respondent	102		
3	Corporations Controlled by Respondent	103		
4	Security Holders and Voting Powers	107		
5	Important Changes During the Year	108		
6	Comparative Balance Sheet	110-113		
7	Statement of Income for the Year	114-116		
8	Statement of Accumulated Comprehensive Income and Hedging Activities	117		
9	Statement of Retained Earnings for the Year	118-119		
10	Statements of Cash Flows	120-121		
11	Notes to Financial Statements	122		
<b>BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)</b>				
12	Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion	200-201		
13	Gas Plant in Service	204-209		
14	Gas Property and Capacity Leased from Others	212		
15	Gas Property and Capacity Leased to Others	213		NA
16	Gas Plant Held for Future Use	214		
17	Construction Work in Progress-Gas	216		
18	Non-Traditional Rate Treatment Afforded New Projects	217		NA
19	General Description of Construction Overhead Procedure	218		
20	Accumulated Provision for Depreciation of Gas Utility Plant	219		
21	Gas Stored	220		
22	Investments	222-223		
23	Investments in Subsidiary Companies	224-225		
24	Prepayments	230		
25	Extraordinary Property Losses	230		
26	Unrecovered Plant and Regulatory Study Costs	230		
27	Other Regulatory Assets	232		
28	Miscellaneous Deferred Debits	233		
29	Accumulated Deferred Income Taxes	234-235		
<b>BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits)</b>				
30	Capital Stock	250-251		
31	Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock	252		
32	Other Paid-in Capital	253		
33	Discount on Capital Stock	254		NA
34	Capital Stock Expense	254		
35	Securities issued or Assumed and Securities Refunded or Retired During the Year	255		
36	Long-Term Debt	256-257		
37	Unamortized Debt Expense, Premium, and Discount on Long-Term Debt	258-259		

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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### List of Schedules (Natural Gas Company)

Enter in Column (d) the terms "none", "not applicable", or "NA" as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none", "not applicable", or "NA".

Line No.	Title of Schedule (a)	Reference Page Number (b)	Date Revised (c)	Remarks (d)
38	Unamortized Loss and Gain on Recquired Debt	260		
39	Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	261		
40	Taxes Accrued, Prepaid, and Charged During Year	262-263		
41	Miscellaneous Current and Accrued Liabilities	268		
42	Other Deferred Credits	269		
43	Accumulated Deferred Income Taxes-Other Property	274-275		NA
44	Accumulated Deferred Income Taxes-Other	276-277		
45	Other Regulatory Liabilities	278		
INCOME ACCOUNT SUPPORTING SCHEDULES				
46	Monthly Quantity & Revenue Data by Rate Schedule	299		NA
47	Gas Operating Revenues	300-301		
48	Revenues from Transportation of Gas of Others Through Gathering Facilities	302-303		NA
49	Revenues from Transportation of Gas of Others Through Transmission Facilities	304-305		NA
50	Revenues from Storage Gas of Others	306		
51	Other Gas Revenues	308		
52	Discounted Rate Services and Negotiated Rate Services	313		NA
53	Gas Operation and Maintenance Expenses	317-325		
54	Exchange and Imbalance Transactions	328		NA
55	Gas Used in Utility Operations	331		
56	Transmission and Compression of Gas by Others	332		NA
57	Other Gas Supply Expenses	334		NA
58	Miscellaneous General Expenses-Gas	335		
59	Depreciation, Depletion, and Amortization of Gas Plant	336-338		
60	Particulars Concerning Certain Income Deduction and Interest Charges Accounts	340		
COMMON SECTION				
61	Regulatory Commission Expenses	350-351		
62	Employee Pensions and Benefits (Account 926)	352		
63	Distribution of Salaries and Wages	354-355		
64	Charges for Outside Professional and Other Consultative Services	357		
65	Transactions with Associated (Affiliated) Companies	358		
GAS PLANT STATISTICAL DATA				
66	Compressor Stations	508-509		
67	Gas Storage Projects	512-513		
68	Transmission Lines	514		
69	Transmission System Peak Deliveries	518		NA
70	Auxiliary Peaking Facilities	519		
71	Gas Account-Natural Gas	520		
72	Shipper Supplied Gas for the Current Quarter	521		NA
73	System Map	522		NA
74	Footnote Reference	551		NA
75	Footnote Text	552		NA
76	Stockholder's Reports (check appropriate box)			
<input type="checkbox"/> Four copies will be submitted    Note: This is NA as FERC Form 2 is filed only with state commissions and not FERC <input type="checkbox"/> No annual report to stockholders is prepared				

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**GENERAL INFORMATION**

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

**Brody J. Wilson** **Vice President, Chief Accounting Officer, Controller and Treasurer**  
**250 S.W. Taylor Street, Portland, Oregon 97204**

2. Prove the name of the State under the laws of which respondent is incorporated and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

**State of Oregon** **January 10, 1910**

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership of trusteeship was created, and (d) date when possession by receiver or trustee ceased.

**NOT APPLICABLE**

4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.

**GAS SERVICE IN OREGON AND WASHINGTON**

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

**Note: This is NA as FERC Form 2 is filed only with state commissions and not FERC**

- (1)  Yes...Enter the date when such independent account was initially engaged \_\_\_\_\_
- (2)  No

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**Control Over Respondent**

1. Report in column (a) the names of all corporations, partnerships, business trusts, and similar organizations that directly, indirectly, or jointly held control (see page 103 for definition of control) over the respondent at the end of the year. If control is in a holding company organization, report in a footnote the chain of organization.

2. If control is held by trustees, state in a footnote the names of trustees, the names of beneficiaries for whom the trust is maintained, and the purpose of the trust.

3. In column (b) designate type of control over the respondent. Report an "M" if the company is the main parent or controlling company having ultimate control over the respondent. Otherwise, report a "D" for direct, an "I" for indirect, or a "J" for joint control.

Line No.	Company Name (a)	Type of Control (b)	State of Incorporation (c)	Percent Voting Stock Owned (d)
1	Northwest Natural Holding Company	M	Oregon	100%
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<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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### CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.
4. In column (b) designate type of control of the respondent as "D" for direct, an "I" for indirect, or a "J" for joint control.

#### DEFINITIONS

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the inter-position of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Type of Control (b)	Kind of Business (c)	Percent Voting Stock Owned	Footnote Ref. (d)
1	Northwest Energy Corporation	D	Intermediate Holding Company	100%	1
2	NWN Gas Reserves LLC	I	Gas Reserves	100%	2
3	NW Natural RNG Holding Company, LLC	D	Holding company	100%	3
4	Lexington Renewable Energy LLC	I/J	Renewable natural gas	See Footnote 4	4
5	Dakota City Renewable Energy LLC	I/J	Renewable natural gas	See Footnote 5	5

1	Northwest Energy Corporation, is a wholly-owned subsidiary, primarily used as a holding company of NWN Gas Reserves, LLC.				
2	NWN Gas Reserves LLC, a wholly-owned subsidiary of Northwest Energy Corporation, was formed in 2012 as part of a joint venture with Encana Oil & Gas (USA) Inc. to develop, own and operate gas reserves. In 2014, Encana Oil & Gas (USA) Inc. sold its interest in the gas reserves to Jonah Energy LLC.				
3	NW Natural RNG Holding Company, LLC, a wholly-owned subsidiary formed on November 4, 2020, is a holding company that was established to invest in the development and procurement of renewable natural gas.				
4	Lexington Renewable Energy LLC, a partnership with BioCarbN, was formed in November 2020 to facilitate a renewable natural gas development project in Nebraska. NW Natural RNG Holding Company, LLC owns 100% of the Class A Membership Units in Lexington Renewable Energy LLC as of December 28, 2020 and BioCarbN Cross River Biogas Lexington LLC owns 100% of the Class B Membership Units.				
5	Dakota City Renewable Energy LLC, a partnership with BioCarbN, was formed in January 2021 to facilitate a renewable natural gas development project in Nebraska. NW Natural RNG Holding Company, LLC owns 100% of the Class A Membership Units in Dakota City Renewable Energy LLC as of December 3, 2021 and BioCarbN Cross River Biogas Lexington LLC owns 100% of the Class B Membership Units.				

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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### SECURITY HOLDERS AND VOTING POWERS

1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stock-holders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement the circumstances whereby such security became vested with voting rights and give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.

3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.

4. Furnish details concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owed by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were issued on a prorata basis.

1. Give date of the latest closing of the stock book prior to end of year, and, in a footnote, state the purpose of such closing:  See note (1)	2. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy.  Total: See Note (2) By Proxy: See Note (2)	3. Give the date and place of such meeting:  Date: 5/23/2022 Place: See Note (3) Location: See Note (3)
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		VOTING SECURITIES			
		4. Number of votes as of (date):			
Line No.	Name (Title) and Address of Security Holder (a)	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
5	TOTAL votes of all voting securities	100	100		
6	TOTAL number of security holders	1 <sup>(1)</sup>	1 <sup>(1)</sup>		
7	Special Privileges	See Note (4)	See Note (4)	Limited Voting Junior Preferred	
8					
9	<b>See page 107 B</b>				
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

Note 1: Effective October 1, 2018, NW Natural completed a reorganization into a holding company structure, as approved by the OPUC in 2017 pursuant to Order 17-526 (Reorganization). To effect the Reorganization, NWN Merger Sub, Inc., a wholly owned subsidiary of Northwest Natural Holding Company (NW Holdings), was merged with and into NW Natural and each outstanding share of NW Natural common stock was converted into one share of NW Holdings common stock and NW Natural became a wholly owned subsidiary of NW Holdings.

Note 2: Effective October 1, 2018, NW Natural completed a reorganization into a holding company structure, as approved by the OPUC in 2017 pursuant to Order 17-526 (Reorganization). As a result of the Reorganization, there are only 100 shares of Common Stock entitled to cast votes at a general meeting for the election of directors, all of which are held by a single shareholder, Northwest Natural Holding Company.

Note 3: In 2022, the directors of NW Natural were elected by written consent of the sole shareholder of its Common Stock.

Note 4: In addition to the common stock, effective as of the Reorganization, NW Natural also has authorized, issued and outstanding, one share of Limited Voting Preferred Stock (Golden Share), \$1 par value, held by GSS Holdings (NWN), Inc. As specified in OPUC Order 17-526, NW Natural is not entitled to file a voluntary petition for bankruptcy unless approved by the holder of the Golden Share, which must be an independent party. Except as provided in NW Natural's Amended and Restated Articles of Incorporation or as otherwise provided by law, the holder of the Golden Share has no voting rights for any other purpose.



<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) December 31, 2022	<b>Year of Report</b> December 31, 2022
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**SECURITY HOLDERS AND VOTING POWERS (Continued)**

Line No.	Name and Address (1a) (a)	Shares of Common Stock (b)	Percentage of Stock Outstanding (Voting Control) (c)
1	NW Natural Holding Company	100	100.00%
2	250 S.W. Taylor Street		
3	Portland, OR 97204		
4	<b>Officers</b>	<b>Stock Options for Officers as of 12/31/22</b>	<b>Stock Rights for Officers as of 12/31/22</b>
5			
6	None		
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20	<b>Directors</b>	<b>Stock Rights for Directors as of 12/31/22</b>	
21			
22	None		
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**IMPORTANT CHANGES DURING THE YEAR**

Give details concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Answer each inquiry. Enter "none" or "not applicable" where applicable. If the answer is given elsewhere in the report, refer to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration and state from whom the franchise rights were acquired. If the franchise rights were acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Briefly describe the property, and the related transactions, and cite Commission authorization, if any was required. Give date journal entries called for by Uniform Systems of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction or transmission or distribution system: State territory added or relinquished and date operations began or ceased and cite Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service.

Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.

6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of obligation. Cite commission authorization if any was required.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder, voting trustee, associated company or know associate of any of these persons was a party or in which any such person had a material interest.
11. Estimated increase or decrease in annual revenues caused by important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.
12. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
13. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

See Page 108 B

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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<b>IMPORTANT CHANGES DURING THE YEAR (Continued)</b>	
1.	None
2.	None
3.	None
4.	None
5.	None
6.	None
7.	<p>On February 24, 2022, the Board of Directors (the "Board") of Northwest Natural Gas Company ("NW Natural") approved the amendment and restatement of NW Natural's Amended and Restated Bylaws (the "Bylaws"). The amendments were made to Article II, Section 1 of the Bylaws to provide more flexibility in setting the date of an annual meeting of shareholders. On July 22, 2022, the Board of NW Natural approved further amendments to the Bylaws. In addition to certain ministerial changes, the amendments to the Bylaws generally included the following changes:</p> <ul style="list-style-type: none"> <li>• Article II, Sections 1 and 2 of the Bylaws were amended to allow NW Holdings flexibility to hold its annual meeting or any special meeting in the City of Portland, or such other place as determined by the Board of Directors.</li> <li>• Article II, Section 9 of the Bylaws was amended to clarify that a shareholder must be a shareholder of record to properly bring notice of business to be conducted at the meeting.</li> <li>• Article II, Section 10 of the Bylaws was amended to include additional procedural and informational requirements for shareholders to nominate director candidates and incorporate provisions related to the Securities and Exchange Commission's (SEC)'s new universal proxy rules.</li> <li>• Article VII, Section 1 of the Bylaws was amended to eliminate the requirement that the Board annually elect the President and Secretary, consistent with other officer appointments.</li> </ul>
8.	Bargaining unit employee pay increase of 3.50% effective June 1, 2022 Non-bargaining unit employee annual salary increase of approximately 4.00% effective March 1, 2022.
9.	Reference 10k disclosure is made to NOTE 16 - Commitment and Contingencies and NOTE 17 - Environmental Matters of the Notes to the Financial Statements.
10.	None

Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2022

**IMPORTANT CHANGES DURING THE YEAR (Continued)**

**11. Increase or decrease in annual revenues caused by important rate changes:**

**OREGON**

The new rates for Oregon customers reflect the combined effects of the 2022-23 annual PGA, which was approved by the Public Utility Commission of Oregon in Order 22-421, and the Oregon general rate case approved by the OPUC on October 24, 2022 in Order No. 22-388. Rates impacted by the PGA and rate case went into effective November 1, 2022. The approval of the general rate case increased revenues of \$59.4 million to recover operation costs and system investments. With the PGA, the general rate case, and other associated regulatory filing approvals, the Company's annual revenues increased by \$142.6 million, or 20.2 percent for changes in rate base, purchased gas costs and temporary rate adjustments to amortize balances in deferred accounts. As a result of the Oregon Senate Bill 98, NW Natural's PGA filing included commodity costs for three Renewable Natural Gas (RNG) offtake agreements, with a net RNG commodity cost of \$6.5 million. As of June 30, 2022, 694,580 customers were affected.

**OREGON RATE CASES**

*2022 General Rate Case*

On December 17, 2021, NW Natural filed a request for a general rate increase with the Public Utility Commission of Oregon (OPUC). The filing includes a requested \$73.5 million annual revenue requirement increase based upon the following assumptions or requests:

- Capital structure of 50% long-term debt and 50% equity;
- Return on equity of 9.5%;
- Cost of capital of 6.886%; and
- Average rate base of \$1.73 billion.

On May 31, 2022, NW Natural and other parties to the Rate Case, filed a stipulation with the OPUC addressing a number of issues in the Rate Case as well as a second docket, which was consolidated with the Rate Case (Stipulation). The Stipulation provides for a total revenue requirement increase of \$62.65 million over revenues from existing rates, subject to adjustment for capital additions and revenues related to new customers added in the test year and completion of capital projects identified as being placed in service prior to the rate effective date. The revenue requirement is based on the following assumptions:

- Capital structure of 50% common equity and 50% long-term debt;
- Return on equity of 9.4%;
- Cost of capital of 6.836%; and
- Average rate base of \$1.77 billion or an increase of \$337 million since the last rate case.

On June 29, 2022, NW Natural, and other parties to the Rate Case, filed a second stipulation with the OPUC addressing a number of issues in the Rate Case that were not addressed in the first Stipulation (Second Stipulation). The Second Stipulation addressed the following:

- Elimination of deposits for new residential customers;
- Updates to the Oregon low-income energy efficiency program; and
- Recovery of the COVID-19 deferral over two years starting November 1, 2022.

On August 19, 2022, NW Natural and other parties to the Rate Case, filed a third stipulation with the OPUC addressing the amortization period, interest accrual rate, and certain proposed tax adjustments related to NW Natural's Lexington renewable natural gas (RNG) project (Third Stipulation and together with the First Stipulation and Second Stipulation, the Rate Case Stipulations).

On October 24, 2022, the OPUC issued an order approving the Rate Case Stipulations. The OPUC ordered a downward adjustment of \$356,106 related to certain costs included in the First Stipulation, and adjusted NW Natural's current line extension allowance methodology to a five times margin approach (which for an average residential customer is currently approximately \$2,300), declining to four times margin on November 1, 2023, and three times margin on November 1, 2024. The OPUC further ordered that the costs NW Natural sought to recover related to its Lexington RNG project were reasonable and prudently incurred under Senate Bill 98 and adopted an automatic adjustment clause that allows for NW Natural's RNG project costs to be added to rates annually on November 1, with a mechanism for NW Natural to defer the difference between forecasted and actual RNG costs, subject to an earnings test that includes deadbands at 50 basis points below and above NW Natural's authorized ROE.

**WASHINGTON**

The new rates for Washington customers reflect the combined effects of the annual Purchased Gas Adjustment (PGA) approved by Washington Utilities and Transportation Commission (WUTC) via no action in docket UG-220697 on October 28, 2022, and the Washington multi-year rate case approved by the WUTC on October 21, 2021 in Order 05 dockets UG-200994, UG-200995, UG-200996, and UG-210085. Rates impacted by the PGA and the second year of the general rate case went into effect November 1, 2022. The second year rate case revenue increases of \$3.0M. With the PGA, the second year of the general rate case, and other associated regulatory filing approvals, the Company's annual revenues increased by \$21.4 million, or 25.7 percent. As of June 30, 2022, 94,977 customers were affected.

12. • Sandra McDonough was appointed to the Board of Directors of NW Natural effective January 1, 2022.  
• Zachary Kravitz was appointed Vice President of Rates and Regulatory of NW Natural effective August 3, 2022.
13. Not Applicable because there is no cash management program.

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<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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<b>COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)</b>				
Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Balance Year (c)	Prior Year End Balance 12/31/2021 (d)
<b>1</b>	<b>UTILITY PLANT</b>			
2	Utility Plant (101-106, 114)	200-201	4,244,703,531	3,944,106,585
3	Construction Work in Progress (107)	200-201	79,534,553	125,976,868
4	TOTAL Utility Plant (Total of lines 2 and 3)	200-201	4,324,238,084	4,070,083,453
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	200-201	(1,616,323,721)	(1,567,128,082)
6	Net Utility Plant (Total of line 4 less 5)	—	2,707,914,363	2,502,955,371
7	Nuclear Fuel (120.1-120.4, 120.6)	—	—	—
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	—	—	—
9	Net Nuclear Fuel (Total of line 7 less 8)	—	—	—
10	Net Utility Plant (Total of lines 6 and 9)	—	2,707,914,363	2,502,955,371
11	Utility Plant Adjustments (116)	—	—	—
12	Gas Stored-Base Gas (117.1)	220	25,405,239	25,405,239
13	System Balancing Gas (117.2)	220	—	—
14	Gas Stored in Reservoirs and Pipelines-Noncurrent (117.3)	220	—	—
15	Gas Owned to System Gas (117.4)	220	—	—
<b>16</b>	<b>OTHER PROPERTY AND INVESTMENTS</b>			
17	Nonutility Property (121)	204-209	76,973,405	74,302,804
18	(Less) Accum. Prov. for Depreciation and Amortization (122)	219	(23,191,399)	(22,242,662)
19	Investments in Associated Companies (123)	222-223	—	—
20	Investment in Subsidiary Companies (123.1)	224-225	75,448,106	75,042,560
21	(For Cost of Account 123.1, See Footnote Page 224, line 40)	—	—	—
22	Noncurrent Portion of Allowances	—	—	—
23	Other Investments (124)	222-223	49,357,643	48,177,808
24	Sinking Funds (125)	—	—	—
25	Depreciation Fund (126)	—	—	—
26	Amortization Fund - Federal (127)	—	—	—
27	Other Special Funds (128)	—	—	—
28	Long-Term Portion of Derivative Assets (175)	—	5,045,031	10,730,151
29	Long-Term Portion of Derivative Assets - Hedges (176)	—	—	—
30	TOTAL Other Property and Investments (Total of lines 17-20, 22-29)	—	183,632,786	186,010,661
<b>31</b>	<b>CURRENT AND ACCRUED ASSETS</b>			
32	Cash (131)	—	498,524	460,276
33	Special Deposits (132-134)	—	11,016,914	8,874,679
34	Working Funds (135)	—	206,060	205,292
35	Temporary Cash Investments (136)	222-223	11,693,997	8,561,135
36	Notes Receivable (141)	—	—	—
37	Customer Accounts Receivable (142)	—	133,335,910	91,268,528
38	Other Accounts Receivable (143)	—	28,841,511	6,692,473
39	(Less) Accum. Prov. for Uncollectible Accounts-Credit (144)	—	(3,079,165)	(1,961,739)
40	Notes Receivable from Associated Companies (145)	—	—	—
41	Accounts Receivable from Associated Companies (146)	—	675,689	459,715
42	Fuel Stock (151)	—	—	—
43	Fuel Stock Expense Undistributed (152)	—	—	—

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**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)**

Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Balance Year (c)	Prior Year End Balance 12/31/2021 (d)
44	Residuals (Elec) and Extracted Products (Gas) (153)	—	—	—
45	Plant Material and Operating Supplies (154)	—	21,444,107	18,212,515
46	Merchandise (155)	—	1,184,949	1,160,801
47	Other Material and Supplies (156)	—		
48	Nuclear Materials Held for Sale (157)	—		
49	Allowances (158.1 and 158.2)	—	1,703,611	
50	(Less) Noncurrent Portion of Allowances	—		
51	Stores Expenses Undistributed (163)	—	—	—
52	Gas Stored Underground - Current (164.1)	220	55,522,014	33,350,964
53	Liq. Natural Gas Stored and Held for Processing (164.2-164.3)	220	6,351,845	4,027,804
54	Prepayments (165)	230	38,731,984	28,435,108
55	Advances for Gas (166-167)	—	—	—
56	Interest and Dividends Receivable (171)	—	—	—
57	Rents Receivable (172)	—	—	—
58	Accrued Utility Revenues (173)	—	87,481,779	82,028,211
59	Miscellaneous Current and Accrued Assets (174)	—	1,294,317	1,517,689
60	Derivative Instrument Assets (175)	—	199,281,503	58,859,994
61	(Less) Long-Term Portion of Derivative Instrument Assets (175)	—	(5,045,031)	(10,730,151)
62	Derivative Instrument Assets - Hedges (176)	—	—	—
63	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)	—	—	—
64	TOTAL Current and Accrued Assets (Total of lines 32 thru 63)	—	591,140,518	331,423,294
65	<b>DEFERRED DEBITS</b>			
66	Unamortized Debt Expense (181)	259	10,195,888	9,935,274
67	Extraordinary Property Losses (182.1)	230	—	
68	Unrecovered Plant and Regulatory Study Costs (182.2)	230	—	
69	Other Regulatory Assets (182.3)	232	13,151,756	14,817,643
70	Prelim. Survey and Investigation Charges (Electric) (183)	—		
71	Prelim. Survey and Invest. Charges (Gas) (183.1, 183.2)	—	3,983,935	5,028,209
72	Clearing Accounts (184)	—	(440,861)	208,880
73	Temporary Facilities (185)	—		
74	Miscellaneous Deferred Debits (186)	233	388,073,666	344,529,926
75	Def. Losses from Disposition of Utility Plant (187)	—		
76	Research, Devel. and Demonstration Expend. (188)	—		
77	Unamortized Loss on Reacquired Debt (189)	260	785,540	1,019,600
78	Accumulated Deferred Income Taxes (190)	234-235	—	—
79	Unrecovered Purchased Gas Costs (191)	—	55,308,858	50,852,420
80	Total Deferred Debits (Total of lines 66 thru 79)		471,058,782	426,391,952
81	Total Assets and Other Debits (Total of lines 10-15, 30, 64, and 80)		3,979,151,688	3,472,186,517

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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<b>COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)</b>				
Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Balance Year (c)	Prior Year End Balance 12/31/2021 (d)
1	<b>PROPRIETARY CAPITAL</b>			
2	Common Stock Issued (201)	250-251	228,868,408	228,868,408
3	Preferred Stock Issued (204)	250-251	1	1
4	Capital Stock Subscribed (202, 205)	252	—	—
5	Stock Liability for Conversion (203, 206)	252	—	—
6	Premium on Capital Stock (207)	252	—	—
7	Other Paid-In Capital (208-211)	253	390,152,614	210,764,800
8	Installments Received on Capital Stock (212)	252	—	—
9	(Less) Discount on Capital Stock (213)	254	—	—
10	(Less) Capital Stock Expense (214)	254	(4,118,163)	(4,118,163)
11	Retained Earnings (215, 215.1, 216)	118-119	582,949,208	553,475,444
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	(469,612)	(1,834)
13	(Less) Reacquired Capital Stock (217)	250-251	—	—
14	Accumulated Other Comprehensive Income (219)	117	(6,414,192)	(11,403,966)
15	TOTAL Proprietary Capital (Total of lines 2 thru 14)	—	1,190,968,264	977,584,690
16	<b>LONG-TERM DEBT</b>			
17	Bonds (221)	256-257	1,134,700,000	994,700,000
18	(Less) Reacquired Bonds (222)	256-257	—	—
19	Advances from Associated Companies (223)	256-257	—	—
20	Other Long-Term Debt (224)	256-257	—	—
21	Unamortized Premium on Long-Term Debt (225)	258-259	—	—
22	(Less) Unamortized Discount on Long-Term Debt-Dr. (226)	258-259	—	—
23	(Less) Current Portion of Long-Term Debt	256	(90,000,000)	—
24	TOTAL Long-Term Debt (Total of lines 17 thru 23)	256	1,044,700,000	994,700,000
25	<b>OTHER NONCURRENT LIABILITIES</b>			
26	Obligations Under Capital Leases - Noncurrent (227)	—	78,345,319	79,431,045
27	Accumulated Provision for Property Insurance (228.1)	—	24,000	24,000
28	Accumulated Provision for Injuries and Damages (228.2)	—	91,525,367	90,534,983
29	Accumulated Provision for Pensions and Benefits (228.3)	—	170,991,351	188,629,227
30	Accumulated Miscellaneous Operating Provisions (228.4)	—	—	—
31	Accumulated Provision for Rate Refunds (229)	—	—	—



<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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<b>COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)</b>				
Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Balance Year (c)	Prior Year End Balance 12/31/2021 (d)
32	Long-Term Portion of Derivative Instrument Liabilities	—	20,838,212	411,607
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges	—	—	—
34	Asset Retirement Obligations (230)	—	—	—
35	TOTAL Other Noncurrent Liabilities (Total of lines 26 thru 34)	—	361,724,249	359,030,862
36	<b>CURRENT AND ACCRUED LIABILITIES</b>			
37	Current Portion of Long-term Debt	256	90,000,000	—
38	Notes Payable (231)	—	170,200,000	245,500,000
39	Accounts Payable (232)	—	175,976,383	129,883,021
40	Notes Payable to Associated Companies (233)	—		
41	Accounts Payable to Associated Companies (234)	—	11,401,589	14,851,210
42	Customer Deposits (235)	—	1,716,926	1,534,781
43	Taxes Accrued (236)	262-263	24,296,330	16,209,078
44	Interest Accrued (237)	—	8,900,441	7,296,114
45	Dividends Declared (238)	—	—	—
46	Matured Long-Term Debt (239)	—	—	—
47	Matured Interest (240)	—	—	—
48	Tax Collections Payable (241)	—	8,318,394	6,748,247
49	Miscellaneous Current and Accrued Liabilities (242)	268	49,713,237	42,702,519
50	Obligations Under Capital Leases-Current (243)	—	1,363,141	1,527,261
51	Derivative Instrument Liabilities (244)	—	49,565,739	10,813,279
52	(Less) Long-Term Portion of Derivative Instrument Liabilities	—	(20,838,212)	(411,607)
53	Derivative Instrument Liabilities - Hedges (245)	—	—	—
54	(Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges	—	—	—
55	TOTAL Current and Accrued Liabilities (Total of lines 37 thru 54)	—	570,613,968	476,653,903
56	<b>DEFERRED CREDITS</b>			
57	Customer Advances for Construction (252)	—	10,142,617	8,157,679
58	Accumulated Deferred Investment Tax Credits (255)	—	—	—
59	Deferred Gains from Disposition of Utility Plant (256)	—	—	—
60	Other Deferred Credits (253)	269	4,974,563	5,369,079
61	Other Regulatory Liabilities (254)	278	416,494,376	297,339,912
62	Unamortized Gain on Reacquired Debt (257)	260	—	—
63	Accumulated Deferred Income Taxes - Accelerated Amortization (281)	—	—	—
64	Accumulated Deferred Income Taxes - Other Property (282)	—	—	—
65	Accumulated Deferred Income Taxes - Other (283)	276-277	379,533,651	353,350,392
66	TOTAL Deferred Credits (Total of lines 57 thru 65)	—	811,145,207	664,217,062
67	TOTAL Liabilities and Other Credits (Total of lines 15, 24, 35, 55 and 66)	—	3,979,151,688	3,472,186,517

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATEMENT OF INCOME FOR THE YEAR**

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i,j) in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
3. Report data for lines 8, 10, and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1, and 407.2.

Line No.	Account (a)	(Ref.) Page No. (b)	Total Current Year (in dollars) (c)	Total Previous Year (in dollars) (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)
1	<b>UTILITY OPERATING INCOME</b>					
2	Gas Operating Revenues (400)	300-301	972,573,505	803,284,430		
3	Operating Expenses	—				
4	Operation Expenses (401)	320-325	611,333,024	473,374,878		
5	Maintenance Expenses (402)	320-325	21,817,559	20,910,258		
6	Depreciation Expense (403)	336-338	115,976,498	109,474,658		
7	Depreciation Expense for Asset Retirement Costs (403.1)	—	—	—		
8	Amort. & Depl. of Utility Plant (404-405)	336-338	—	—		
9	Amort. of Utility Plant Acu. Adjustment (406)	336-338	—	—		
10	Amort of Prop. Losses, Unrecovered Plant and Regulatory Study Costs (407.1)	—	—	—		
11	Amort. of Conversion Expenses (407.2)	—	—	—		
12	Regulatory Debits (407.3)	—	12,389,043	9,937,553		
13	(Less) Regulatory Credits (407.4)	—	—	—		
14	Taxes Other Than Income Taxes (408.1)	262-263	63,118,849	57,184,722		
15	Income Taxes - Federal (409.1)	262-263	4,984,646	4,947,527		
16	Income Taxes - Other (409.1)	262-263	6,137,011	6,243,522		
17	Provision for Deferred Income Taxes (410.1)	276-277	50,279,271	36,126,545		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	276-277	34,389,012	23,166,388		
19	Investment Tax Credit Adj. - Net (411.4)	—	—	—		
20	(Less) Gains from Disp. of Utility Plant (411.6)	—	—	—		
21	Losses from Disp. of Utility Plant (411.7)	—	—	—		
22	(Less) Gains from Disposition of Allowances (411.8)	—	—	—		
23	Losses from Disposition of Allowances (411.9)	—	—	—		
24	Accretion Expense (411.10)	—	—	—		
25	TOTAL Utility Operating Expenses (Total of lines 4 thru 24)	—	851,646,889	695,033,275		
26	Net Utility Operating income (Enter Total of line 2 less 25) (Carry forward to page 116, line 27)	—	120,926,616	108,251,155		

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**STATEMENT OF INCOME FOR THE YEAR**

4. Explain in a footnote if the previous year's figures are different from that reported in prior reports.  
5. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, line 2 to 23 and report the information in the blank space on page 122 or in a supplemental statement.

Elec. Utility Total Current Year (in dollars) (g)	Elec. Utility Total Previous Year (in dollars) (h)	Gas Utility Total Current Year (in dollars) (i)	Gas Utility Total Previous Year (in dollars) (j)	Other Utility Total Current Year (in dollars) (k)	Other Utility Total Previous Year (in dollars) (l)	Line No.
						1
		972,573,505	803,284,430			2
						3
		611,333,024	473,374,878			4
		21,817,559	20,910,258			5
		115,976,498	109,474,658			6
		—	—			7
		—	—			8
		—	—			9
		—	—			10
		—	—			11
		12,389,043	9,937,553			12
		—	—			13
		63,118,849	57,184,722			14
		4,984,646	4,947,527			15
		6,137,011	6,243,522			16
		50,279,271	36,126,545			17
		34,389,012	23,166,388			18
		—	—			19
		—	—			20
		—	—			21
		—	—			22
		—	—			23
		—	—			24
		851,646,889	695,033,275			25
		120,926,616	108,251,155			26

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATEMENT OF INCOME (Continued)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Total Current Year To Date Balance for Quarter/Year (c)	Total Prior Year To Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)
27	Net Utility Operating Income (Carried forward from page 114)	—	120,926,616	108,251,155		
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merch, Jobbing and Contract Work (415)	—	5,842,762	5,975,571		
32	(Less) Costs and Exp. of Merch, Job & Contract Work (416)	—	5,500,958	5,468,978		
33	Revenues From Nonutility Operations (417)	—	51,244,695	65,853,212		
34	(Less) Expenses of Nonutility Operations (417.1)	—	35,953,719	49,900,055		
35	Nonoperating Rental Income (418)	—	583,520	552,555		
36	Equity in Earnings of Subsidiary Companies (418.1)	119	(467,778)	(1,834)		
37	Interest and Dividend Income (419)	—	5,104,390	5,338,149		
38	Allow. for Other Funds Used During Constr (419.1)	—	1,939,313	—		
39	Miscellaneous Nonoperating Income (421)	—	404,049	265,123		
40	Gain on disposition of Property (421.1)	—	—	—		
41	TOTAL Other Income (Total of lines 31 thru 40)	—	23,196,274	22,613,743		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)	—	—	—		
44	Miscellaneous Amortization (425)	—	—	—		
45	Donations (426.1)	340	899,740	1,652,924		
46	Life Insurance (426.2)	340	(1,248,738)	(1,547,475)		
47	Penalties (426.3)	340	(20,197)	22,601		
48	Expenditures for Certain Civic, Political and Related Activities (426.4)	340	1,528,492	1,196,496		
49	Other Deductions (426.5)	340	—	2,496		
50	TOTAL Other Income Deductions (Total of Lines 43 thru 49)	—	1,159,297	1,327,042		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	721,016	704,134		
53	Income Taxes - Federal (409.2)	262-263	2,761,927	2,622,928		
54	Income Taxes - Other (409.2)	262-263	1,278,259	1,296,777		
55	Provision for Deferred Inc. Taxes (410.2)	272-277	196,699	405,597		
56	(Less) Provision for Deferred Inc. Taxes - Cr. (411.2)	272-277	4,828	11,542		
57	Investment Tax Credit Adj. - Net (411.5)	—	—	—		
58	(Less) Investment Tax Credits (420)	—	—	—		
59	TOTAL Taxes on Other Inc. and Ded. (Total of 52 thru 58)	—	4,953,073	5,017,894		
60	Net Other Income and Deductions (Total of Lines 41, 50, 59)	—	17,083,904	16,268,807		
61	Interest Charges					
62	Interest on Long-Term Debt (427)	256-257	44,048,390	40,618,719		
63	Amortization of Debt Disc. and Expense (428)	258-259	856,170	836,376		
64	Amortization of Loss on Reacquired Debt (428.1)	260	234,060	241,916		
65	(Less) Amort. of Premium on Debt - Credit (429)	256-257	—	—		
66	(Less) Amortization of Gain on Reacquired Debt - Credit (429.1)	—	—	—		
67	Interest on Debt to Assoc. Companies (430)	340	—	—		
68	Other Interest Expense (431)	340	4,074,032	1,904,449		
69	(Less) Allow. for Borrowed Funds Used During Const.-Cr. (432)	—	2,874,957	618,468		

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**STATEMENT OF INCOME (Continued)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Total Current Year To Date Balance for Quarter/Year (c)	Total Prior Year To Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)
70	Net Interest Charges (Total of lines 62 thru 69)	—	46,337,695	42,982,992		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)	—	91,672,825	81,536,970		
72	Extraordinary Items					
73	Extraordinary Income (434)	—	—	—		
74	(Less) Extraordinary Deductions (435)	—	—	—		
75	Net Extraordinary Items (Total of line 73 less 74)	—	—	—		
76	Income Taxes - Federal and Other (409.3)	262-263	—	—		
77	Extraordinary Items After Taxes (Total of line 75 less line 76)	—	—	—		
78	Net Income (Total of lines 71 and 77)	—	91,672,825	81,536,970		

Note 1:

Accounting standards allow for the capitalization of all or part of an incurred cost that would otherwise be charged to expense if a regulator provides orders that create probable recovery of past costs through future revenues. NW Natural Gas Company accrues interest as specified by regulatory order on certain regulatory balances at our authorized rate of return (ROR). This ROR includes both a debt and equity component, which we are allowed to recover from customers in the form of a carrying cost on regulatory deferred account balances. The equity component of our ROR is not an incurred cost that would otherwise be charged to expense, and therefore is not capitalized and recognized as income for financial reporting purposes. This leads to a difference in reported Net Income between the FERC Form 2 and the Form 10-K filed with the Securities & Exchange Commission (SEC).

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**STATEMENT OF ACCUMULATED COMPREHENSIVE INCOME AND HEDGING ACTIVITIES**

1. Report the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.

Line No.	Item (a)	Current Year Amount (b)
1	Beginning AOCI Balance	(11,403,966)
2	Unrealized Gains/losses on available-for-sale securities, net of tax	—
3	Pension liability adjustment, net of tax	4,195,188
4	Amortization of pension liabilities, net of tax	794,586
5	Foreign currency hedges, net of tax	—
6	Change in unrealized loss from hedging, net of tax	—
7	Cash flow hedges, net of tax	—
8	Other adjustments, net of tax	—
9	Ending Balance of AOCI	(6,414,192)

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### STATEMENT OF RETAINED EARNINGS FOR THE YEAR

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount for each reservation or appropriation of retained earnings.
4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.
5. Show dividends for each class and series of capital stock.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Year Amount (c)	Previous Year Amount (d)
	<b>UNAPPROPRIATED RETAINED EARNINGS</b>			
1	Balance - Beginning of Year		553,475,444	527,993,220
2	Changes (Identify by prescribed retained earnings accounts)			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6	Balance Transferred from Income (Account 433 less Account 418.1)		92,140,603	81,538,804
7	Appropriations of Retained Earnings (Account 436)			
8				
9	Dividends Declared - Preferred Stock (Account 437)			
10				
11	Dividends Declared - Common Stock (Account 438)			
12	Common Stock - Cash Dividends		(62,666,839)	(56,056,580)
12.1	Common Stock - Stock Dividends		—	—
12.2	TOTAL Dividends Declared - Common Stock (Account 438) (Total of lines 12.1 thru 12.2)		(62,666,839)	(56,056,580)
13	Transfers from Acct. 216.1, Unappropriated Undistributed Subsidiary Earnings		—	—
13.1	Other Changes (Explain)		—	—
14	Balance - End of Year (Total of lines 1, 4, 5, 6, 8, 10, 12, and 13)		582,949,208	553,475,444
15	<b>APPROPRIATED RETAINED EARNINGS (Account 215)</b>			
16	TOTAL Appropriated Retained Earnings (Account 215)		—	—
17	APPROPRIATED RETAINED EARNINGS - AMORTIZATION RESERVE, FEDERAL (Account 215.1)			
18	TOTAL Appropriated Retained Earnings - Amortization Reserve,		—	—
19	TOTAL Appropriated Retained Earnings (Accounts 215, 215.1)		—	—
20	TOTAL Retained Earnings (Account 215, 215.1, 216)		582,949,208	553,475,444
21	<b>UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (ACCOUNT 216.1)</b>			
	Report only on an Annual Basis No Quarterly			
22	Balance - Beginning of Year (Debit or Credit)		(1,834)	—
23	Equity in Earnings for Year (Credit) (Account 418.1) (see Note 1)		(467,778)	(1,834)
24	(Less) Dividends Received (Debit)		—	—
25	Other Changes (Explain)		—	—
26	Balance - End of year (Total of lines 20 thru 23)		(469,612)	(1,834)
27	Note 1: This represents the loss from NW Natural's investment in NW Natural RNG Holding Company, LLC.			

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Northwest Natural Gas Company			December 31, 2022

### STATEMENT OF CASH FLOWS

1. Codes to be used: (a) Net Proceeds or Payments;(b) Bonds, debentures and other long-term debt;(c) Include commercial paper; (d) Identify separately such items as investments, fixed assets, intangibles,etc.
2. Information about noncash investing and financing activities should be provided on page 122. Provide also on page 122 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.
3. Operating Activities-Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 122 the amounts of interest paid (net of amounts capitalized)and income taxes paid.
4. Investing Activities: Include at Other (line 25) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on page 122. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	DESCRIPTION (See Instructions for Explanation of Codes) (a)	Current Year Amount (b)	Previous Year Amount (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 116)	91,672,825	81,536,970
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	117,019,884	110,503,851
5	Amortization of Debt	1,090,230	1,078,292
5.01	FAS 109 Deferred Taxes	(1,665,887)	(2,286,144)
5.02	FAS 109 Regulatory Asset	1,665,887	2,286,144
6	Deferred Income Taxes (Net)	16,082,130	13,534,212
7	Investment Tax Credit Adjustments (Net)	—	—
8	Net (Increase) Decrease in Receivables	(63,243,128)	(17,747,739)
9	Net (Increase) Decrease in Inventory	(25,059,800)	(12,662,702)
10	Net (Increase) Decrease in Allowances Inventory	—	—
11	Net Increase (Decrease) in Payables and Accrued Expenses	68,598,048	10,956,494
12	Minimum Pension Liability Adjustment	6,786,394	2,037,763
13	Unrealized (gain)/loss from price risk management activities	(101,669,049)	(35,282,994)
14	(Less) Allowance for Other Funds Used During Construction	(4,814,270)	(618,468)
15	(Less) Undistributed Earnings from Subsidiary Companies (See Note 1)	(7,457,143)	7,892,123
16	Other: Net (Increase) Decrease in Unbilled Revenues	(5,453,568)	(24,138,156)
16.01	Deferred Debits - Net	(58,601,818)	(21,797,403)
16.02	Net (Increase) Decrease in Other Current Assets & Liab.	(5,784,223)	448,490
16.03	Other - Noncurrent Liab., Deferred Credits, & Other Invest.	71,079,702	16,379,800
17	Net Cash Provided by (Used in) Operating Activities		
18	(Total of lines 2 thru 16.04)	100,246,214	132,120,533
19			
20	Cash Flows from Investment Activities:		
21	Construction and Acquisition of Plant (including land):		
22	Gross Additions to Utility Plant (less nuclear fuel)	(285,312,190)	(268,133,042)
23	Gross Additions to Nuclear Fuel	—	—
24	Gross Additions to Common Utility Plant	—	—
25	Gross Additions to Nonutility Plant	(2,833,958)	(2,970,364)
26	(Less) Allowance for Other Funds Used During Construction	4,814,270	618,468
27	Other	870,117	999,204
28	Cash Outflows for Plant (Total of lines 22 thru 27)	(282,461,761)	(269,485,734)
29			
30	Acquisition of Other Noncurrent Assets (d)	—	—
31	Proceeds from Disposal of Noncurrent Assets (d)	—	310,432
32			
33	Investments in & Advances to Assoc. & Sub. Companies	(5,391,315)	(8,959,277)
34	Contributions & Advances from Assoc. & Sub. Companies (See Note 1)	11,500,000	5,000,000
35	Disposition of Investments in (and Advances to)		
36	Associated and Subsidiary Companies	—	—
37			
38	Purchase of Investment Securities (a)	—	—
39	Proceeds from Sales of Investment Securities (a)	—	—



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**STATEMENT OF CASH FLOWS (Continued)**

Line No.	DESCRIPTION (See Instructions for Explanation of Codes) (a)	Current Year Amount (b)	Previous Year Amount (c)
40	Loans Made or Purchased	—	—
41	Collections on Loans	—	—
42			
43	Net (Increase) Decrease in Receivables	—	—
44	Net (Increase) Decrease in Inventory	—	—
45	Net (Increase) Decrease in Allowances Held for Speculation	—	—
46	Net Increase (Decrease) in Payables and Accrued Expenses	—	—
47		—	—
48	Net Cash Provided by (Used in) Investing Activities		
49	(Total of lines 28 thru 47)	(276,353,076)	(273,134,579)
50			
51	Cash Flows from Financing Activities:		
52	Proceeds from Issuance of:		
53	Long-Term Debt (b)	140,000,000	130,000,000
54	Preferred Stock	—	—
55	Common Stock	—	—
56	Other: Capital Contribution from Parent	179,387,814	116,009,544
57	Net Increase in Short-Term Debt (c)	(75,300,000)	13,975,000
58			
59	Cash Provided by Outside Sources (Total of lines 53 thru 58)	244,087,814	259,984,544
60			
61	Payments for Retirement of:		
62	Long-Term Debt (b)	—	(60,000,000)
63	Preferred Stock	—	—
64	Common Stock	—	—
65	Other: Capital Leases	—	—
66	Net Increase (Decrease) in Short-Term Debt (c)	—	—
67	Capital Stock Expense	—	—
68	Dividends on Preferred Stock	—	—
69	Dividends on Common Stock	(62,666,839)	(56,056,580)
70	Net Cash Provided by (Used in) Financing Activities		
71	(Total of lines 59 thru 69)	181,420,975	143,927,964
72			
73	Net Increase (Decrease) in Cash and Cash Equivalents		
74	(Total of lines 18, 49, and 71)	5,314,113	2,913,918
75			
76	Cash and Cash Equivalents at Beginning of Period	18,101,382	15,187,464
77			
78	Cash and Cash Equivalents at End of Period	23,415,495	18,101,382

Note 1: Earnings for Year for NWN Gas Reserves, a wholly-owned subsidiary of Northwest Energy Corporation, is included in Cost of Gas within Operation Expenses and is therefore excluded from Equity in Subsidiary Earnings for Year.

<b>Name of Respondent</b>	<b>This Report is:</b>	<b>Date of Report</b>	<b>Year of Report</b>
Northwest Natural Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2022

### NOTES TO FINANCIAL STATEMENTS

1. Provide important disclosures regarding the Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, and Statement of Cash Flow, or any account thereof. Classify the disclosures according to each financial statement, providing a subheading for each statement except where a disclosure is applicable to more than one statement. The disclosures must be on the same subject matters and in the same level of detail that would be required if the respondent issued general purpose financial statements to the public or shareholders.
2. Furnish details as to any significant contingent assets or liabilities existing at year end, and briefly explain any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or a claim for refund of income taxes of a material amount initiated by the utility. Also, briefly explain any dividends in arrears on cumulative preferred stock.
3. Furnish details on the respondent's pension plans, post-retirement benefits other than pensions (PBOP) plans, and post-employment benefit plans as required by instruction no. 1 and, in addition, disclose for each individual plan the current year's cash contributions. Furnish details on the accounting for the plans and any changes in the method of accounting for them. Include details on the accounting for transition obligations or assets, gains or losses, the amounts deferred and the expected recovery periods. Also, disclose any current year's plan or trust curtailments, terminations, transfers, or reversions of assets. Entities that participate in multiemployer postretirement benefit plans (e.g. parent company sponsored pension plans) disclose in addition to the required disclosures for the consolidated plan, (1) the amount of cost recognized in the respondent's financial statements for each plan for the period presented, and (2) the basis for determining the respondent's share of the total plan costs.
4. Furnish details on the respondent's asset retirement obligations (ARO) as required by instruction no. 1 and, in addition, disclose the amounts recovered through rates to settle such obligations. Identify any mechanism or account in which recovered funds are being placed (i.e. trust funds, insurance policies, surety bonds). Furnish details on the accounting for the asset retirement obligations and any changes in the measurement or method of accounting for the obligations. Include details on the accounting for settlement of the obligations and any gains or losses expected or incurred on the settlement.
5. Provide a list of all environmental credits received during the reporting period.
6. Provide a summary of revenues and expenses for each tracked cost and special surcharge.
7. Where Account 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these item. See General Instruction 17 of the Uniform System of Accounts.
8. Explain concisely any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
9. Disclose details on any significant financial changes during the reporting year to the respondent or the respondent's consolidated group that directly affect the respondent's gas pipeline operations, including: sales, transfers or mergers of affiliates, investments in new partnerships, sales of gas pipeline facilities or the sale of ownership interests in the gas pipeline to limited partnerships, investments in related industries (i.e., production, gathering), major pipeline investments, acquisitions by the parent corporation(s), and distributions of capital.
10. Explain concisely unsettled rate proceedings where a contingency exists such that the company may need to refund a material amount to the utility's customers or that the utility may receive a material refund with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects and explain the major factors that affect the rights of the utility to retain such revenues or to recover amounts paid with respect to power and gas purchases.
11. Explain concisely significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and summarize the adjustments made to balance sheet, income, and expense accounts.
12. Explain concisely only those significant changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.
13. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
14. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However where material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
15. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

**Note: The Notes to Consolidated Financial Statements included herein appear in the annual report to shareholders as filed with the Securities and Exchange Commission (SEC) on Form 10-K dated February 25, 2022. The annual report to shareholders is prepared on a combined-basis with NW Natural's parent company, Northwest Natural Holding Company (NW Holdings). As such, the Notes herein may contain information relating to NW Holdings or its other subsidiaries that are not relevant to this filing and may differ in presentation and classification, as appropriate, from FERC requirements.**

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 1. ORGANIZATION AND PRINCIPLES OF CONSOLIDATION

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The accompanying consolidated financial statements represent the respective, consolidated financial results of NW Holdings and NW Natural and all respective companies that each registrant directly or indirectly controls, either through majority ownership or otherwise. This is a combined report of NW Holdings and NW Natural, which includes separate consolidated financial statements for each registrant.

NW Natural's regulated natural gas distribution activities are reported in the natural gas distribution (NGD) segment. The NGD segment is NW Natural's core operating business and serves residential, commercial, and industrial customers in Oregon and southwest Washington. The NGD segment is the only reportable segment for NW Holdings and NW Natural. All other activities, water and wastewater businesses, and other investments are aggregated and reported as other at their respective registrant.

NW Holdings and NW Natural consolidate all entities in which they have a controlling financial interest. Investments in corporate joint ventures and partnerships that NW Holdings does not directly or indirectly control, and for which it is not the primary beneficiary, include NNG Financial's investment in Kelso-Beaver Pipeline and NWN Water's investment in Avion Water Company, Inc., which are accounted for under the equity method. NW Natural RNG Holding Company, LLC holds an investment in Lexington Renewable Energy, LLC, which is also accounted for under the equity method. See Note 13 for activity related to equity method investments. NW Holdings and its direct and indirect subsidiaries are collectively referred to herein as NW Holdings, and NW Natural and its direct and indirect subsidiaries are collectively referred to herein as NW Natural. The consolidated financial statements of NW Holdings and NW Natural are presented after elimination of all intercompany balances and transactions.

In June 2018, NWN Gas Storage, a wholly-owned subsidiary of NW Natural at the time and now a wholly-owned subsidiary of NW Holdings, entered into a Purchase and Sale Agreement that provided for the sale of all of the membership interests in its wholly-owned subsidiary, Gill Ranch Storage, LLC (Gill Ranch). We concluded that the sale of Gill Ranch qualified as assets and liabilities held for sale and discontinued operations. As such, the results of Gill Ranch were presented as a discontinued operation for NW Holdings for all periods presented on the consolidated statements of comprehensive income and cash flows, and the assets and liabilities associated with Gill Ranch were classified as discontinued operations assets and liabilities on the NW Holdings consolidated balance sheet. The sale closed on December 4, 2020. See Note 18 for additional information.

Notes to the consolidated financial statements reflect the activity of continuing operations for both NW Holdings and NW Natural for all periods presented, unless otherwise noted. Certain reclassifications have been made to conform prior period information to the current presentation. The reclassifications did not have a material effect on our consolidated financial statements.

## 2. SIGNIFICANT ACCOUNTING POLICIES

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### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect reported amounts in the consolidated financial statements and accompanying notes. Actual amounts could differ from those estimates, and changes would most likely be reported in future periods. Management believes the estimates and assumptions used are reasonable.

### **Industry Regulation**

NW Holdings' principal business is to operate as a holding company for NW Natural and its other subsidiaries. NW Natural's principal business is the distribution of natural gas, which is regulated by the OPUC and WUTC. NW Natural also has natural gas storage services, which are regulated by the FERC, and to a certain extent by the OPUC and WUTC. Additionally, certain of NW Holdings' subsidiaries own water businesses, which are regulated by the public utility commission in the state in which the water utility is located, which is currently Oregon, Washington, Idaho, Texas and Arizona. Wastewater businesses, to the extent they are regulated, are generally regulated by the public utility commissions in the state in which the wastewater utility is located, which is currently Texas and Arizona. Accounting records and practices of the regulated businesses conform to the requirements and uniform system of accounts prescribed by these regulatory authorities in accordance with U.S. GAAP. The businesses in which customer rates are regulated by the OPUC, WUTC, IPUC, PUTC, ACC and FERC have approved cost-based rates which are intended to allow such businesses to earn a reasonable return on invested capital.

In applying regulatory accounting principles, NW Holdings and NW Natural capitalize or defer certain costs and revenues as regulatory assets and liabilities pursuant to orders of the applicable state public utility commission, which provide for the recovery of revenues or expenses from, or refunds to, utility customers in future periods, including a return or a carrying charge in certain cases.

Amounts NW Natural deferred as regulatory assets and liabilities were as follows:

<i>In thousands</i>	Regulatory Assets	
	2022	2021
<b>NW Natural:</b>		
Current:		
Unrealized loss on derivatives <sup>(1)</sup>	\$ 28,728	\$ 10,402
Gas costs	61,223	35,641
Environmental costs <sup>(2)</sup>	7,392	6,694
Decoupling <sup>(3)</sup>	—	969
Pension balancing <sup>(4)</sup>	7,131	7,131
Income taxes	2,208	2,568
Other <sup>(5)</sup>	10,809	8,986
<b>Total current</b>	<b>\$ 117,491</b>	<b>\$ 72,391</b>
Non-current:		
Unrealized loss on derivatives <sup>(1)</sup>	\$ 20,838	\$ 412
Pension balancing <sup>(4)</sup>	32,997	38,302
Income taxes	10,943	12,609
Pension and other postretirement benefit liabilities	101,413	116,440
Environmental costs <sup>(2)</sup>	104,253	94,636
Gas costs	22,355	15,477
Other <sup>(5)</sup>	47,608	36,663
<b>Total non-current</b>	<b>\$ 340,407</b>	<b>\$ 314,539</b>
<b>Other (NW Holdings)</b>	<b>25</b>	<b>40</b>
<b>Total non-current -NW Holdings</b>	<b>\$ 340,432</b>	<b>\$ 314,579</b>

<i>In thousands</i>	Regulatory Liabilities	
	2022	2021
<b>NW Natural:</b>		
Current:		
Gas costs	\$ 4,121	\$ 70
Unrealized gain on derivatives <sup>(1)</sup>	194,236	48,130
Decoupling <sup>(3)</sup>	14,026	4,475
Income taxes <sup>(6)</sup>	7,166	8,192
Asset optimization revenue sharing	26,368	45,124
Other <sup>(5)</sup>	2,636	6,290
<b>Total current - NW Natural</b>	<b>\$ 248,553</b>	<b>\$ 112,281</b>
<b>Other (NW Holdings)</b>	<b>29</b>	<b>—</b>
<b>Total current - NW Holdings</b>	<b>\$ 248,582</b>	<b>\$ 112,281</b>
Non-current:		
Gas costs	\$ 12,644	\$ 250
Unrealized gain on derivatives <sup>(1)</sup>	5,045	10,730
Decoupling <sup>(3)</sup>	3,814	3,412
Income taxes <sup>(6)</sup>	174,212	181,404
Accrued asset removal costs <sup>(7)</sup>	467,742	445,952
Asset optimization revenue sharing	8,401	1,810
Other <sup>(5)</sup>	16,741	13,792
<b>Total non-current - NW Natural</b>	<b>\$ 688,599</b>	<b>\$ 657,350</b>
<b>Other (NW Holdings)</b>	<b>979</b>	<b>982</b>
<b>Total non-current -NW Holdings</b>	<b>\$ 689,578</b>	<b>\$ 658,332</b>

(1) Unrealized gains or losses on derivatives are non-cash items and, therefore, do not earn a rate of return or a carrying charge. These amounts are recoverable through natural gas distribution rates as part of the annual Purchased Gas Adjustment (PGA) mechanism when realized at settlement.

(2) Refer to the Environmental Cost Deferral and Recovery table in Note 17 for a description of environmental costs.

(3) This deferral represents the margin adjustment resulting from differences between actual and expected volumes.

(4) Refer to Note 10 for information regarding the deferral of pension expenses.

- (5) Balances consist of deferrals and amortizations under approved regulatory mechanisms and typically earn a rate of return or carrying charge.
- (6) This balance represents estimated amounts associated with the Tax Cuts and Jobs Act. See Note 11.
- (7) Estimated costs of removal on certain regulated properties are collected through rates. See "Accounting Policies—Plant, Property, and Accrued Asset Removal Costs" below.

The amortization period for NW Natural's regulatory assets and liabilities ranges from less than one year to an indeterminable period. Regulatory deferrals for gas costs payable are generally amortized over 12 months beginning each November 1 following the gas contract year during which the deferred gas costs are recorded. Similarly, most other regulatory deferred accounts are amortized over 12 months. However, certain regulatory account balances, such as income taxes, environmental costs, pension liabilities, and accrued asset removal costs, are large and tend to be amortized over longer periods once NW Natural has agreed upon an amortization period with the respective regulatory agency.

We believe all costs incurred and deferred at December 31, 2022 are prudent. All regulatory assets are reviewed annually for recoverability, or more often if circumstances warrant. If we should determine that all or a portion of these regulatory assets no longer meet the criteria for continued application of regulatory accounting, then NW Natural would be required to write-off the net unrecoverable balances in the period such determination is made.

Regulatory interest income of \$7.0 million and \$6.1 million and regulatory interest expense of \$2.0 million and \$1.3 million was recognized within other income (expense), net for the years ended December 31, 2022 and 2021, respectively.

#### Environmental Regulatory Accounting

See Note 17 for information about the SRRM and OPUC orders regarding implementation.

#### COVID-19 Impact

During 2020, our regulated utilities received approval in their respective jurisdictions to defer certain financial impacts associated with COVID-19 such as bad debt expense, financing costs to secure liquidity, lost revenues related to late fees and reconnection fees, and other COVID-19 related costs, net of offsetting direct expense reductions associated with COVID-19. As of December 31, 2022, we believe that approximately \$18.7 million of the financial effects related to COVID-19 are recoverable. As part of the 2022 Oregon general rate case, NW Natural received approval from the OPUC to recover the 2020 and 2021 COVID-19 deferral beginning November 1, 2022. Approximately \$10.9 million will be amortized over a two-year period and NW Natural may request recovery of the remaining amount in the third year. Included in the total balance is approximately \$3.4 million of forgone late fee revenue that will be recognized in future periods as billed. Beginning January 2023, NW Natural will no longer defer any COVID-19 related costs in Oregon. NW Natural expects to recover its COVID-19 deferrals in Washington in a future proceeding.

#### **New Accounting Standards**

NW Natural and NW Holdings consider the applicability and impact of all accounting standards updates (ASUs) issued by the Financial Accounting Standards Board (FASB). ASUs not listed below were assessed and determined to be either not applicable or are expected to have minimal impact on consolidated financial position or results of operations.

#### Recently Adopted Accounting Pronouncements

**REFERENCE RATE REFORM.** In March 2020, the FASB issued ASU 2020-04, "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting." The purpose of the amendment is to provide optional expedients and exceptions for applying generally accepted accounting principles (GAAP) to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The amendments in this ASU apply only to contracts, hedging relationships, and other transactions that reference London Inter-Bank Offered Rate (LIBOR) or another reference rate expected to be discontinued because of reference rate reform.

In January 2021, the FASB issued ASU 2021-01, "Reference Rate Reform (Topic 848): Scope." The purpose of the amendment is to clarify guidance on reference rate reform activities, specifically related to accounting for derivative contracts and certain hedging relationships affected by changes in the interest rates used for discounting, margining, and contract price alignment (the "discounting transition"). The amendments in ASUs 2020-04 and 2021-01 are effective for all entities as of March 12, 2020 through December 31, 2022.

In December 2022, the FASB issued ASU 2022-06, "Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848." The purpose of the amendment is to defer the sunset date of Topic 848 from December 31, 2022, to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. The objective of the guidance in Topic 848 is to provide temporary relief during the transition period. The Board included a sunset provision within Topic 848 based on expectations of when the London Interbank Offered Rate (LIBOR) would cease being published. We do not expect the ASUs to materially affect the financial statements and disclosures of NW Holdings or NW Natural.

**LEASES.** In July 2021, the FASB issued ASU 2021-05, "Leases (Topic 842), Lessors - Certain Leases with Variable Lease Payments." The purpose of the amendment is to require lessors to account for certain lease transactions that contain variable lease payments as operating leases. The amendments in this ASU are intended to eliminate the recognition of any day-one loss

associated with certain sales-type and direct-financing lease transactions. The changes do not impact lessee accounting. The new guidance was effective on January 1, 2022 and adopted using a prospective approach. The adoption did not materially affect the financial statements and disclosures of NW Holdings or NW Natural.

### **Accounting Policies**

The accounting policies discussed below apply to both NW Holdings and NW Natural.

#### **Plant, Property, and Accrued Asset Removal Costs**

Plant and property are stated at cost, including capitalized labor, materials, and overhead. In accordance with regulatory accounting standards, the cost of acquiring and constructing long-lived plant and property generally includes an allowance for funds used during construction (AFUDC) or capitalized interest. AFUDC represents the regulatory financing cost incurred when debt and equity funds are used for construction (see "AFUDC" below). When constructed assets are subject to market-based rates rather than cost-based rates, the financing costs incurred during construction are included in capitalized interest in accordance with U.S. GAAP, not as regulatory financing costs under AFUDC.

In accordance with long-standing regulatory treatment, our depreciation rates consist of three components: one based on the average service life of the asset, a second based on the estimated salvage value of the asset, and a third based on the asset's estimated cost of removal. We collect, through rates, the estimated cost of removal on certain regulated properties through depreciation expense, with a corresponding offset to accumulated depreciation. These removal costs are non-legal obligations as defined by regulatory accounting guidance. Therefore, we have included these costs as non-current regulatory liabilities rather than as accumulated depreciation on our consolidated balance sheets. In the rate setting process, the liability for removal costs is treated as a reduction to the net rate base on which the NGD business has the opportunity to earn its allowed rate of return.

The costs of NGD plant retired or otherwise disposed of are removed from NGD plant and charged to accumulated depreciation for recovery or refund through future rates. Gains from the sale of regulated assets are generally deferred and refunded to customers. For assets not related to NGD, we record a gain or loss upon the disposal of the property, and the gain or loss is recorded in operating income or loss in the consolidated statements of comprehensive income.

The provision for depreciation of NGD property, plant, and equipment is recorded under the group method on a straight-line basis with rates computed in accordance with depreciation studies approved by regulatory authorities. The weighted-average depreciation rate for NGD assets in service was approximately 3.0% for 2022, 2021 and 2020, reflecting the approximate weighted-average economic life of the property. This includes 2022 weighted-average depreciation rates for the following asset categories: 2.5% for transmission and distribution plant, 2.1% for gas storage facilities, 6.1% for general plant, and 6.7% for intangible and other fixed assets.

**AFUDC.** Certain additions to NGD plant include AFUDC, which represents the net cost of debt and equity funds used during construction. AFUDC is calculated using actual interest rates for debt and authorized rates for ROE, if applicable. If short-term debt balances are less than the total balance of construction work in progress, then a composite AFUDC rate is used to represent interest on all debt funds, shown as a reduction to interest charges, and on ROE funds, shown as other income. While cash is not immediately recognized from recording AFUDC, it is realized in future years through rate recovery resulting from the higher NGD cost of service. Our composite AFUDC rate was 2.8% in 2022, 0.7% in 2021, and 1.9% in 2020.

**IMPAIRMENT OF LONG-LIVED ASSETS.** We review the carrying value of long-lived assets whenever events or changes in circumstances indicate the carrying amount of the assets may not be recoverable. Factors that would necessitate an impairment assessment of long-lived assets include a significant adverse change in the extent or manner in which the asset is used, a significant adverse change in legal factors or business climate that could affect the value of the asset, or a significant decline in the observable market value or expected future cash flows of the asset, among others.

When such factors are present, we assess the recoverability by determining whether the carrying value of the asset will be recovered through expected future cash flows. An asset is determined to be impaired when the carrying value of the asset exceeds the expected undiscounted future cash flows from the use and eventual disposition of the asset. If an impairment is indicated, we record an impairment loss for the difference between the carrying value and the fair value of the long-lived assets. Fair value is estimated using appropriate valuation methodologies, which may include an estimate of discounted cash flows.

#### **Cash and Cash Equivalents**

For purposes of reporting cash flows, cash and cash equivalents include cash on hand plus highly liquid investment accounts with original maturity dates of three months or less. At December 31, 2022, NW Holdings had outstanding checks of \$5.8 million, substantially all of which is recorded at NW Natural, and at December 31, 2021, NW Holdings had no outstanding checks. These balances are included in accounts payable in the NW Holdings and NW Natural balance sheets.

Restricted cash is primarily comprised of funds from public purpose charges for programs that assist low-income customers with bill payments or energy efficiency. These balances are included in other current assets in the NW Holdings and NW Natural balance sheets. There were no transfers between restricted cash and cash and cash equivalents during the years ended December 31, 2022 and 2021. Prior period amounts have been reclassified to conform prior period information to the current presentation.

The following table provides a reconciliation of the cash, cash equivalents and restricted cash balances at NW Holdings as of December 31, 2022 and 2021:

<i>In thousands</i>	December 31,	
	2022	2021
Cash and cash equivalents	\$ 29,270	\$ 18,559
Restricted cash included in other current assets	11,694	8,561
Cash, cash equivalents and restricted cash	<u>\$ 40,964</u>	<u>\$ 27,120</u>

The following table provides a reconciliation of the cash, cash equivalents and restricted cash balances at NW Natural as of December 31, 2022 and 2021:

<i>In thousands</i>	December 31,	
	2022	2021
Cash and cash equivalents	\$ 12,977	\$ 12,271
Restricted cash included in other current assets	11,694	8,561
Cash, cash equivalents and restricted cash	<u>\$ 24,671</u>	<u>\$ 20,832</u>

#### Revenue Recognition and Accrued Unbilled Revenue

Revenues, derived primarily from the sale and transportation of natural gas, are recognized upon delivery of gas or water, or service to customers. Revenues include accruals for gas or water delivered but not yet billed to customers based on estimates of deliveries from meter reading dates to month end (accrued unbilled revenue). Accrued unbilled revenue is dependent upon a number of factors that require management's judgment, including total natural gas receipts and deliveries, customer use of natural gas or water by billing cycle, and weather factors. Accrued unbilled revenue is reversed the following month when actual billings occur. NW Holdings' accrued unbilled revenue at December 31, 2022 and 2021 was \$89.0 million and \$82.2 million, respectively, substantially all of which is accrued unbilled revenue at NW Natural.

Revenues not related to NGD are derived primarily from Interstate Storage Services, asset management activities at the Mist gas storage facility, and other investments and business activities. At the Mist underground storage facility, revenues are primarily firm service revenues in the form of fixed monthly reservation charges. In addition, we also have asset management service revenue from an independent energy marketing company that optimizes commodity, storage, and pipeline capacity release transactions. Under this agreement, guaranteed asset management revenue is recognized using a straight-line, pro-rata methodology over the term of each contract. Revenues earned above the guaranteed amount are recognized as they are earned.

#### Revenue Taxes

Revenue-based taxes are primarily franchise taxes, which are collected from customers and remitted to taxing authorities. Revenue taxes are included in operating expenses in the statements of comprehensive income for NW Holdings and NW Natural. Revenue taxes at NW Holdings were \$41.8 million, \$34.7 million, and \$30.3 million for 2022, 2021, and 2020, respectively.

#### Accounts Receivable and Allowance for Uncollectible Accounts

Accounts receivable consist primarily of amounts due for natural gas sales and transportation services to NGD customers, plus amounts due for gas storage services. NW Holdings and NW Natural establish allowances for uncollectible accounts (allowance) for trade receivables, including accrued unbilled revenue, based on the aging of receivables, collection experience of past due account balances including payment plans, and historical trends of write-offs as a percent of revenues. A specific allowance is established and recorded for large individual customer receivables when amounts are identified as unlikely to be partially or fully recovered. Inactive accounts are written-off against the allowance after they are 120 days past due or when deemed uncollectible. Differences between the estimated allowance and actual write-offs will occur based on a number of factors, including changes in economic conditions, customer creditworthiness, and natural gas prices. The allowance for uncollectible accounts is adjusted quarterly, as necessary, based on information currently available.

**ALLOWANCE FOR TRADE RECEIVABLES.** The payment term of our NGD receivables is generally 15 days. For these short-term receivables, it is not expected that forecasted economic conditions would significantly affect the loss estimates under stable economic conditions. For extreme situations like a financial crisis, natural disaster, and the economic slowdown caused by the COVID-19 pandemic, we enhanced our review and analysis.

For the 2022 residential and commercial uncollectible provision, we primarily followed our standard methodology, which includes assessing historical write-off trends and current information on delinquent accounts. Beginning October 1, 2022, new collection rules from the OPUC applied to residential and commercial customers. This included enhanced protections for low-income customers, a return to pre-pandemic time payment arrangements terms, revised disconnection rules during the heating season, and other items. As a result of these Oregon rule changes and our recent collection process experience, we augmented our

provision review in the third and fourth quarter for Oregon accounts in the following categories: closed or inactive accounts aged less than 120 days, accounts on payment plans, and all other open accounts not on payment plans. For industrial accounts, we continue to assess the provision on an account-by-account basis with specific reserves taken as necessary. NW Natural will continue to closely monitor and evaluate our accounts receivable and the provision for uncollectible accounts.

The following table presents the activity related to the NW Holdings provision for uncollectible accounts by pool, substantially all of which is related to NW Natural's accounts receivable:

<i>In thousands</i>	As of December 31, 2021	Year ended December 31, 2022		As of December 31, 2022
	Beginning Balance	Provision recorded, net of adjustments	Write-offs recognized, net of recoveries	Ending Balance
Allowance for uncollectible accounts:				
Residential	\$ 1,460	\$ 1,974	\$ (1,062)	\$ 2,372
Commercial	178	546	(324)	400
Industrial	67	186	(65)	188
Accrued unbilled and other	313	185	(162)	336
<b>Total</b>	<b>\$ 2,018</b>	<b>\$ 2,891</b>	<b>\$ (1,613)</b>	<b>\$ 3,296</b>

**ALLOWANCE FOR NET INVESTMENTS IN SALES-TYPE LEASES.** NW Natural currently holds two net investments in sales-type leases, with substantially all of the net investment balance related to the North Mist natural gas storage agreement with Portland General Electric (PGE) which is billed under an OPUC-approved rate schedule. See Note 7 for more information on the North Mist lease. Due to the nature of this service, PGE may recover the costs of the lease through general rate cases. Therefore, we expect the risk of loss due to the credit of this lessee to be remote. As such, no allowance for uncollectibility was recorded for our sales-type lease receivables. NW Natural will continue monitoring the credit health of the lessees and the overall economic environment, including the economic factors closely tied to the financial health of our current and future lessees.

#### Inventories

NGD gas inventories, which consist of natural gas in storage for NGD customers, are stated at the lower of weighted-average cost or net realizable value. The regulatory treatment of these inventories provides for cost recovery in customer rates. NGD gas inventories injected into storage are priced in inventory based on actual purchase costs, and those withdrawn from storage are charged to cost of gas during the period they are withdrawn at the weighted-average inventory cost.

Gas storage inventories mainly consist of natural gas received as fuel-in-kind from storage customers. Gas storage inventories are valued at the lower of average cost or net realizable value. Cushion gas is not included in inventory balances, is recorded at original cost, and is classified as a long-term plant asset.

Materials and supplies inventories consist of inventories both related to and unrelated to NGD and are stated at the lower of average cost or net realizable value.

NW Natural's NGD and gas storage inventories totaled \$61.9 million and \$37.4 million at December 31, 2022 and 2021, respectively. At December 31, 2022 and 2021, NW Holdings' materials and supplies inventories, which are comprised primarily of NW Natural's materials and supplies, totaled \$23.5 million and \$19.9 million, respectively.

During 2022 and 2021, NW Natural entered into certain agreements to purchase renewable thermal certificates (RTCs). RTCs are initially recorded at cost and subsequently assessed for impairment based on the lower-of-cost or market model. NW Natural's RTCs inventory totaled \$1.7 million at December 31, 2022, and all RTCs purchased during 2021 were retired or used on customers behalf prior to December 31, 2021.

#### Gas Reserves

Gas reserves are payments to acquire and produce natural gas reserves. Gas reserves are stated at cost, adjusted for regulatory amortization, with the associated deferred tax benefits recorded as liabilities on the balance sheet. The current portion is calculated based on expected gas deliveries within the next fiscal year. NW Natural recognizes regulatory amortization of this asset on a volumetric basis calculated using the estimated gas reserves and the estimated therms extracted and sold each month. The amortization of gas reserves is recorded to cost of gas along with gas production revenues and production costs. See Note 13.

#### Derivatives

NW Natural's derivatives are measured at fair value and recognized as either assets or liabilities on the balance sheet. Changes in the fair value of the derivatives are recognized in earnings unless specific regulatory or hedge accounting criteria are met. Accounting for derivatives and hedges provides an exception for contracts intended for normal purchases and normal sales for which physical delivery is probable. In addition, certain derivative contracts are approved by regulatory authorities for recovery or refund through customer rates. Accordingly, the changes in fair value of these approved contracts are deferred as regulatory



assets or liabilities pursuant to regulatory accounting principles. NW Natural's financial derivatives generally qualify for deferral under regulatory accounting. NW Natural's index-priced physical derivative contracts also qualify for regulatory deferral accounting treatment.

Derivative contracts entered into for NGD requirements after the annual PGA rate has been set and maturing during the PGA year are subject to the PGA incentive sharing mechanism. In Oregon, NW Natural participates in a PGA sharing mechanism under which it is required to select either an 80% or 90% deferral of higher or lower gas costs such that the impact on current earnings from the gas cost sharing is either 20% or 10% of gas cost differences compared to PGA prices, respectively. For each of the PGA years in Oregon beginning November 1, 2022, 2021, and 2020, NW Natural selected the 90% deferral of gas cost differences. In Washington, 100% of the differences between the PGA prices and actual gas costs are deferred. See Note 15.

NW Holdings and NW Natural have financial derivative policies that set forth guidelines for using selected derivative products to support prudent risk management strategies within designated parameters. NW Natural's objective for using derivatives is to decrease the volatility of gas prices and cash flows without speculative risk. The use of derivatives is permitted only after the risk exposures have been identified, are determined to exceed acceptable tolerance levels, and are determined necessary to support normal business activities. NW Natural does not enter into derivative instruments for trading purposes. All commodity and foreign exchange derivatives are currently held at NW Natural, and interest rate swaps are held at NW Holdings and NWN Water.

### Fair Value

In accordance with fair value accounting, we use the following fair value hierarchy for determining inputs for our debt, pension plan assets, and derivative fair value measurements:

- Level 1: Valuation is based on quoted prices for identical instruments traded in active markets;
- Level 2: Valuation is based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market; and
- Level 3: Valuation is generated from model-based techniques that use significant assumptions not observable in the market. These unobservable assumptions reflect our own estimates of assumptions market participants would use in valuing the asset or liability.

In addition, the fair value for certain pension trust investments is determined using Net Asset Value per share (NAV) as a practical expedient, and therefore they are not classified within the fair value hierarchy. These investments primarily consist of institutional investment products.

When developing fair value measurements, it is our policy to use quoted market prices whenever available or to maximize the use of observable inputs and minimize the use of unobservable inputs when quoted market prices are not available. Fair values are primarily developed using industry-standard models that consider various inputs including: (a) quoted future prices for commodities; (b) forward currency prices; (c) time value; (d) volatility factors; (e) current market and contractual prices for underlying instruments; (f) market interest rates and yield curves; (g) credit spreads; and (h) other relevant economic measures. NW Natural considers liquid points for natural gas hedging to be those points for which there are regularly published prices in a nationally recognized publication or where the instruments are traded on an exchange.

### Goodwill and Business Combinations

NW Holdings, through its wholly-owned subsidiary NWN Water and NWN Water's wholly-owned subsidiaries, has completed various acquisitions that resulted in the recognition of goodwill. Goodwill is measured as the excess of the acquisition-date fair value of the consideration transferred over the acquisition-date fair value of the net identifiable assets assumed. Adjustments are recorded during the measurement period to finalize the allocation of the purchase price. The carrying value of goodwill is reviewed annually during the fourth quarter, or whenever events or changes in circumstance indicate that such carrying values may not be recoverable. The goodwill assessment policy begins with a qualitative analysis in which events and circumstances are evaluated, including macroeconomic conditions, industry and market conditions, regulatory environments, and overall financial performance of the reporting unit. If the qualitative assessment indicates that the carrying value may be at risk of recoverability, a quantitative evaluation is performed to measure the carrying value of the goodwill against the fair value of the reporting unit. The reporting unit is determined primarily based on current operating segments and the level of review provided by the Chief Operating Decision Maker (CODM) and/or segment management on the operating segment's financial results. Reporting units are evaluated periodically for changes in the corporate environment.

As of December 31, 2022 and 2021, NW Holdings had goodwill of \$149.3 million and \$70.6 million, respectively. All of NW Holdings' goodwill was acquired through the business combinations completed by NWN Water and its wholly-owned subsidiaries. No impairment charges were recorded as a result of the fourth quarter goodwill impairment assessment.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at fair value at the acquisition date, and the fair value of any non-controlling interest in the acquiree. Acquisition-related costs are expensed as incurred. When NW Natural acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as of the acquisition date. When there is substantial judgment or

uncertainty around the fair value of acquired assets, we may engage a third party expert to assist in determining the fair values of certain assets or liabilities.

#### Income Taxes

We account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the enactment date period unless, for NW Natural, a regulatory order specifies deferral of the effect of the change in tax rates over a longer period of time.

For NW Natural, deferred income tax assets and liabilities are also recognized for temporary differences where the deferred income tax benefits or expenses have previously been flowed through in the ratemaking process of the NGD business. Regulatory tax assets and liabilities are recorded on these deferred tax assets and liabilities to the extent it is believed they will be recoverable from or refunded to customers in future rates.

Investment tax credits associated with rate regulated plant additions are deferred for financial statement purposes and amortized over the estimated useful lives of the related plant.

NW Holdings files consolidated or combined income tax returns that include NW Natural. Income tax expense is allocated on a separate company basis incorporating certain consolidated return considerations. Subsidiary income taxes payable or receivable are generally settled with NW Holdings, the common agent for income tax matters.

Interest and penalties related to unrecognized tax benefits, if any, are recognized within income tax expense and accrued interest and penalties are recognized within the related tax liability line in the consolidated balance sheets. No accrued interest or penalties for uncertain tax benefits have been recorded. See Note 11.

#### Environmental Contingencies

Loss contingencies are recorded as liabilities when it is probable a liability has been incurred and the amount of the loss is reasonably estimable in accordance with accounting standards for contingencies. Estimating probable losses requires an analysis of uncertainties that often depend upon judgments about potential actions by third parties. Accruals for loss contingencies are recorded based on an analysis of potential results.

With respect to environmental liabilities and related costs, estimates are developed based on a review of information available from numerous sources, including completed studies and site specific negotiations. NW Natural's policy is to accrue the full amount of such liability when information is sufficient to reasonably estimate the amount of probable liability. When information is not available to reasonably estimate the probable liability, or when only the range of probable liabilities can be estimated and no amount within the range is more likely than another, it is our policy to accrue at the low end of the range. Accordingly, due to numerous uncertainties surrounding the course of environmental remediation and the preliminary nature of several site investigations, in some cases, it may not be possible to reasonably estimate the high end of the range of possible loss. In those cases, the nature of the potential loss and the fact that the high end of the range cannot be reasonably estimated is disclosed. See Note 17.

#### Unconsolidated Affiliates

NW Holdings, NW Natural and NWN Water have equity interests in businesses which we account for under the equity method as we do not exercise control of the major operating and financial policies. The carrying value of these investments was \$23.4 million and \$14.5 million as of December 31, 2022 and 2021, respectively. The business transactions with our equity method investments are not significant. We regularly assesses the profitability and valuation of our investments for any potential impairment. See Note 13.

#### Cloud Computing Arrangements

Implementation costs associated with its cloud computing arrangements are capitalized consistent with costs capitalized for internal-use software. Capitalized implementation costs are included in other assets in the consolidated balance sheets. The implementation costs are amortized over the term of the related hosting agreement, including renewal periods that are reasonably certain to be exercised. Amortization expense of implementation costs are recorded as operations and maintenance expenses in the consolidated statements of comprehensive income. The implementation costs are included within operating activities in the consolidated statements of cash flows.

#### Subsequent Events

We monitor significant events occurring after the balance sheet date and prior to the issuance of the financial statements to determine the impacts, if any, of events on the financial statements to be issued.

### 3. EARNINGS PER SHARE

Basic earnings or loss per share are computed using NW Holdings' net income or loss and the weighted average number of common shares outstanding for each period presented. Diluted earnings per share are computed in the same manner, except using the weighted average number of common shares outstanding plus the effects of the assumed exercise of stock options and the payment of estimated stock awards from other stock-based compensation plans that are outstanding at the end of each period presented. Anti-dilutive stock awards are excluded from the calculation of diluted earnings or loss per common share.

NW Holdings' diluted earnings or loss per share are calculated as follows:

<i>In thousands, except per share data</i>	2022	2021	2020
Net income from continuing operations	\$ 86,303	\$ 78,666	\$ 70,273
Income from discontinued operations, net of tax	—	—	6,508
Net income	<u>\$ 86,303</u>	<u>\$ 78,666</u>	<u>\$ 76,781</u>
Average common shares outstanding - basic	33,934	30,702	30,541
Additional shares for stock-based compensation plans (See Note 8)	50	50	58
Average common shares outstanding - diluted	<u>33,984</u>	<u>30,752</u>	<u>30,599</u>
Earnings from continuing operations per share of common stock:			
Basic	\$ 2.54	\$ 2.56	\$ 2.30
Diluted	2.54	2.56	2.30
Earnings from discontinued operations per share of common stock:			
Basic	\$ —	\$ —	\$ 0.21
Diluted	—	—	0.21
Earnings per share of common stock:			
Basic	\$ 2.54	\$ 2.56	\$ 2.51
Diluted	2.54	2.56	2.51
Additional information:			
Anti-dilutive shares	2	7	1

### 4. SEGMENT INFORMATION

We primarily operate in one reportable business segment, which is NW Natural's local gas distribution business and is referred to as the NGD segment. NW Natural and NW Holdings also have investments and business activities not specifically related to the NGD segment, which are aggregated and reported as other and described below for each entity.

No individual customer accounts for over 10% of NW Holdings' or NW Natural's operating revenues.

#### **Natural Gas Distribution**

NW Natural's local gas distribution segment (NGD) is a regulated utility principally engaged in the purchase, sale, and delivery of natural gas and related services to customers in Oregon and southwest Washington. The NGD business is responsible for building and maintaining a safe and reliable pipeline distribution system, purchasing sufficient gas supplies from producers and marketers, contracting for firm and interruptible transportation of gas over interstate pipelines to bring gas from the supply basins into its service territory, and re-selling the gas to customers subject to rates, terms, and conditions approved by the OPUC or WUTC. NGD also includes taking customer-owned gas and transporting it from interstate pipeline connections, or city gates, to the customers' end-use facilities for a fee, which is approved by the OPUC or WUTC. Approximately 88% of NGD customers are located in Oregon and 12% in Washington. On an annual basis, residential and commercial customers typically account for around 60% of total NGD volumes delivered and around 90% of NGD margin. Industrial customers largely account for the remaining volumes and NGD margin. A small amount of the margin is also derived from miscellaneous services, gains or losses from an incentive gas cost sharing mechanism, and other service fees.

Industrial sectors served by the NGD business include: pulp, paper, and other forest products; the manufacture of electronic, electrochemical and electrometallurgical products; the processing of farm and food products; the production of various mineral products; metal fabrication and casting; the production of machine tools, machinery, and textiles; the manufacture of asphalt, concrete, and rubber; printing and publishing; nurseries; and government and educational institutions.

In addition to NW Natural's local gas distribution business, the NGD segment also includes the portion of the Mist underground storage facility used to serve NGD customers, the North Mist gas storage expansion in Oregon, NWN Gas Reserves, which is a wholly-owned subsidiary of Energy Corp, and NW Natural RNG Holding Company, LLC, a holding company established to invest in the development and procurement of regulated renewable natural gas for NW Natural.

## **NW Natural**

NW Natural's activities in Other include Interstate Storage Services and third-party asset management services for the Mist facility in Oregon, appliance retail center operations, and corporate operating and non-operating revenues and expenses that cannot be allocated to NGD operations.

Earnings from Interstate Storage Services assets are primarily related to firm storage capacity revenues. Earnings from the Mist facility also include revenue, net of amounts shared with NGD customers, from management of NGD assets at Mist and upstream pipeline capacity when not needed to serve NGD customers. Under the Oregon sharing mechanism, NW Natural retains 80% of the pre-tax income from these services when the costs of the capacity were not included in NGD rates, or 10% of the pre-tax income when the costs have been included in these rates. The remaining 20% and 90%, respectively, are recorded to a deferred regulatory account for crediting back to NGD customers.

## **NW Holdings**

NW Holdings' activities in Other include all remaining activities not associated with NW Natural, specifically NWN Water, which consolidates the water and wastewater utility operations and is pursuing other investments in the water and wastewater sector through itself and wholly-owned subsidiaries; NWN Water's equity investment in Avion Water Company, Inc.; NWN Gas Storage, a wholly-owned subsidiary of NWN Energy; NWN Energy's equity investment in Trail West Holdings, LLC (TWH) through August 6, 2020; other pipeline assets in NNG Financial; and NW Natural Renewables Holdings, LLC and its non-regulated renewable natural gas activities. For more information on the sale of TWH, see Note 13. Other also includes corporate revenues and expenses that cannot be allocated to other operations, including certain business development activities.

## **Segment Information Summary**

Inter-segment transactions were immaterial for the periods presented. The following table presents summary financial information concerning the reportable segment and other for continuing operations. See Note 18 for information regarding discontinued operations for NW Holdings.

<i>In thousands</i>	NGD	Other (NW Natural)	NW Natural	Other (NW Holdings)	NW Holdings
<b>2022</b>					
Operating revenues	\$ 989,752	\$ 24,587	\$ 1,014,339	\$ 23,014	\$ 1,037,353
Depreciation	111,871	1,086	112,957	3,750	116,707
Income (loss) from operations	152,839	16,535	169,374	(1,897)	167,477
Net income (loss) from continuing operations	79,690	11,874	91,564	(5,261)	86,303
Capital expenditures	315,979	2,707	318,686	19,916	338,602
Total assets at December 31, 2022	4,392,699	60,019	4,452,718	295,608	4,748,326
<b>2021</b>					
Operating revenues	\$ 816,887	\$ 26,170	\$ 843,057	\$ 17,343	\$ 860,400
Depreciation	109,475	1,029	110,504	3,030	113,534
Income (loss) from operations	147,902	17,331	165,233	(2,116)	163,117
Net income (loss) from continuing operations	68,988	12,184	81,172	(2,506)	78,666
Capital expenditures	275,267	2,970	278,237	15,655	293,892
Total assets at December 31, 2021	3,846,112	52,260	3,898,372	166,232	4,064,604
<b>2020</b>					
Operating revenues	\$ 741,072	\$ 17,676	\$ 758,748	\$ 14,931	\$ 773,679
Depreciation	100,591	995	101,586	2,097	103,683
Income (loss) from operations	137,724	9,916	147,640	711	148,351
Net income (loss) from continuing operations	63,555	7,008	70,563	(290)	70,273
Capital expenditures	263,777	2,271	266,048	6,968	273,016
Total assets at December 31, 2020	3,549,868	49,468	3,599,336	157,043	3,756,379

## **Natural Gas Distribution Margin**

NGD margin is the primary financial measure used by the CODM, consisting of NGD operating revenues, reduced by the associated cost of gas, environmental remediation expense, and revenue taxes. The cost of gas purchased for NGD customers is generally a pass-through cost in the amount of revenues billed to regulated NGD customers. Environmental remediation expense represents collections received from customers through environmental recovery mechanisms in Oregon and Washington as well as adjustments for the Oregon environmental earnings test when applicable. This is offset by environmental remediation expense presented in operating expenses. Revenue taxes are collected from NGD customers and remitted to taxing authorities. The collections from customers are offset by the expense recognition of the obligation to the taxing authority. By subtracting cost of gas, environmental remediation expense, and revenue taxes from NGD operating revenues, NGD margin provides a key metric used by the CODM in assessing the performance of the NGD segment.

The following table presents additional segment information concerning NGD margin:

<i>In thousands</i>	2022	2021	2020
NGD margin calculation:			
NGD operating revenues	\$ 970,124	\$ 797,800	\$ 721,950
Other regulated services	19,628	19,087	19,122
Total NGD operating revenues	989,752	816,887	741,072
Less: NGD cost of gas	429,861	292,538	262,980
Environmental remediation expense	12,389	9,938	9,691
Revenue taxes	41,627	34,600	30,291
NGD margin	<u>\$ 505,875</u>	<u>\$ 479,811</u>	<u>\$ 438,110</u>

## 5. COMMON STOCK

As of December 31, 2022 and 2021, NW Holdings had 100 million shares of common stock authorized. As of December 31, 2022, NW Holdings had 319,777 shares reserved for issuance of common stock under the Employee Stock Purchase Plan (ESPP) and 394,102 shares reserved for issuance under the Dividend Reinvestment and Direct Stock Purchase Plan (DRPP). At NW Holdings' election, shares sold through the DRPP may be purchased in the open market or through original issuance of shares reserved for issuance under the DRPP.

In August 2021, NW Holdings initiated an at-the-market (ATM) equity program by entering into an equity distribution agreement under which NW Holdings may issue and sell from time to time shares of common stock, no par value, having an aggregate gross sales price of up to \$200 million. NW Holdings is under no obligation to offer and sell common stock under the ATM equity program, which expires in August 2024. Any shares of common stock offered under the ATM equity program are registered on NW Holdings' universal shelf registration statement filed with the SEC. During the year ended December 31, 2022, NW Holdings issued and sold 1,381,728 shares of common stock pursuant to the ATM equity program resulting in cash proceeds of \$69.7 million, net of fees and commissions paid to agents of \$1.4 million. As of December 31, 2022, NW Holdings had \$111.1 million of equity available for issuance under the program. The ATM equity program was initiated to raise funds for general corporate purposes, including equity contributions to NW Holdings' subsidiaries, NW Natural and NW Natural Water. Contributions to NW Natural and NW Natural Water will be used for general corporate purposes.

On April 1, 2022, NW Holdings issued and sold 2,875,000 shares of its common stock pursuant to a registration statement on Form S-3 and related prospectus settlement. NW Holdings received net offering proceeds, after deducting the underwriter's discounts and commissions and estimated expenses payable by NW Holdings, of approximately \$138.6 million. The proceeds are to be used for general corporate purposes, including repayment of its short-term indebtedness and/or making equity contributions to NW Holdings' subsidiaries, NW Natural, NW Natural Water and NW Natural Renewables. Contributions to NW Natural, NW Natural Water and NW Natural Renewables are to be used for general corporate purposes. Of the contributions received by NW Natural, \$130.0 million was used to repay its short-term indebtedness.

### **Stock Repurchase Program**

NW Holdings has a share repurchase program under which it may purchase its common shares on the open market or through privately negotiated transactions. NW Holdings currently has Board authorization to repurchase up to an aggregate of the greater of 2.8 million shares or \$100 million. No shares of common stock were repurchased pursuant to this program during the year ended December 31, 2022. Since the plan's inception in 2000 under NW Natural, a total of 2.1 million shares have been repurchased at a total cost of \$83.3 million.

The following table summarizes the changes in the number of shares of NW Holdings' common stock issued and outstanding:

<i>In thousands</i>	Shares
Balance, December 31, 2019	30,472
Sales to employees under ESPP	3
Stock-based compensation	46
Sales to shareholders under DRPP	68
Balance, December 31, 2020	30,589
Sales to employees under ESPP	48
Stock-based compensation	49
Equity issuance	376
Sales to shareholders under DRPP	67
Balance, December 31, 2021	31,129
Sales to employees under ESPP	36
Stock-based compensation	42
Equity issuance	4,257
Sales to shareholders under DRPP	61
Balance, December 31, 2022	35,525

## 6. REVENUE

The following table presents disaggregated revenue from continuing operations:

<i>In thousands</i>	Year ended December 31, 2022				
	NGD	Other (NW Natural)	NW Natural	Other (NW Holdings)	NW Holdings
Natural gas sales	\$ 989,654	\$ —	\$ 989,654	\$ —	\$ 989,654
Gas storage revenue, net	—	11,792	11,792	—	11,792
Asset management revenue, net	—	6,965	6,965	—	6,965
Appliance retail center revenue	—	5,830	5,830	—	5,830
Other revenue	2,510	—	2,510	23,014	25,524
Revenue from contracts with customers	992,164	24,587	1,016,751	23,014	1,039,765
Alternative revenue	(19,605)	—	(19,605)	—	(19,605)
Leasing revenue	17,193	—	17,193	—	17,193
Total operating revenues	\$ 989,752	\$ 24,587	\$ 1,014,339	\$ 23,014	\$ 1,037,353

<i>In thousands</i>	Year ended December 31, 2021				
	NGD	Other (NW Natural)	NW Natural	Other (NW Holdings)	NW Holdings
Natural gas sales	\$ 783,027	\$ —	\$ 783,027	\$ —	\$ 783,027
Gas storage revenue, net	—	10,830	10,830	—	10,830
Asset management revenue, net	—	9,387	9,387	—	9,387
Appliance retail center revenue	—	5,953	5,953	—	5,953
Other revenue	1,615	—	1,615	17,343	18,958
Revenue from contracts with customers	784,642	26,170	810,812	17,343	828,155
Alternative revenue	14,694	—	14,694	—	14,694
Leasing revenue	17,551	—	17,551	—	17,551
Total operating revenues	\$ 816,887	\$ 26,170	\$ 843,057	\$ 17,343	\$ 860,400

Year ended December 31, 2020

<i>In thousands</i>	NGD	Other (NW Natural)	NW Natural	Other (NW Holdings)	NW Holdings
Natural gas sales	\$ 710,422	\$ —	\$ 710,422	\$ —	\$ 710,422
Gas storage revenue, net	—	9,759	9,759	—	9,759
Asset management revenue, net	—	2,532	2,532	—	2,532
Appliance retail center revenue	—	5,385	5,385	—	5,385
Other revenue	1,337	—	1,337	14,931	16,268
Revenue from contracts with customers	711,759	17,676	729,435	14,931	744,366
Alternative revenue	10,870	—	10,870	—	10,870
Leasing revenue	18,443	—	18,443	—	18,443
Total operating revenues	<u>\$ 741,072</u>	<u>\$ 17,676</u>	<u>\$ 758,748</u>	<u>\$ 14,931</u>	<u>\$ 773,679</u>

NW Natural's revenue represents substantially all of NW Holdings' revenue and is recognized for both registrants when the obligation to customers is satisfied and in the amount expected to be received in exchange for transferring goods or providing services. Revenue from contracts with customers contains one performance obligation that is generally satisfied over time, using the output method based on time elapsed, due to the continuous nature of the service provided. The transaction price is determined by a set price agreed upon in the contract or dependent on regulatory tariffs. Customer accounts are settled on a monthly basis or paid at time of sale and based on historical experience. It is probable that we will collect substantially all of the consideration to which we are entitled. We evaluated the probability of collection in accordance with the current expected credit losses standard.

NW Holdings and NW Natural do not have any material contract assets, as net accounts receivable and accrued unbilled revenue balances are unconditional and only involve the passage of time until such balances are billed and collected. NW Holdings and NW Natural do not have any material contract liabilities.

Revenue taxes are included in operating revenues with an equal and offsetting expense recognized in operating expenses in the consolidated statements of comprehensive income. Revenue-based taxes are primarily franchise taxes, which are collected from NGD customers and remitted to taxing authorities.

### **Natural Gas Distribution**

#### **Natural Gas Sales**

NW Natural's primary source of revenue is providing natural gas to customers in the NGD service territory, which includes residential, commercial, industrial and transportation customers. NGD revenue is generally recognized over time upon delivery of the gas commodity or service to the customer, and the amount of consideration received and recognized as revenue is dependent on the Oregon and Washington tariffs. Customer accounts are to be paid in full each month, and there is no right of return or warranty for services provided. Revenues include firm and interruptible sales and transportation services, franchise taxes recovered from the customer, late payment fees, service fees, and accruals for gas delivered but not yet billed (accrued unbilled revenue). The accrued unbilled revenue balance is based on estimates of deliveries during the period from the last meter reading and management judgment is required for a number of factors used in this calculation, including customer use and weather factors.

We applied the significant financing practical expedient and have not adjusted the consideration NW Natural expects to receive from NGD customers for the effects of a significant financing component as all payment arrangements are settled annually. Due to the election of the right to invoice practical expedient, we do not disclose the value of unsatisfied performance obligations.

#### **Alternative Revenue**

Weather normalization (WARM) and decoupling mechanisms are considered to be alternative revenue programs. Alternative revenue programs are considered to be contracts between NW Natural and its regulator and are excluded from revenue from contracts with customers.

#### **Leasing Revenue**

Leasing revenue primarily consists of revenues from NW Natural's North Mist Storage contract with Portland General Electric (PGE) in support of PGE's gas-fired electric power generation facilities under an initial 30-year contract with options to extend, totaling up to an additional 50 years upon mutual agreement of the parties. The facility is accounted for as a sales-type lease with regulatory accounting deferral treatment. The investment is included in rate base under an established cost-of-service tariff schedule, with revenues recognized according to the tariff schedule and as such, profit upon commencement was deferred and will be amortized over the lease term. Leasing revenue also contains rental revenue from small leases of property owned by NW Natural to third parties. The majority of these transactions are accounted for as operating leases and the revenue is recognized over the term of the lease agreement. Lease revenue is excluded from revenue from contracts with customers. See Note 7 for additional information.

## **NW Natural Other**

### **Gas Storage Revenue**

NW Natural's other revenue includes gas storage activity, which includes Interstate Storage Services used to store natural gas for customers. Gas storage revenue is generally recognized over time as the gas storage service is provided to the customer and the amount of consideration received and recognized as revenue is dependent on set rates defined per the storage agreements. Noncash consideration in the form of dekatherms of natural gas is received as consideration for providing gas injection services to gas storage customers. This noncash consideration is measured at fair value using the average spot rate. Customer accounts are generally paid in full each month, and there is no right of return or warranty for services provided. Revenues include firm and interruptible storage services, net of the profit sharing amount refunded to NGD customers.

### **Asset Management Revenue**

Revenues include the optimization of storage assets and pipeline capacity and are provided net of the profit sharing amount refunded to NGD customers. Certain asset management revenues received are recognized over time using a straight-line approach over the term of each contract, and the amount of consideration received and recognized as revenue is dependent on a variable pricing model. Variable revenues earned above guaranteed amounts are estimated and recognized at the end of each period using the most likely amount approach. Additionally, other asset management revenues may be based on a fixed rate. Generally, asset management accounts are settled on a monthly basis.

As of December 31, 2022, unrecognized revenue for the fixed component of the transaction price related to gas storage and asset management revenue was approximately \$81.4 million. Of this amount, approximately \$20.3 million will be recognized in 2023, \$16.2 million in 2024, \$13.5 million in 2025, \$9.4 million in 2026, and \$22.0 million thereafter. The amounts presented here are calculated using current contracted rates.

### **Appliance Retail Center Revenue**

NW Natural owns and operates an appliance store that is open to the public, where customers can purchase natural gas home appliances. Revenue from the sale of appliances is recognized at the point in time in which the appliance is transferred to the third party responsible for delivery and installation services and when the customer has legal title to the appliance. It is required that the sale be paid for in full prior to transfer of legal title. The amount of consideration received and recognized as revenue varies with changes in marketing incentives and discounts offered to customers.

## **NW Holdings Other**

NW Holdings' primary source of other revenue is providing water and wastewater services to customers. Water and wastewater service revenue is generally recognized over time upon delivery of the water commodity or service to the customer, and the amount of consideration received and recognized as revenue is dependent on the tariffs established in the state we operate. Customer accounts are to be paid in full each month, and there is no right of return or warranty for services provided.

We applied the significant financing practical expedient and have not adjusted the consideration we expect to receive from water distribution and wastewater collection customers for the effects of a significant financing component as all payment arrangements are settled annually. Due to the election of the right to invoice practical expedient, we do not disclose the value of unsatisfied performance obligations.

## **7. LEASES**

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### **Lease Revenue**

Leasing revenue primarily consists of NW Natural's North Mist natural gas storage agreement with PGE which is billed under an OPUC-approved rate schedule and includes an initial 30-year term beginning May 2019 with options to extend, totaling up to an additional 50 years upon mutual agreement of the parties. Under U.S. GAAP, this agreement is classified as a sales-type lease and qualifies for regulatory accounting deferral treatment. The investment in the storage facility is included in rate base under a separately established cost-of-service tariff, with revenues recognized according to the tariff schedule. As such, the selling profit that was calculated upon commencement as part of the sale-type lease recognition was deferred and will be amortized over the lease term. Billing rates under the cost-of-service tariff will be updated annually to reflect current information including depreciable asset levels, forecasted operating expenses, and the results of regulatory proceedings, as applicable, and revenue received under this agreement is recognized as operating revenue on the consolidated statements of comprehensive income. There are no variable payments or residual value guarantees. The lease does not contain an option to purchase the underlying assets.

NW Natural also maintains a sales-type lease for specialized compressor facilities to provide high pressure compressed natural gas (CNG) services. Lease payments are outlined in an OPUC-approved rate schedule over a 10-year term. There are no variable payments or residual value guarantees. The selling profit computed upon lease commencement was not significant.

Our lessor portfolio also contains small leases of property owned by NW Natural to third parties. These transactions are accounted for as operating leases and the revenue is recognized over the term of the lease agreement.



The components of lease revenue at NW Natural were as follows:

<i>In thousands</i>	Year ended December 31,		
	2022	2021	2020
Lease revenue			
Operating leases	\$ 74	\$ 80	\$ 88
Sales-type leases	17,119	17,471	18,355
<b>Total lease revenue</b>	<b>\$ 17,193</b>	<b>\$ 17,551</b>	<b>\$ 18,443</b>

Additionally, lease revenue of \$0.6 million, \$0.5 million and \$0.5 million was recognized for each of the years ended December 31, 2022, 2021, and 2020, respectively, related to operating leases associated with non-utility property rentals. Lease revenue related to these leases was presented in other income (expense), net on the consolidated statements of comprehensive income as it is non-operating income.

Total future minimum lease payments to be received under non-cancelable leases at December 31, 2022 are as follows:

<i>In thousands</i>	Operating	Sales-Type	Total
<b>NW Natural:</b>			
2023	\$ 621	\$ 16,557	\$ 17,178
2024	612	15,867	16,479
2025	603	15,306	15,909
2026	36	14,901	14,937
2027	22	14,521	14,543
Thereafter	—	222,299	222,299
Total minimum lease payments	<u>\$ 1,894</u>	<u>\$ 299,451</u>	<u>\$ 301,345</u>
Less: imputed interest		165,272	
Total leases receivable		<u>\$ 134,179</u>	
<b>Other NW Holdings:</b>			
2023	\$ 51	\$ —	\$ 51
2024	52	—	52
2025	53	—	53
2026	56	—	56
2027	57	—	57
Thereafter	857	—	857
Total minimum lease payments	<u>\$ 1,126</u>	<u>\$ —</u>	<u>\$ 1,126</u>
<b>NW Holdings:</b>			
2023	\$ 672	\$ 16,557	\$ 17,229
2024	664	15,867	16,531
2025	656	15,306	15,962
2026	92	14,901	14,993
2027	79	14,521	14,600
Thereafter	857	222,299	223,156
Total minimum lease payments	<u>\$ 3,020</u>	<u>\$ 299,451</u>	<u>\$ 302,471</u>
Less: imputed interest		165,272	
Total leases receivable		<u>\$ 134,179</u>	

The total leases receivable above is reported under the NGD segment and the short- and long-term portions are included within other current assets and assets under sales-type leases on the consolidated balance sheets, respectively. The total amount of unguaranteed residual assets was \$5.1 million and \$4.7 million at December 31, 2022 and 2021, respectively, and is included in assets under sales-type leases on the consolidated balance sheets. Additionally, under regulatory accounting, the revenues and expenses associated with these agreements are presented on the consolidated statements of comprehensive income such that their presentation aligns with similar regulated activities at NW Natural.

### **Lease Expense**

#### **Operating Leases**

We have operating leases for land, buildings and equipment. Our primary lease is for NW Natural's headquarters and operations center. Our leases have remaining lease terms of nine months to 17 years. Many of our lease agreements include options to

extend the lease, which we do not include in our minimum lease terms unless they are reasonably certain to be exercised. Short-term leases with a term of 12 months or less are not recorded on the balance sheet.

As most of our leases do not provide an implicit rate and are entered into by NW Natural, we use an estimated discount rate representing the rate we would have incurred to finance the funds necessary to purchase the leased asset and is based on information available at the lease commencement date in determining the present value of lease payments.

The components of lease expense, a portion of which is capitalized, were as follows:

<i>In thousands</i>	Year ended December 31, 2022		
	NW Natural	Other (NW Holdings)	NW Holdings
Operating lease expense	\$ 7,003	\$ 31	\$ 7,034
Short-term lease expense	880	—	880

<i>In thousands</i>	Year ended December 31, 2021		
	NW Natural	Other (NW Holdings)	NW Holdings
Operating lease expense	\$ 6,859	\$ 58	\$ 6,917
Short-term lease expense	1,220	—	1,220

<i>In thousands</i>	Year ended December 31, 2020		
	NW Natural	Other (NW Holdings)	NW Holdings
Operating lease expense	\$ 4,381	\$ 125	\$ 4,506
Short-term lease expense	1,010	—	1,010

Supplemental balance sheet information related to operating leases as of December 31, 2022 is as follows:

<i>In thousands</i>	NW Natural	Other (NW Holdings)	NW Holdings
Operating lease right of use assets	\$ 72,720	\$ 709	\$ 73,429
Operating lease liabilities - current liabilities	\$ 1,363	\$ 151	\$ 1,514
Operating lease liabilities - non-current liabilities	78,345	620	78,965
Total operating lease liabilities	\$ 79,708	\$ 771	\$ 80,479

Supplemental balance sheet information related to operating leases as of December 31, 2021 is as follows:

<i>In thousands</i>	NW Natural	Other (NW Holdings)	NW Holdings
Operating lease right of use assets	\$ 74,987	\$ 62	\$ 75,049
Operating lease liabilities - current liabilities	\$ 1,273	\$ 23	\$ 1,296
Operating lease liabilities - non-current liabilities	79,431	37	79,468
Total operating lease liabilities	\$ 80,704	\$ 60	\$ 80,764

The weighted-average remaining lease terms and weighted-average discount rates for the operating leases at NW Natural were as follows:

	2022	2021
Weighted-average remaining lease term (years)	17.2	18.2
Weighted-average discount rate	7.3 %	7.2 %

#### Headquarters and Operations Center Lease

NW Natural commenced a 20-year operating lease agreement in March 2020 for a new headquarters and operations center in Portland, Oregon. There is an option to extend the term of the lease for two additional periods of seven years. There is a material timing difference between the minimum lease payments and expense recognition as calculated under operating lease accounting rules. OPUC issued an order allowing us to align our expense recognition with cash payments for ratemaking purposes. We recorded the difference between the minimum lease payments and the aggregate of the imputed interest on the finance lease

obligation and amortization of the right-of-use asset as a regulatory asset on our balance sheet. The balance of the regulatory asset was \$6.9 million and \$5.7 million as of December 31, 2022 and 2021, respectively. Maturities of operating lease liabilities at December 31, 2022 were as follows:

<i>In thousands</i>	NW Natural	Other (NW Holdings)	NW Holdings
2023	\$ 7,169	\$ 195	\$ 7,364
2024	7,299	196	7,495
2025	7,185	184	7,369
2026	7,353	140	7,493
2027	7,530	107	7,637
Thereafter	108,901	12	108,913
Total lease payments	145,437	834	146,271
Less: imputed interest	65,729	63	65,792
Total lease obligations	79,708	771	80,479
Less: current obligations	1,363	151	1,514
Long-term lease obligations	\$ 78,345	\$ 620	\$ 78,965

As of December 31, 2022, there were no finance lease liabilities at NW Natural.

#### Cash Flow Information

Supplemental cash flow information related to leases was as follows:

<i>In thousands</i>	Year ended December 31, 2022		
	NW Natural	Other (NW Holdings)	NW Holdings
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases	\$ 6,993	\$ 64	\$ 7,057
Finance cash flows from finance leases	524	—	524
Right of use assets obtained in exchange for lease obligations			
Operating leases	\$ 309	\$ 668	\$ 977
Finance leases	270	—	270
<i>In thousands</i>	Year ended December 31, 2021		
	NW Natural	Other (NW Holdings)	NW Holdings
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases	\$ 6,840	\$ 58	\$ 6,898
Finance cash flows from finance leases	801	—	801
Right of use assets obtained in exchange for lease obligations			
Operating leases	\$ 223	\$ —	\$ 223
Finance leases	314	—	314
<i>In thousands</i>	Year ended December 31, 2020		
	NW Natural	Other (NW Holdings)	NW Holdings
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases	\$ 4,466	\$ 131	\$ 4,597
Finance cash flows from finance leases	835	—	835
Right of use assets obtained in exchange for lease obligations			
Operating leases	\$ 78,539	\$ 51	\$ 78,590
Finance leases	1,386	—	1,386

#### Finance Leases

NW Natural also leases building storage spaces for use as a gas meter room in order to provide natural gas to multifamily or mixed use developments. These contracts are accounted for as finance leases and typically involve a one-time upfront payment with no remaining liability. The right of use asset for finance leases was \$2.3 million and \$2.1 million at December 31, 2022 and 2021, respectively.

## 8. STOCK-BASED COMPENSATION

Stock-based compensation plans are designed to promote stock ownership in NW Holdings by employees and officers of NW Holdings and its affiliates. These compensation plans include a Long Term Incentive Plan (LTIP) and an ESPP.

### Long Term Incentive Plan

The LTIP is intended to provide a flexible, competitive compensation program for eligible officers and key employees. Under the LTIP, shares of NW Holdings common stock are authorized for equity incentive grants in the form of stock, restricted stock, restricted stock units, stock options, or performance shares. An aggregate of 1,100,000 shares were authorized for issuance as of December 31, 2022. Shares awarded under the LTIP may be purchased on the open market or issued as original shares.

Of the 1,100,000 shares of common stock authorized for LTIP awards at December 31, 2022, there were 247,666 shares available for issuance under any type of award. This assumes market, performance, and service-based grants currently outstanding are awarded at the target level. There were no outstanding grants of restricted stock or stock options under the LTIP at December 31, 2022 or 2021. The LTIP stock awards are compensatory awards for which compensation expense is based on the fair value of stock awards, with expense being recognized over the performance and vesting period of the outstanding awards. Forfeitures are recognized as they occur.

### Performance Shares

LTIP performance shares incorporate a combination of market, performance, and service-based factors. The following table summarizes performance share expense information:

<i>Dollars in thousands</i>	Shares <sup>(1)</sup>	Expense During Award Year <sup>(2)</sup>	Total Expense for Award
Estimated award:			
2020-2022 grant <sup>(3)</sup>	29,472	\$ 888	\$ 888
Actual award:			
2019-2021 grant	37,430	\$ 1,323	\$ 1,323
2018-2020 grant	31,600	\$ 2,137	\$ 2,137

<sup>(1)</sup> In addition to common stock shares, a participant also receives a dividend equivalent cash payment equal to the number of shares of common stock received on the award payout multiplied by the aggregate cash dividends paid per share during the performance period.

<sup>(2)</sup> Amount represents the expense recognized in the third year of the vesting period noted above. For the 2019-2021 and 2020-2022 grants, mutual understanding of the award's key terms was established in the third year of the vesting period, triggering full expense recognition in 2021 and 2022, respectively.

<sup>(3)</sup> This represents the estimated number of shares to be awarded as of December 31, 2022 as certain performance share measures have been achieved. Amounts are subject to change with final payout amounts authorized by the Board of Directors in February 2023.

The aggregate number of performance shares granted and outstanding at the target and maximum levels were as follows:

<i>Dollars in thousands</i>	Performance Share Awards Outstanding		2022 Expense
	Target	Maximum	
Performance Period			
2020-22	31,160	62,320	\$ 888
2021-23	—	—	—
2022-24	—	—	—
Total	31,160	62,320	\$ 888

Performance share awards are based on the achievement of a three-year ROIC threshold that must be met and a cumulative EPS factor, which can be modified by a TSR factor relative to the performance of the Russell 2500 Utilities Index (2020-2022 performance share awards) or a specified peer group (2021-2023 and 2022-2024 performance share awards) over the three-year performance period. The performance period allows for one of the performance factors to remain variable until the first quarter of the third year of the award period. As the performance factor will not be approved until the first quarter of 2023 and 2024, there is not a mutual understanding of the awards' key terms and conditions between NW Natural and the participants as of December 31, 2022, and therefore, no expense was recognized for the 2021-2023 and 2022-2024 performance period. NW Natural will calculate the grant date fair value and recognize expense once the final performance factor has been approved. If the target is achieved for the 2021-2023 and 2022-2024 awards, NW Holdings would grant for accounting purposes 55,250 and 55,870 shares in the first quarter of 2023 and 2024, respectively.

Compensation expense is recognized in accordance with accounting standards for stock-based compensation and calculated based on performance levels achieved and an estimated fair value using the Monte-Carlo method. Due to there not being a mutual understanding of the 2021-2023 and 2022-2024 awards' key terms and conditions as noted above, the grant date fair value has not yet been determined and no non-vested shares existed at December 31, 2022. The weighted-average grant date fair value of non-vested shares associated with the 2020-2022 awards was \$38.63 per share at December 31, 2022. The

weighted-average grant date fair value of shares vested during the year was \$38.63 per share and there were no performance shares granted during the year and no unrecognized compensation expense for accounting purposes as of December 31, 2022.

### Restricted Stock Units

In 2012, RSUs began being granted under the LTIP instead of stock options under the Restated SOP. Generally, the RSUs awarded are forfeitable and include a performance-based threshold as well as a vesting period of four years from the grant date. The majority of our RSU grants obligate NW Holdings, upon vesting, to issue the RSU holder one share of common stock. The grant may also include a cash payment equal to the total amount of dividends paid per share between the grant date and vesting date of that portion of the RSU depending on the structure of the award agreement. The fair value of an RSU is equal to the closing market price of NW Holdings' common stock on the grant date. During 2022, total RSU expense was \$2.1 million compared to \$2.0 million in 2021 and \$2.0 million in 2020. As of December 31, 2022, there was \$3.5 million of unrecognized compensation cost from grants of RSUs, which is expected to be recognized over a period extending through 2026.

Information regarding the RSU activity is summarized as follows:

	Number of RSUs	Weighted - Average Price Per RSU
Nonvested, December 31, 2019	79,733	\$ 61.17
Granted	33,594	55.58
Vested	(29,273)	59.29
Forfeited	(1,590)	69.71
Nonvested, December 31, 2020	82,464	59.40
Granted	38,160	49.16
Vested	(31,733)	60.06
Forfeited	(1,164)	46.82
Nonvested, December 31, 2021	87,727	54.87
Granted	48,212	46.50
Vested	(33,054)	55.90
Forfeited	(3,037)	56.34
Nonvested, December 31, 2022	99,848	\$ 50.44

### Employee Stock Purchase Plan

NW Holdings' ESPP allows employees of NW Holdings, NW Natural and certain designated subsidiaries to purchase common stock at 85% of the closing price on the trading day immediately preceding the initial offering date, which is set annually. For the 2022-2023 ESPP period, each eligible employee may purchase up to \$21,223 worth of stock through payroll deductions over a period defined by the Board of Directors, with shares issued at the end of the subscription period.

### Stock-Based Compensation Expense

Stock-based compensation expense is recognized as operations and maintenance expense or is capitalized as part of construction overhead at the entity at which the award recipient is employed. The following table summarizes the NW Holdings' financial statement impact, substantially all of which was recorded at NW Natural, of stock-based compensation under the LTIP and ESPP:

<i>In thousands</i>	2022	2021	2020
Operations and maintenance expense, for stock-based compensation	\$ 2,877	\$ 3,272	\$ 3,525
Income tax benefit	(762)	(866)	(933)
Net stock-based compensation effect on net income	2,115	2,406	2,592
Amounts capitalized for stock-based compensation	\$ 351	\$ 344	\$ 841

## 9. DEBT

### Short-Term Debt

The primary source of short-term liquidity for NW Holdings is cash balances, dividends from its operating subsidiaries, in particular NW Natural, available cash from a multi-year credit facility, and short-term credit facilities it may enter into from time to time.

The primary source of short-term liquidity for NW Natural is from the sale of commercial paper, available cash from a multi-year credit facility, and short-term credit facilities it may enter into from time to time. In addition to issuing commercial paper or entering into bank loans to meet working capital requirements, including seasonal requirements to finance gas purchases and accounts receivable, short-term debt may also be used to temporarily fund capital requirements. For NW Natural, commercial paper and bank loans are periodically refinanced through the sale of long-term debt or equity contributions from NW Holdings. Commercial paper, when outstanding, is sold through two commercial banks under an issuing and paying agency agreement and is supported by one or more unsecured revolving credit facilities. See "Credit Agreements" below.

At December 31, 2022 and 2021, NW Natural's short-term debt consisted of the following:

<i>In millions</i>	December 31, 2022		December 31, 2021	
	Balance Outstanding	Weighted Average Interest Rate <sup>(1)</sup>	Balance Outstanding	Weighted Average Interest Rate <sup>(1)</sup>
<b>NW Natural:</b>				
Commercial paper	\$ 170.2	4.6 %	\$ 245.5	0.3 %
<b>Other (NW Holdings):</b>				
Credit agreement	88.0	5.3 %	144.0	1.1 %
<b>NW Holdings</b>	<u>\$ 258.2</u>		<u>\$ 389.5</u>	

<sup>(1)</sup> Weighted average interest rate on outstanding short-term debt

The carrying cost of commercial paper approximates fair value using Level 2 inputs. See Note 2 for a description of the fair value hierarchy. At December 31, 2022, NW Natural's commercial paper had a maximum remaining maturity of 6 days and an average remaining maturity of 5 days.

### Credit Agreements

#### NW Holdings

In November 2021, NW Holdings entered into an amended and restated \$200.0 million credit agreement, with a feature that allows NW Holdings to request increases in the total commitment amount, up to a maximum of \$300.0 million. The maturity date of the agreement is November 3, 2026, with an available extension of commitments for two additional one-year periods, subject to lender approval. Interest charges on the NW Holdings credit agreement were indexed to the London Interbank Offered Rate (LIBOR) through January 31, 2023. The agreement was amended to replace LIBOR with the secured overnight financing rate (SOFR) beginning February 2023. The SOFR is subject to a 10 basis point spread adjustment.

The NW Holdings credit agreement permits the issuance of letters of credit in an aggregate amount of up to \$40.0 million. The principal amount of borrowings under the credit agreement is due and payable on the maturity date. The credit agreement requires NW Holdings to maintain a consolidated indebtedness to total capitalization ratio of 70% or less. Failure to comply with this covenant would entitle the lenders to terminate their lending commitments and accelerate the maturity of all amounts outstanding. NW Holdings was in compliance with this covenant at December 31, 2022 and 2021.

The NW Holdings credit agreement also requires NW Holdings to maintain debt ratings (which are defined by a formula using NW Natural's credit ratings in the event NW Holdings does not have a credit rating) with Standard & Poor's (S&P) and Moody's Investors Service, Inc. (Moody's) and notify the lenders of any change in its senior unsecured debt ratings or senior secured debt ratings, as applicable, by such rating agencies. A change in NW Holdings' debt ratings by S&P or Moody's is not an event of default, nor is the maintenance of a specific minimum level of debt rating a condition of drawing upon the credit agreement. Rather, interest rates on any loans outstanding under the credit agreements are tied to debt ratings and therefore, a change in the debt rating would increase or decrease the cost of any loans under the credit agreements when ratings are changed. NW Holdings does not currently maintain ratings with S&P or Moody's.

There was \$88.0 million and \$144.0 million of outstanding balances under the NW Holdings agreement at December 31, 2022 and 2021, respectively. No letters of credit were issued or outstanding under the NW Holdings agreement at December 31, 2022 and 2021.

#### NW Natural

In November 2021, NW Natural entered into an amended and restated credit agreement for unsecured revolving loans totaling \$400.0 million, with a feature that allows NW Natural to request increases in the total commitment amount, up to a maximum of \$600.0 million. The maturity date of the agreement is November 3, 2026 with an available extension of commitments for two additional one-year periods, subject to lender approval. The credit agreement permits the issuance of letters of credit in an

aggregate amount of up to \$60.0 million. The principal amount of borrowings under the credit agreement is due and payable on the maturity date. Interest charges on the NW Natural credit agreement were indexed to the LIBOR through January 31, 2023. The agreement was amended to replace LIBOR with the SOFR beginning February 2023. The SOFR is subject to a 10 basis point spread adjustment.

NW Natural's credit agreement requires NW Natural to maintain a consolidated indebtedness to total capitalization ratio of 70% or less. Failure to comply with this covenant would entitle the lenders to terminate their lending commitments and accelerate the maturity of all amounts outstanding. NW Natural was in compliance with this covenant at December 31, 2022 and 2021.

The NW Natural credit agreement also requires NW Natural to maintain credit ratings with S&P and Moody's and notify the lenders of any change in NW Natural's senior unsecured debt ratings or senior secured debt ratings, as applicable, by such rating agencies. A change in NW Natural's debt ratings by S&P or Moody's is not an event of default, nor is the maintenance of a specific minimum level of debt rating a condition of drawing upon the credit agreement. Rather, interest rates on any loans outstanding under the credit agreement are tied to debt ratings and therefore, a change in the debt rating would increase or decrease the cost of any loans under the credit agreement when ratings are changed.

There were no outstanding balances under NW Natural's credit agreement and no letters of credit issued or outstanding at December 31, 2022 and 2021. In February 2023, NW Natural issued a \$14 million letter of credit through its existing credit agreement. There were no other letters of credit outstanding under the credit agreement.

## **Long-Term Debt**

### **NW Holdings**

At December 31, 2022 and 2021, NW Holdings long-term debt consisted of the following:

<i>In millions</i>	December 31, 2022		December 31, 2021	
	Balance Outstanding	Weighted Average Interest Rate <sup>(1)</sup>	Balance Outstanding	Weighted Average Interest Rate <sup>(1)</sup>
NW Natural first mortgage bonds	\$ 1,134.7	4.5 %	\$ 994.7	4.4 %
NW Holdings credit agreement	100.0	4.2 %	—	— %
NWN Water credit agreement	50.0	4.2 %	—	— %
NWN Water term loan	55.0	2.5 %	55.0	0.8 %
Other long-term debt	6.2		3.5	
Long-term debt, gross	\$ 1,345.9		\$ 1,053.2	
Less: unamortized debt issuance costs	9.0		8.3	
Less: current maturities	90.7		0.3	
<b>Total long-term debt</b>	<b>\$ 1,246.2</b>		<b>\$ 1,044.6</b>	

<sup>(1)</sup> Weighted average interest rate for the years ended December 31, 2022 and 2021.

Long-term debt at NWN Water is primarily comprised of a five-year term loan agreement for \$55.0 million, due in 2026. NWN Water entered into this agreement in June 2021 and the interest rate is based upon the one-month SOFR rate. The loan is guaranteed by NW Holdings and requires NW Holdings to maintain a consolidated indebtedness to total capitalization ratio of 70% or less. Failure to comply with this covenant would entitle the lenders to terminate their lending commitments and accelerate the maturity of all amounts outstanding. NW Holdings was in compliance with this covenant at December 31, 2022 and 2021, with a consolidated indebtedness to total capitalization ratio of 57.6% and 60.5%, respectively. In December 2022, NW Holdings entered into a swap to fix the interest rate on this debt beginning in January 2023 through the loan's maturity. See "Interest Rate Swap Agreements" below for more detail.

In September 2022, NW Holdings entered into an 18-month credit agreement for \$100.0 million and borrowed the full amount. The interest rate is based on the SOFR. The loan is due and payable on March 15, 2024. The credit agreement prohibits NW Holdings from permitting consolidated indebtedness to be greater than 70% of total capitalization, each as defined therein and calculated as of the end of each fiscal quarter. Failure to comply with this financial covenant would entitle the lenders to accelerate the maturity of the amounts outstanding under the credit agreement. NW Holdings was in compliance with this financial covenant as of December 31, 2022. In December 2022, NW Holdings entered into a swap to fix the interest rate on this debt beginning in January 2023 through the loan's maturity. See "Interest Rate Swap Agreements" below for more detail.

In September 2022, NWN Water entered into an 18-month credit agreement for \$50.0 million and borrowed the full amount. The interest rate is based on the SOFR. The loan is due and payable on March 15, 2024. The credit agreement prohibits NWN Water and NW Holdings from permitting consolidated indebtedness to be greater than 70% of total capitalization, each as defined therein and calculated as of the end of each fiscal quarter. Failure to comply with this financial covenant would entitle the lenders to accelerate the maturity of the amounts outstanding under the credit agreement. NWN Water and NW Holdings were in compliance with this financial covenant as of December 31, 2022.

### Interest Rate Swap Agreements

NW Holdings and NWN Water entered into interest rate swap agreements with major financial institutions that effectively convert variable-rate debt to a fixed rate. Interest payments made between the effective date and expiration date are hedged by the swap agreements. The notional amount, effective date, expiration date and rate of the swap agreements are shown in the table below:

<i>In millions</i>	Notional Amount	Effective Date	Expiration Date	Fixed Rate
NW Holdings	\$ 100.0	1/17/2023	3/15/2024	4.7 %
NWN Water	\$ 55.0	1/19/2023	6/10/2026	3.8 %

### NW Natural

NW Natural's issuance of First Mortgage Bonds (FMBs), which includes NW Natural's medium-term notes, under the Mortgage and Deed of Trust (Mortgage) is limited by eligible property, adjusted net earnings, and other provisions of the Mortgage. The Mortgage constitutes a first mortgage lien on certain gas properties owned from time to time by NW Natural, including substantially all of NW Natural's NGD property.

In July 2022, NW Natural entered into a Bond Purchase Agreement between NW Natural and the institutional investors named as purchasers therein (the Bond Purchase Agreement). The Bond Purchase Agreement provides for the issuance of \$140.0 million aggregate principal amount of NW Natural's FMBs due in 2052 (the Bonds). The Bonds were issued on September 30, 2022. The Bonds bear interest at the rate of 4.78% per annum, payable semi-annually on March 30 and September 30 of each year, commencing March 30, 2023, and will mature on September 30, 2052. The Bonds are subject to redemption prior to maturity at the option of NW Natural, in whole or in part, (i) at any time prior to March 30, 2052, at a redemption price equal to 100% of the principal amount thereof plus a "make-whole" premium and accrued and unpaid interest thereon to the date of redemption, and (ii) at any time on and after March 30, 2052, at 100% of the principal amount thereof plus accrued and unpaid interest thereon to the date of redemption.

### Maturities and Outstanding Long-Term Debt

Retirement of long-term debt for each of the annual periods through December 31, 2027 and thereafter are as follows:

<i>In thousands</i>	Long-term debt maturities
<b>NW Natural:</b>	
2023	\$ 90,000
2024	—
2025	30,000
2026	55,000
2027	64,700
Thereafter	895,000
Total	<u>\$ 1,134,700</u>



The following table presents debt outstanding as of December 31:

<i>In thousands</i>	2022	2021
<b>NW Natural:</b>		
First Mortgage Bonds:		
3.542% Series due 2023	50,000	50,000
5.620% Series due 2023	40,000	40,000
7.720% Series due 2025	20,000	20,000
6.520% Series due 2025	10,000	10,000
7.050% Series due 2026	20,000	20,000
3.211% Series due 2026	35,000	35,000
7.000% Series due 2027	20,000	20,000
2.822% Series due 2027	25,000	25,000
6.650% Series due 2027	19,700	19,700
6.650% Series due 2028	10,000	10,000
3.141% Series due 2029	50,000	50,000
7.740% Series due 2030	20,000	20,000
7.850% Series due 2030	10,000	10,000
5.820% Series due 2032	30,000	30,000
5.660% Series due 2033	40,000	40,000
5.250% Series due 2035	10,000	10,000
4.000% Series due 2042	50,000	50,000
4.136% Series due 2046	40,000	40,000
3.685% Series due 2047	75,000	75,000
4.110% Series due 2048	50,000	50,000
3.869% Series due 2049	90,000	90,000
3.600% Series due 2050	150,000	150,000
3.078% Series due 2051	130,000	130,000
4.780% Series due 2052	140,000	—
Long-term debt, gross	1,134,700	994,700
Less: current maturities	90,000	—
Total long-term debt	<u>\$ 1,044,700</u>	<u>\$ 994,700</u>

### Fair Value of Long-Term Debt

NW Holdings' and NW Natural's outstanding debt does not trade in active markets. The fair value of debt is estimated using the value of outstanding debt at natural gas distribution companies with similar credit ratings, terms, and remaining maturities to NW Holdings' and NW Natural's debt that actively trade in public markets. Substantially all outstanding debt at NW Holdings is comprised of NW Natural debt. These valuations are based on Level 2 inputs as defined in the fair value hierarchy. See Note 2.

The following table provides an estimate of the fair value of long-term debt, including current maturities of long-term debt, using market prices in effect on the valuation date:

<i>In thousands</i>	December 31,	
	2022	2021
<b>NW Natural:</b>		
Gross long-term debt	\$ 1,134,700	\$ 994,700
Unamortized debt issuance costs	(8,823)	(8,205)
Carrying amount	\$ 1,125,877	\$ 986,495
Estimated fair value <sup>(1)</sup>	\$ 944,383	\$ 1,110,741
<b>NW Holdings:</b>		
Gross long-term debt	\$ 1,345,851	\$ 1,053,241
Unamortized debt issuance costs	(8,987)	(8,309)
Carrying amount	\$ 1,336,864	\$ 1,044,932
Estimated fair value <sup>(1)</sup>	\$ 1,148,395	\$ 1,174,500

<sup>(1)</sup> Estimated fair value does not include unamortized debt issuance costs.

## 10. PENSION AND OTHER POSTRETIREMENT BENEFIT COSTS

NW Natural maintains a qualified non-contributory defined benefit pension plan (Pension Plan) for all eligible employees, non-qualified supplemental pension plans for eligible executive officers and other key employees, and other postretirement employee benefit plans. NW Natural also has a qualified defined contribution plan (Retirement K Savings Plan) for all eligible employees. The Pension Plan and Retirement K Savings Plan have plan assets, which are held in qualified trusts to fund retirement benefits.

Effective January 1, 2007 and 2010, the Pension Plan and postretirement benefits for non-union employees and union employees, respectively, were closed to new participants. Non-union and union employees hired or re-hired after December 31, 2006 and 2009, respectively, and employees of NW Natural subsidiaries are provided an enhanced Retirement K Savings Plan benefit.

The following table provides a reconciliation of the changes in NW Natural's benefit obligations and fair value of plan assets, as applicable, for NW Natural's pension and other postretirement benefit plans, excluding the Retirement K Savings Plan, and a summary of the funded status and amounts recognized in NW Holdings' and NW Natural's consolidated balance sheets as of December 31:

<i>In thousands</i>	Postretirement Benefit Plans			
	Pension Benefits		Other Benefits	
	2022	2021	2022	2021
Reconciliation of change in benefit obligation:				
Obligation at January 1	\$ 542,618	\$ 566,147	\$ 27,223	\$ 29,039
Service cost	5,933	6,982	193	238
Interest cost	14,593	13,447	724	684
Net actuarial gain	(122,168)	(18,587)	(6,234)	(688)
Benefits paid	(27,563)	(25,371)	(2,026)	(2,050)
Obligation at December 31	<u>\$ 413,413</u>	<u>\$ 542,618</u>	<u>\$ 19,880</u>	<u>\$ 27,223</u>
Reconciliation of change in plan assets:				
Fair value of plan assets at January 1	\$ 399,217	\$ 373,932	\$ —	\$ —
Actual return on plan assets	(93,703)	38,712	—	—
Employer contributions	2,353	11,944	2,026	2,050
Benefits paid	(27,563)	(25,371)	(2,026)	(2,050)
Fair value of plan assets at December 31	<u>\$ 280,304</u>	<u>\$ 399,217</u>	<u>\$ —</u>	<u>\$ —</u>
Funded status at December 31	<u>\$ (133,109)</u>	<u>\$ (143,401)</u>	<u>\$ (19,880)</u>	<u>\$ (27,223)</u>

At December 31, 2022, the net liability (benefit obligations less market value of plan assets) for the Pension Plan decreased \$3.3 million compared to 2021. The decrease in the net pension liability is primarily due to the \$118.9 million decrease in plan assets and the \$122.3 million decrease to the pension benefit obligation. The liability for non-qualified plans decreased \$6.9 million, and the liability for other postretirement benefits decreased \$7.3 million in 2022.

NW Natural's Pension Plan had a projected benefit obligation of \$381.6 million and \$503.9 million at December 31, 2022 and 2021, respectively, and fair values of plan assets of \$280.3 million and \$399.2 million, respectively. The plan had an accumulated benefit obligation of \$353.4 million and \$464.4 million at December 31, 2022 and 2021, respectively.

The following table presents amounts realized through regulatory assets or in other comprehensive loss (income) for the years ended December 31:

<i>In thousands</i>	Regulatory Assets						Other Comprehensive Loss (Income)			
	Pension Benefits			Other Postretirement Benefits			Pension Benefits			
	2022	2021	2020	2022	2021	2020	2022	2021	2020	
Net actuarial (gain) loss	\$ 2,833	\$ (32,258)	\$ 16,170	\$ (6,234)	\$ (688)	\$ 145	\$ (5,706)	\$ (812)	\$ 3,873	
Amortization of:										
Prior service credit	—	—	—	333	468	468	—	—	—	
Actuarial loss	(11,531)	(21,250)	(18,627)	(426)	(645)	(607)	(1,081)	(1,225)	(923)	
Total	<u>\$ (8,698)</u>	<u>\$ (53,508)</u>	<u>\$ (2,457)</u>	<u>\$ (6,327)</u>	<u>\$ (865)</u>	<u>\$ 6</u>	<u>\$ (6,787)</u>	<u>\$ (2,037)</u>	<u>\$ 2,950</u>	

The following table presents amounts recognized in regulatory assets and accumulated other comprehensive loss (AOCL) at December 31:

<i>In thousands</i>	Regulatory Assets				AOCL	
	Pension Benefits		Other Postretirement Benefits		Pension Benefits	
	2022	2021	2022	2021	2022	2021
Prior service credit	\$ —	\$ —	\$ —	\$ (333)	\$ —	\$ —
Net actuarial loss (gain)	102,240	112,182	(826)	5,834	8,717	15,399
<b>Total</b>	<b>\$ 102,240</b>	<b>\$ 112,182</b>	<b>\$ (826)</b>	<b>\$ 5,501</b>	<b>\$ 8,717</b>	<b>\$ 15,399</b>

The following table presents amounts recognized by NW Holdings and NW Natural in AOCL and the changes in AOCL related to NW Natural's non-qualified employee benefit plans:

<i>In thousands</i>	Year ended December 31,	
	2022	2021
Beginning balance	\$ (11,404)	\$ (12,902)
Amounts reclassified to AOCL	5,706	812
Amounts reclassified from AOCL:		
Amortization of actuarial losses	1,081	1,225
Total reclassifications before tax	6,787	2,037
Tax benefit	(1,797)	(539)
Total reclassifications for the period	4,990	1,498
Ending balance	\$ (6,414)	\$ (11,404)

In 2023, NW Natural will not amortize any estimated costs from regulatory assets to net periodic benefit costs.

The assumed discount rates for NW Natural's Pension Plan and other postretirement benefit plans were determined independently based on the FTSE Above Median Curve (discount rate curve), which uses high quality corporate bonds rated AA- or higher by S&P or Aa3 or higher by Moody's. The discount rate curve was applied to match the estimated cash flows in each of the plans to reflect the timing and amount of expected future benefit payments for these plans.

The assumed expected long-term rate of return on plan assets for the Pension Plan was developed using a weighted-average of the expected returns for the target asset portfolio. In developing the expected long-term rate of return assumption, consideration was given to the historical performance of each asset class in which the plan's assets are invested and the target asset allocation for plan assets.

The investment strategy and policies for Pension Plan assets held in the retirement trust fund were approved by the NW Natural Retirement Committee, which is composed of senior management with the assistance of an outside investment consultant. The policies set forth the guidelines and objectives governing the investment of plan assets. Plan assets are invested for total return with appropriate consideration for liquidity, portfolio risk, and return expectations. All investments are expected to satisfy the prudent investments rule under the Employee Retirement Income Security Act of 1974. The approved asset classes may include cash and short-term investments, fixed income, common stock and convertible securities, absolute and real return strategies, and real estate. Plan assets may be invested in separately managed accounts or in commingled or mutual funds. Investment re-balancing takes place periodically as needed, or when significant cash flows occur, in order to maintain the allocation of assets within the stated target ranges. The retirement trust fund for the Pension Plan is not currently invested in NW Holdings or NW Natural securities.

The following table presents the Pension Plan asset target allocation at December 31, 2022:

Asset Category	Target Allocation
Long government/credit	20 %
U.S. large cap equity	18
Non-U.S. equity	18
Absolute return strategies	12
U.S. small/mid cap equity	10
Real estate funds	7
High yield bonds	5
Emerging markets equity	5
Emerging market debt	5

Non-qualified supplemental defined benefit plan obligations were \$31.8 million and \$38.7 million at December 31, 2022 and 2021, respectively. These plans are not subject to regulatory deferral, and the changes in actuarial gains and losses, prior service costs, and transition assets or obligations are recognized in AOCL, net of tax until they are amortized as a component of net periodic benefit cost. These are unfunded, non-qualified plans with no plan assets; however, a significant portion of the obligations is indirectly funded with company and trust-owned life insurance and other assets.

Other postretirement benefit plans are unfunded plans but are subject to regulatory deferral. The actuarial gains and losses, prior service costs, and transition assets or obligations for these plans are recognized as a regulatory asset.

Net periodic benefit costs consist of service costs, interest costs, the expected returns on plan assets, and the amortization of gains and losses and prior service costs. The gains and losses are the sum of the actuarial and asset gains and losses throughout the year and are amortized over the average remaining service period of active participants. The asset gains and losses are based in part on a market-related valuation of assets. The market-related valuation reflects differences between expected returns and actual investment returns with the differences recognized over a two-year period from the year in which they occur, thereby reducing year-to-year net periodic benefit cost volatility.

The service cost component of net periodic benefit cost for NW Natural pension and other postretirement benefit plans is recognized in operations and maintenance expense in the consolidated statements of comprehensive income. The other non-service cost components are recognized in other income (expense), net in the consolidated statements of comprehensive income. The following table provides the components of net periodic benefit cost for NW Natural's pension and other postretirement benefit plans for the years ended December 31:

<i>In thousands</i>	Pension Benefits			Other Postretirement Benefits		
	2022	2021	2020	2022	2021	2020
Service cost	\$ 5,933	\$ 6,981	\$ 6,614	\$ 193	\$ 238	\$ 258
Interest cost	14,593	13,448	16,161	724	684	905
Expected return on plan assets	(25,698)	(24,232)	(21,865)	—	—	—
Amortization of prior service credit	—	—	—	(333)	(468)	(468)
Amortization of net actuarial loss	12,612	22,475	19,550	426	645	607
Net periodic benefit cost	7,440	18,672	20,460	1,010	1,099	1,302
Amount allocated to construction	(2,621)	(3,015)	(2,798)	(76)	(93)	(98)
Net periodic benefit cost charged to expense	4,819	15,657	17,662	934	1,006	1,204
Amortization of regulatory balancing account	7,131	7,131	7,131	—	—	—
Net amount charged to expense	\$ 11,950	\$ 22,788	\$ 24,793	\$ 934	\$ 1,006	\$ 1,204

Net periodic benefit costs are reduced by amounts capitalized to NGD plant. In addition, a certain amount of net periodic benefit costs were recorded to the regulatory balancing account, representing net periodic pension expense for the Pension Plan above the amount set in rates, as approved by the OPUC, from 2011 through October 31, 2018. Total amortization of the regulatory balancing account of \$7.1 million was recognized in each of the years ended December 31, 2022 and 2021, of which \$2.6 million was charged to operations and maintenance expense and \$4.5 million was charged to other income (expense).

The following table provides the assumptions used in measuring periodic benefit costs and benefit obligations for the years ended December 31:

	Pension Benefits			Other Postretirement Benefits		
	2022	2021	2020	2022	2021	2020
Assumptions for net periodic benefit cost:						
Weighted-average discount rate	2.71 %	2.40 %	3.18 %	2.72 %	2.34 %	3.11 %
Rate of increase in compensation	3.50 %	3.50 %	3.50 %	n/a	n/a	n/a
Expected long-term rate of return	7.00 %	7.25 %	7.25 %	n/a	n/a	n/a
Assumptions for year-end funded status:						
Weighted-average discount rate	5.18 %	2.71 %	2.36 %	5.19 %	2.72 %	2.34 %
Rate of increase in compensation <sup>(1)</sup>	4.00-6.00%	3.50 %	3.50-6.50%	n/a	n/a	n/a
Expected long-term rate of return	7.50 %	7.00 %	7.25 %	n/a	n/a	n/a

<sup>(1)</sup>Rate assumption ranges from 4.5% to 5.0% in 2023, 4.0% to 6.0% in 2024 and 4.0% thereafter.

The assumed annual increase in health care cost trend rates used in measuring other postretirement benefits as of December 31, 2022 was 7.00%. These trend rates apply to both medical and prescription drugs. Medical costs and prescription drugs are assumed to decrease gradually each year to a rate of 4.00% by 2029.

Assumed health care cost trend rates can have a significant effect on the amounts reported for the health care plans; however, other postretirement benefit plans have a cap on the amount of costs reimbursable by NW Natural. Mortality assumptions are reviewed annually and are updated for material changes as necessary. In 2022, mortality rate assumptions remained consistent with 2021, using Pri-2012 mortality tables using scale MP-2021.

The following table provides information regarding employer contributions and benefit payments for NW Natural's Pension Plan, non-qualified pension plans, and other postretirement benefit plans for the years ended December 31, and estimated future contributions and payments:

<i>In thousands</i>	Pension Benefits	Other Benefits
<b>Employer Contributions:</b>		
2021	\$ 11,944	\$ 2,050
2022	2,353	2,026
2023 (estimated)	2,333	1,586
<b>Benefit Payments:</b>		
2020	25,073	1,837
2021	25,371	2,050
2022	27,563	2,026
<b>Estimated Future Benefit Payments:</b>		
2023	26,499	1,586
2024	27,029	1,591
2025	27,541	1,586
2026	27,981	1,560
2027	36,485	1,552
2028-2032	145,486	7,345

#### **Employer Contributions to Company-Sponsored Defined Benefit Pension Plan**

NW Natural makes contributions to its Pension Plan based on actuarial assumptions and estimates, tax regulations, and funding requirements under federal law. The Pension Plan was underfunded by \$101.3 million at December 31, 2022. NW Natural made no cash contributions to its Pension Plan for 2022. The American Rescue Plan, which was signed into law on March 11, 2021, includes a provision for pension relief that extends the amortization period for required contributions from 7 to 15 years and provides for the stabilization of interest rates used to calculate future required contributions. As a result, NW Natural does not expect to make any plan contributions during 2023.

#### **Multiemployer Pension Plan**

In addition to the NW Natural-sponsored Pension Plan presented above, prior to 2014 NW Natural contributed to a multiemployer pension plan for its NGD union employees known as the Western States Office and Professional Employees International Union Pension Fund (Western States Plan). That plan's employer identification number is 94-6076144. Effective December 22, 2013, NW Natural withdrew from the plan, which was a noncash transaction. Vested participants will receive all benefits accrued through the date of withdrawal. As the plan was underfunded at the time of withdrawal, NW Natural was assessed a withdrawal liability of \$8.3 million, plus interest, which requires NW Natural to pay \$0.6 million each year to the plan for 20 years beginning in July 2014. The cost of the withdrawal liability was deferred to a regulatory account on the balance sheet.

Payments were \$0.6 million for 2022, and as of December 31, 2022, the liability balance was \$5.4 million. For 2021 and 2020, contributions to the plan were \$0.4 million and \$0.7 million, respectively, which was approximately 3% to 5% of the total contributions to the plan by all employer participants in those years.

#### **Defined Contribution Plan**

NW Natural's Retirement K Savings Plan is a qualified defined contribution plan under Internal Revenue Code Sections 401(a) and 401(k). NW Natural contributions totaled \$9.6 million, \$8.8 million, and \$8.3 million for 2022, 2021, and 2020, respectively.

#### **Deferred Compensation Plans**

NW Natural's supplemental deferred compensation plans for eligible officers and senior managers are non-qualified plans. These plans are designed to enhance the retirement savings of employees and to assist them in strengthening their financial security by providing an incentive to save and invest regularly.

#### **Fair Value**

Below is a description of the valuation methodologies used for assets measured at fair value. In cases where NW Natural's Pension Plan is invested through a collective trust fund or mutual fund, the fund's market value is utilized. Market values for investments directly owned are also utilized.

**U.S. EQUITY.** These are non-published net asset value (NAV) assets. The non-published NAV assets consist of commingled trusts where NAV is not published but the investment can be readily disposed of at NAV or market value. The underlying investments in this asset class includes investments primarily in U.S. common stocks.

**INTERNATIONAL/GLOBAL EQUITY.** These are Level 1 and non-published NAV assets. The Level 1 asset is a mutual fund, and the non-published NAV assets consist of commingled trusts where the NAV/unit price is not published, but the investment can be readily disposed of at the NAV/unit price. The mutual funds has a readily determinable fair value, including a published NAV, and the commingled trusts are valued at unit price. This asset class includes investments primarily in foreign equity common stocks.

**LIABILITY HEDGING.** These are non-published NAV assets. The non-published NAV assets consist of commingled trusts where NAV is not published but the investment can be readily disposed of at NAV or market value. The underlying investments in this asset class include long duration fixed income investments primarily in U.S. treasuries, U.S. government agencies, municipal securities, mortgage-backed securities, asset-backed securities, as well as U.S. and international investment-grade corporate bonds.

**OPPORTUNISTIC.** These are non-published NAV assets. The non-published NAV assets consist of commingled trusts where NAV is not published but the investment can be readily disposed of at NAV or market value. The underlying investments in this asset class include real estate investment trust equities, high yield bonds, floating rate debt, emerging market debt and a commodity index pool.

**CASH AND CASH EQUIVALENTS.** These are Level 1 and non-published NAV assets. The Level 1 assets consist of cash in U.S. dollars, which can be readily disposed of at face value. The non-published NAV assets represent mutual funds without published NAV's but the investment can be readily disposed of at the NAV. The mutual funds are valued at the NAV of the shares held by the plan at the valuation date.

The preceding valuation methods may produce a fair value calculation that is not indicative of net realizable value or reflective of future fair values. Although we believe these valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain investments could result in a different fair value measurement at the reporting date.

Investment securities are exposed to various financial risks including interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of NW Natural's investment securities will occur in the near term and such changes could materially affect NW Natural's investment account balances and the amounts reported as plan assets available for benefit payments.

The following tables present the fair value of NW Natural's Pension Plan assets, including outstanding receivables and liabilities, of NW Natural's retirement trust fund

*In thousands*

Investments	December 31, 2022				
	Level 1	Level 2	Level 3	Non-Published NAV <sup>(1)</sup>	Total
US equity	\$ —	\$ —	\$ —	\$ 68,729	\$ 68,729
International / Global equity	26,677	—	—	63,827	90,504
Liability hedging	—	—	—	94,823	94,823
Opportunistic	—	—	—	23,903	23,903
Cash and cash equivalents	—	—	—	2,345	2,345
Total investments	<u>\$ 26,677</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 253,627</u>	<u>\$ 280,304</u>

Investments	December 31, 2021				
	Level 1	Level 2	Level 3	Non-Published NAV <sup>(1)</sup>	Total
US equity	\$ —	\$ —	\$ —	\$ 121,090	\$ 121,090
International / Global equity	35,456	—	—	88,078	123,534
Liability hedging	—	—	—	118,464	118,464
Opportunistic	—	—	—	33,808	33,808
Cash and cash equivalents	—	—	—	2,321	2,321
Total investments	<u>\$ 35,456</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 363,761</u>	<u>\$ 399,217</u>

	December 31,	
	2022	2021
Receivables:		
Accrued interest and dividend income	\$ 7,703	\$ —
Total receivables	<u>7,703</u>	<u>—</u>
Liabilities:		
Due to broker for securities purchased	(7,701)	—
Total investment in retirement trust	<u>\$ 280,306</u>	<u>\$ 399,217</u>

<sup>(1)</sup> The fair value for these investments is determined using Net Asset Value per share (NAV) as of December 31, as a practical expedient, and therefore they are not classified within the fair value hierarchy. These investments primarily consist of institutional investment products, for which the NAV is generally not publicly available.

## 11. INCOME TAX

The following table provides a reconciliation between income taxes calculated at the statutory federal tax rate and the provision for income taxes reflected in the NW Holdings and NW Natural statements of comprehensive income or loss for December 31:

<i>Dollars in thousands</i>	NW Holdings			NW Natural		
	2022	2021	2020	2022	2021	2020
Income taxes at federal statutory rate	\$ 24,241	\$ 22,275	\$ 19,185	\$ 25,746	\$ 22,996	\$ 19,248
Increase (decrease):						
State income tax, net of federal	10,139	9,962	6,389	10,504	10,150	6,385
Differences required to be flowed-through by regulatory commissions	(4,748)	(4,655)	(3,960)	(4,746)	(4,738)	(3,960)
Other, net	(502)	(176)	(532)	(468)	(75)	(578)
Total provision for income taxes	<u>\$ 29,130</u>	<u>\$ 27,406</u>	<u>\$ 21,082</u>	<u>\$ 31,036</u>	<u>\$ 28,333</u>	<u>\$ 21,095</u>
Effective tax rate	<u>25.2%</u>	<u>25.8%</u>	<u>23.1%</u>	<u>25.3%</u>	<u>25.9%</u>	<u>23.0%</u>

The NW Holdings and NW Natural effective income tax rates for 2022 compared to 2021 changed primarily due to lower income tax amortization in 2022 of the 2020 Oregon Corporate Activity Tax (CAT), which was subject to regulatory deferral when it became effective on January 1, 2020 and then amortized in income tax expense as recovery began in late 2020, 2021, and 2022.

The NW Holdings and NW Natural effective income tax rates for 2021 compared to 2020 changed primarily due to Oregon CAT, the majority of which is incurred because of Oregon regulated operations and for which rate recovery began on November 1, 2020.

The provision for current and deferred income taxes consists of the following at December 31:

<i>In thousands</i>	NW Holdings			NW Natural		
	2022	2021	2020	2022	2021	2020
<b>Current</b>						
Federal	\$ 5,172	\$ 6,508	\$ 10,106	\$ 7,442	\$ 7,570	\$ 11,092
State	6,551	6,281	5,971	7,307	7,540	5,357
<b>Total current income taxes</b>	<b>11,723</b>	<b>12,789</b>	<b>16,077</b>	<b>14,749</b>	<b>15,110</b>	<b>16,449</b>
<b>Deferred</b>						
Federal	11,124	8,289	2,888	10,298	7,915	1,921
State	6,283	6,328	2,117	5,989	5,308	2,725
<b>Total deferred income taxes</b>	<b>17,407</b>	<b>14,617</b>	<b>5,005</b>	<b>16,287</b>	<b>13,223</b>	<b>4,646</b>
<b>Income tax provision</b>	<b>\$ 29,130</b>	<b>\$ 27,406</b>	<b>\$ 21,082</b>	<b>\$ 31,036</b>	<b>\$ 28,333</b>	<b>\$ 21,095</b>

The following table summarizes the tax effect of significant items comprising NW Holdings and NW Natural's deferred income tax balances recorded at December 31:

<i>In thousands</i>	NW Holdings		NW Natural	
	2022	2021	2022	2021
<b>Deferred tax liabilities:</b>				
Plant and property	\$ 326,326	\$ 310,471	\$ 320,121	\$ 303,928
Leases receivable	36,873	38,123	36,873	38,123
Pension and postretirement obligations	22,973	23,097	22,973	23,097
Income tax regulatory asset	13,152	14,818	13,152	14,818
Lease right of use assets	21,272	21,362	21,084	21,350
Other	17,050	7,793	17,314	8,003
<b>Total deferred income tax liabilities</b>	<b>\$ 437,646</b>	<b>\$ 415,664</b>	<b>\$ 431,517</b>	<b>\$ 409,319</b>
<b>Deferred income tax assets:</b>				
Income tax regulatory liability	\$ 48,270	\$ 50,447	\$ 48,018	\$ 50,193
Lease liabilities	21,306	21,376	21,102	21,365
Other intangible assets	1,947	3,484	—	—
Net operating losses and credits carried forward	101	126	44	44
<b>Total deferred income tax assets</b>	<b>\$ 71,624</b>	<b>\$ 75,433</b>	<b>\$ 69,164</b>	<b>\$ 71,602</b>
<b>Total net deferred income tax liabilities</b>	<b>\$ 366,022</b>	<b>\$ 340,231</b>	<b>\$ 362,353</b>	<b>\$ 337,717</b>

At December 31, 2022 and 2021, regulatory income tax assets of \$10.2 million and \$12.4 million, respectively, were recorded by NW Natural, a portion of which is recorded in current assets. These regulatory income tax assets primarily represent future rate recovery of deferred tax liabilities, resulting from differences in NGD plant financial statement and tax bases and NGD plant removal costs, which were previously flowed through for rate making purposes and to take into account the additional future taxes, which will be generated by that recovery. These deferred tax liabilities, and the associated regulatory income tax assets, are currently being recovered through customer rates. At December 31, 2022 and 2021, regulatory income tax assets of \$2.9 million and \$2.4 million, respectively, were recorded by NW Natural, representing future recovery of deferred tax liabilities resulting from the equity portion of AFUDC. At December 31, 2021, a regulatory income tax asset of \$0.4 million was recorded by NW Natural, representing future recovery of Oregon CAT that was deferred between January 1, 2020 and October 31, 2020. In October 2020, the OPUC issued an order providing for recovery of deferred Oregon CAT as well as CAT incurred prospectively beginning November 1, 2020. This asset was fully recovered as of December 31, 2022.

At December 31, 2022 and 2021, deferred tax assets of \$48.0 million and \$50.2 million, respectively, were recorded by NW Natural representing the future income tax benefit associated with the excess deferred income tax regulatory liability recorded as a result of the lower federal corporate income tax rate provided for by the TCJA. At December 31, 2022 and 2021, regulatory liability balances representing the benefit of the change in deferred taxes as a result of the TCJA of \$181.4 million and \$189.6 million, respectively, were recorded by NW Natural.

NW Holdings and NW Natural assess the available positive and negative evidence to estimate if sufficient taxable income will be generated to utilize their respective existing deferred tax assets. Based upon this assessment, NW Holdings and NW Natural determined that it is more likely than not that all of their respective deferred tax assets recorded as of December 31, 2022 will be realized.

The Company estimates it has net operating loss (NOL) carryforwards of \$0.1 million for federal taxes and \$0.1 million for state taxes at December 31, 2022. The federal NOLs do not expire and we anticipate fully utilizing the state NOL carryforward



balances before they begin to expire in 2040. California alternative minimum tax (AMT) credits of \$56 thousand are also available. The AMT credits do not expire.

Uncertain tax positions are accounted for in accordance with accounting standards that require an assessment of the anticipated settlement outcome of material uncertain tax positions taken in a prior year, or planned to be taken in the current year. Until such positions are sustained, the uncertain tax benefits resulting from such positions would not be recognized. No reserves for uncertain tax positions were recorded as of December 31, 2022, 2021, or 2020.

The federal income tax returns for tax years 2018 and earlier are closed by statute. The IRS Compliance Assurance Process (CAP) examination of the 2019 and 2020 tax years have been completed. There were no material changes to these returns as filed. The 2021 and 2022 tax years are currently under IRS CAP examination. The 2023 CAP application has been filed. Under the CAP program, NW Holdings and NW Natural work with the IRS to identify and resolve material tax matters before the tax return is filed each year.

As of December 31, 2022, income tax years 2018 through 2021 remain open for examination by the State of California. Income tax years 2019 through 2021 are open for examination by the States of Oregon, Idaho, and Texas.

## 12. PROPERTY, PLANT, AND EQUIPMENT

The following table sets forth the major classifications of property, plant, and equipment and accumulated depreciation of continuing operations at December 31:

<i>In thousands</i>	2022	2021
<b>NW Natural:</b>		
NGD plant in service	\$ 3,992,676	\$ 3,721,939
NGD construction work in progress	78,897	135,398
Less: Accumulated depreciation	1,115,690	1,098,715
NGD plant, net	<u>2,955,883</u>	<u>2,758,622</u>
Other plant in service	70,368	69,332
Other construction work in progress	6,606	4,971
Less: Accumulated depreciation	21,541	20,646
Other plant, net	<u>55,433</u>	<u>53,657</u>
Total property, plant, and equipment	<u>\$ 3,011,316</u>	<u>\$ 2,812,279</u>
<b>Other (NW Holdings):</b>		
Other plant in service	\$ 92,979	\$ 57,184
Other construction work in progress	20,040	8,419
Less: Accumulated depreciation	9,935	6,512
Other plant, net	<u>103,084</u>	<u>59,091</u>
<b>NW Holdings:</b>		
Total property, plant, and equipment	<u>\$ 3,114,400</u>	<u>\$ 2,871,370</u>
<b>NW Natural:</b>		
Capital expenditures in accrued liabilities	\$ 24,584	\$ 37,537
<b>NW Holdings:</b>		
Capital expenditures in accrued liabilities	\$ 25,318	\$ 38,333

Accumulated depreciation does not include the accumulated provision for asset removal costs of \$467.7 million and \$446.0 million at December 31, 2022 and 2021, respectively. These accrued asset removal costs are reflected on the balance sheet as regulatory liabilities. See Note 2.

### NW Holdings

Other plant balances include long-lived assets associated with water and wastewater operations and non-regulated activities not held by NW Natural or its subsidiaries.

### NW Natural

Other plant balances include non-utility gas storage assets at the Mist facility and other long-lived assets not related to NGD.

The weighted average depreciation rate for NGD assets was 3.0% in 2022, 2021, and 2020. The weighted average depreciation rate for assets not related to NGD was 1.8% in 2022, 2021, and 2020.

### 13. INVESTMENTS

Investments include gas reserves, financial investments in life insurance policies, and equity method investments. The following table summarizes other investments at December 31:

<i>In thousands</i>	NW Holdings		NW Natural	
	2022	2021	2022	2021
Investments in life insurance policies	\$ 49,358	\$ 48,178	\$ 49,358	\$ 48,178
Investments in gas reserves, non-current	22,970	26,608	22,970	26,608
Investments in unconsolidated affiliates	23,376	14,492	7,782	—
Total other investments	\$ 95,704	\$ 89,278	\$ 80,110	\$ 74,786

#### **Investment in Life Insurance Policies**

NW Natural has invested in key person life insurance contracts to provide an indirect funding vehicle for certain long-term employee and director benefit plan liabilities. The amount in the above table is reported at cash surrender value, net of policy loans.

#### **NW Natural Gas Reserves**

NW Natural has invested \$188 million through the gas reserves program in the Jonah Field located in Wyoming as of December 31, 2022. Gas reserves are stated at cost, net of regulatory amortization, with the associated deferred tax benefits of \$5.2 million and \$6.9 million, which are recorded as liabilities in the December 31, 2022 and 2021 consolidated balance sheets, respectively. NW Natural's investment is included in NW Holdings' and NW Natural's consolidated balance sheets under other current assets and other investments (non-current portion) with the maximum loss exposure limited to the investment balance. The amount of gas reserves included in other current assets was \$3.4 million and \$5.4 million as of December 31, 2022 and 2021, respectively. The investment in gas reserves provides long-term price protection and acted to hedge the cost of gas for approximately 3% and 4% of NGD gas supplies for the years ended December 31, 2022 and 2021, respectively.

#### **Investments in Unconsolidated Affiliates**

In December 2021, NW Natural Water purchased a 37.3% ownership stake in Avion Water Company, Inc. (Avion Water), an investor-owned water utility for \$14.5 million. In July 2022, NW Natural Water increased its ownership stake in Avion Water to 40.3% for an additional \$1.0 million. Avion Water operates in Bend, Oregon and the surrounding communities, serving approximately 15,000 customer connections and employing 35 people. The carrying value of the equity method investment is \$9.4 million higher than the underlying equity in the net assets of the investee at December 31, 2022 due to equity method goodwill. Equity in earnings (loss) of Avion Water is included in other income (expense), net.

On August 6, 2020, NWN Energy completed the sale of 100% of its interest in Trail West Holdings, LLC (TWH) to an unrelated third party for a purchase price of \$14.0 million, \$7.0 million of which was paid upon closing the transaction, and \$7.0 million of which was paid upon the one-year anniversary of the close date. The completion of the sale resulted in an after-tax gain of approximately \$0.5 million for the year ended December 31, 2020. TWH was a variable interest entity reported under equity method accounting through its sale. The investment in TWH did not meet the criteria to be classified as held for sale or discontinued operations.

In 2020, NW Natural began a partnership with BioCarbN to invest in up to four separate RNG development projects that are designed to access biogas derived from water treatment at Tyson Foods' processing plants, subject to approval by all parties. During the construction phase of the projects, NW Natural determined it is the primary beneficiary and fully consolidates each entity.

In 2022, commissioning of the first project, Lexington Renewable Energy LLC (Lexington), was completed and NW Natural determined it was no longer the primary beneficiary and deconsolidated the variable interest entity and recorded the investment in Lexington as an equity method investment. NW Natural accounts for its interest in Lexington using the equity method of accounting because NW Natural does not control but has the ability to exercise significant influence over Lexington's operations after commissioning. There was no gain or loss recognized upon deconsolidation. NW Natural determined the fair value of the investment approximated the carrying value which was primarily comprised of cash and property, plant and equipment. As of December 31, 2022, NW Natural had an investment balance in Lexington of \$7.8 million. Equity in earnings (loss) of Lexington is included in cost of gas.

## 14. BUSINESS COMBINATIONS

### 2022 Business Combinations

#### Far West Water & Sewer, Inc.

On October 5, 2022, NWN Water completed the acquisition of the water and wastewater utilities of Far West Water & Sewer, Inc. (Far West), which has a combined approximately 25,000 connections in Yuma, Arizona. The acquisition-date fair value of the total consideration transferred, after closing adjustments, was approximately \$97.0 million, of which \$88.4 million was cash consideration transferred at closing, \$8.1 million was contingent consideration, and \$0.5 million was deferred consideration.

The contingent consideration is an earnout payment in an amount equal to the product of (i) the amount, if any, by which the average annual System Operating Revenue for the 2026, 2027, and 2028 years exceeds \$13.0 million (ii) multiplied by 4 but shall not exceed \$12.0 million. As of the acquisition date, the contingent consideration had a fair value of \$8.1 million and was included in other non-current liabilities. The fair value as of the acquisition date was determined using a scenario-based technique using management's best estimate of forecast revenue for the years 2026, 2027, and 2028 discounted to present value. The inputs to determine the fair value of the contingent consideration include estimated future revenue and a risk-adjusted discount rate. The fair value measurement is based on significant inputs that are not observable in the market and thus represents a fair value measurement categorized within Level 3 of the fair value hierarchy per ASC Topic 820.

The Far West acquisition met the criteria of a business combination, and as such a preliminary allocation of the consideration to the acquired net assets based on their estimated fair value as of the acquisition date was performed. In accordance with U.S. GAAP, the fair value determination involves management judgment in determining the significant estimates and assumptions used and was made using existing regulatory conditions for net assets associated with Far West. This allocation is considered preliminary as of December 31, 2022, as facts and circumstances that existed as of the acquisition date may be discovered as we continue to integrate Far West. As a result, subsequent adjustments to the preliminary valuation of tangible assets, contract assets and liabilities, tax positions, and goodwill may be required. Subsequent adjustments are not expected to be significant, and any such adjustments are expected to be completed within the one-year measurement period. The acquisition costs were expensed as incurred.

Preliminary goodwill of \$70.8 million was recognized from this acquisition. The goodwill recognized is attributable to Far West's regulated water utility service territory, experienced workforce, and the strategic benefits for both the water utility and wastewater services expected from growth in its service territory. No intangible assets aside from goodwill were recognized. The amount of goodwill that is expected to be deductible for income tax purposes is approximately \$61.8 million

The preliminary purchase price for the acquisition has been allocated to the net assets acquired as of the acquisition date and is as follows:

<i>In thousands</i>	December 31, 2022
Current assets	\$ 1,281
Property, plant and equipment	25,744
Goodwill	70,842
Non-current assets	684
Current liabilities	(1,136)
Non-current liabilities	(9,011)
Total net assets acquired	<u>\$ 88,404</u>

The amount of Far West revenues included in NW Holdings' consolidated statements of comprehensive income is \$2.9 million for the year ended December 31, 2022. Earnings from Far West activities for the year ended December 31, 2022 were not material to the results of NW Holdings. Far West is referred to as Foothills Utilities following the closure of the acquisition.

#### Other 2022 Business Combinations

During the year ended December 31, 2022, NWN Water and its subsidiaries acquired the assets of six additional businesses qualifying as business combinations. The aggregate fair value of the preliminary consideration transferred for these acquisitions was \$8.7 million, most of which was preliminarily allocated to property, plant and equipment and goodwill. These transactions align with NW Holdings' water and wastewater sector strategy as it continues to expand its water and wastewater service territories and included:

- Belle Oaks Water and Sewer Co., Inc in Texas
- Northwest Water Services, LLC in Washington
- Aquarius Utilities, LLC in Washington
- Valiant Idaho, LLC (The Idaho Club - Sewer) in Idaho
- Caney Creek in Texas
- Water Necessities, Inc. and Rural Water Co. in Texas

## **2021 Business Combinations**

During the year ended December 31, 2021, NWN Water and its subsidiaries completed four acquisitions qualifying as business combinations. The aggregate fair value of the consideration transferred for these acquisitions were not material and are not significant to NW Holdings' results of operations.

## **2020 Business Combinations**

During the year ended December 31, 2020, NWN Water and its subsidiaries completed two significant acquisitions qualifying as business combinations. The aggregate fair value of the total cash consideration transferred for these acquisitions was \$38.1 million, most of which was allocated to property, plant and equipment and goodwill. These transactions align with NW Holdings' water sector strategy as it continues to expand its water services territories in the Pacific Northwest and beyond and included:

- Suncadia Water Company, LLC and Suncadia Environmental Company, LLC which were acquired by NWN Water of Washington on January 31, 2020, and
- T&W Water Service Company which was acquired by NWN Water of Texas on March 2, 2020. T&W Water Service Company is referred to as Blue Topaz Utilities following the closure of the acquisition.

### **Other 2020 Business Combinations**

During the year ended December 31, 2020, NWN Water completed three additional acquisitions, comprised of four water systems and one wastewater system, which qualified as business combinations. The aggregate fair value of the consideration transferred for these acquisitions was approximately \$1.5 million. These business combinations were not significant to NW Holdings' results of operations.

## **Goodwill**

NW Holdings allocates goodwill to reporting units based on the expected benefit from the business combination. We perform an annual impairment assessment of goodwill at the reporting unit level, or more frequently if events and circumstances indicate that goodwill might be impaired. An impairment loss is recognized if the carrying value of a reporting unit's goodwill exceeds its fair value.

As a result of all acquisitions completed, total goodwill was \$149.3 million as of December 31, 2022 and \$70.6 million as of December 31, 2021. The increase in the goodwill balance was primarily due to additions associated with our acquisitions in the water and wastewater sector. All of our goodwill is related to water and wastewater acquisitions and is included in the other category for segment reporting purposes. The annual impairment assessment of goodwill occurs in the fourth quarter of each year. There have been no impairments recognized to date.

## **15. DERIVATIVE INSTRUMENTS**

### **NW Natural**

NW Natural enters into financial derivative contracts to hedge a portion of the NGD segment's natural gas sales requirements. These contracts include swaps, options, and combinations of option contracts. These derivative financial instruments are primarily used to manage commodity price variability. A small portion of NW Natural's derivative hedging strategy involves foreign currency forward contracts.

NW Natural enters into these financial derivatives, up to prescribed limits, primarily to hedge price variability related to term physical gas supply contracts as well as to hedge spot purchases of natural gas. The foreign currency forward contracts are used to hedge the fluctuation in foreign currency exchange rates for pipeline demand charges paid in Canadian dollars.

In the normal course of business, NW Natural also enters into indexed-price physical forward natural gas commodity purchase contracts and options to meet the requirements of NGD customers. These contracts qualify for regulatory deferral accounting treatment.

NW Natural also enters into exchange contracts related to the third-party asset management of its gas portfolio, some of which are derivatives that do not qualify for hedge accounting or only partial regulatory deferral, but are subject to NW Natural's regulatory sharing agreement. These derivatives are recognized in operating revenues, net of amounts shared with NGD customers.

### **Notional Amounts**

The following table presents the absolute notional amounts related to open positions on NW Natural derivative instruments:

<i>In thousands</i>	At December 31,	
	2022	2021
Natural gas (in therms):		
Financial	852,435	618,815
Physical	463,254	431,628
Foreign exchange	\$ 7,617	\$ 6,268

### **Purchased Gas Adjustment (PGA)**

Under the PGA mechanism in Oregon, derivatives entered into by NW Natural for the procurement or hedging of natural gas for future gas years generally receive regulatory deferral accounting treatment. In general, commodity hedging for the current gas year is completed prior to the start of the gas year, and hedge prices are reflected in the weighted-average cost of gas in the PGA filing. Rates and hedging approaches may vary between states due to different rate structures and mechanisms. In addition, as required with the Washington PGA filing, NW Natural incorporated and began implementing risk-responsive hedging strategies for its Washington gas supplies. Hedge contracts entered into after the start of the PGA period are subject to the PGA incentive sharing mechanism in Oregon. NW Natural entered the 2022-23 and 2021-22 gas years with forecasted sales volumes hedged at 67% and 60% in financial swap and option contracts, and 17% and 19% in physical gas supplies, respectively. Hedge contracts entered into prior to the PGA filing, in September 2022, were included in the PGA for the 2022-23 gas year. Hedge contracts entered into after the PGA filing, and related to subsequent gas years, may be included in future PGA filings and qualify for regulatory deferral.

### **Unrealized and Realized Gain/Loss**

The following table reflects the income statement presentation for the unrealized gains and losses from NW Natural's derivative instruments:

<i>In thousands</i>	December 31, 2022		December 31, 2021	
	Natural gas commodity	Foreign exchange	Natural gas commodity	Foreign exchange
Benefit (expense) to cost of gas	\$ 119,935	\$ (165)	\$ 36,539	\$ (26)
Operating revenues (expense)	—	—	(26)	—
Amounts deferred to regulatory accounts on balance sheet	(119,935)	165	(36,517)	26
Total gain (loss) in pre-tax earnings	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (4)</u>	<u>\$ —</u>

### **Unrealized Gain/Loss**

Outstanding derivative instruments related to regulated NGD operations are deferred in accordance with regulatory accounting standards. The cost of foreign currency forward and natural gas derivative contracts are recognized immediately in the cost of gas; however, costs above or below the amount embedded in the current year PGA are subject to a regulatory deferral tariff and therefore, are recorded as a regulatory asset or liability.

### **Realized Gain/Loss**

NW Natural realized net gains of \$107.8 million and \$50.9 million for the years ended December 31, 2022 and 2021, respectively, from the settlement of natural gas financial derivative contracts. Realized gains and losses offset the higher or lower cost of gas purchased, resulting in no incremental amounts to collect or refund to customers.

### **Credit Risk Management of Financial Derivatives Instruments**

No collateral was posted with or by NW Natural counterparties as of December 31, 2022 or 2021. NW Natural attempts to minimize the potential exposure to collateral calls by diversifying counterparties and using credit limits to manage liquidity risk. Counterparties generally allow a certain credit limit threshold before requiring NW Natural to post collateral against unrealized loss positions. Given NW Natural's credit ratings, counterparty credit limits and portfolio diversification, it was not subject to collateral calls in 2022 or 2021. The collateral call exposure is set forth under credit support agreements, which generally contain credit limits. NW Natural could also be subject to collateral call exposure where it has agreed to provide adequate assurance, which is not specific as to the amount of credit limit allowed, but could potentially require additional collateral posting by NW Natural in the event of a material adverse change.

NW Natural's financial derivative instruments are subject to master netting arrangements; however, they are presented on a gross basis in the consolidated balance sheets. NW Natural and its counterparties have the ability to set-off obligations to each other under specified circumstances. Such circumstances may include a defaulting party, a credit change due to a merger affecting either party, or any other termination event.

If netted by counterparty, NW Natural's physical and financial derivative position would result in an asset of \$153.3 million and a liability of \$3.6 million as of December 31, 2022, and an asset of \$51.8 million and a liability of \$3.8 million as of December 31, 2021.

NW Natural is exposed to derivative credit and liquidity risk primarily through securing fixed price natural gas commodity swaps with financial counterparties. NW Natural utilizes master netting arrangements through International Swaps and Derivatives Association contracts to minimize this risk along with collateral support agreements with counterparties based on their credit ratings. Additionally, NW Natural uses counterparty, industry, sector and country diversification to minimize credit risk. In certain cases, NW Natural may require counterparties to post collateral, guarantees, or letters of credit to maintain its minimum credit requirement standards.

NW Natural's financial derivatives policy requires counterparties to have an investment-grade credit rating at the time the derivative instrument is entered into, and specifies limits on the contract amount and duration based on each counterparty's credit rating. NW Natural does not speculate in derivatives. Derivatives are used to reduce NW Natural's net market risk and hedge exposure above risk tolerance limits. It is required that increases in market risk created by the use of derivatives is offset by the exposures they modify.

We actively monitor NW Natural's derivative credit exposure and place counterparties on hold for trading purposes or require other forms of credit assurance, such as letters of credit, cash collateral, or guarantees as circumstances warrant. The ongoing assessment of counterparty credit risk includes consideration of credit ratings, credit default swap spreads, bond market credit spreads, financial condition, government actions, and market news. A Monte Carlo simulation model is used to estimate the change in credit and liquidity risk from the volatility of natural gas prices. The results of the model are used to establish trading limits. NW Natural's outstanding financial derivatives at December 31, 2022 mature by November 1, 2025.

We could become materially exposed to credit risk with one or more of our counterparties if natural gas prices experience a significant increase. If a counterparty were to become insolvent or fail to perform on its obligations, we could suffer a material loss; however, we would expect such a loss to be eligible for regulatory deferral and rate recovery, subject to a prudence review. All of our existing counterparties currently have investment-grade credit ratings.

### **Fair Value**

In accordance with fair value accounting, NW Natural includes non-performance risk in calculating fair value adjustments. This includes a credit risk adjustment based on the credit spreads of NW Natural counterparties when in an unrealized gain position, or on NW Natural's own credit spread when it is in an unrealized loss position. The inputs in our valuation models include natural gas futures, volatility, credit default swap spreads, and interest rates. Additionally, the assessment of non-performance risk is generally derived from the credit default swap market and from bond market credit spreads. The impact of the credit risk adjustments for all financial derivatives outstanding was immaterial to the fair value calculation at December 31, 2022. As of December 31, 2022 and 2021, the net fair value was an asset of \$149.7 million and \$48.0 million, respectively, using significant other observable, or Level 2, inputs. No Level 3 inputs were used in our derivative valuations during the years ended December 31, 2022 and 2021.

### **NW Holdings**

NW Holdings and NWN Water entered into interest rate swap agreements with major financial institutions that effectively convert variable-rate debt to a fixed rate. Interest payments made between the effective date and expiration date are hedged by the swap agreements. The notional amount, effective date, expiration date and rate of the swap agreements are shown in the table below:

<i>In millions</i>	Notional Amount	Effective Date	Expiration Date	Fixed Rate
NW Holdings	\$ 100.0	1/17/2023	3/15/2024	4.7 %
NWN Water	\$ 55.0	1/19/2023	6/10/2026	3.8 %

Unrealized gains and losses related to these interest rate swap agreements are recorded in AOCI on the consolidated balance sheet and totaled \$129 thousand, net of tax, as of December 31, 2022. There were no amounts reclassified from AOCI to net income during the year ended December 31, 2022.

## **16. COMMITMENTS AND CONTINGENCIES**

### **Gas Purchase and Pipeline Capacity Purchase and Release Commitments**

NW Natural has signed agreements providing for the reservation of firm pipeline capacity under which it is required to make fixed monthly payments for contracted capacity. The pricing component of the monthly payment is established, subject to change, by U.S. or Canadian regulatory bodies, or is established directly with private counterparties, as applicable. In addition, NW Natural has entered into long-term agreements to release firm pipeline capacity. NW Natural also enters into short-term and long-term gas purchase agreements.

In November 2021, NW Natural and a subsidiary of Archaea Energy entered into a long-term RNG purchase and sale agreement. Under the agreement, NW Natural committed to purchase the environmental attributes generated by Archaea related to up to ten million therms of RNG annually from its portfolio of RNG production facilities for a fixed fee for a period of 21 years. The agreement commenced in 2022, with the full annual quantity beginning in 2025.

The aggregate amounts of these agreements at NW Natural were as follows at December 31, 2022:

<i>In thousands</i>	Gas Purchase Agreements <sup>(1)</sup>	Pipeline Capacity Purchase Agreements	Pipeline Capacity Release Agreements
2023	\$ 400,370	\$ 81,691	\$ 8,154
2024	6,376	77,327	7,474
2025	6,426	78,493	3,397
2026	12,003	66,782	—
2027	11,330	66,906	—
Thereafter	189,050	432,464	—
Total	625,555	803,663	19,025
Less: Amount representing interest	86,250	200,243	989
Total at present value	<u>\$ 539,305</u>	<u>\$ 603,420</u>	<u>\$ 18,036</u>

<sup>(1)</sup> Gas purchase agreements include environmental attributes of RNG.

Total fixed charges under capacity purchase agreements were \$90.2 million for 2022, \$82.9 million for 2021, and \$81.8 million for 2020, of which \$8.3 million, \$7.7 million, and \$4.8 million, respectively, related to capacity releases. In addition, per-unit charges are required to be paid based on the actual quantities shipped under the agreements. In certain take-or-pay purchase commitments, annual deficiencies may be offset by prepayments subject to recovery over a longer term if future purchases exceed the minimum annual requirements.

### **Leases**

Refer to Note 7 for a discussion of lease commitments and contingencies.

### **Environmental Matters**

Refer to Note 17 for a discussion of environmental commitments and contingencies.

## **17. ENVIRONMENTAL MATTERS**

NW Natural owns, or previously owned, properties that may require environmental remediation or action. The range of loss for environmental liabilities is estimated based on current remediation technology, enacted laws and regulations, industry experience gained at similar sites, and an assessment of the probable level of involvement and financial condition of other potentially responsible parties (PRPs). When amounts are prudently expended related to site remediation of those sites described herein, NW Natural has recovery mechanisms in place to collect 96.7% of remediation costs allocable to Oregon customers and 3.3% of costs allocable to Washington customers.

These sites are subject to the remediation process prescribed by the Environmental Protection Agency (EPA) and the Oregon Department of Environmental Quality (ODEQ). The process begins with a remedial investigation (RI) to determine the nature and extent of contamination and then a risk assessment (RA) to establish whether the contamination at the site poses unacceptable risks to humans and the environment. Next, a feasibility study (FS) or an engineering evaluation/cost analysis (EE/CA) evaluates various remedial alternatives. It is at this point in the process when NW Natural is able to estimate a range of remediation costs and record a reasonable potential remediation liability, or make an adjustment to the existing liability. From this study, the regulatory agency selects a remedy and issues a Record of Decision (ROD). After a ROD is issued, NW Natural would seek to negotiate a consent decree or consent judgment for designing and implementing the remedy. NW Natural would have the ability to further refine estimates of remediation liabilities at that time.

Remediation may include treatment of contaminated media such as sediment, soil and groundwater, removal and disposal of media, institutional controls such as legal restrictions on future property use, or natural recovery. Following construction of the remedy, the EPA and ODEQ also have requirements for ongoing maintenance, monitoring and other post-remediation care that may continue for many years. Where appropriate and reasonably known, NW Natural will provide for these costs in the remediation liabilities described below.

Due to the numerous uncertainties surrounding the course of environmental remediation and the preliminary nature of several site investigations, in some cases, NW Natural may not be able to reasonably estimate the high end of the range of possible loss. In those cases, the nature of the possible loss has been disclosed, as has the fact that the high end of the range cannot be reasonably estimated where a range of potential loss is available. Unless there is an estimate within the range of possible losses that is more likely than other cost estimates within that range, NW Natural records the liability at the low end of this range. It is likely changes in these estimates and ranges will occur throughout the remediation process for each of these sites due to the continued evaluation and clarification concerning responsibility, the complexity of environmental laws and regulations and the determination by regulators of remediation alternatives. In addition to remediation costs, NW Natural could also be subject to

Natural Resource Damages (NRD) claims. NW Natural will assess the likelihood and probability of each claim and recognize a liability if deemed appropriate. Refer to "Other Portland Harbor" below.

### **Environmental Sites**

The following table summarizes information regarding liabilities related to environmental sites, which are recorded in other current liabilities and other noncurrent liabilities in NW Natural's balance sheet at December 31:

<i>In thousands</i>	Current Liabilities		Non-Current Liabilities	
	2022	2021	2022	2021
Portland Harbor site:				
Gasco/Siltronic Sediments	\$ 9,744	\$ 7,582	\$ 42,120	\$ 42,076
Other Portland Harbor	2,634	2,592	11,270	9,570
Gasco/Siltronic Upland site	16,067	15,711	35,457	36,215
Front Street site	457	1,100	879	811
Oregon Steel Mills	—	—	179	179
Total	<u>\$ 28,902</u>	<u>\$ 26,985</u>	<u>\$ 89,905</u>	<u>\$ 88,851</u>

### Portland Harbor Site

The Portland Harbor is an EPA listed Superfund site that is approximately 10 miles long on the Willamette River and is adjacent to NW Natural's Gasco uplands site. NW Natural is one of over one hundred PRPs, each jointly and severally liable, at the Superfund site. In January 2017, the EPA issued its Record of Decision, which selects the remedy for the clean-up of the Portland Harbor site (Portland Harbor ROD). The Portland Harbor ROD estimates the present value total cost at approximately \$1.05 billion with an accuracy between -30% and +50% of actual costs.

NW Natural's potential liability is a portion of the costs of the remedy for the entire Portland Harbor Superfund site. The cost of that remedy is expected to be allocated among more than one hundred PRPs. NW Natural is participating in a non-binding allocation process with other PRPs in an effort to resolve its potential liability. The Portland Harbor ROD does not provide any additional clarification around allocation of costs among PRPs; accordingly, NW Natural has not modified any of the recorded liabilities at this time as a result of the issuance of the Portland Harbor ROD.

NW Natural manages its liability related to the Superfund site as two distinct remediation projects, the Gasco Sediments Site and Other Portland Harbor projects.

**GASCO SEDIMENTS.** In 2009, NW Natural and Siltronic Corporation entered into a separate Administrative Order on Consent with the EPA to evaluate and design specific remedies for sediments adjacent to the Gasco uplands and Siltronic uplands sites. NW Natural submitted a draft EE/CA to the EPA in May 2012 to provide the estimated cost of potential remedial alternatives for this site. In March 2020, NW Natural and the EPA amended the Administrative Order on Consent to include additional remedial design activities downstream of the Gasco sediments site and in the navigation channel. Siltronic Corporation is not a party to the amended order. In the second quarter of 2021, NW Natural began preliminary design discussions with the EPA for the Gasco sediments site. These preliminary design discussions did not include a cost estimate for cleanup. No design alternatives are more likely than the EE/CA alternatives at this time, and NW Natural expects further design discussion and iteration with the EPA.

The estimated costs for the various sediment remedy alternatives in the draft EE/CA for the additional studies and design work needed before the cleanup can occur, and for regulatory oversight throughout the cleanup range from \$51.9 million to \$350 million. NW Natural has recorded a liability of \$51.9 million for the Gasco sediment clean-up, which reflects the low end of the range. At this time, we believe sediments at the Gasco sediments site represent the largest portion of NW Natural's liability related to the Portland Harbor site discussed above.

**OTHER PORTLAND HARBOR.** While we believe liabilities associated with the Gasco sediments site represent NW Natural's largest exposure, there are other potential exposures associated with the Portland Harbor ROD, including NRD costs and harborwide remedial design and cleanup costs (including downstream petroleum contamination), for which allocations among the PRPs have not yet been determined.

NW Natural and other parties have signed a cooperative agreement with the Portland Harbor Natural Resource Trustee council to participate in a phased NRD assessment to estimate liabilities to support an early restoration-based settlement of NRD claims. One member of this Trustee council, the Yakama Nation, withdrew from the council in 2009, and in 2017, filed suit against NW Natural and 29 other parties seeking remedial costs and NRD assessment costs associated with the Portland Harbor site, set forth in the complaint. The complaint seeks recovery of alleged costs totaling \$0.3 million in connection with the selection of a remedial action for the Portland Harbor site as well as declaratory judgment for unspecified future remedial action costs and for costs to assess the injury, loss or destruction of natural resources resulting from the release of hazardous substances at and from the Portland Harbor site. The Yakama Nation has filed two amended complaints addressing certain pleading defects and



dismissing the State of Oregon. On the motion of NW Natural and certain other defendants the federal court has stayed the case pending the outcome of the non-binding allocation proceeding discussed above. NW Natural has recorded a liability for NRD claims which is at the low end of the range of the potential liability; the high end of the range cannot be reasonably estimated at this time. The NRD liability is not included in the aforementioned range of costs provided in the Portland Harbor ROD.

#### Gasco Uplands Site

A predecessor of NW Natural, Portland Gas and Coke Company, owned a former gas manufacturing plant that was closed in 1958 (Gasco site) and is adjacent to the Portland Harbor site described above. The Gasco site has been under investigation by NW Natural for environmental contamination under the ODEQ Voluntary Cleanup Program (VCP). It is not included in the range of remedial costs for the Portland Harbor site noted above. The Gasco site is managed in two parts, the uplands portion and the groundwater source control action.

NW Natural submitted a revised Remedial Investigation Report for the uplands to ODEQ in May 2007. In March 2015, ODEQ approved the Risk Assessment (RA) for this site, enabling commencement of work on the FS in 2016. NW Natural has recognized a liability for the remediation of the uplands portion of the site which is at the low end of the range of potential liability; the high end of the range cannot be reasonably estimated at this time.

In October 2016, ODEQ and NW Natural agreed to amend their VCP agreement for the Gasco uplands to incorporate a portion of the Siltronic property formerly owned by Portland Gas & Coke between 1939 and 1960 into the Gasco RA and FS. Previously, NW Natural was conducting an investigation of manufactured gas plant constituents on the entire Siltronic uplands for ODEQ. Siltronic will be working with ODEQ directly on environmental impacts to the remainder of its property.

In September 2013, NW Natural completed construction of a groundwater source control system, including a water treatment station, at the Gasco site. NW Natural has estimated the cost associated with the ongoing operation of the system and has recognized a liability which is at the low end of the range of potential cost. NW Natural cannot estimate the high end of the range at this time due to the uncertainty associated with the duration of running the water treatment station, which is highly dependent on the remedy determined for both the upland portion as well as the final remedy for the Gasco sediments site.

#### Other Sites

In addition to those sites above, NW Natural has environmental exposures at three other sites: Central Service Center, Front Street and Oregon Steel Mills. NW Natural may have exposure at other sites that have not been identified at this time. Due to the uncertainty of the design of remediation, regulation, timing of the remediation and in the case of the Oregon Steel Mills site, pending litigation, liabilities for each of these sites have been recognized at their respective low end of the range of potential liability; the high end of the range could not be reasonably estimated at this time.

**FRONT STREET SITE.** The Front Street site was the former location of a gas manufacturing plant NW Natural operated (the former Portland Gas Manufacturing site, or PGM). At ODEQ's request, NW Natural conducted a sediment and source control investigation and provided findings to ODEQ. In December 2015, an FS on the former Portland Gas Manufacturing site was completed.

In July 2017, ODEQ issued the PGM ROD. The ROD specifies the selected remedy, which requires a combination of dredging, capping, treatment, and natural recovery. In addition, the selected remedy also requires institutional controls and long-term inspection and maintenance. Construction of the remedy began in July 2020 and was completed in October 2020. The first year of post-construction monitoring was completed in 2021 and demonstrated that the cap was intact and performing as designed. NW Natural has recognized an additional liability of \$1.3 million for costs associated with the discovery during construction of World War II-era munitions, design costs, regulatory and permitting issues, and post-construction work.

**OREGON STEEL MILLS SITE.** Refer to "Legal Proceedings," below.

#### **Environmental Cost Deferral and Recovery**

NW Natural has authorizations in Oregon and Washington to defer costs related to remediation of properties that are owned or were previously owned by NW Natural. In Oregon, a Site Remediation and Recovery Mechanism (SRRM) is currently in place to recover prudently incurred costs allocable to Oregon customers, subject to an earnings test. On October 21, 2019 the WUTC authorized an Environmental Cost Recovery Mechanism (ECRM) for recovery of prudently incurred costs allocable to Washington customers beginning November 1, 2019.

The following table presents information regarding the total regulatory asset deferred as of December 31:

<i>In thousands</i>	2022	2021
Deferred costs and interest <sup>(1)</sup>	\$ 47,666	\$ 45,122
Accrued site liabilities <sup>(2)</sup>	118,763	115,773
Insurance proceeds and interest	(54,784)	(59,564)
Total regulatory asset deferral <sup>(1)</sup>	\$ 111,645	\$ 101,331
Current regulatory assets <sup>(3)</sup>	\$ 7,392	\$ 6,694
Long-term regulatory assets <sup>(3)</sup>	\$ 104,253	\$ 94,636

<sup>(1)</sup> Includes pre-review and post-review deferred costs, amounts currently in amortization, and interest, net of amounts collected from customers.

<sup>(2)</sup> Excludes 3.3% of the Front Street site liability as the OPUC only allows recovery of 96.7% of costs for those sites allocable to Oregon, including those that historically served only Oregon customers. Amounts excluded from regulatory assets were \$43 thousand in 2022 and \$62 thousand in 2021.

<sup>(3)</sup> Environmental costs relate to specific sites approved for regulatory deferral by the OPUC and WUTC. In Oregon, NW Natural earns a carrying charge on cash amounts paid, whereas amounts accrued but not yet paid do not earn a carrying charge until expended. It also accrues a carrying charge on insurance proceeds for amounts owed to customers. In Washington, neither the cash paid nor insurance proceeds received accrue a carrying charge. Current environmental costs represent remediation costs management expects to collect from customers in the next 12 months. Amounts included in this estimate are still subject to a prudence and earnings test review by the OPUC and do not include the \$5.0 million tariff rider. The amounts allocable to Oregon are recoverable through NGD rates, subject to an earnings test. See "Oregon SRRM" below.

## **Oregon SRRM**

### **Collections From Oregon Customers**

Under the SRRM collection process, there are three types of deferred environmental remediation expense:

- Pre-review - This class of costs represents remediation spend that has not yet been deemed prudent by the OPUC. Carrying costs on these remediation expenses are recorded at NW Natural's authorized cost of capital. NW Natural anticipates the prudence review for annual costs and approval of the earnings test prescribed by the OPUC to occur by the third quarter of the following year.
- Post-review - This class of costs represents remediation spend that has been deemed prudent and allowed after applying the earnings test, but is not yet included in amortization. NW Natural earns a carrying cost on these amounts at a rate equal to the five-year treasury rate plus 100 basis points.
- Amortization - This class of costs represents amounts included in current customer rates for collection and is generally calculated as one-fifth of the post-review deferred balance. NW Natural earns a carrying cost equal to the amortization rate determined annually by the OPUC, which approximates a short-term borrowing rate.

In addition to the collection amount noted above, an order issued by the OPUC provides for the annual collection of \$5.0 million from Oregon customers through a tariff rider. As NW Natural collects amounts from customers, it recognizes these collections as revenue and separately amortizes an equal and offsetting amount of its deferred regulatory asset balance through the environmental remediation operating expense line shown separately in the operating expense section of the income statement.

NW Natural received total environmental insurance proceeds of approximately \$150 million as a result of settlements from litigation that was dismissed in July 2014. Under a 2015 OPUC order which established the SRRM, one-third of the Oregon allocated proceeds were applied to costs deferred through 2012 with the remaining two-thirds applied to costs at a rate of \$5.0 million per year plus interest over the following 20 years. NW Natural accrues interest on the Oregon allocated insurance proceeds in the customer's favor at a rate equal to the five-year treasury rate plus 100 basis points. As of December 31, 2022, NW Natural has applied \$95.0 million of insurance proceeds to prudently incurred remediation costs allocated to Oregon.

### **Environmental Earnings Test**

To the extent NW Natural earns at or below its authorized Return on Equity (ROE) as defined by the SRRM, remediation expenses and interest in excess of the \$5.0 million tariff rider and \$5.0 million insurance proceeds are recoverable through the SRRM. To the extent NW Natural earns more than its authorized ROE in a year, it is required to cover environmental expenses and interest on expenses greater than the \$10.0 million with those earnings that exceed its authorized ROE.

## **Washington ECRM**

### **Washington Deferral**

On October 21, 2019, the WUTC issued an order (WUTC Order) establishing the ECRM which allows for recovery of past deferred and future prudently incurred environmental remediation costs allocable to Washington customers through application of insurance proceeds and collections from customers. Environmental remediation expenses relating to sites that previously served both Oregon and Washington customers are allocated between states with Washington customers receiving 3.3% percent of the costs and insurance proceeds.

In accordance with the WUTC Order, insurance proceeds were fully applied to costs incurred between December 2018 and June 2019 that were deemed prudent. Remaining insurance proceeds will be amortized over a 10.5 year period ending December 31, 2029. As of December 31, 2022, approximately \$3.9 million of proceeds have been applied to prudently incurred costs.

On an annual basis, NW Natural files for a prudence determination and a request to amortize costs to the extent that remediation expenses exceed the insurance amortization. After insurance proceeds are fully amortized, if in a particular year the request to collect deferred amounts exceeds one percent of Washington normalized revenues, then the excess will be collected over three years with interest.

### **Legal Proceedings**

NW Holdings is not currently party to any direct claims or litigation, though in the future it may be subject to claims and litigation arising in the ordinary course of business.

NW Natural is subject to claims and litigation arising in the ordinary course of business, including the matters discussed above. Although the final outcome of any of these legal proceedings cannot be predicted with certainty, including the matter relating to the Oregon Steel Mills site referenced below, NW Natural and NW Holdings do not expect that the ultimate disposition of any of these matters will have a material effect on their financial condition, results of operations, or cash flows. See also Part II, Item 1, "Legal Proceedings".

### **Oregon Steel Mills Site**

In 2004, NW Natural was served with a third-party complaint by the Port of Portland (the Port) in a Multnomah County Circuit Court case, Oregon Steel Mills, Inc. v. The Port of Portland. The Port alleges that in the 1940s and 1950s petroleum wastes generated by NW Natural's predecessor, Portland Gas & Coke Company, and 10 other third-party defendants, were disposed of in a waste oil disposal facility operated by the United States or Shaver Transportation Company on property then owned by the Port and now owned by Evraz Oregon Steel Mills. The complaint seeks contribution for unspecified past remedial action costs incurred by the Port regarding the former waste oil disposal facility as well as a declaratory judgment allocating liability for future remedial action costs. No date has been set for trial. In August 2017, the case was stayed pending the outcome of the Portland Harbor allocation process or other mediation. Although the final outcome of this proceeding cannot be predicted with certainty, NW Natural and NW Holdings do not expect the ultimate disposition of this matter will have a material effect on NW Natural's or NW Holdings' financial condition, results of operations, or cash flows.

For additional information regarding other commitments and contingencies, see Note 16.

## **18. DISCONTINUED OPERATIONS**

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### **NW Holdings**

On June 20, 2018, NWN Gas Storage, then a wholly-owned subsidiary of NW Natural, entered into a Purchase and Sale Agreement (the Agreement) that provided for the sale by NWN Gas Storage of all of the membership interests in Gill Ranch. Gill Ranch owns a 75% interest in the natural gas storage facility located near Fresno, California known as the Gill Ranch Gas Storage Facility.

On December 4, 2020, NWN Gas Storage closed the sale of all of the membership interests in Gill Ranch and received payment of the initial cash purchase price of \$13.5 million less the \$1.0 million deposit previously paid. Furthermore, additional payments to NWN Gas Storage may be made subject to a maximum amount of \$15.0 million in the aggregate (subject to a working capital adjustment) based on the economic performance of Gill Ranch for each full gas storage year (April 1 of one year through March 31 of the following year) occurring after the closing and the remaining portion of the 2020-2021 gas storage year and will continue until such time as the maximum amount has been paid. The fair value of this arrangement at the closing date was zero based on a discounted cash flow forecast. Subsequent changes in the fair value will be recorded in earnings. The completion of the sale resulted in an after-tax gain of \$5.9 million for the year ended December 31, 2020.

The following table presents the operating results of Gill Ranch and is presented net of tax on NW Holdings' consolidated statements of comprehensive income:

<i>In thousands</i>	NW Holdings Discontinued Operations
	2020
Revenues	\$ 10,193
Expenses	
Operations and maintenance	7,931
General taxes	198
Depreciation	391
Other expenses and interest	848
Total expenses	9,368
Income from discontinued operations	825
Gain on sale of discontinued operations	8,027
Income from discontinued operations before income tax	8,852
Income tax expense <sup>(1)</sup>	2,344
Income from discontinued operations, net of tax	\$ 6,508

<sup>(1)</sup> Includes income tax expense of \$2.1 million related to the sale of Gill Ranch for the year ended December 31, 2020.

As a result of the disposition of the membership interests of Gill Ranch, there were no assets or liabilities classified as held for sale at December 31, 2020.

## **19. SUBSEQUENT EVENT**

On January 6, 2023, NW Natural issued and sold \$100.0 million aggregate principal amount of its FMBs, 5.43% Series due January 6, 2053 (the Bonds), to certain institutional investors pursuant to a Bond Purchase Agreement dated December 13, 2022. The Bonds bear interest at the rate of 5.43% per annum, payable semi-annually on January 6 and July 6 of each year, commencing July 6, 2023, and will mature on January 6, 2053. The Bonds will be subject to redemption prior to maturity at the option of NW Natural, in whole or in part, (i) at any time prior to July 6, 2052, at a redemption price equal to 100% of the principal amount thereof plus a "make-whole" premium and accrued and unpaid interest thereon to the date of redemption, and (ii) at any time on and after July 6, 2052, at 100% of the principal amount thereof plus accrued and unpaid interest thereon to the date of redemption.

The Bond Purchase Agreement also provides for the issuance of \$80.0 million aggregate principal amount of NW Natural's FMBs, 5.18% Series due 2034 (5.18% Bonds) and \$50.0 million aggregate principal amount of NW Natural's FMBs, 5.23% Series due 2038 (5.23% Bonds). The 5.18% Bonds and the 5.23% Bonds are expected to be issued on or about August 4, 2023.

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<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION**

Line No.	Item (a)	Total (b)
1	UTILITY PLANT	
2	In Service	
3	Plant in Service (Classified)	2,941,420,612
4	Property Under Capital Leases	88,409,922
5	Plant Purchased or Sold	
6	Completed Construction not Classified	1,213,902,929
7	Experimental Plant Unclassified	
8	TOTAL Utility Plant (Total of lines 3 thru 7)	4,243,733,463
9	Leased to Others	
10	Held for Future Use	970,068
11	Construction Work in Progress	79,534,553
12	Acquisition Adjustments	
13	TOTAL Utility Plant (Total of lines 8 thru 12)	4,324,238,084
14	Accumulated Provisions for Depreciation, Amortization, & Depletion	1,616,323,721
15	Net Utility Plant (Enter Total of line 13 less 14)	2,707,914,363
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION	
17	In Service:	
18	Depreciation	1,586,308,843
19	Amortization and Depl. of Producing Natural Gas Land and Land Rights	
20	Amortization. of Underground Storage Land and Land Rights	68,207
21	Amortization. of Other Utility Plant	96,710,861
22	Salvage Work In Progress	
23	Less Removal Work In Progress	66,764,190
24	TOTAL In Service (Total of lines 18 thru 22 less line 23)	1,616,323,721
25	Leased to Others	
26	Depreciation	—
27	Amortization and Depletion	—
28	TOTAL Leased to Others (Total of lines 26 and 27)	—
29	Held for Future Use	
30	Depreciation	—
31	Amortization	—
32	TOTAL Held for Future Use (Total of lines 30 and 31)	—
33	Abandonment of Leases (Natural Gas)	—
34	Amortization of Plant Acquisition Adjustment	—
35	TOTAL Accumulated Provisions (Should agree with line 14 above) (Total of lines 24, 28, 32, 33, and 34)	1,616,323,721

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION (Continued)**

Electric (c)	Gas (d)	Other (Specify) (e)	Common (f)	Line No.
				1
				2
	2,941,420,612			3
	88,409,922			4
				5
	1,213,902,929			6
				7
	4,243,733,463			8
				9
	970,068			10
	79,534,553			11
				12
	4,324,238,084			13
	1,616,323,721			14
	2,707,914,363			15
				16
				17
	1,586,308,843			18
				19
	68,207			20
	96,710,861			21
				22
	66,764,190			23
	1,616,323,721			24
				25
	—			26
	—			27
	—			28
				29
	—			30
	—			31
	—			32
	—			33
	—			34
	1,616,323,721			35

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**Gas Plant in Service (Accounts 101, 102, 103, and 106)**

1. Report below the original cost of gas plant in service according to the prescribed accounts.
2. In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold, Account 103, Experimental Gas Plant Unclassified, and Account 106, Completed Construction Not Classified-Gas.
3. Include in column (c) and (d), as appropriate corrections of additions and retirements for the current or preceding year.
4. Enclose in parenthesis credit adjustments of plant accounts to indicate the negative effect of such accounts.
5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year's unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Account 101 and 106 will avoid serious omissions of respondent's reported amount for plant actually in service at end of year.
6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits to primary account classifications.
7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.
8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give date of such filing.

**SEE FOLLOWING PAGES**



ACCOUNT SUMMARY BY FUNCTIONAL CLASS

NW Natural

Period Beginning: January 2022

Period Ending: December 2022

Functional Class	Beginning					Ending
FERC Plant Account	Balance	Additions	Retirements	Transfers	Adjustments	Balance*
<b>UTILITY</b>						
<b>Intangible Plant</b>						
301 ORGANIZATION	1,174	—	—	—	—	1,174
302 FRANCHISES & CONSENTS	83,621	—	—	—	—	83,621
303.1 COMPUTER SOFTWARE	129,271,831	15,030,652	(27,842,196)	—	—	116,460,287
303.11 COMPUTER SW HORIZON	—	47,100,838	—	—	—	47,100,838
303.12 COMPUTER SW TSA SECURITY DIRECTIVE	—	6,653,764	—	—	—	6,653,764
303.2 CUSTOMER INFORMATION SYSTEM	32,348,168	—	—	—	—	32,348,168
303.3 INDUSTRIAL & COMMERCIAL BIL	4,146,951	—	—	—	—	4,146,951
303.6 NMEP COMPUTER SOFTWARE	784,350	—	—	—	—	784,350
303.7 CLOUD-BASED SOFTWARE	11,671,585	4,970,971	—	—	—	16,642,555
303.71 CLOUD-BASED SW HORIZON	—	23,987,694	—	—	—	23,987,694
303.72 CLOUD-BASED SW TSA SECURITY DIRECTIVE	—	1,128,717	—	—	—	1,128,717
303.8 NWN ONLY NMEP COMPUTER SSOFTWARE	1,741	—	—	—	—	1,741
Intangible Plant Subtotal*	178,309,420	98,872,636	(27,842,196)	—	—	249,339,860
<b>Production Plant - Oil Gas</b>						
303.1 COMPUTER SOFTWARE	—	—	—	—	—	—
304.1 LAND	24,998	—	—	—	—	24,998
305.2 P P O G STRU & IMPR-SEWER S	—	—	—	—	—	—
305.5 P P O G STRU & IMPR-OTHER Y	13,156	—	—	—	—	13,156
312.3 P P O G FUEL HANDLING AND S	—	—	—	—	—	—
318.3 P P O G LIGHT OIL REFINING	144,896	—	—	—	—	144,896
318.5 P P O G TAR PROCESSING	243,551	—	—	—	—	243,551
325 NATURAL GAS PROD AND GATHER	—	—	—	—	—	—
327 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—
328 NATURAL GAS PROD AND GATHER	—	—	—	—	—	—
331 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—
332 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—
333 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—
334 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—
Production Plant - Oil Gas Subtotal*	426,601	—	—	—	—	426,601
<b>Production Plant - Other</b>						
305.11 GAS PRODUCTION - COTTAGE G	8,320	—	—	—	—	8,320
305.17 STRUCTURES MIXING STATION	46,587	—	—	—	—	46,587
311 P P OTHER-LIQUEFIED PETROLE	—	—	—	—	—	—
311.4 P P OTHER-L P G GRANGER	—	—	—	—	—	—
311.7 LIQUIFIED GAS EQUIPMENT COO	4,033	—	—	—	—	4,033
311.8 LIQUIFIED GAS EQUIPMENT LIN	4,209	—	—	—	—	4,209
319 GAS MIXING EQUIPMENT GASCO	185,448	—	—	—	—	185,448
Production Plant - Other Subtotal*	248,597	—	—	—	—	248,597

\* May not foot due to rounding.

Oregon and Washington - Account 101/106

ACCOUNT SUMMARY BY FUNCTIONAL CLASS

NW Natural

Period Beginning: January 2022

Period Ending: December 2022

Functional Class	Beginning					Ending
FERC Plant Account	Balance	Additions	Retirements	Transfers	Adjustments	Balance*
<b>UTILITY</b>						
<b>Natural Gas Underground Storage</b>						
350.1	LAND	106,549	—	—	—	106,549
350.2	RIGHTS-OF-WAY	109,625	—	—	—	109,625
350.3	NMEP RIGHTS-OF-WAY	538,145	—	—	—	538,145
350.4	NMEP LAND	461,268	—	—	—	461,268
350.5	NWN ONLY NMEP RIGHTS-OF-WAY	2,611	—	—	—	2,611
350.6	NWN ONLY NMEP LAND	3,047	—	—	—	3,047
351	STRUCTURES AND IMPROVEMENTS	8,919,522	232,028	—	—	9,151,550
351.1	NMEP STRUCTURES AND IMPROVEMENTS	11,709,397	1,742,515	—	—	13,451,912
351.2	NWN ONLY NMEP STRUCTURES AND IMPROVEMENTS	34,890	—	—	—	34,890
352	WELLS	31,497,831	4,189,394	—	—	35,687,225
352.1	STORAGE LEASEHOLD & RIGHTS	3,938,491	—	—	—	3,938,491
352.2	RESERVOIRS	7,272,553	—	—	—	7,272,553
352.3	NON-RECOVERABLE NATURAL GAS	6,440,890	—	—	—	6,440,890
352.4	NMEP WELLS	17,119,662	5,617	—	—	17,125,279
352.5	NMEP STORAGE LEASEHOLD & RIGHTS	2,642,483	6,054	—	—	2,648,537
352.6	NMEP RESERVOIRS	2,642,483	6,054	—	—	2,648,537
352.7	NMEP NON-RECOVERABLE NATURAL GAS	2,696,233	6,237	—	—	2,702,470
352.8	NWN ONLY NMEP WELLS	89,656	—	—	—	89,656
352.9	NWN ONLY NMEP STORAGE LEASEHOLD & RIGHTS	15,450	—	—	—	15,450
352.10	NWN ONLY NMEP RESERVOIRS	15,450	—	—	—	15,450
352.11	NWN ONLY NMEP NON-RECOVERABLE NATURAL GAS	15,886	—	—	—	15,886
353	LINES	8,211,418	1,348,338	—	—	9,559,756
353.1	NMEP LINES	459,584	—	—	—	459,584
353.2	NWN ONLY NMEP LINES	1,741	—	—	—	1,741
354	COMPRESSOR STATION EQUIPMENT	27,592,775	2,644,786	—	—	30,237,560
354.7	NMEP COMPRESSOR STATION EQUIPMENT	23,166,410	—	—	—	23,166,410
354.8	NWN ONLY NMEP COMPRESSOR STATION EQUIPMENT	238,430	—	—	—	238,430
355	MEASURING / REGULATING EQUIPM	17,013,339	11,169,468	—	—	28,182,807
355.1	NMEP MEASURING / REGULATING EQUIPMENT	10,762,340	889,077	—	—	11,651,417
355.2	NWN ONLY NMEP MEASURING / REGULATING EQUIPM	67,604	—	—	—	67,604
356	PURIFICATION EQUIPMENT	28,464,761	345,224	—	—	28,809,985
356.1	NMEP PURIFICATION EQUIPMENT	6,652,661	335,530	—	—	6,988,190
357	OTHER EQUIPMENT	5,084,949	113,567	—	—	5,198,516
	Natural Gas Underground Storage Subtotal*	223,988,136	23,033,888	—	—	247,022,023

\* May not foot due to rounding.

ACCOUNT SUMMARY BY FUNCTIONAL CLASS  
NW Natural

Period Beginning: January 2022  
Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance*
<b>UTILITY</b>						
<b>LOCAL STORAGE PLANT</b>						
360.11 LAND - LNG LINNTON	83,598	—	—	—	—	83,598
360.12 LAND - LNG NEWPORT	536,433	—	—	—	—	536,433
360.2 LAND - OTHER	106,557	—	—	—	—	106,557
361.11 STRUCTURES & IMPROVEMENTS	10,802,745	1,452,034	—	—	—	12,254,779
361.12 STRUCTURES & IMPROVEMENTS	12,196,541	—	—	—	—	12,196,541
361.2 STRUCTURES & IMPROVEMENTS	26,757	—	—	—	—	26,757
362.11 GAS HOLDERS - LNG LINNTON	4,556,064	—	—	—	—	4,556,064
362.12 GAS HOLDERS - LNG NEWPORT	5,927,104	—	—	—	—	5,927,104
362.2 GAS HOLDERS - LNG OTHER	1,600	—	—	—	—	1,600
363.11 LIQUEFACTION EQUIP. - LINN	3,911,724	—	—	—	—	3,911,724
363.12 LIQUEFACTION EQUIP - NEWPO	15,970,396	6,562,936	—	—	—	22,533,333
363.21 VAPORIZING EQUIP - LINNTON	4,458,618	—	—	—	—	4,458,618
363.22 VAPORIZING EQUIP - NEWPORT	6,718,209	—	—	—	—	6,718,209
363.31 COMPRESSOR EQUIP - LINNTON	179,151	233,035	—	—	—	412,186
363.32 COMPRESSOR EQUIPMENT - NE	5,565,285	13,113	—	—	—	5,578,397
363.41 MEASURING & REGULATING EQU	3,575,321	1,919,653	—	—	—	5,494,974
363.42 MEASURING & REGULATING EQU	10,852,103	3,334,330	—	—	—	14,186,433
363.5 CNG REFUELING FACILITIES	3,051,295	—	—	—	—	3,051,295
363.6 LNG REFUELING FACILITIES	739,473	—	—	—	—	739,473
Local Storage Plant Subtotal *	89,258,977	13,515,101	—	—	—	102,774,078
<b>TRANSMISSION PLANT</b>						
365.1 LAND	1,015,597	—	—	—	—	1,015,597
365.2 LAND RIGHTS	6,455,177	—	—	—	—	6,455,177
365.3 NMEP LAND RIGHTS	577,199	—	—	—	—	577,199
365.4 NWN ONLY NMEP LAND RIGHTS	3,337	—	—	—	—	3,337
366.3 STRUCTURES & IMPROVEMENTS	1,546,073	—	—	—	—	1,546,073
367 MAINS	194,866,333	24,714,621	—	—	—	219,580,954
367.21 NORTH MIST TRANSMISSION LI	1,994,582	—	—	—	—	1,994,582
367.22 SOUTH MIST TRANSMISSION LI	14,949,264	—	—	—	—	14,949,264
367.23 SOUTH MIST TRANSMISSION LI	34,881,341	—	—	—	—	34,881,341
367.24 11.7M NORTH S MIST TRANS	17,466,182	—	—	—	—	17,466,182
367.25 12M NORTH S MIST TRANS	18,613,651	—	—	—	—	18,613,651
367.26 38M NORTH S MIST TRANS	68,232,676	—	—	—	—	68,232,676
367.27 NMEP MAINS	66,923,170	—	—	—	—	66,923,170
367.28 NWN ONLY NMEP MAINS	330,841	—	—	—	—	330,841
368 TRANSMISSION COMPRESSOR	—	—	—	—	—	—
369 MEASURING & REGULATE STATION	3,969,549	—	—	—	—	3,969,549
370 COMMUNICATION EQUIPMENT	—	—	—	—	—	—
Transmission Plant Subtotal *	431,824,973	24,714,621	—	—	—	456,539,594

\* May not foot due to rounding.

ACCOUNT SUMMARY BY FUNCTIONAL CLASS

NW Natural

Period Beginning: January 2022  
 Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance*
<b>UTILITY</b>						
<b>Distribution Plant</b>						
374.1 LAND	211,692	—	—	—	—	211,692
374.2 LAND RIGHTS	1,886,181	—	—	—	—	1,886,181
375 STRUCTURES & IMPROVEMENTS	1,519,558	—	—	—	—	1,519,558
376.11 MAINS < 4"	682,850,695	20,671,903	(318,067)	—	—	703,204,531
376.12 MAINS 4" & >	696,927,806	56,260,959	(317,628)	—	—	752,871,137
376.13 NMEP MAINS HP 4" & >	664,080	—	—	—	—	664,080
377 COMPRESSOR STATION EQUIPMENT	818,380	—	—	—	—	818,380
378 MEASURING & REG EQUIP - GENER	45,938,812	4,254,835	—	—	—	50,193,647
378.1 MEASURING & REG EQUIP - RNG	438,033	(779,381)	—	—	—	(341,349)
379 MEASURING & REG EQUIP - GATE	19,704,761	1,657,757	—	—	—	21,362,518
380 SERVICES	919,560,854	37,852,031	(2,709,157)	—	—	954,703,727
381 METERS	112,889,629	2,662,820	(2,543,509)	—	—	113,008,941
381.1 METERS (ELECTRONIC)	1,696,938	—	—	—	—	1,696,938
381.2 ERT (ENCODER RECEIVER TRANS	44,468,522	1,172,677	(5,021,163)	—	—	40,620,036
382 METER INSTALLATIONS	63,616,756	2,392,401	(2,969,507)	—	—	63,039,650
382.1 METER INSTALLATIONS (ELECTR	481,020	—	—	—	—	481,020
382.2 ERT INSTALLATION (ENCODER	9,507,585	2,764,348	(257,923)	—	—	12,014,009
383 HOUSE REGULATORS	2,679,217	141,552	—	—	—	2,820,769
386 OTHER PROPERTY ON CUSTOMERS P	1,162,110	—	—	—	—	1,162,110
386.1 MULTI-FAMILY METER ROOMS	—	—	—	—	—	—
387.1 CATHODIC PROTECTION TESTING	173,859	—	—	—	—	173,859
387.2 CALORIMETERS @ GATE STATIONS	96,424	—	—	—	—	96,424
387.3 METER TESTING EQUIPMENT	72,671	—	—	—	—	72,671
Distribution Plant Subtotal	2,607,365,582	129,051,900	(14,136,955)	—	—	2,722,280,528

\* May not foot due to rounding.

ACCOUNT SUMMARY BY FUNCTIONAL CLASS

NW Natural

Period Beginning: January 2022

Period Ending: December 2022

Functional Class	Beginning					Ending
FERC Plant Account	Balance	Additions	Retirements	Transfers	Adjustments	Balance*
<b>UTILITY</b>						
<b>General Plant</b>						
389 LAND	12,668,415	11,247	—	—	—	12,679,662
390 STRUCTURES & IMPROVEMENTS	109,091,180	26,361,807	—	—	—	135,452,987
390.1 SOURCE CONTROL PLANT	22,433,764	599,801	—	—	—	23,033,565
391.1 OFFICE FURNITURE & EQUIPMEN	17,886,911	226,438	(150,625)	—	—	17,962,724
391.2 COMPUTERS	51,130,073	4,612,845	(11,483,791)	—	—	44,259,127
391.21 COMPUTERS HORIZON	—	2,198,614	—	—	—	2,198,614
391.22 COMPUTERS TSA SECURITY DIRECTIVE	—	24,886,345	—	—	—	24,886,345
391.5 NMEP COMPUTERS	546,467	86,674	—	—	—	633,141
391.51 NMEP COMPUTERS TSA SECURITY DIRECTIVE	—	247,810	—	—	—	247,810
391.6 NWN ONLY NMEP COMPUTERS	6,819	—	—	—	—	6,819
392 TRANSPORTATION EQUIPMENT	56,516,971	3,087,491	(2,112,903)	—	—	57,491,560
393 STORES EQUIPMENT	119,406	—	—	—	—	119,406
394 TOOLS - SHOP & GARAGE EQUIPUI	18,082,536	607,647	—	—	—	18,690,183
395 LABORATORY EQUIPMENT	—	—	—	—	—	—
396 POWER OPERATED EQUIPMENT	15,292,139	1,552,829	(730,921)	—	—	16,114,048
396.1 NMEP POWER OPERATED EQUIPMENT	222,314	54	—	—	—	222,368
397 GEN PLANT-COMMUNICATION EQU	67,401	—	(17,683)	—	—	49,718
397.1 MOBILE	4,286,109	—	—	—	—	4,286,109
397.2 OTHER THAN MOBILE & TELEMET	9,958	—	—	—	—	9,958
397.3 TELEMETERING - OTHER	9,075,692	2,890,443	(53,242)	—	—	11,912,894
397.4 TELEMETERING - MICROWAVE	5,694,170	336,547	(61,120)	—	—	5,969,596
397.5 TELEPHONE EQUIPMENT	340,671	—	—	—	—	340,671
398 GEN PLANT-MISCELLANEOUS EQU	—	—	—	—	—	—
398.1 PRINT SHOP	4,359	—	—	—	—	4,359
398.2 KITCHEN EQUIPMENT	28,865	—	—	—	—	28,865
398.3 JANITORIAL EQUIPMENT	14,873	—	—	—	—	14,873
398.4 INSTALLED IN LEASED BUILDINGS	10,120	—	—	—	—	10,120
398.5 OTHER MISCELLANEOUS EQUIPMENT	66,739	—	—	—	—	66,739
General Plant Subtotal	323,595,952	67,706,592	(14,610,284)	—	—	376,692,261
Utility Property Grand Total*	3,855,018,238	356,894,738	(56,589,434)	—	—	4,155,323,541
FERC 101 - GL Account 160005	85,966,407					86,016,680
FERC 101 - GL Account 160010	—					(22,203)
FERC 101 - GL Account 142105	1,897,662					2,415,446
FERC 101 - GL Account 142110	254,210					—
Utility Property Under Capital Leases	88,118,279					88,409,922
TOTAL Utility Plant *	3,943,136,517					4,243,733,463

\* May not foot due to rounding.

ACCOUNT SUMMARY BY FUNCTIONAL CLASS

NW Natural

Period Beginning: January 2022

Period Ending: December 2022

Functional Class		Beginning					Ending
FERC Plant Account		Balance	Additions	Retirements	Transfers	Adjustments	Balance*
<b>NON-UTILITY</b>							
<b>Intangible Plant</b>							
303.1	COMPUTER SOFTWARE	163,357	—	(163,357)	—	—	—
303.2	CUSTOMER INFORMATION SYSTEM	61,429	—	—	—	—	61,429
Non Utility	Intangible Plant Subtotal*	224,786	—	(163,357)	—	—	61,429
<b>Natural Gas Underground Storage</b>							
352	WELLS	20,999,793	930,325	—	—	—	21,930,118
352.1	STORAGE LEASEHOLD & RIGHTS	1,020	—	—	—	—	1,020
352.2	RESERVOIRS	3,561,501	—	—	—	—	3,561,501
353	LINES	2,575,844	—	—	—	—	2,575,844
354	COMPRESSOR STATION EQUIPMENT	12,836,305	274,817	—	—	—	13,111,121
355	MEASURING / REGULATING EQUIPMENT	9,025,709	—	—	—	—	9,025,709
357	OTHER EQUIPMENT	63,256	—	—	—	—	63,256
Non Utility	Natural Gas Underground Storage Subtotal*	49,063,429	1,205,141	—	—	—	50,268,570
<b>Transmission Plant</b>							
368	TRANSMISSION COMPRESSOR	7,723,454	—	—	—	—	7,723,454
Non Utility	Transmission Plant Subtotal*	7,723,454	—	—	—	—	7,723,454
<b>Distribution Plant</b>							
376.12	MAINS 4" & >	—	—	—	—	—	—
Non Utility	Distribution Plant Subtotal*	—	—	—	—	—	—
<b>General Plant</b>							
389	LAND	438,739	—	—	—	—	438,739
390	STRUCTURES & IMPROVEMENTS	250,296	—	—	—	—	250,296
Non Utility	General Plant Subtotal*	689,035	—	—	—	—	689,035

\* May not foot due to rounding.

**ACCOUNT SUMMARY BY FUNCTIONAL CLASS**  
**NW Natural**

Period Beginning: January 2022

Period Ending: December 2022

Functional Class	Beginning					Ending
FERC Plant Account	Balance	Additions	Retirements	Transfers	Adjustments	Balance*
<b>NON-UTILITY</b>						
<b>Non Utility Other</b>						
121.1 NON-UTIL PROP-DOCK	1,946,033	—	—	—	—	1,946,033
121.2 NON-UTIL PROP-LAND	125,102	—	—	—	—	125,102
121.3 NON-UTIL PROP-OIL ST	5,891,879	(6,304)	—	—	—	5,885,574
121.7 NON-UTIL PROP-APPL CENTER	64,906	—	—	—	—	64,906
121.8 NON-UTIL PROP-STORAGE	96,038	—	—	—	—	96,038
<b>Non Utility Other*</b>	<b>8,123,958</b>	<b>(6,304)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>8,117,654</b>
<b>Non Utility Property Grand Total*</b>	<b>65,824,662</b>	<b>1,198,837</b>	<b>(163,357)</b>	<b>—</b>	<b>—</b>	<b>66,860,143</b>

**Non Utility Property Summary**

Non Utility Property Grand Total	66,860,143
121117 Gas Stored Underground - St. Helens	3,507,590
121707-8 Construction Work in Progress Non Utility	6,605,673
<b>Balance Sheet Total for Non Utility Property*</b>	<u><u>76,973,406</u></u>

\* May not foot due to rounding.

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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### Gas Property And Capacity Leased From Others

1. Report below the information called for concerning gas property and capacity leased from others for gas operations.  
2. For all leases in which the average annual lease payment over the initial term of the lease exceeds \$500,000, describe in column (c), if applicable: the property or capacity leased. Designate associated companies with an asterisk in column (b).

Line No.	Name of Lessor (a)	*	Description of Lease (c)	Lease Payments for Current Year (d)
1	Northwest Pipeline		Pipeline Capacity	48,727,639
2	Tenaska Marketing Canada "Nova and Foothills"		Pipeline Capacity	13,268,197
3	Fortis BC		Pipeline Capacity	12,149,806
4	AB PR QOZB I Property LLC		Corporate Headquarter Building	6,610,215
5	TransCanada "Gas Transmission NW"		Pipeline Capacity	4,113,829
6	Tenaska Marketing Canada "Southern Crossing"		Pipeline Capacity	3,814,250
7	Tenaska Marketing Ventures		Pipeline Capacity	1,926,937
8	International Paper		Pipeline Capacity	478,880
9	Coos County Pipeline		Pipeline Capacity	416,693
10	KB Pipeline	*	Pipeline Capacity	224,258
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33				
34				
<b>35</b>	<b>Total</b>			<b>91,730,704</b>



<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**Gas Plant Held for Future Use (Account 105)**

1. Report separately each property held for future use at end of the year having an original cost of \$1,000,000 or more. Group property held for future use.

2. For property having an original cost of \$1,000,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally Included in this account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)
1	Underground Storage	07/2009	Undetermined	127,921
2	Easement	11/2011	Undetermined	136,720
3	Willamette River Crossing - Engineering Costs	05/2015	Undetermined	705,427
4				
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34				
<b>35</b>	<b>Total</b>			<b>970,068</b>

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**Construction Work in Progress - Gas (Account 107)**

- Report below descriptions and balances at end of year of projects in process of construction (Account 107)
- Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).
- Minor projects (less than \$1,000,000) may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress - Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1	Misc Information Services Projects	27,745,900	26,683,672
2	Mains and Services Jobs	27,141,540	17,357,166
3	Other	14,237,310	4,513,156
4	Portland LNG Readiness	4,013,879	6,280,726
5	Mist Projects	3,224,976	9,808,500
6	Misc Facilities Projects	1,598,761	15,673,813
7	Newport LNG Readiness	1,023,643	7,163,221
8	North Mist Projects	548,544	3,751,000
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34	<b>Total</b>	<b>79,534,553</b>	<b>91,231,254</b>

<b>Name of Respondent</b>	<b>This Report is:</b>	<b>Date of Report</b>	<b>Year of Report</b>
Northwest Natural Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2022

**GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE**

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.
2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 917) of the Uniform System of Accounts.
3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

**GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE**

1. Engineering Department overhead covers transmission and distribution system planning, design work, drafting and platting of construction work.
    - Distribution Department overhead covers transmission and distribution system work scheduling, field supervision and processing of work completed.
    - Administrative work overhead includes Purchasing, Accounting and general office expense.
    - General Services Department overhead covers planning and supervision of general plant improvements and facilities.
  - b) Charges during the year are segregated into overhead accounts based on the proportion of activity devoted to construction work.
  - c) Construction Overheads are being charged to individual work orders based upon overhead rates for different types of projects. Rates are determined by type of project using the annual capital budget and annual construction overhead budget.
  - d) Different rates are applied to different types of construction based on the annual capital budget for each type of plant.
  - e) Actual construction overhead rates applied to types of work in:
 

2022	
a. Production, Storage, Transmission and Distribution plant	37%
b. Meters	91%
c. General Plant	5%
d. Non-Utility Property	21%
  - f) Direct assignment of construction overhead capitalized during:
 

2022	
66,367,091	
2. ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC)  
AFUDC is applied to previous month's ending balance plus half of current month's expenditures of Construction Work in Progress (CWIP).
  3. N/A

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE (CONTINUED)**

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES

1. For Line (5), column (d) below, enter the rate granted in the last rate proceeding. If not available, use the average rate earned during the preceding 3 years.
2. Identify, in a footnote, the specific entity used as the source for the capital structure figures.
3. Indicate, in a footnote, if the reported rate of return is one that has been approved in a rate case, black-box settlement rate, or an actual three-year average rate.

Line No.	Title (a)	Amount (b)	Capitalization Ratio (percent) (c)	Cost Rate Percentage (d)
(1)	Average Short-Term Debt	S 127,131,622		
(2)	Short-Term Interest			s 2.56%
(3)	Long-Term Debt	D 994,700,000	—	d 4.42%
(4)	Preferred Stock	P —	—	p —
(5)	Common Equity	C 977,500,000	—	c 9.40%
(6)	Total Capitalization	—	100.00%	
(7)	Average Construction Work in Progress	W 163,426,109		
2.	Gross Rates for Borrowed Funds	$s(S/W)+d[(D/(D+P+C))(1-(S/W))]$	2.49 %	
3.	Rate for Other Funds	$[1-(S/W)] [p(P/(D+P+C))+c(C/(D+P+C))]$	1.03 %	
4.	Weighted Average Rate Actually Used for the Year			
	a.	Rate for Borrowed Funds -	1.73 %	
	b.	Rate for Other Funds -	1.08 %	

NOTE: Capital structure figures are for NW Natural Gas Company and rate of return was approved by the OPUC rate case.

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> <b>(Mo, Da, Yr)</b>	<b>Year of Report</b> December 31, 2022
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**Accumulated Provision for Depreciation of Gas Utility Plant (Account 108)**

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, line 10, column (c), and that reported for gas plant in service, page 204-209, column (d), excluding retirements of nondepreciable property.
3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.
5. At lines 7 and 14, add rows as necessary to report all data. Additional rows should be numbered in sequence, e.g., 7.01, 7.02, etc.

**SEE FOLLOWING PAGES**

## RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS

## NW NATURAL

Period Beginning: January 2022

Period Ending: December 2022

Functional Class	Beginning			Cost of	Salvage and	Transfers and		Ending
FERC Plant Account	Reserve	Provision	Retirements	Removal	Other Credits	Adjustments	Loss/(Gain)	Reserve*
<b>UTILITY</b>								
<b>Intangible Plant</b>								
301 ORGANIZATION	—	—	—	—	—	—	—	—
302 FRANCHISES & CONSENTS	—	—	—	—	—	—	—	—
303.1 COMPUTER SOFTWARE	41,180,817	6,711,593	(25,564,654)	—	—	—	—	22,327,755
303.11 COMPUTER SW HORIZON	—	813,380	—	—	—	—	—	813,380
303.12 COMPUTER SW TSA SECURITY DIRECTIVE	—	221,249	—	—	—	—	—	221,249
303.2 CUSTOMER INFORMATION SYSTEM	32,348,168	539	—	—	—	—	—	32,348,707
303.3 INDUSTRIAL & COMMERCIAL BIL	4,146,951	—	—	—	—	—	—	4,146,951
303.4 CRMS	—	—	—	—	—	—	—	—
303.5 POWERPLANT SOFTWARE	—	—	—	—	—	—	—	—
303.6 NMEP COMPUTER SOFTWARE	409,117	139,131	—	—	—	—	—	548,248
303.7 CLOUD-BASED SOFTWARE	2,416,859	3,403,972	—	—	—	—	—	5,820,831
303.71 CLOUD-BASED SW HORIZON	—	793,126	—	—	—	—	—	793,126
303.8 NWN ONLY NMEP COMPUTER SOFTW	276	311	—	—	—	—	—	586
Intangible Plant Subtotal*	80,502,188	12,083,300	(25,564,654)	—	—	—	—	67,020,834
<b>Production Plant - Oil Gas</b>								
304.1 LAND	—	—	—	—	—	—	—	—
305.2 P P O G STRU & IMPR-SEWER S	—	—	—	—	—	—	—	—
305.5 P P O G STRU & IMPR-OTHER Y	13,814	—	—	—	—	—	—	13,814
312.3 P P O G FUEL HANDLING AND S	—	—	—	—	—	—	—	—
318.3 P P O G LIGHT OIL REFINING	152,141	—	—	—	—	—	—	152,141
318.5 P P O G TAR PROCESSING	255,729	—	—	—	—	—	—	255,729
325 NATURAL GAS PROD AND GATHER	—	—	—	—	—	—	—	—
327 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—	—	—
328 NATURAL GAS PROD AND GATHER	—	—	—	—	—	—	—	—
331 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—	—	—
332 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—	—	—
333 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—	—	—
334 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—	—	—
Production Plant - Oil Gas Subtotal*	421,683	—	—	—	—	—	—	421,683
<b>Production Plant - Other</b>								
305.11 GAS PRODUCTION - COTTAGE G	8,736	—	—	—	—	—	—	8,736
305.17 STRUCTURES MIXING STATION	51,246	—	—	—	—	—	—	51,246
311 P P OTHER-LIQUIFIED PETROLE	—	—	—	—	—	—	—	—
311.4 P P OTHER-L P G GRANGER	—	—	—	—	—	—	—	—
311.7 LIQUIFIED GAS EQUIPMENT COO	8,066	—	—	—	—	—	—	8,066
311.8 LIQUIFIED GAS EQUIPMENT LIN	6,585	—	—	—	—	—	—	6,585
319 GAS MIXING EQUIPMENT GASCO	194,720	—	—	—	—	—	—	194,720
Production Plant - Other Subtotal*	269,353	—	—	—	—	—	—	269,353

\* May not foot due to rounding.

Oregon and Washington Provision for Depreciation

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS  
NW NATURAL

Period Beginning: January 2022  
Period Ending: December 2022

Functional Class	Beginning			Cost of	Salvage and	Transfers and		Ending
FERC Plant Account	Reserve	Provision	Retirements	Removal	Other Credits	Adjustments	Loss/(Gain)	Reserve*
<b>UTILITY</b>								
<b>Natural Gas Underground Storage</b>								
350.1	LAND	—	—	—	—	—	—	—
350.2	RIGHTS-OF-WAY	35,139	1,564	—	—	—	—	36,703
350.3	NMEP RIGHTS-OF-WAY	22,887	8,539	—	—	—	—	31,426
350.4	NMEP LAND	3	1	—	—	—	—	3
350.5	NWN ONLY NMEP RIGHTS-OF-WAY	33	41	—	—	—	—	75
350.6	NWN ONLY NMEP- LAND	—	—	—	—	—	—	—
351	STRUCTURES AND IMPROVEMENTS	3,315,503	136,062	—	—	—	—	3,451,565
351.1	NMEP STRUCTURES AND IMPROVEMENTS	907,107	300,729	—	—	—	—	1,207,836
351.2	NWN ONLY NMEP STRUCTURES & IMPROVM	472	584	—	—	—	—	1,057
352	WELLS	13,451,111	480,076	—	—	—	—	13,931,187
352.1	STORAGE LEASEHOLD & RIGHTS	1,942,698	62,819	—	—	—	—	2,005,517
352.2	RESERVOIRS	3,051,185	122,421	—	—	—	—	3,173,606
352.3	NON-RECOVERABLE NATURAL GAS	3,862,011	99,834	—	—	—	—	3,961,845
352.4	NMEP WELLS	873,034	342,060	—	—	—	—	1,215,093
352.5	NMEP STORAGE LEASEHOLD & RIGHTS	134,636	49,718	—	—	—	—	184,354
352.6	NMEP RESERVOIRS	139,104	51,580	—	—	—	—	190,684
352.7	NMEP NON-RECOVERABLE NATURAL GAS	133,029	49,745	—	—	—	—	182,774
352.8	NWN ONLY NMEP WELLS	1,469	1,745	—	—	—	—	3,215
352.9	NWN ONLY NMEP STOR LEASEH & RIGHTS	239	282	—	—	—	—	521
352.10	NWN ONLY NMEP RESERVOIRS	246	296	—	—	—	—	542
352.11	NWN ONLY NMEP NON-RECOV NAT GAS	236	287	—	—	—	—	524
353	LINES	3,804,224	190,932	—	—	—	—	3,995,156
353.1	NMEP LINES	24,566	9,493	—	—	—	—	34,059
353.2	NWN ONLY NMEP LINES	(201,976)	32	—	—	—	—	(201,944)
354	COMPRESSOR STATION EQUIPMENT	16,600,158	526,151	—	—	—	—	17,126,309
354.7	NMEP COMPRESSOR STATION EQUIPMENT	1,607,300	582,996	—	—	—	—	2,190,296
354.8	NWN ONLY NMEP COMPRES STAT EQUIP	4,436	5,528	—	—	—	—	9,963
355	MEASURING / REGULATING EQUIPM	5,342,581	468,931	—	—	—	—	5,811,511
355.1	NMEP MEASURING/REGULATING EQUIPM	583,498	233,327	—	—	—	—	816,825
355.2	NWN ONLY NMEP MEASURING / REG EQUIP	1,012	1,352	—	—	—	—	2,364
356	PURIFICATION EQUIPMENT	718,262	438,405	—	—	—	—	1,156,666
356.1	NMEP PURIFICATION EQUIPMENT	448,537	156,369	—	—	—	—	604,906
357	OTHER EQUIPMENT	1,138,826	115,035	—	—	—	—	1,253,861
Natural Gas Underground Storage Subtotal*		57,941,566	4,436,933	—	—	—	—	62,378,499

\* May not foot due to rounding.

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS  
NW NATURAL

Period Beginning: January 2022  
Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve*
<b>UTILITY</b>								
<b>Local Storage Plant</b>								
360.11 LAND - LNG LINNTON	—	—	—	—	—	—	—	—
360.12 LAND - LNG NEWPORT	(242)	—	—	—	—	—	—	(242)
360.2 LAND - OTHER	—	—	—	—	—	—	—	—
361.11 STRUCTURES & IMPROVEMENTS	3,976,852	454,753	—	—	—	—	—	4,431,605
361.12 STRUCTURES & IMPROVEMENTS	4,194,877	513,474	—	—	—	—	—	4,708,351
361.2 STRUCTURES & IMPROVEMENTS -	13,312	464	—	—	—	—	—	13,776
362.11 GAS HOLDERS - LNG LINNTON	2,805,308	129,316	—	—	—	—	—	2,934,624
362.12 GAS HOLDERS - LNG NEWPORT	6,326,012	96,019	—	—	—	—	—	6,422,031
362.2 GAS HOLDERS - LNG OTHER	1,282	16	—	—	—	—	—	1,297
363.11 LIQUEFACTION EQUIP. - LINN	2,785,740	53,851	—	—	—	—	—	2,839,591
363.12 LIQUEFACTION EQUIP - NEWPO	7,548,919	208,490	—	—	—	—	—	7,757,409
363.21 VAPORIZING EQUIP - LINNTON	2,514,871	42,431	—	—	—	—	—	2,557,302
363.22 VAPORIZING EQUIP - NEWPORT	770,419	224,949	—	—	—	—	—	995,368
363.31 COMPRESSOR EQUIP - LINNTON	208,476	3,540	—	—	—	—	—	212,017
363.32 COMPRESSOR EQUIPMENT - NE	1,865,737	387,061	—	—	—	—	—	2,252,798
363.41 MEASURING & REGULATING EQU	999,163	191,186	—	—	—	—	—	1,190,349
363.42 MEASURING & REGULATING EQU	293,023	125,808	—	—	—	—	—	418,832
363.5 CNG REFUELING FACILITIES	1,671,865	79,842	—	—	—	—	—	1,751,707
363.6 LNG REFUELING FACILITIES	739,473	592	—	—	—	—	—	740,065
Local Storage Plant Subtotal*	36,715,086	2,511,793	—	—	—	—	—	39,226,879
<b>Transmission Plant</b>								
365.1 LAND	—	—	—	—	—	—	—	—
365.2 LAND RIGHTS	2,420,713	95,752	—	—	—	—	—	2,516,465
365.3 NMEP LAND RIGHTS	29,040	10,439	—	—	—	—	—	39,479
365.4 NWN ONLY NMEP LAND RIGHTS	50	60	—	—	—	—	—	110
366.3 STRUCTURES & IMPROVEMENTS -	439,926	27,056	—	—	—	—	—	466,982
367 MAINS	46,820,441	3,806,076	—	—	—	—	—	50,626,517
367.21 NORTH MIST TRANSMISSION LI	1,280,286	33,443	—	—	—	—	—	1,313,728
367.22 SOUTH MIST TRANSMISSION LI	11,728,110	230,717	—	—	—	—	—	11,958,827
367.23 SOUTH MIST TRANSMISSION LI	16,607,368	662,164	—	—	—	—	—	17,269,532
367.24 11.7M S MIST TRANS LINE	7,174,133	332,149	—	—	—	—	—	7,506,282
367.25 12M NORTH S MIST TRANS	7,347,231	356,141	—	—	—	—	—	7,703,372
367.26 38M NORTH S MIST TRANS	27,112,628	1,304,381	—	—	—	—	—	28,417,009
367.27 NMEP MAINS	4,550,464	1,655,199	—	—	—	—	—	6,205,663
367.28 NWN ONLY NMEP MAINS	4,819	6,446	—	—	—	—	—	11,265
368 TRANSMISSION COMPRESSOR	(9)	—	—	—	—	—	—	(9)
369 MEASURING & REGULATE STATION	1,907,740	82,433	—	—	—	—	—	1,990,173
370 COMMUNICATION EQUIPMENT	—	—	—	—	—	—	—	—
Transmission Plant Subtotal*	127,422,941	8,602,454	—	—	—	—	—	136,025,395

\* May not foot due to rounding.



## RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS

## NW NATURAL

Period Beginning: January 2022

Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve*
UTILITY								
Distribution Plant								
374.1 LAND	—	—	—	—	—	—	—	—
374.2 LAND RIGHTS	1,712,848	9,305	—	—	—	—	—	1,722,154
375 STRUCTURES & IMPROVEMENTS	156,745	27,082	—	—	—	—	—	183,826
376.11 MAINS < 4"	385,875,772	16,692,397	(84,499)	(1,425,051)	15,409	—	—	401,074,028
376.12 MAINS 4" & >	277,888,565	16,251,584	(174,429)	(1,269,315)	16,823	—	—	292,713,229
376.13 MNEP MAINS 4" & >	39,367	15,379	—	—	—	—	—	54,745
377 COMPRESSOR STATION EQUIPMENT	699,564	10,516	—	—	—	—	—	710,080
378 MEASURING & REG EQUIP - GENER	15,627,763	1,047,448	—	—	—	—	—	16,675,212
378.1 MEASURING & REG EQUIP - RNG	1,847	(5,058)	—	—	—	—	—	(3,211)
379 MEASURING & REG EQUIP - GATE	4,011,022	444,705	—	—	—	—	—	4,455,727
380 SERVICES	484,656,492	24,517,207	(208,254)	(4,137,277)	—	—	—	504,828,169
381 METERS	19,026,190	202,874	—	—	11,177	—	—	19,240,242
381.1 METERS (ELECTRONIC)	2,091,193	(380,000)	—	—	—	—	—	1,711,193
381.2 ERT (ENCODER RECEIVER TRANS	19,433,251	(2,607,835)	—	—	—	—	—	16,825,416
382 METER INSTALLATIONS	4,667,816	1,206,375	(1,216,290)	—	—	—	—	4,657,901
382.1 METER INSTALLATIONS (ELECTR	204,240	43,027	—	—	—	—	—	247,267
382.2 ERT INSTALLATION (ENCODER	6,075,640	195,670	(84,095)	—	—	—	—	6,187,216
383 HOUSE REGULATORS	543,787	79,082	—	—	—	—	—	622,862
386 OTHER PROPERTY ON CUSTOMERS P	511,391	122,656	—	—	—	—	—	634,047
386.1 MULTI-FAMILY METER ROOMS	—	—	—	—	—	—	—	—
387.1 CATHODIC PROTECTION TESTING	147,699	1,469	—	—	—	—	—	149,168
387.2 CALORIMETERS @ GATE STATIONS	96,424	—	—	—	—	—	—	96,424
387.3 METER TESTING EQUIPMENT	72,671	—	—	—	—	—	—	72,671
Distribution Plant Subtotal*	1,223,540,280	57,873,887	(1,767,567)	(6,831,643)	43,409	—	—	1,272,858,366

\* May not foot due to rounding.

## RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS

## NW NATURAL

Period Beginning: January 2022

Period Ending: December 2022

Functional Class	Beginning			Cost of	Salvage and	Transfers and		Ending
FERC Plant Account	Reserve	Provision	Retirements	Removal	Other Credits	Adjustments	Loss/(Gain)	Reserve*
<b>UTILITY</b>								
<b>General Plant</b>								
389 LAND	426,129	—	—	—	—	—	—	426,129
390 STRUCTURES & IMPROVEMENTS	16,190,755	2,567,821	—	—	—	—	—	18,758,576
390.1 SOURCE CONTROL PLANT	6,528,063	479,783	—	—	—	—	—	7,007,847
391.1 OFFICE FURNITURE & EQUIPMEN	6,597,384	702,850	(150,625)	—	—	—	—	7,149,609
391.2 COMPUTERS	26,058,461	7,822,105	(10,028,626)	—	—	—	—	23,851,940
391.21 COMPUTERS HORIZON	—	108,802	—	—	—	—	—	108,802
391.22 COMPUTERS TSA SECURITY DIRECTIVE	—	1,064,346	—	—	—	—	—	1,064,346
391.3 ON SITE BILLING	—	—	—	—	—	—	—	—
391.4 CUSTOMER INFORMATION SYSTEM	—	—	—	—	—	—	—	—
391.5 NMEP COMPUTERS	261,454	122,834	—	—	—	—	—	384,288
391.6 NMEP POWER OPERATED EQUIPMENT	1,080	1,364	—	—	—	—	—	2,443
392 TRANSPORTATION EQUIPMENT	16,719,520	2,603,457	(810,292)	—	481,303	—	—	18,993,988
393 STORES EQUIPMENT	119,406	—	—	—	—	—	—	119,406
394 TOOLS - SHOP & GARAGE EQUIPUI	6,653,407	615,044	—	—	28,913	—	—	7,297,364
395 LABORATORY EQUIPMENT	(32)	(8)	—	—	—	—	—	(39)
396 POWER OPERATED EQUIPMENT	2,882,211	112,301	(283,891)	—	316,493	—	—	3,027,114
396.1 NMEP POWER OPERATED EQUIPMENT	5,857	11,206	—	—	—	—	—	17,064
397 GEN PLANT-COMMUNICATION EQU	47,828	6,439	(17,683)	—	—	—	—	36,584
397.1 MOBILE	997,861	407,251	—	—	—	—	—	1,405,112
397.2 OTHER THAN MOBILE & TELEMET	(45,361)	(13,462)	—	—	—	—	—	(58,823)
397.3 TELEMETERING - OTHER	1,352,933	749,673	(53,242)	—	—	—	—	2,049,364
397.4 TELEMETERING - MICROWAVE	1,055,153	399,152	(61,120)	—	—	—	—	1,393,185
397.5 TELEPHONE EQUIPMENT	352,519	5,350	—	—	—	—	—	357,869
398 GEN PLANT-MISCELLANEOUS EQU	—	—	—	—	—	—	—	—
398.1 PRINT SHOP	2,795	(410)	—	—	—	—	—	2,385
398.2 KITCHEN EQUIPMENT	10,006	2,253	—	—	—	—	—	12,259
398.3 JANITORIAL EQUIPMENT	14,873	—	—	—	—	—	—	14,873
398.4 INSTALLED IN LEASED BUILDINGS	10,120	—	—	—	—	—	—	10,120
398.5 OTHER MISCELLANEOUS EQUIPMENT	66,739	—	—	—	—	—	—	66,739
General Plant Subtotal*	86,309,163	17,768,151	(11,405,478)	—	826,709	—	—	93,498,545
Utility Property Grand Total*	1,613,122,259	103,276,518	(38,737,699)	(6,831,643)	870,118	—	—	1,671,699,553

\* May not foot due to rounding.

## RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS

## NW NATURAL

Period Beginning: January 2022

Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve*
<b>NON UTILITY</b>								
<b>Intangible Plant</b>								
303.1 COMPUTER SOFTWARE	93,273	9,714	(163,357)	—	—	—	—	(60,369)
303.2 CUSTOMER INFORMATION SYSTEM	50,086	5	—	—	—	—	—	50,091
Non Utility Intangible Plant Subtotal*	143,359	9,719	(163,357)	—	—	—	—	(10,278)
<b>Natural Gas Underground Storage</b>								
352 WELLS	5,104,880	312,986	—	—	—	—	—	5,417,866
352.1 STORAGE LEASEHOLD & RIGHTS	292	16	—	—	—	—	—	308
352.2 RESERVOIRS	1,129,473	59,952	—	—	—	—	—	1,189,425
353 LINES	580,269	53,019	—	—	—	—	—	633,289
354 COMPRESSOR STATION EQUIPMENT	5,115,683	246,714	—	—	—	—	—	5,362,396
355 MEASURING / REGULATING EQUIPM	2,723,663	204,366	—	—	—	—	—	2,928,029
357 OTHER EQUIPMENT	17,147	1,409	—	—	—	—	—	18,555
Non Utility Natural Gas Underground Storage Subtotal*	14,671,406	878,461	—	—	—	—	—	15,549,867
<b>Transmission Plant</b>								
368 TRANSMISSION COMPRESSOR	3,050,541	164,768	—	—	—	—	—	3,215,308
Non Utility Transmission Plant Subtotal*	3,050,541	164,768	—	—	—	—	—	3,215,308
<b>Distribution Plant</b>								
376.12 MAINS 4" & >	1,365	157	—	—	—	—	—	1,522
Non Utility Distribution Plant Subtotal*	1,365	157	—	—	—	—	—	1,522
<b>General Plant</b>								
389 LAND	—	—	—	—	—	—	—	—
390 STRUCTURES & IMPROVEMENTS	55,496	5,611	—	—	—	—	—	61,106
Non Utility General Plant Subtotal*	55,496	5,611	—	—	—	—	—	61,106
<b>Non Utility Other</b>								
121.1 NON-UTIL PROP-DOCK	1,947,067	13,752	—	—	—	—	—	1,960,819
121.2 NON-UTIL PROP-LAND	—	—	—	—	—	—	—	—
121.3 NON-UTIL PROP-OIL ST	2,317,342	35,771	—	—	—	—	—	2,353,113
121.7 NON-UTIL PROP-APPL CENTER	56,088	3,854	—	—	—	—	—	59,943
121.8 NON-UTIL PROP-STORAGE	(1)	—	—	—	—	—	—	(1)
Non Utility Other*	4,320,496	53,377	—	—	—	—	—	4,373,873
<b>Non Utility Property Grand Total*</b>	<b>22,242,662</b>	<b>1,112,093.61</b>	<b>(163,356.63)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>23,191,398.71</b>

\* May not foot due to rounding

## RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS

## NW NATURAL

Period Beginning: January 2022

Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve*
TOTAL SUMMARY ALL UTILITY DEPRECIATION RESERVES		12/31/2022						
UTILITY								
145006	(10,385,377)							
145009	(263,551)							
145012	967,454							
145015	(230,024)							
145018	(4,758,646)							
145021	(84,018,499)							
145024	1,265,187,738							
145027	24,304,964							
145030	(5,319,363)							
145033	(1,645,265)							
145036	3,712,352							
145039	11,611,469							
169010	6,613,957							
145045	—							
260005	463,559,290							
260010	2,532,234							
145048	31,848							
145051	(202,000)							
145060	971							
SUBTOTAL*								<u>1,671,699,553</u>
ADD:								
145003 REMOVAL WORK IN PROCESS				(66,764,190)				
160205 ROU UTIL LEAS ACC DE				13,274,179				
145205 FIN UTIL LEA ACC DEP				132,879				
145060 COST OF REMOVAL				—				
145063 OR METER/ERT's				(1,775,148)				
145066 WA METER/ERT's				(243,552)				
TOTAL UTILITY DEPRECIATION*								<u>1,616,323,721</u>
TOTAL SUMMARY ALL NON-UTILITY RESERVES DEPRECIATION								
NON UTILITY								
145405	(124,325)							
145410	1,034							
145415	4,582,025							
145420	17,846,564							
145425	(764,395)							
260015	1,650,496							
TOTAL NON UTILITY DEPRECIATION*								<u>23,191,399</u>

\* May not foot due to rounding

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
--	--	---------------------------------------	--

**GAS STORED (ACCOUNTS 117.1, 117.2, 117.3, 117.4, 164.1, 164.2, AND 164.3)**

1. If during the year adjustments were made to the stored gas inventory reported in columns (d), (f), (g) and (h) (such as to correct cumulative inaccuracies of gas measurements), explain in a footnote the reason for the adjustments, the Dth and dollar amount of adjustment, and account charged or credited.
2. Report in column (e) all encroachments during the year upon the volumes designated as base gas, column (b), and system balancing gas, column (c), and gas property recordable in the plant accounts.
3. State in a footnote the basis of segregation of inventory between current and noncurrent portions. Also, state in a footnote the method used to report storage (i.e., fixed asset method or inventory method).

Line	Description	Base Gas (Account 117.1 - 117.8)	System Balancing (Account)	Non Current (Account)	Account	Current Underground (Account 164.21 - 164.23)	LNG (Account 164.21 - 164.23)	LNG (Account 164.35, 164.36)	Total
No.	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Balance at Beginning of Year	\$25,405,239	—	—	—	\$ 33,350,964	\$ 4,027,804	—	\$ 62,784,007
2	Gas Delivered to Storage	\$ —	—	—	—	\$ 73,234,339	\$ 5,488,303	—	\$ 78,722,642
3	Gas Withdrawn from Storage	\$ —	—	—	—	\$ 51,063,289	\$ 3,164,262	—	\$ 54,227,551
4	Other Debits and Credits	\$ —	—	—	—	\$ —	\$ —	—	\$ —
5	Balance at End of Year	\$25,405,239	\$ —	\$ —	\$ —	\$ 55,522,014	\$ 6,351,845	\$ —	\$ 87,279,098
6	Dekatherms	9,057,244	—	—	—	10,393,279	1,284,943	—	20,735,466
7	Amount Per Dekatherm	\$ 2.80	\$ —	\$ —	\$ —	\$ 5.34	\$ 4.94	\$ —	\$ 4.21

Footnotes:

1. Independent engineering studies are the basis for separation between noncurrent and current inventory.
2. See Notes to Consolidated Financial Statements for method used to report inventories of gas in storage (page 122-A).

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**INVESTMENTS (Accounts 123, 124, 136)**

1. Report below investments in Accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cash Investments.

2. Provide a subheading for each account and list thereunder the information called for:

(a) Investment in Securities - List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124, Other Investments, state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, also may be grouped by classes.

(b) Investment Advances - Report separately for each person or company the amounts of loans or investment advances which are properly includable in Account 123. Include advances subject to current repayment in account 145 and 146. With respect to each advance, show whether the advance is a note or open account.

Line No.	Description of Investment (a)	*	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference.) (c)	Purchases or Additions During the Year (d)
		(b)		
1	Account 123 Investments in Associated Companies		None	None
2				
3	Account 124 Other Investments - Investment in Life Insurance <sup>(1)</sup>		48,177,808	1,240,097
4				
5	Account 136 Temporary Cash Investments			
6	Marketable Securities		—	—
7	Oregon Low Income Gas Assistance (OLGA) Investment Account		1,611,113	3,605,174
8	Oregon Low Income Energy Efficiency (OLIEE) Investment Account		6,587,276	5,826,840
9	Smart Energy Environmental Program Investment Account		362,746	4,650,478
10	Total Account 136 Temporary Cash Investments		8,561,135	14,082,492
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<sup>(1)</sup> Purchases and additions represent the change in cash surrender value not additional purchases of life insurance policies.

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**INVESTMENTS (Accounts 123, 124, 136) (continued)**

List each note giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees.

3. Designate with an asterisk in column (b) any securities, notes or accounts that were pledged, and in a footnote state the name of pledges and purpose of the pledge.

4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and cite Commission, date of authorization, and case or docket number.

5. Report in column (h) interest and dividend revenues from investments including such revenues from securities disposed of during the year.

6. In column (i) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (h).

Sales or Other Dispositions During Year (e)	Principal Amount or No. of Shares at End of Year (f)	Book Cost at End of Year of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference.) (g)	Revenues for Year (h)	Gain or Loss from Investment Disposed of (i)	Line No.
					1
					2
60,261	49,357,644	49,357,644	—	13,334	3
					4
					5
—	—	—	—	—	6
3,080,836	2,135,451	2,135,451		—	7
3,304,312	9,109,804	9,109,804	—	—	8
4,564,482	448,742	448,742	—	—	9
10,949,630	11,693,997	11,693,997	—	—	10
				—	11
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<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)**

- Report below investments in Accounts 123.1, Investments in Subsidiary Companies.
- Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h).
  - Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.
  - Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
- Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	Northwest Energy Corporation <sup>(1)</sup> - (Holding Company)	11/1/2001		63,403,206
2	NW Natural RNG Holding Company, LLC - (Holding Company)	11/4/2020		11,639,354
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30	<b>TOTAL Cost of Account 123.1</b>		<b>TOTAL</b>	<b>75,042,560</b>

<sup>(1)</sup> Earnings for Year for NWN Gas Reserves, a wholly-owned subsidiary of Northwest Energy Corporation, is included in Cost of Gas within Operation Expenses and is therefore excluded from Equity in Subsidiary Earnings for Year.



<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)**

4. Designate in a footnote any securities, notes, or accounts that were pledged and purpose of pledge.
5. If commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 40, column (a) the total cost of Account 123.1

Equity in Subsidiary Earnings for Year	Additional Investment for Year	Amount of Investment at End of Year	Gain or Loss from Investment Disposed of	Line
(e)	(f)	(g)	(h)	No.
6,353,325	(11,500,000)	58,256,531	—	1
(467,779)	6,020,000	17,191,575	—	2
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<b>5,885,546</b>	<b>(5,480,000)</b>	<b>75,448,106</b>	—	30

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**Prepayments (acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2)**

**PREPAYMENTS (Account 165)**

1. Report below the particulars (details) on each prepayment.

Line No.	Nature of Payment (a)	Balance at End of Year (in dollars) (b)
1	Prepaid Taxes	16,226,985
2	Prepaid Rents	451,923
3	Prepaid Insurance	4,940,148
4	Miscellaneous Prepayments	17,112,928
5		
6		
7	<b>TOTAL</b>	<b>38,731,984</b>

**EXTRAORDINARY PROPERTY LOSSES (Account 182.1)**

Line No.	Description of Extraordinary Loss [Include the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr, to mo, yr)] Add rows as necessary to report all data. (a)	Balance at Beginning of Year (b)	Total amount of loss (c)	Losses Recognized During Year (d)	Written off During Year Account charged (e)	Written off During Year Amount (f)	Balance at End of Year (g)
8	None	—	—	—	—	—	—
9							
10							
11							
12							
13							
14							
15							
16	<b>Total</b>						—

**UNRECOVERED PLANT AND REGULATORY STUDY COSTS (Account 182.2)**

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission authorization to use Account 182.2 and period of amortization (mo, yr, to mo, yr)] Add rows as necessary to report all data. Number rows in sequence beginning with the next row number after the last row number used for extraordinary property losses. (a)	Balance at Beginning of Year (b)	Total amount of loss (c)	Losses Recognized During Year (d)	Written off During Year Account charged (e)	Written off During Year Amount (f)	Balance at End of Year (g)
17	None	—	—	—	—	—	—
18							
19							
20							
21							
22							
23							
24							
25	<b>Total</b>						—

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**OTHER REGULATORY ASSETS (ACCOUNT 182.3)**

- 1.Report below the details called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other accounts).
- 2.For regulatory assets being amortized, show period of amortization in column (a).
- 3.Minor items (5% of the Balance at End of Year for account 182.3 or amounts less than \$250,000, whichever is less) may be grouped
- 4.Report separately any "Deferred Regulatory Commission Expenses" that are also reported on pages 350-351, Regulatory Commission Expenses.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Year (b)	Debit (Credit) (c)	Written off During Period Account charged (d)	Written off During Period Amount Recovered (e)	Written off During Period Amount Deemed Unrecoverable (f)	Balance at End of Year (g)
1	Deferred Income Taxes - Utility Plant	12,431,681	—	283	2,208,426	—	10,223,255
2	AFUDC Equity Deferred Taxes	2,385,962	626,085	283	83,546	—	2,928,501
3							
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30	Total	14,817,643	626,085		2,291,972	—	13,151,756

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**MISCELLANEOUS DEFERRED DEBITS (Account 186)**

1. Report below the details called for concerning miscellaneous deferred debits.  
2. For any deferred debit being amortized, show period of amortization in column (a).  
3. Minor items (less than \$250,000) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	Credits Account Charged (d)	Credits Amount (e)	Balance at End of Year (f)
1	Pension and Other Retirement Benefits	116,439,880	2,988,418		18,014,803	101,413,495
2	Pension Deferral	45,432,722	1,826,742		7,131,060	40,128,404
3	Environmental - Accrued Future Liability	115,834,961	77,230,852		74,259,437	118,806,376
4	OR Environmental – Deferred Expenditures and 3rd Party Proceeds	(13,915,577)	6,292,602		(960,842)	(6,662,133)
5	WA Environmental - Deferred Expenditures and 3rd Party Proceeds	(588,638)	1,217,338		1,127,918	(499,218)
6	Deferred Derivative Activity	10,813,278	117,363,588		78,611,128	49,565,738
7	Leasehold Improvements Amortized Over Remaining Life	37,172,164	4,631,616		4,252,080	37,551,700
8	Unbilled Revenue	(4,163,618)	29,814,202		25,730,561	(79,977)
9	Headquarters Lease Deferral	5,660,562	1,260,478		—	6,921,040
10	OR - Decoupling	(6,917,196)	34,131,393		45,054,916	(17,840,719)
11	OR - Deferred Industrial DSM	8,003,842	11,922,804		9,394,597	10,532,049
12	OR - Warm	3,334,227	1,178,092		4,673,177	(160,858)
13	OR - Corporate Activity Tax (CAT)	359,488	2,322,743		2,682,231	—
14	OR - Hood River Service Restoration	569,348	—		569,348	—
15	OR - Low Income Discount	—	431,091		23,687	407,404
16	OR - CPP Compliance	—	2,144,267		4,416,275	(2,272,008)
17	WA - Low Income	509,039	984,612		760,615	733,036
18	OR - Pension Withdrawal	5,154,613	12,452		353,685	4,813,380
19	WA - Pension Withdrawal	595,094	1,438		40,832	555,700
20	OR - Energy Efficiency	657,447	43,215		700,662	—
21	WA - Energy Efficiency	2,116,520	4,431,041		5,839,184	708,377
22	OR - COVID Deferred Costs, Revenues & Cost Savings	6,944,594	10,120,596		6,764,948	10,300,242
23	WA - COVID Deferred Costs, Revenues & Cost Savings	470,311	565,117		269,949	765,479
24	OR - COVID Late Fee - Reserve <sup>(1)</sup>	(2,517,765)	1,759,751		2,401,015	(3,159,029)
25	WA - COVID Late Fee - Reserve <sup>(1)</sup>	(132,999)	—		78,552	(211,551)
26	OR - Arrearage Management Plan	3,730,918	5,565,743		1,911,880	7,384,781
27	WA - Arrearage Management Plan	67,339	198,484		1,952	263,871
28	OR - TSA Security Directive	940,409	10,222,669		5,679,453	5,483,625
29	WA - TSA Security Directive	82,077	1,022,472		321,729	782,820
30	OR - Horizon Program	5,951,927	12,836,473		10,469,605	8,318,795
31	WA - Horizon Program	763,537	1,641,002		1,356,544	1,047,995
32	OR - Rate Mitigation	—	10,844,541		74,595	10,769,946
33	WA - Rate Mitigation	—	776,395		7,966	768,429
34	Other	1,161,422	7,221,502		7,446,593	936,477
35						
36						
37	<b>Total</b>	<b>344,529,926</b>	<b>363,003,729</b>		<b>319,460,135</b>	<b>388,073,666</b>

(1) Reserve account represents a contra asset to the deferred late fees included within the COVID Deferral accounts. Accounting rules do not allow us to recognize the deferred forgone late fees until the Commissions approve amortization of the deferrals in customer rates.

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<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**Accumulated Deferred Income Taxes (Account 190)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (specify), include deferrals relating to other income and deductions.
3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Credited to Account 411.1 (d)
1	Account 190			
2	Electric			
3	Gas	—	—	—
4				
5	Total (Total of lines 2 thru 4)	—	—	—
6				
7	TOTAL Account 190 (Total of lines 5 thru 6)	—	—	—
8	Classification of TOTAL			
9	Federal Income Tax	—	—	—
10	State Income Tax	—	—	—
11	Local Income Tax	—	—	—

See FERC Annual Report pages 276-277

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**Accumulated Deferred Income Taxes (Account 190) (Continued)**

Changes During Year Amounts Debited to Account 410.2 (e)	Changes During Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Account No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)	Line No.
							1
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—	—	—	—	—	—	—	3
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—	—	—	—	—	—	—	5
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—	—	—	—	—	—	—	7
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—	—	—	—	—	—	—	10
—	—	—	—	—	—	—	11

See FERC Annual Report pages 276-277

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**CAPITAL STOCK (Account 201 and 204)**

- Report below the detail called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock.
- Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.
- Give details concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par of Stated Value per Share (c)	Call Price at End of Year (d)
1	Common Stock	100,000,000	N/A	
2	Preferred Stock (unissued and undesignated)	3,500,000	N/A	
3	Limited Voting Junior Preferred Stock <sup>(1)</sup>	1	1	
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(1) NW Natural has authorized, issued and outstanding, one share of Limited Voting Preferred Stock (Golden Share), \$1 par value, held by GSS Holdings (NWN), Inc. As specified in OPUC Order 17-526, NW Natural is not entitled to file a voluntary petition for bankruptcy unless approved by the holder of the Golden Share, which must be an independent party. Except as provided in NW Natural's Amended and Restated Articles of Incorporation or as otherwise provided by law, the holder of the Junior Preferred Stock has no voting rights for any other purpose. The Golden Share is not entitled to receive or participate in dividends. The Golden Share is entitled in preference to the Common Stock, upon dissolution, liquidation or winding up of the Company, to payment of up to \$100 out of the net assets of the Company, and may be redeemed by the Company, at its election expressed by resolution of the Board of Directors and subject to the consent of the Commission, for \$100.



<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**CAPITAL STOCK (Accounts 201 and 204) (Continued)**

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.  
5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.  
6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.

Outstanding per Bal. Sheet (total amount outstanding without reduction for amts held by respondent) Shares (e)	Outstanding Per Bal. Sheet Amount (f)	Held by Respondent as Reacquired Stock (Acct 217) Shares (g)	Held by Respondent as Reacquired Stock (Acct 217) Cost (h)	Held by Respondent in Sinking and Other Funds Shares (i)	Held by Respondent in Sinking and Other Funds Amount (j)	Line No.
100	228,868,408					1
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<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION, PREMIUM ON CAPITAL STOCK, AND INSTALLMENTS RECEIVED ON CAPITAL STOCK (Accounts 202, 203, 205, 206, 207 and 212)**

- Show for each of the above accounts the amounts applying to each class and series of capital stock.
- For Account 202, Common Stock Subscribed, and Account 205, Preferred Stock Subscribed, show the subscription price and the balance due on each class at the end of year.
- Describe in a footnote the agreement and transactions under which a conversion liability existed under Account 203, Common Stock Liability for Conversion, or Account 206, Preferred Stock Liability for Conversion, at the end of the year.
- For Premium on Account 207, Capital Stock, designate with an asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.

Line No.	Name of Account and Description of Item (a)	* (b)	Number of Shares (c)	Amount (d)
1	Account 202 - Common Stock Subscribed			None
2	Account 205 - Preferred Stock Subscribed			None
3	Account 203 and 206 - Capital Stock Liability for Conversion			None
4	Account 207 - Premium on Capital Stock:			None
5	Account 212 - Installments Received on Capital Stock			None
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30	<b>Total</b>			—

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**OTHER PAID IN CAPITAL (Accounts 208 - 211)**

1. Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Explain changes made in any account during the year and give the accounting entries effecting such change.

- a) Donations Received from Stockholders (Account 208) - State amount and give briefly explain the origin and purpose of each donation.
- (b) Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and give briefly explain the capital changes that gave rise to amounts reported under this caption including identification with the class and series of stock to which related.
- (c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.
- (d) Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account according to captions that, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	Account 208 - Donations Received from Stockholders	NONE
2	Account 209 - Reduction in Par or Stated Value of Capital Stock	NONE
3	Account 210 - Gain on Resale or Cancellation of Reacquired Capital Stock	
4	Balance At Beginning of Year	1,649,864
5	Credit:	—
6	Debit:	—
7	Balance at End of Year	1,649,864
8	Account 211 - Miscellaneous Paid-In Capital	
9	Balance at Beginning of Year	209,114,937
10	Credit:	179,387,813
11	Debit:	
12	Balance at End of Year	388,502,750
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30	<b>Total</b>	<b>390,152,614</b>

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**DISCOUNT ON CAPITAL STOCK (ACCOUNT 213)**

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. Use as many rows as necessary to report all data.

2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off during the year and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1	N/A	—
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
<b>TOTAL</b>		—

**CAPITAL STOCK EXPENSE (ACCOUNT 214)**

1. Report the balance at end of year of capital stock expenses for each class and series of capital stock. Use as many rows as necessary to report all data. Number the rows in sequence starting from the last row number used for Discount on Capital Stock above.

2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
15	Capital Stock Expense (Note 1)	4,118,163
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
<b>TOTAL</b>		<b>4,118,163</b>

Note 1: Capital Stock Expense balance is associated with common stock issuances that occurred prior to the holding company reorganization that became effective October 1, 2018.

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**SECURITIES ISSUED OR ASSUMED AND SECURITIES REFUNDED OR RETIRED DURING THE YEAR**

1. Furnish a supplemental statement briefly describing security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses.
2. Provide details showing the full accounting for the total principal amounts, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gain or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.
3. Include in the identification of each class and series of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.
4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Accounts, cite the Commission authorization for the different accounting and state the accounting method.
5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as details of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

<b>Class of Security</b>	<b>Underwriter of Payee</b>	<b>Date</b>	<b>Stated or Par Value per Share</b>	<b>Number of Shares</b>	<b>Principal Amount or Par Value</b>
<u>Debt Securities Issued</u>					
First Mortgage Bonds		9/30/2022			140,000,000
			<b>Total Debt Issued</b>		<u>140,000,000</u>
<u>Debt Securities Retired</u>					
NONE					
<u>Common Stock</u>					
NONE					

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**LONG-TERM DEBT (Account 221, 222, 223, and 224)**

1. Report by Balance Sheet Account the details concerning long-term debt included in Account 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt.
2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
3. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.

Line No.	Class and Series of Obligation and Name of Stock Exchange (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Outstanding (Total amount outstanding without reduction for amounts held by respondent) (d)
1	<b>Account 221</b>			
2	First Mortgage Bonds			
3				
4	3.542 % Series B	8/19/2013	8/19/2023	50,000,000
5	5.620 % Series B	11/21/2003	11/21/2023	40,000,000
6	7.720 % Series B	9/6/2000	9/1/2025	20,000,000
7	6.520 % Series B	12/1/1995	12/1/2025	10,000,000
8	7.050 % Series B	10/15/1996	10/15/2026	20,000,000
9	3.211 % Series B	12/5/2016	12/5/2026	35,000,000
10	7.000 % Series B	5/20/1997	5/21/2027	20,000,000
11	2.822 % Series B	9/13/2017	9/13/2027	25,000,000
12	6.650 % Series B	11/10/1997	11/10/2027	19,700,000
13	6.650 % Series B	6/1/1998	6/1/2028	10,000,000
14	3.141 % Series B	6/17/2019	6/15/2029	50,000,000
15	7.740 % Series B	8/29/2000	8/29/2030	20,000,000
16	7.850 % Series B	9/6/2000	9/1/2030	10,000,000
17	5.820 % Series B	9/24/2002	9/24/2032	30,000,000
18	5.660 % Series B	2/25/2003	2/25/2033	40,000,000
19	5.250 % Series B	6/21/2005	6/21/2035	10,000,000
20	4.000 % Series B	10/30/2012	10/31/2042	50,000,000
21	4.136 % Series B	12/5/2016	12/5/2046	40,000,000
22	3.685 % Series B	9/13/2017	9/13/2047	75,000,000
23	4.110 % Series B	9/10/2018	9/10/2048	50,000,000
24	3.869 % Series B	6/17/2019	6/15/2049	90,000,000
25	3.600 % Series B	3/31/2020	3/15/2050	150,000,000
26	3.078 % Series B	11/15/2021	12/1/2051	130,000,000
27	4.780 % Series B	9/30/2022	9/30/2052	140,000,000
28				
29				
30			Total First Mortgage Bonds	1,134,700,000
31	<b>Account 239</b>			
32	Less: Debt due within one year			(90,000,000)
33	<b>Accounts 222 and 223</b>			
34	None			—
35	<b>Account 224</b>			
36	None			—
37				
38	<b>TOTAL</b>			<b>1,044,700,000</b>

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**LONG-TERM DEBT (Accounts 221, 222, 223 and 224) (Continued)**

5. In a supplemental statement, give explanatory details for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.
7. If the respondent has any long-term securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total of Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
9. Give details concerning any long-term debt authorized by a regulatory commission but not yet issued.

Interest for Year Rate in (%) (e)	Interest for Year Amount (f)	Held by Respondent Reacquired Bonds (Acct. 222) (g)	Held by Respondent Sinking and Other Funds (h)	Redemption Price per \$100 at End of Year (i)	Line No.
					1
					2
					3
3.542 %	1,771,000			N/A	4
5.620 %	2,248,000			N/A	5
7.720 %	1,544,000			N/A	6
6.520 %	652,000			N/A	7
7.050 %	1,410,000			N/A	8
3.211 %	1,123,850			N/A	9
7.000 %	1,400,000			N/A	10
2.822 %	705,500			N/A	11
6.650 %	1,310,050			N/A	12
6.650 %	665,000			N/A	13
3.141 %	1,570,500			N/A	14
7.740 %	1,548,000			N/A	15
7.850 %	785,000			N/A	16
5.820 %	1,746,000			N/A	17
5.660 %	2,264,000			N/A	18
5.250 %	525,000			N/A	19
4.000 %	2,000,000			N/A	20
4.136 %	1,654,400			N/A	21
3.685 %	2,763,750			N/A	22
4.110 %	2,055,000			N/A	23
3.869 %	3,482,100			N/A	24
3.600 %	5,400,000			N/A	25
3.078 %	4,001,400			N/A	26
4.780 %	1,673,000			N/A	27
				N/A	28
	(249,160)	Interest Capitalized <sup>(1)</sup>		N/A	29
	44,048,390				30
					31
	—				32
					33
	—				34
					35
	—				36
					37
	<b>44,048,390</b>				<b>38</b>

(1) Represents interest capitalized on investments in the construction of RNG facilities by NW Natural RNG Holding Company, LLC (RNG Holdco). This amount is included in NW Natural Gas Company's investment in RNG Holdco that is included in account 123.1

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT (Accounts 181, 225, 226)**

- Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, details of expense, premium or discount applicable to each class and series of long-term debt.
- Show premium amounts by enclosing figures in parentheses.
- In column (b) show the principal amount of bonds or other long-term debt originally issued.
- In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt Issued (b)	Total Expense Premium or Discount (c)	Amortization Period	
				Date From (d)	Date to (e)
1	<b>Account 181</b>				
2					
3	3.542%	50,000,000	325,679	8/19/2013	8/19/2023
4	5.620 %	40,000,000	2,952,850	11/21/2003	11/21/2023
5	7.720 %	20,000,000	1,136,261	9/6/2000	9/1/2025
6	6.520 %	10,000,000	27,646	12/1/1995	12/1/2025
7	7.050%	20,000,000	50,940	10/15/1996	10/15/2026
8	3.211%	35,000,000	288,003	12/5/2016	12/5/2026
9	7.000 %	20,000,000	28,906	5/20/1997	5/21/2027
10	2.822 %	25,000,000	159,885	9/13/2017	9/13/2027
11	6.650 %	19,700,000	37,800	11/10/1997	11/10/2027
12	6.650 %	10,000,000	23,300	6/1/1998	6/1/2028
13	3.141 %	50,000,000	255,252	6/17/2019	6/15/2029
14	7.740%	20,000,000	1,354,914	8/29/2000	8/29/2030
15	7.850 %	10,000,000	678,107	9/6/2000	9/1/2030
16	5.820%	30,000,000	165,382	9/24/2002	9/24/2032
17	5.660%	40,000,000	56,663	2/25/2003	2/25/2033
18	5.250%	10,000,000	22,974	6/21/2005	6/21/2035
19	4.000 %	50,000,000	235,479	10/30/2012	10/31/2042
20	4.136 %	40,000,000	307,712	12/5/2016	12/5/2046
21	3.685 %	75,000,000	367,946	9/13/2017	9/13/2047
22	4.110 %	50,000,000	174,695	9/10/2018	9/10/2048
23	3.869 %	90,000,000	415,358	6/17/2019	6/15/2049
24	3.600 %	150,000,000	713,011	3/31/2020	3/15/2050
25	3.078 %	130,000,000	451,489	11/15/2021	12/1/2051
26	4.780 %	140,000,000	143,604	9/30/2022	9/30/2052
27	5.430 %	100,000,000	—	1/6/2023	1/6/2053
28					
29	Shelf Registration Expense	—	—	N/A	N/A
30	Line of Credit	—	—	N/A	N/A
31	Ongoing Debt Issuance Cost	—	—		
32	<b>Accounts 225 and 226</b>				
33	None	—	—	N/A	N/A
34	<b>TOTAL</b>	1,234,700,000	10,373,856		



<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT (Accounts 181, 225, 226) (Continued)**

5. Furnish in a footnote details regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

6. Identify separately undisposed amounts applicable to issues which were redeemed in prior years.

7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt - Credit.

Balance at Beginning of Year (f)	Debits during the Year (g)	Credits During the Year (h)	Balance at End of Year (i)	Line No.
				1
				2
104,332	—	63,129	41,203	3
35,376	—	18,586	16,790	4
27,368	—	7,397	19,971	5
11,750	—	2,975	8,775	6
28,117	—	5,848	22,269	7
249,821	—	50,417	199,404	8
27,780	—	5,141	22,639	9
176,973	—	30,944	146,029	10
31,680	—	5,212	26,468	11
21,021	—	3,380	17,641	12
424,254	—	56,802	367,452	13
53,062	—	6,129	46,933	14
26,936	—	3,097	23,838	15
139,925	—	13,026	126,899	16
132,754	—	11,898	120,856	17
43,832	—	3,250	40,582	18
371,750	—	17,844	353,906	19
506,111	—	20,252	485,859	20
798,611	—	31,050	767,560	21
278,583	—	10,423	268,160	22
999,345	—	36,376	962,969	23
2,294,377	—	81,295	2,213,082	24
1,421,313	—	47,464	1,373,849	25
—	564,451	1,577	562,874	26
—	586,740	—	586,740	27
				28
—	23,482	23,482	—	29
1,730,205	8,809	365,874	1,373,140	30
		322,658		31
				32
—	—	—	—	33
9,935,276	1,183,482	1,245,526	10,195,888	34

Total above	1,245,526
Less Shelf Registration Expense	(23,482)
Less LOC amortized to interest expense	(365,874)
Amortization Expense per FERC 428	<u>856,170</u>

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Accounts 189, 257)**

- Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.
- In column (c) show the principal amount of bonds or other long-term debt reacquired.
- In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform System of Accounts.
- Show loss amounts by enclosing the figures in parentheses.
- Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Reacquired Debt or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Principal of Debt Reacquired (c)	Net Gain or Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	<b>Account 189</b>					
2	First Mortgage Bonds					
3	9.75% <sup>(1)</sup>	09/29/00	50,000,000	(3,079,332)	748,912	662,500
4	7.52% <sup>(2)</sup>	07/01/03	11,000,000	(1,530,079)	140,250	63,750
5	7.50% <sup>(3)</sup>	07/01/03	4,000,000	(555,971)	50,974	23,170
6	7.25%	08/18/03	20,000,000	(866,800)	79,464	36,120
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
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19						
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21						
22						
23						
24						
25						
26						
27						
28						
29						
30	<b>TOTAL</b>				<b>1,019,600</b>	<b>785,540</b>

(1) Includes \$2,732,588 loss on debt reacquired in 2000 and \$346,744 unamortized loss allocated from the 15.375% Guaranteed Notes.

(2) Includes \$489,200 loss on debt reacquired in 2003 and \$1,040,879 unamortized loss allocated from the 9.38% Bonds.

(3) Includes \$177,360 loss on debt reacquired in 2003 and \$378,611 unamortized loss allocated from the 9.38% Bonds.

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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES**

1. Report the reconciliation of reported net income for the year with taxable income used in computing federal income tax accruals
2. If the utility is a member of a group that files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return.

Line No.	Details (a)	Amount (b)
1	<b>Net Income For The Year Per (Page 116)</b>	91,672,825
2	<b>Reconciling Items for the Year</b>	
3	Taxable Income Not Reported on Books	
4	Contributions In Aid Of Construction	5,948,691
5	<b>TOTAL</b>	5,948,691
6	Deductions Recorded On Books Not Deducted for Return	
7	Bond Redemption Loss Amortization	234,060
8	Pension	7,808,938
9	Meals and Meetings	276,974
10	Bad Debt Reserve	1,117,426
11	Parking and Transit	425,593
12	Employee Stock Purchase Plan	182,152
13	Deferred Compensation	188,861
14	Gas Reserves	5,489,081
15	Equity Compensation	46,652
16	Miscellaneous	1,697,036
17	Federal Tax Provision	14,991,488
18	State Tax Provision	12,020,428
19	<b>TOTAL</b>	44,478,689
20	Income Recorded on Books Not Included in Return	
21	SEC Regulatory Interest	(147,662)
22	AFUDC Equity	(1,506,810)
23	<b>TOTAL</b>	(1,654,472)
24	Deductions on Return Not Charged Against Book Income	
25	Excess Of Tax Over Book Depreciation	(37,637,881)
26	Depletion	(2,300,000)
27	Prepaid Insurance	(465,646)
28	Property Taxes	(1,641,063)
29	Dividends Paid On Allocated Shares Held By An ESOP	(563,461)
30	Removal Costs	(17,660,190)
31	Accrued Vacation	(3,950,534)
32	Uniform Inventory Capitalization	(190,722)
33	Deferred Fees	(532,983)
34	Deferred Payroll Tax	(2,354,658)
35	Regulatory Revenue & Cost Adjustments	(26,848,152)
36	Environmental	(7,342,701)
37	Other Non-Utility Earnings	(10,212,349)
38	<b>TOTAL</b>	(111,700,340)
39	Federal Tax Net Income	28,745,393
40	Show Computation of Tax:	
41	State Tax	(6,137,011)
42	Federal Tax Net Income, less state tax	22,608,382
43	Federal Tax @ 21%	4,747,760
44	Research and Development Credit	(93,260)
45	Other Credits	—
46	Prior Years' True-Ups and Miscellaneous Adjustments	330,146
47	Total Federal Tax Expense	4,984,646

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR, DISTRIBUTION OF TAXES CHARGED  
(Show utility dept where applicable and acct charged)**

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	(a)	Balance at Beg. of Year Taxes Accrued (Account 236) (b)	Balance at Beg. of Year Prepaid Taxes (Incl. in Account 165) (c)
1	<b>FEDERAL:</b>		
2	Income Tax (2021)	212,520	—
3	Income Tax (2022)	—	—
4	Payroll Tax (2020)	2,354,658	—
5	Payroll Tax (2021)	1,690,407	—
6	Payroll Tax (2022)	—	—
7	Pipeline Safety User Fee (2022)	—	—
8	<b>TOTAL FEDERAL</b>	4,257,585	—
9	<b>STATE OF OREGON:</b>		
10	Excise Tax (2021)	2,841	—
11	Excise Tax (2022)	—	—
12	Corporate Activity Tax (2021)	438,343	—
13	Corporate Activity Tax (2022)	—	—
14	Payroll Tax (2021)	225,927	—
15	Payroll Tax (2022)	—	—
16	Property Tax (2021-2022)	—	(14,508,152)
17	Property Tax (2022-2023)	—	—
18	Regulatory Commission Fee (2021)	—	—
19	Oregon Department of Energy (2022)	—	—
20	<b>TOTAL OREGON</b>	667,111	(14,508,152)
21	<b>STATE OF WASHINGTON:</b>		
22	Excise Tax (2022)	—	—
23	Payroll Tax (2021)	500	—
24	Payroll Tax (2022)	—	—
25	Property Tax (2021)	1,681,236	—
26	Property Tax (2022)	—	—
27	Regulatory Commission Fee (2022)	—	—
28	Public Utility Tax (2021)	472,957	—
29	Public Utility Tax (2022)	—	—
30	<b>TOTAL WASHINGTON</b>	2,154,693	—
31	<b>COUNTY &amp; MUNICIPAL:</b>		
32	Income Tax (2021)	79,090	—
33	Income Tax (2022)	—	—
34	Franchise Fees	9,050,599	—
35	<b>TOTAL COUNTY &amp; MUNICIPAL</b>	9,129,689	—
36	<b>TOTAL</b>	16,209,078	(14,508,152)

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR, DISTRIBUTION OF TAXES CHARGED  
(Show utility dept where applicable and acct charged) (Continued)**

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll
8. Show in columns (i) thru (p) how the taxed accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under \$250,000 may be grouped.
11. Report in column (q) the applicable effective state income tax rate

Taxes Charged During the Year (d)	Taxes Paid During the Year (e)	Adjustments (f)	Balance at End of Year Taxes Accrued (Account 236) (g)	Balance at End of Year Taxes Prepaid (Account 165) (h)	Line No.
					1
303,093	(515,613)	—	—	—	2
7,176,222	(2,516,330)	—	4,659,892	—	3
—	(2,354,658)	—	—	—	4
—	(1,690,407)	—	—	—	5
9,736,793	(8,002,701)	—	1,734,092	—	6
260,384	(260,384)	—	—	—	7
17,476,492	(15,340,093)	—	6,393,984	—	8
					9
106,593	(109,434)	—	—	—	10
2,551,512	(939,449)	—	1,612,063	—	11
(378,037)	(60,306)	—	—	—	12
4,453,340	(1,718,868)	—	2,734,472	—	13
—	(225,927)	—	—	—	14
1,736,883	(1,498,033)	—	238,850	—	15
14,438,752	69,400	—	—	—	16
16,111,263	(32,338,248)	—	—	(16,226,985)	17
2,545,635	(2,545,635)	—	—	—	18
832,163	(832,163)	—	—	—	19
42,398,104	(40,198,663)	—	4,585,385	(16,226,985)	20
					21
180,525	(180,525)	—	—	—	22
—	(500)	—	—	—	23
16,253	(15,753)	—	500	—	24
(199,540)	(1,481,696)	—	—	—	25
1,759,006	—	—	1,759,006	—	26
164,074	(164,074)	—	—	—	27
—	(472,957)	—	—	—	28
4,319,836	(3,573,864)	—	745,972	—	29
6,240,154	(5,889,369)	—	2,505,478	—	30
					31
(66,679)	(12,411)	—	—	—	32
(18,487)	(117,589)	—	(136,076)	—	33
19,335,369	(17,438,409)	—	10,947,559	—	34
19,250,203	(17,568,409)	—	10,811,483	—	35
85,364,953	(78,996,534)	—	24,296,330	(16,226,985)	36

Note: Taxes charged during the year does not include \$17,971,818 related to revenue-based franchise fees embedded in rates. These fees are included as an offset to Operating Revenues.

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR, DISTRIBUTION OF TAXES CHARGED  
(Show utility dept where applicable and acct charged) (Continued)**

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Electric (Account 408.1, 409.1) (i)	Gas (Account 408.1, 409.1) (j)	Other Utility Dept. (Account 408.1, 409.1) (k)	Other Income and Deductions (Account 408.2, 409.2) (l)
1				
2	—	301,926	—	1,167
3	—	4,664,306	—	2,760,760
4	—	—	—	—
5	—	—	—	—
6	—	5,711,290	—	—
7	—	260,384	—	—
8	—	10,937,906	—	2,761,927
9				
10	—	106,180	—	413
11	—	1,663,974	—	975,755
12	—	(14,124)	—	(4,425)
13	—	4,146,824	—	306,516
14	—	—	—	—
15	—	1,025,541	—	—
16	—	12,928,114	—	361,464
17	—	14,470,830	—	359,552
18	—	2,545,635	—	—
19	—	832,163	—	—
20	—	37,705,137	—	1,999,275
21				
22	—	59,114	—	—
23	—	—	—	—
24	—	9,597	—	—
25	—	(199,540)	—	—
26	—	1,668,126	—	—
27	—	164,074	—	—
28	—	—	—	—
29	—	4,319,836	—	—
30	—	6,021,207	—	—
31				
32	—	(66,679)	—	—
33	—	307,566	—	—
34	—	19,335,369	—	—
35	—	19,576,256	—	—
36	—	74,240,506	—	4,761,202

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR, DISTRIBUTION OF TAXES CHARGED  
(Show utility dept where applicable and acct charged) (Continued)**

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (i) thru (p) how the taxed accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under \$250,000 may be grouped.

Extraordinary Items (Account 409.3) (m)	Other Utility Opn. Income (Account 408.1, 409.1) (n)	Adjustment to Ret. Earnings (Account 439) (o)	Other (p)	State/Local Income Tax Rate (q)	Line No.
					1
—	—	—	—	—	2
—	—	—	(248,844)	—	3
—	—	—	—	—	4
—	—	—	—	—	5
—	—	—	4,025,503	—	6
—	—	—	—	—	7
—	—	—	3,776,659	—	8
					9
—	—	—	—	—	10
—	—	—	(88,217)	—	11
—	—	—	(359,488)	—	12
—	—	—	—	—	13
—	—	—	—	—	14
—	—	—	711,342	—	15
—	—	—	1,149,174	—	16
—	—	—	1,280,881	—	17
—	—	—	—	—	18
—	—	—	—	—	19
—	—	—	2,693,692	—	20
					21
—	—	—	121,411	—	22
—	—	—	—	—	23
—	—	—	6,656	—	24
—	—	—	—	—	25
—	—	—	90,880	—	26
—	—	—	—	—	27
—	—	—	—	—	28
—	—	—	—	—	29
—	—	—	218,947	—	30
					31
—	—	—	—	—	32
—	—	—	(326,053)	—	33
—	—	—	—	—	34
—	—	—	(326,053)	—	35
—	—	—	6,363,245	—	36

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)**

1. Describe and report the amount of other current and accrued liabilities at the end of year.  
2. Minor items (less than \$250,000) may be grouped under appropriate title.

Line No.	Item (a)	Balance at End of Year (b)
1	Environmental Liabilities - Current Portion	28,901,736
2	Public Purpose	15,775,514
3	OLGA Surcharge	2,655,306
4	Smart Energy	881,833
5	Workers Compensation Claims - Current Portion	547,669
6	Deferred Revenue - Appliance Center	414,447
7	Western States Pension - Current Portion	394,516
8	Other items, each less than \$250,000	142,216
9		
10		
11		
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17		
18		
19		
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22		
23		
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25		
26		
27		
28		
29		
30	<b>Total</b>	<b>49,713,237</b>



<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**Other Deferred Credits (Account 253)**

1. Report below the details called for concerning other deferred credits
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (less than \$250,000) may be grouped by classes

Line No.	Description of Other Deferred Credits (a)	Balance at The Beginning of the Year (b)	Debit Contra Account (c)	Debit Amount (d)	Credits (e)	Balance at End of Year (f)
1	Western States Pension Plan	5,369,079	—	394,516	—	4,974,563
2						
3						
4						
5						
6						
7						
8						
9						
10						
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25						
26						
27						
28						
29						
30	<b>Total</b>	<b>5,369,079</b>		<b>394,516</b>	—	<b>4,974,563</b>

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)**

1. Report the information called for below concerning respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.

2. For Other (Specify), included deferrals related to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric	—	—	—
3	Gas	—	—	—
4	Property Related	332,418,743	18,854,902	4,032,391
5	Regulatory Assets	22,995,070	10,756,895	3,840,430
6	Regulatory Liabilities	(50,193,237)	2,873,942	8,916,456
7	Other	43,361,776	17,793,532	17,599,735
8	Total (Total of lines 3 thru 7)	348,582,352	50,279,271	34,389,012
9	Other - Non-Operating	8,862,163		
10	Other Comprehensive Income	(4,094,123)		
11	TOTAL Account 283 (Total of lines 8 thru 10)	353,350,392	50,279,271	34,389,012
12	Classification of TOTAL			
13	Federal Income Tax	252,967,291	37,462,236	27,455,395
14	State Income Tax	100,383,101	12,817,035	6,933,617
15	Local Income Tax	—	—	—

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)**

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Changes During Year Amounts Debited to Account 410.2 (e)	Changes During Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Account No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)	Line No.
							1
—	—		—		—	—	2
—	—		—		—	—	3
—	—		—	283	—	347,241,254	4
—	—	186, 283	1,665,887		—	28,245,648	5
—	—		—	254	8,218,172	(48,017,579)	6
—	—		—	283	1,752,225	45,307,798	7
—	—		1,665,887		9,970,397	372,777,121	8
196,699	4,828	283	—		—	9,054,034	9
—	—	218	—		1,796,619	(2,297,504)	10
196,699	4,828		1,665,887		11,767,016	379,533,651	11
							12
143,103	3,626		1,665,887		10,838,200	272,285,922	13
53,596	1,202		—		928,816	107,247,729	14
—	—		—		—	—	15

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**OTHER REGULATORY LIABILITIES (Account 254)**

- Report below the details called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).
- For regulatory liabilities being amortized, show period of amortization in column (a).
- Minor items (5% of the Balance at End of Year for Account 254 or amounts less than \$250,000, whichever is less) may be grouped by classes.
- Provide in a footnote, for each line item, the regulatory citation where the respondent was directed to refund the regulatory liability (e.g Commission Order, state commission order, court decision).

Line No.	Description of Other Regulatory Liabilities (a)	Balance at Beginning of Year (b)	Debits (c)	Credits (d)	Balance at End of Year (e)
1	Storage Margin Share - Oregon (OPUC Advice 00-4 and later OPUC Advice 03-6)	43,287,546	44,943,926	33,598,186	31,941,806
2	Storage Margin Share - Washington (UG 011090)	3,646,486	3,646,486	2,827,159	2,827,159
3	Deferred Derivative Unrealized Gains - Oregon (UM 1496)	58,672,944	289,824,672	430,018,407	198,866,679
4	Benefits from the 2017 Tax Cuts and Jobs Act - Oregon (UG 435) & Washington (UG 200994)	189,596,264	13,449,250	5,231,078	181,378,092
5	Curtailment/Entitlement Revenue - Oregon (UM 2123)	330,224	477,139	829,254	682,339
6	Gain on Sale of Property - Oregon (UP 400)	776,976	828,048	51,072	—
7	Gain on Sale of Property - Washington (UG 190457)	811,950	926,381	465,910	351,479
8	Other	217,522	538,833	768,133	446,822
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30	<b>Total</b>	<b>297,339,912</b>	<b>354,634,735</b>	<b>473,789,199</b>	<b>416,494,376</b>

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<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**GAS OPERATING REVENUES (Account 400)**

1. Report below natural gas operating revenues for each prescribed account total. The amounts must be consistent with the detailed data on succeeding pages.
2. Revenues in columns (b) and (c) include transition costs from upstream pipelines.
3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e). Include in columns (f) and (g) revenues for Accounts 480 - 495.

Line No.	Title of Account (a)	Revenues for Transition Costs and Take-or-Pay	Revenues for Transition Costs and Take-or-Pay	Revenues for GRI and ACA	Revenues for GRI and ACA
		Amount for Current Year (b)	Amount for Previous Year (c)	Amount for Current Year (d)	Amount for Previous Year (e)
1	480 Residential Sales				
2	481 Commercial and Industrial Sales				
3	482 Other Sales to Public Authorities				
4	483 Sales for Resale				
5	484 Interdepartmental Sales				
6	485 Intracompany Transfers				
7	487 Forfeited Discounts (See Note 1)				
8	488 Miscellaneous Service Revenues				
9	489.1 Revenues from Transportation of Gas of Others Through Gathering Facilities				
10	489.2 Revenues from Transportation of Gas of Others Through Transmission Facilities				
11	489.3 Revenues from Transportation of Gas of Others Through Distribution Facilities				
12	489.4 Revenues from Storing Gas of Others				
13	490 Sales of Prod. Ext. from Natural Gas				
14	491 Revenues from Natural Gas Proc. by				
15	492 Incidental Gasoline and Oil Sales				
16	493 Rent from Gas Property				
17	494 Interdepartmental Rents				
18	495 Other Gas Revenues				
19	Subtotal:				
20	496 (Less) Provision for Rate Refunds				
21	TOTAL:				

Note 1: An adjustment of (\$45,062) was made to 487, Forfeited Discounts, in 2021 pertaining to 2020 revenues.

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**GAS OPERATING REVENUES (Account 400) (Continued)**

4. If increases or decreases from previous year are not derived from previously reported figures, explain any inconsistencies in a footnote.  
5. On Page 108, include information on major changes during the year, new service, and important rate increases or decreases.  
6. Report the revenue from transportation services that are bundled with storage services as transportation service revenue.

Other Revenues Amount for Current Year (f)	Other Revenues Amount for Previous Year (g)	Total Operating Revenues Amount for Current Year (h)	Total Operating Revenues Amount for Previous Year (i)	Dekatherm of Natural Gas Amount for Current Year (j)	Dekatherm of Natural Gas Amount for Previous Year (k)	Line No.
565,498,676	475,564,148	565,498,676	475,564,148	47,809,283	44,555,012	1
336,334,367	255,601,071	336,334,367	255,601,071	39,294,300	34,835,241	2
	—	—	—	—	—	3
	—	—	—	—	—	4
	—	—	—	—	—	5
	—	—	—			6
1,741,099	2,141,545	1,741,099	2,141,545			7
645,922	576,882	645,922	576,882			8
	—	—	—	—	—	9
	—	—	—	—	—	10
20,522,126	20,041,505	20,522,126	20,041,505	38,130,074	39,087,110	11
19,430,730	18,862,740	19,430,730	18,862,740	6,862,983	7,089,380	12
	—	—	—			13
	—	—	—			14
	—	—	—			15
74,322	79,687	74,322	79,687			16
	—	—	—			17
28,326,263	30,416,852	28,326,263	30,416,852			18
972,573,505	803,284,430	972,573,505	803,284,430			19
—	—	—	—			20
972,573,505	803,284,430	972,573,505	803,284,430			21

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**REVENUES FROM STORING GAS OF OTHERS (Account 489.4)**

1. Report revenues and Dth of gas withdrawn from storage by Rate Schedule and in total.
2. Revenues for penalties including penalties for unauthorized overruns must be reported on page 308
3. Other revenues in columns (f) and (g) include reservation charges, injection and withdrawal charges, less revenues reflected in columns (b) through (e).
4. Dth of gas withdrawn from storage must not be adjusted for discounting.
5. Where transportation services are bundled with storage services, report on Dth withdrawn from storage.

Line No.	Rate Schedule (a)	Revenues for Transition Costs and Take-or-Pay	Revenues for Transition Costs and Take-or-Pay	Dekatherm of Natural Gas	Dekatherm of Natural Gas
		Amount for Current Year (b)	Amount for Prior Year (c)	Amount for Current Year (d)	Amount for Prior Year (e)
1	Rate Schedule 90 - Firm Storage Service with No-notice withdrawal*	19,430,730	18,862,740	6,862,983	7,089,380
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14	TOTAL	19,430,730	18,862,740	6,862,983	7,089,380

\* Note: The amount in column (b) represents the fixed revenues for Rate Schedule 90 for the North Mist gas storage expansion project.



<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**OTHER GAS REVENUES (ACCOUNT 495)**

Report below transactions of \$250,000 or more included in Account 495, Other Gas Revenues. Group all transactions below \$250,000 in one amount and provide the number of items.

Line No.	Description of Transaction (a)	Amount (b)
1	Decoupling	(16,692,163)
2	Decoupling Amortization	6,514,922
3	Interstate Storage Credit	41,101,914
4	Intervenor Funding Amortization	(242,815)
5	Oregon Amortizations	(3,816,502)
6	Unbilled Revenue	9,227,111
7	Warm Amortizations	(2,620,936)
8	Warm Deferrals	(906,967)
9	Washington Amortizations	(724,691)
10	Washington Energy Efficiency Deferrals	(3,693,453)
11	Washington Great Program	(258,454)
12	Other (Misc Gas Revenues - 2 items)	438,297
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30	<b>Total</b>	28,326,263

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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<b>GAS OPERATION AND MAINTENANCE EXPENSES</b>			
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. PRODUCTION EXPENSES		
2	A. Manufactured Gas Production		
3	Manufactured Gas Production (Submit Supplemental Statement)	N/A	N/A
4	B. Natural Gas Production		
5	B1. Natural Gas Production and Gathering		
6	Operation		
7	750 Operation Supervision and Engineering	—	—
8	751 Production Maps and Records	—	—
9	752 Gas Wells Expenses	—	—
10	753 Field Lines Expenses	—	—
11	754 Field Compressor Station Expenses	—	—
12	755 Field Compressor Station Fuel and Power	—	—
13	756 Field Measuring and Regulating Station Expenses	—	—
14	757 Purification Expenses	—	—
15	758 Gas Well Royalties	—	—
16	759 Other Expenses	—	—
17	760 Rents	—	—
18	TOTAL Operation (Total of lines 7 thru 17)	—	—
19	Maintenance		
20	761 Maintenance Supervision and Engineering	—	—
21	762 Maintenance of Structures and Improvements	—	—
22	763 Maintenance of Producing Gas Wells	—	—
23	764 Maintenance of Field Lines	—	—
24	765 Maintenance of Field Compressor Station Equipment	—	—
25	766 Maintenance of Field Meas. and Regulating Station Equipment	—	—
26	767 Maintenance of Purification Equipment	—	—
27	768 Maintenance of Drilling and Cleaning Equipment	—	—
28	769 Maintenance of Other Equipment	—	—
29	TOTAL Maintenance (Total of lines 20 thru 28)	—	—
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)	—	—

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**GAS OPERATION AND MAINTENANCE EXPENSES (Continued)**

Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	Line No.
B2. Products Extraction			31
Operation			32
770 Operation Supervision and Engineering	—	—	33
771 Operation Labor	—	—	34
772 Gas Shrinkage	—	—	35
773 Fuel	—	—	36
774 Power	—	—	37
775 Materials	—	—	38
776 Operation Supplies and expenses	—	—	39
777 Gas Processed by Others	—	—	40
778 Royalties on Products Extracted	—	—	41
779 Marketing expenses	—	—	42
780 Products Purchased for Resale	—	—	43
781 Variation in Products Inventory	—	—	44
(Less) 782 Extracted Products Used by the Utility-Credit	—	—	45
783 Rents	—	—	46
Total Operation (Total of Lines 33 thru 46)	—	—	47
Maintenance			48
784 Maintenance Supervision and Engineering	—	—	49
785 Maintenance of Structures and Improvements	—	—	50
786 Maintenance of Extraction and Refining Equipment	—	—	51
787 Maintenance of Pipe Lines	—	—	52
788 Maintenance of Extracted Products Storage Equipment	—	—	53
789 Maintenance of Compressor Equipment	—	—	54
790 Maintenance of Gas Measuring and Regulating Equipment	—	—	55
791 Maintenance of Other Equipment	—	—	56
TOTAL Maintenance (Total of lines 49 thru 56)	—	—	57
TOTAL Products Extraction (Total of lines 47 and 57)	—	—	58

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**GAS OPERATION AND MAINTENANCE EXPENSES (Continued)**

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
59	C. Exploration and Development		
60	Operation		
61	795 Delay Rentals	—	—
62	796 Nonproductive Well Drilling	—	—
63	797 Abandoned Leases	—	—
64	798 Other Exploration	—	—
65	TOTAL Exploration and Development (Total of lines 61 thru 64)	—	—
66	D. Other Gas Supply Expenses		
67	Operation		
68	800 Natural Gas Well Head Purchases	—	—
69	800.1 Natural Gas Well Head Purchases, Intracompany Transfers	—	—
70	801 Natural Gas Field Line Purchases	(7,836,280)	8,251,118
71	802 Natural Gas Gasoline Plant Outlet Purchases	—	—
72	803 Natural Gas Transmission Line Purchases	—	—
73	804 Natural Gas City Gate Purchases	483,967,114	340,902,007
74	804.1 Liquefied Natural Gas Purchases	—	—
75	805 Other Gas Purchases	—	—
76	805.1 Purchases Gas Cost Adjustments	(15,099,386)	(45,555,251)
77	TOTAL Purchased Gas (Total of Lines 68 thru 76)	461,031,448	303,597,874
78	806 Exchange Gas	—	—
79	Purchased Gas Expense		
80	807.1 Well Expense-Purchased Gas	—	—
81	807.2 Operation of Purchased Gas Measuring Stations	—	—
82	807.3 Maintenance of Purchased Gas Measuring Stations	—	—
83	807.4 Purchased Gas Calculations Expense	—	—
84	807.5 Other Purchased Gas Expenses	(6,298,787)	1,917,078
85	TOTAL Purchased Gas Expense (Total of lines 80 thru 84)	(6,298,787)	1,917,078

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<b>GAS OPERATION AND MAINTENANCE EXPENSES (Continued)</b>			
Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	Line No.
808.1 Gas Withdrawn from Storage-Debit	44,622,323	26,502,989	86
(Less) 808.2 Gas Delivered to Storage-Credit	(69,823,347)	(39,292,535)	87
809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit	—	—	88
(Less) 809.2 Deliveries of Natural Gas for Processing-Credit	—	—	89
Gas used in Utility Operation-Credit			90
810 Gas Used for Compressor Station Fuel-Credit	—	—	91
811 Gas Used for Products Extraction-Credit	—	—	92
812 Gas Used for Other Utility Operations-Credit	(297,259)	(187,230)	93
TOTAL Gas Used in Utility Operations-Credit (lines 91 thru 93)	(297,259)	(187,230)	94
813 Other Gas Supply Expenses	—	—	95
TOTAL Other Gas Supply Exp. (Total of lines 77, 78, 85, 86-89, 94, 95)	429,234,378	292,538,176	96
TOTAL Production Expenses (Total of lines 3, 30, 58, 65, 96)	429,234,378	292,538,176	97
<b>2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES</b>			98
A. Underground Storage Expenses			99
Operation			100
814 Operation Supervision and Engineering	—	—	101
815 Maps and Records	—	—	102
816 Well Expenses	1,137,962	719,074	103
817 Lines Expenses	—	—	104
818 Compressor Station Fuel and Power	406,748	225,849	105
819 Compressor Station Fuel and Power	18,447	—	106
820 Measuring and Regulating Station Expenses	3,340,537	3,198,624	107
821 Purification Expenses	—	—	108
822 Exploration and Development	—	—	109
823 Gas Losses	—	—	110
824 Other Expenses	—	—	111
825 Storage Well Royalties	—	—	112
826 Rents	—	—	113
TOTAL Operation (Total of lines of 101 thru 113)	4,903,694	4,143,547	114

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**GAS OPERATION AND MAINTENANCE EXPENSES (Continued)**

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
115	Maintenance		
116	830 Maintenance Supervision and Engineering	—	—
117	831 Maintenance of Structures and Improvements	—	—
118	832 Maintenance of Reservoirs and Wells	238,474	148,151
119	833 Maintenance of Lines	—	—
120	834 Maintenance of Compressor Station Equipment	1,894,682	1,688,356
121	835 Maintenance of Measuring and Regulating Station Equip.	—	—
122	836 Maintenance of Purification Equipment	—	—
123	837 Maintenance of Other Equipment	—	—
124	TOTAL Maintenance (Total of lines 116 thru 123)	2,133,156	1,836,507
125	TOTAL Underground Storage Expenses (lines 114 and 124)	7,036,850	5,980,054
126	B. Other Storage Expenses		
127	Operation		
128	840 Operation supervision and Engineering	54,751	4,132
129	841 Operation Labor and Expenses	—	—
130	842 Rents	—	—
131	842.1 Fuel	—	—
132	842.2 Power	—	—
133	842.3 Gas Losses	—	—
134	TOTAL Operation (Total of lines 128 thru 133)	54,751	4,132
135	Maintenance		
136	843.1 Maintenance Supervision and Engineering	—	—
137	843.2 Maintenance of Structures and Improvements	—	—
138	843.3 Maintenance of Gas Holders	—	—
139	843.4 Maintenance of Purification Equipment	—	—
140	843.5 Maintenance of Liquefaction Equipment	—	—
141	843.6 Maintenance of Vaporizing Equipment	—	—
142	843.7 Maintenance of Compressor Equipment	—	—
143	843.8 Maintenance of Measuring and Regulating Equipment	—	—
144	843.9 Maintenance of Other Equipment	—	—
145	TOTAL Maintenance (Total of lines 136 thru 144)	—	—
146	TOTAL Other Storage Expenses (Total of lines 134 and 145)	54,751	4,132

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<b>GAS OPERATION AND MAINTENANCE EXPENSES (Continued)</b>			
Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	Line No.
C. Liquefied Natural Gas Terminating and Processing Expenses			147
Operation			148
844.1 Operation Supervision and Engineering	1,561,286	1,512,661	149
844.2 LNG Processing Terminal Labor and Expenses	—	—	150
844.3 Liquefaction Processing Labor and Expenses	—	—	151
844.4 Liquefaction Transportation Labor and Expenses	—	—	152
844.5 Measuring and Regulating Labor and Expenses	—	—	153
844.6 Compressor Station Labor and Expenses	—	—	154
844.7 Communication system Expenses	—	—	155
844.8 System Control and Load Dispatching	—	—	156
845.1 Fuel	—	—	157
845.2 Power	—	—	158
845.3 Rents	—	—	159
845.4 Demurrage Charges	—	—	160
845.5 Wharfage Receipts-Credit	(114,905)	(82,030)	161
845.6 Processing Liquefied of Vaporized Gas by Others	—	—	162
846.1 Gas Losses	—	—	163
846.2 Other Expenses	—	—	164
TOTAL Operation (Total of lines 149 thru 164)	1,446,381	1,430,631	165
Maintenance			166
847.1 Maintenance Supervision and Engineering	—	—	167
847.2 Maintenance of Structures and Improvements	1,072,656	1,138,301	168
847.3 Maintenance of LNG Processing Terminal Equipment	—	—	169
847.4 Maintenance of LNG Transportation Equipment	—	—	170
847.5 Maintenance of Measuring and Regulating Equipment	—	—	171
847.6 Maintenance of Compressor Station Equipment	—	—	172
847.7 Maintenance of Communication Equipment	—	—	173
847.8 Maintenance of Other Equipment	—	—	174
TOTAL Maintenance (Total of lines 167 thru 174)	1,072,656	1,138,301	175
TOTAL Liquefied Nat Gas Terminating and Proc Exp (Total of lines 165 & 175)	2,519,037	2,568,932	176
TOTAL Natural Gas Storage (Total of lines 125, 146, and 176)	9,610,638	8,553,118	177

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<b>GAS OPERATION AND MAINTENANCE EXPENSES (Continued)</b>			
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
178	<b>3. TRANSMISSION EXPENSES</b>		
179	Operation		
180	850 Operation Supervision and Engineering	—	—
181	851 System Control and Load Dispatching	—	—
182	852 Communication system Expenses	—	—
183	853 Compressor Station Labor and Expenses	—	—
184	854 Gas for Compressor Station Fuel	—	—
185	855 Other Fuel and Power for Compressor Stations	—	—
186	856 Mains Expenses	3,670,183	2,378,826
187	857 Measuring and Regulating Station Expenses	—	—
188	858 Transmission and Compression of Gas by Others	—	—
189	859 Other Expenses	—	—
190	860 Rents	—	—
191	TOTAL Operations (Total of lines 180 thru 190)	3,670,183	2,378,826
192	Maintenance		
193	861 Maintenance Supervision and Engineering	—	—
194	862 Maintenance of Structures and Improvements	—	—
195	863 Maintenance of Mains	26,478	10,377
196	864 Maintenance of Compressor Station Equipment	—	—
197	865 Maintenance of Measuring and Regulating Station Equipment	—	—
198	866 Maintenance of Communication Equipment	—	—
199	867 Maintenance of Other Equipment	—	—
200	TOTAL Maintenance (Total of lines 193 thru 199)	26,478	10,377
201	TOTAL Transmission Expenses (Total of lines 191 and 200)	3,696,661	2,389,203
202	<b>4. DISTRIBUTION EXPENSES</b>		
203	Operation		
204	870 Operation Supervision and Engineering	2,831,054	2,687,997
205	871 Distribution Load Dispatching	—	—
206	872 Compressor Station Labor and Expenses	—	—
207	873 Compressor Station Fuel and Power	—	—



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<b>GAS OPERATION AND MAINTENANCE EXPENSES (Continued)</b>			
Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	Line No.
874 Mains and Services Expenses	11,633,831	11,253,581	208
875 Measuring and Regulating Station Expenses-General	309,249	256,117	209
876 Measuring and Regulating Station Expenses-Industrial	—	—	210
877 Measuring and Regulating Station Expenses-City Gas	568,132	630,239	211
878 Meter and House Regulator Expenses	5,577,292	6,473,276	212
879 Customer Installations Expenses	11,914,493	8,946,189	213
880 Other Expenses	1,352,058	1,330,591	214
881 Rents	247,926	212,959	215
TOTAL Operations (Total of lines 204 thru 215)	34,434,035	31,790,949	216
Maintenance			217
885 Maintenance Supervision and Engineering	2,396,945	2,524,279	218
886 Maintenance of Structures and Improvements	—	—	219
887 Maintenance of Mains	3,178,757	3,041,588	220
888 Maintenance of Compressor Station Equipment	—	—	221
889 Maintenance of Measuring & Regulating Station Equipment-General	1,919,028	1,841,350	222
890 Maintenance of Meas. and Reg. Station Equipment-Industrial	—	—	223
891 Maintenance of Meas & Reg Station Equip-City Gate	198,911	183,315	224
892 Maintenance of Services	890,404	768,477	225
893 Maintenance of Meters and House Regulators	4,254,004	4,361,190	226
894 Maintenance of Other Equipment	21,768	42,004	227
TOTAL Maintenance (Total of lines 218 thru 227)	12,859,817	12,762,203	228
TOTAL Distribution Expenses (Total of lines 216 and 228)	47,293,852	44,553,152	229
5. CUSTOMER ACCOUNTS EXPENSES			230
Operation			231
901 Supervision	1,801,292	1,768,637	232
902 Meter Reading Expenses	799,920	1,090,229	233
903 Customer Records and Collection Expenses	18,664,032	16,869,091	234

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**GAS OPERATION AND MAINTENANCE EXPENSES (Continued)**

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
235	904 Uncollectible Accounts	921,187	999,180
236	905 Miscellaneous Customer Accounts Expenses	—	—
237	TOTAL Customer Accounts Expenses (Total of lines 232-236)	22,186,431	20,727,137
238	<b>6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSE</b>		
239	Operation		
240	907 Supervision	—	—
241	908 Customer Assistance Expense	2,272,566	649,421
242	909 Informational and Instructional Expenses	2,142,502	2,064,327
243	910 Miscellaneous Customer Service and Informational Expenses	151,666	149,857
244	TOTAL Customer Service & Information Expenses (Total of lines 240 thru 243)	4,566,734	2,863,605
245	<b>7. SALES EXPENSES</b>		
246	Operation		
247	911 Supervision	166,943	77,703
248	912 Demonstration and Selling Expenses	1,845,581	1,679,785
249	913 Advertising Expenses	479,991	262,480
250	916 Miscellaneous Sales Expenses	—	—
251	TOTAL Sales Expenses (Total of lines 247 thru 250)	2,492,515	2,019,968
252	<b>8. ADMINISTRATIVE AND GENERAL EXPENSES</b>		
253	Operation		
254	920 Administrative and General Salaries	45,462,043	39,390,465
255	921 Office Supplies and Expenses	16,208,649	18,469,598
256	(Less) 922 Administrative Expenses Transferred - Credit	(26,367,427)	(23,174,150)
257	923 Outside Services Employed	15,860,455	14,700,618
258	924 Property Insurance	4,597,726	4,002,327
259	925 Injuries and Damages	341,494	126,712
260	926 Employee Pensions and Benefits	37,390,629	47,896,743
261	927 Franchise Requirements	—	—
262	928 Regulatory Commission Expenses	—	—
263	(Less) 929 Duplicate Charges - Credit	—	—
264	930.1 General Advertising Expenses	—	—
265	930.2 Miscellaneous General Expenses	4,788,049	4,565,556
266	931 Rents	10,062,304	9,570,329
267	TOTAL Operation (Total of lines 254 thru 266)	108,343,922	115,548,198
268	Maintenance		
269	932 Maintenance of General Plant	5,725,452	5,092,579
270	TOTAL Administrative and General Expenses (Total of lines 267 and 269)	114,069,374	120,640,777
271	TOTAL Gas O&M Expenses (Total of lines 97,177, 201, 229, 237, 244, 251, and 270)	633,150,583	494,285,136

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### Gas Used in Utility Operations

1. Report below details of credits during the year to Accounts 810, 811, and 812.  
2. If any natural gas was used by the respondent for which a charge was not made to the appropriate operating expense or other account, list separately in column (c) the Dth of gas used, omitting entries in column (d).

Line No.	Purpose for Which Gas was Used (a)	Account Charged (b)	Natural Gas Gas Used Dth (c)	Natural Gas Amount of Credit (in dollars) (d)	Manufactured Gas Gas Used Dth (e)	Manufactured Gas Amount of Credit (in dollars) (f)
1	810 Gas Used for Compressor Station Fuel - Credit		—	—	N/A	N/A
2	811 Gas Used for Products Extraction - Credit		—	—	N/A	N/A
3	Gas Shrinkage and Other Usage in Respondent's Own Processing		—	—	N/A	N/A
4	Gas Shrinkage, etc. for Respondent's Gas Processed by Others		—	—	N/A	N/A
5	812 Gas Used for Other Utility Operations - Credit (Report separately for each principal use. Group minor uses.)		722,378	297,259	N/A	N/A
6	System - All Districts	Variable	278,827	297,259	N/A	N/A
7	LNG Plants	Inventory	165,038	0*	N/A	N/A
8	Underground Storage Compressors	Inventory	278,513	0*	N/A	N/A
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24						
25	<b>Total</b>		<b>722,378</b>	<b>297,259</b>	<b>N/A</b>	<b>N/A</b>

\* Included in the Cost of Inventory

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**MISCELLANEOUS GENERAL EXPENSE (Account 930.2)**

1. Provide the information requested below on miscellaneous general expenses.  
2. For Other Expenses, show the (a) purpose, (b) recipient and (c) amount of such items. List separately amounts of \$250,000 or more however, amounts less than \$250,000 may be grouped if the number of items so grouped is shown.

Line No.	Description (a)	Amount (in dollars) (b)
1	Industry association dues	30,000
2	Experimental and general research expenses	
3	a. Gas Research Institute (GRI) aka Gas Technology Institute (GTI)	197,435
4	b. Operations Technology Development (OTD)	335,000
5	c. Other	219,200
6	Publishing and distributing information and reports to stockholders, trustee, registrar, and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the respondent	27,624
7	Other expenses	
8	a. Directors Retainers and Fees	2,227,429
9	b. COVID-19 Deferred Cost Savings and other COVID-19 related costs	923,244
10	c. TSA Amortization	561,625
11	d. Other Miscellaneous Expenses	266,492
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31	<b>Total</b>	<b>4,788,049</b>

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments)**

1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.
2. Report in Section B, column (b) all depreciable or amortizable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate in a footnote the manner in which column (b) balances are obtained. If average balances are used, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine depreciation charges, show in a footnote any revisions made to estimated gas reserves.
3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state in a footnote the amounts and nature of the provisions and the plant items to which related.

**See following pages**

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS

NW NATURAL

Period Beginning: January 2022

Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve*
<b>UTILITY</b>								
<b>Intangible Plant</b>								
301 ORGANIZATION	—	—	—	—	—	—	—	—
302 FRANCHISES & CONSENTS	—	—	—	—	—	—	—	—
303.1 COMPUTER SOFTWARE	41,180,817	6,711,593	(25,564,654)	—	—	—	—	22,327,755
303.11 COMPUTER SW HORIZON	—	813,380	—	—	—	—	—	813,380
303.12 COMPUTER SW TSA SECURITY DIRECTIVE	—	221,249	—	—	—	—	—	221,249
303.2 CUSTOMER INFORMATION SYSTEM	32,348,168	539	—	—	—	—	—	32,348,707
303.3 INDUSTRIAL & COMMERCIAL BIL	4,146,951	—	—	—	—	—	—	4,146,951
303.4 CRMS	—	—	—	—	—	—	—	—
303.5 POWERPLANT SOFTWARE	—	—	—	—	—	—	—	—
303.6 NMEP COMPUTER SOFTWARE	409,117	139,131	—	—	—	—	—	548,248
303.7 CLOUD-BASED SOFTWARE	2,416,859	3,403,972	—	—	—	—	—	5,820,831
303.71 CLOUD-BASED SW HORIZON	—	793,126	—	—	—	—	—	793,126
303.8 NWN ONLY NMEP COMPUTER SOFTW	276	311	—	—	—	—	—	586
Intangible Plant Subtotal*	80,502,188	12,083,300	(25,564,654)	—	—	—	—	67,020,834
<b>Production Plant - Oil Gas</b>								
304.1 LAND	—	—	—	—	—	—	—	—
305.2 P P O G STRU & IMPR-SEWER S	—	—	—	—	—	—	—	—
305.5 P P O G STRU & IMPR-OTHER Y	13,814	—	—	—	—	—	—	13,814
312.3 P P O G FUEL HANDLING AND S	—	—	—	—	—	—	—	—
318.3 P P O G LIGHT OIL REFINING	152,141	—	—	—	—	—	—	152,141
318.5 P P O G TAR PROCESSING	255,729	—	—	—	—	—	—	255,729
325 NATURAL GAS PROD AND GATHER	—	—	—	—	—	—	—	—
327 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—	—	—
328 NATURAL GAS PROD AND GATHER	—	—	—	—	—	—	—	—
331 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—	—	—
332 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—	—	—
333 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—	—	—
334 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—	—	—
Production Plant - Oil Gas Subtotal*	421,683	—	—	—	—	—	—	421,683
<b>Production Plant - Other</b>								
305.11 GAS PRODUCTION - COTTAGE G	8,736	—	—	—	—	—	—	8,736
305.17 STRUCTURES MIXING STATION	51,246	—	—	—	—	—	—	51,246
311 P P OTHER-LIQUEFIED PETROLE	—	—	—	—	—	—	—	—
311.4 P P OTHER-L P G GRANGER	—	—	—	—	—	—	—	—
311.7 LIQUIFIED GAS EQUIPMENT COO	8,066	—	—	—	—	—	—	8,066
311.8 LIQUIFIED GAS EQUIPMENT LIN	6,585	—	—	—	—	—	—	6,585
319 GAS MIXING EQUIPMENT GASCO	194,720	—	—	—	—	—	—	194,720
Production Plant - Other Subtotal*	269,353	—	—	—	—	—	—	269,353

\* May not foot due to rounding.

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS

NW NATURAL

Period Beginning: January 2022

Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve*
<b>UTILITY</b>								
<b>Natural Gas Underground Storage</b>								
350.1 LAND	—	—	—	—	—	—	—	—
350.2 RIGHTS-OF-WAY	35,139	1,564	—	—	—	—	—	36,703
350.3 NMEP RIGHTS-OF-WAY	22,887	8,539	—	—	—	—	—	31,426
350.4 NMEP LAND	3	1	—	—	—	—	—	3
350.5 NWN ONLY NMEP RIGHTS-OF-WAY	33	41	—	—	—	—	—	75
350.6 NWN ONLY NMEP- LAND	—	—	—	—	—	—	—	—
351 STRUCTURES AND IMPROVEMENTS	3,315,503	136,062	—	—	—	—	—	3,451,565
351.1 NMEP STRUCTURES AND IMPROVEMENTS	907,107	300,729	—	—	—	—	—	1,207,836
351.2 NWN ONLY NMEP STRUCTURES & IMPROVM	472	584	—	—	—	—	—	1,057
352 WELLS	13,451,111	480,076	—	—	—	—	—	13,931,187
352.1 STORAGE LEASEHOLD & RIGHTS	1,942,698	62,819	—	—	—	—	—	2,005,517
352.2 RESERVOIRS	3,051,185	122,421	—	—	—	—	—	3,173,606
352.3 NON-RECOVERABLE NATURAL GAS	3,862,011	99,834	—	—	—	—	—	3,961,845
352.4 NMEP WELLS	873,034	342,060	—	—	—	—	—	1,215,093
352.5 NMEP STORAGE LEASEHOLD & RIGHTS	134,636	49,718	—	—	—	—	—	184,354
352.6 NMEP RESERVOIRS	139,104	51,580	—	—	—	—	—	190,684
352.7 NMEP NON-RECOVERABLE NATURAL GAS	133,029	49,745	—	—	—	—	—	182,774
352.8 NWN ONLY NMEP WELLS	1,469	1,745	—	—	—	—	—	3,215
352.9 NWN ONLY NMEP STOR LEASEH & RIGHTS	239	282	—	—	—	—	—	521
352.10 NWN ONLY NMEP RESERVOIRS	246	296	—	—	—	—	—	542
352.11 NWN ONLY NMEP NON-RECOV NAT GAS	236	287	—	—	—	—	—	524
353 LINES	3,804,224	190,932	—	—	—	—	—	3,995,156
353.1 NMEP LINES	24,566	9,493	—	—	—	—	—	34,059
353.2 NWN ONLY NMEP LINES	(201,976)	32	—	—	—	—	—	(201,944)
354 COMPRESSOR STATION EQUIPMENT	16,600,158	526,151	—	—	—	—	—	17,126,309
354.7 NMEP COMPRESSOR STATION EQUIPMENT	1,607,300	582,996	—	—	—	—	—	2,190,296
354.8 NWN ONLY NMEP COMPRES STAT EQUIP	4,436	5,528	—	—	—	—	—	9,963
355 MEASURING / REGULATING EQUIPM	5,342,581	468,931	—	—	—	—	—	5,811,511
355.1 NMEP MEASURING/REGULATING EQUIPM	583,498	233,327	—	—	—	—	—	816,825
355.2 NWN ONLY NMEP MEASURING / REG EQUIP	1,012	1,352	—	—	—	—	—	2,364
356 PURIFICATION EQUIPMENT	718,262	438,405	—	—	—	—	—	1,156,666
356.1 NMEP PURIFICATION EQUIPMENT	448,537	156,369	—	—	—	—	—	604,906
357 OTHER EQUIPMENT	1,138,826	115,035	—	—	—	—	—	1,253,861
Natural Gas Underground Storage Subtotal*	57,941,566	4,436,933	—	—	—	—	—	62,378,499

\* May not foot due to rounding.

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS  
NW NATURAL

Period Beginning: January 2022  
Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve*
<b>UTILITY</b>								
<b>Local Storage Plant</b>								
360.11 LAND - LNG LINNTON	—	—	—	—	—	—	—	—
360.12 LAND - LNG NEWPORT	(242)	—	—	—	—	—	—	(242)
360.2 LAND - OTHER	—	—	—	—	—	—	—	—
361.11 STRUCTURES & IMPROVEMENTS	3,976,852	454,753	—	—	—	—	—	4,431,605
361.12 STRUCTURES & IMPROVEMENTS	4,194,877	513,474	—	—	—	—	—	4,708,351
361.2 STRUCTURES & IMPROVEMENTS -	13,312	464	—	—	—	—	—	13,776
362.11 GAS HOLDERS - LNG LINNTON	2,805,308	129,316	—	—	—	—	—	2,934,624
362.12 GAS HOLDERS - LNG NEWPORT	6,326,012	96,019	—	—	—	—	—	6,422,031
362.2 GAS HOLDERS - LNG OTHER	1,282	16	—	—	—	—	—	1,297
363.11 LIQUEFACTION EQUIP. - LINN	2,785,740	53,851	—	—	—	—	—	2,839,591
363.12 LIQUEFACTION EQUIP - NEWPO	7,548,919	208,490	—	—	—	—	—	7,757,409
363.21 VAPORIZING EQUIP - LINNTON	2,514,871	42,431	—	—	—	—	—	2,557,302
363.22 VAPORIZING EQUIP - NEWPORT	770,419	224,949	—	—	—	—	—	995,368
363.31 COMPRESSOR EQUIP - LINNTON	208,476	3,540	—	—	—	—	—	212,017
363.32 COMPRESSOR EQUIPMENT - NE	1,865,737	387,061	—	—	—	—	—	2,252,798
363.41 MEASURING & REGULATING EQU	999,163	191,186	—	—	—	—	—	1,190,349
363.42 MEASURING & REGULATING EQU	293,023	125,808	—	—	—	—	—	418,832
363.5 CNG REFUELING FACILITIES	1,671,865	79,842	—	—	—	—	—	1,751,707
363.6 LNG REFUELING FACILITIES	739,473	592	—	—	—	—	—	740,065
Local Storage Plant Subtotal*	36,715,086	2,511,793	—	—	—	—	—	39,226,879
<b>Transmission Plant</b>								
365.1 LAND	—	—	—	—	—	—	—	—
365.2 LAND RIGHTS	2,420,713	95,752	—	—	—	—	—	2,516,465
365.3 NMEP LAND RIGHTS	29,040	10,439	—	—	—	—	—	39,479
365.4 NWN ONLY NMEP LAND RIGHTS	50	60	—	—	—	—	—	110
366.3 STRUCTURES & IMPROVEMENTS -	439,926	27,056	—	—	—	—	—	466,982
367 MAINS	46,820,441	3,806,076	—	—	—	—	—	50,626,517
367.21 NORTH MIST TRANSMISSION LI	1,280,286	33,443	—	—	—	—	—	1,313,728
367.22 SOUTH MIST TRANSMISSION LI	11,728,110	230,717	—	—	—	—	—	11,958,827
367.23 SOUTH MIST TRANSMISSION LI	16,607,368	662,164	—	—	—	—	—	17,269,532
367.24 11.7M S MIST TRANS LINE	7,174,133	332,149	—	—	—	—	—	7,506,282
367.25 12M NORTH S MIST TRANS	7,347,231	356,141	—	—	—	—	—	7,703,372
367.26 38M NORTH S MIST TRANS	27,112,628	1,304,381	—	—	—	—	—	28,417,009
367.27 NMEP MAINS	4,550,464	1,655,199	—	—	—	—	—	6,205,663
367.28 NWN ONLY NMEP MAINS	4,819	6,446	—	—	—	—	—	11,265
368 TRANSMISSION COMPRESSOR	(9)	—	—	—	—	—	—	(9)
369 MEASURING & REGULATE STATION	1,907,740	82,433	—	—	—	—	—	1,990,173
370 COMMUNICATION EQUIPMENT	—	—	—	—	—	—	—	—
Transmission Plant Subtotal*	127,422,941	8,602,454	—	—	—	—	—	136,025,395

\* May not foot due to rounding.



RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS

NW NATURAL

Period Beginning: January 2022

Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve*
UTILITY								
Distribution Plant								
374.1 LAND	—	—	—	—	—	—	—	—
374.2 LAND RIGHTS	1,712,848	9,305	—	—	—	—	—	1,722,154
375 STRUCTURES & IMPROVEMENTS	156,745	27,082	—	—	—	—	—	183,826
376.11 MAINS < 4"	385,875,772	16,692,397	(84,499)	(1,425,051)	15,409	—	—	401,074,028
376.12 MAINS 4" & >	277,888,565	16,251,584	(174,429)	(1,269,315)	16,823	—	—	292,713,229
376.13 MNEP MAINS 4" & >	39,367	15,379	—	—	—	—	—	54,745
377 COMPRESSOR STATION EQUIPMENT	699,564	10,516	—	—	—	—	—	710,080
378 MEASURING & REG EQUIP - GENER	15,627,763	1,047,448	—	—	—	—	—	16,675,212
378.1 MEASURING & REG EQUIP - RNG	1,847	(5,058)	—	—	—	—	—	(3,211)
379 MEASURING & REG EQUIP - GATE	4,011,022	444,705	—	—	—	—	—	4,455,727
380 SERVICES	484,656,492	24,517,207	(208,254)	(4,137,277)	—	—	—	504,828,169
381 METERS	19,026,190	202,874	—	—	11,177	—	—	19,240,242
381.1 METERS (ELECTRONIC)	2,091,193	(380,000)	—	—	—	—	—	1,711,193
381.2 ERT (ENCODER RECEIVER TRANS	19,433,251	(2,607,835)	—	—	—	—	—	16,825,416
382 METER INSTALLATIONS	4,667,816	1,206,375	(1,216,290)	—	—	—	—	4,657,901
382.1 METER INSTALLATIONS (ELECTR	204,240	43,027	—	—	—	—	—	247,267
382.2 ERT INSTALLATION (ENCODER	6,075,640	195,670	(84,095)	—	—	—	—	6,187,216
383 HOUSE REGULATORS	543,787	79,082	—	—	—	—	—	622,862
386 OTHER PROPERTY ON CUSTOMERS P	511,391	122,656	—	—	—	—	—	634,047
386.1 MULTI-FAMILY METER ROOMS	—	—	—	—	—	—	—	—
387.1 CATHODIC PROTECTION TESTING	147,699	1,469	—	—	—	—	—	149,168
387.2 CALORIMETERS @ GATE STATIONS	96,424	—	—	—	—	—	—	96,424
387.3 METER TESTING EQUIPMENT	72,671	—	—	—	—	—	—	72,671
Distribution Plant Subtotal*	1,223,540,280	57,873,887	(1,767,567)	(6,831,643)	43,409	—	—	1,272,858,366

\* May not foot due to rounding.

## RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS

## NW NATURAL

Period Beginning: January 2022

Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve*
<b>UTILITY</b>								
<b>General Plant</b>								
389 LAND	426,129	—	—	—	—	—	—	426,129
390 STRUCTURES & IMPROVEMENTS	16,190,755	2,567,821	—	—	—	—	—	18,758,576
390.1 SOURCE CONTROL PLANT	6,528,063	479,783	—	—	—	—	—	7,007,847
391.1 OFFICE FURNITURE & EQUIPMEN	6,597,384	702,850	(150,625)	—	—	—	—	7,149,609
391.2 COMPUTERS	26,058,461	7,822,105	(10,028,626)	—	—	—	—	23,851,940
391.21 COMPUTERS HORIZON	—	108,802	—	—	—	—	—	108,802
391.22 COMPUTERS TSA SECURITY DIRECTIVE	—	1,064,346	—	—	—	—	—	1,064,346
391.3 ON SITE BILLING	—	—	—	—	—	—	—	—
391.4 CUSTOMER INFORMATION SYSTEM	—	—	—	—	—	—	—	—
391.5 NMEP COMPUTERS	261,454	122,834	—	—	—	—	—	384,288
391.6 NMEP POWER OPERATED EQUIPMENT	1,080	1,364	—	—	—	—	—	2,443
392 TRANSPORTATION EQUIPMENT	16,719,520	2,603,457	(810,292)	—	481,303	—	—	18,993,988
393 STORES EQUIPMENT	119,406	—	—	—	—	—	—	119,406
394 TOOLS - SHOP & GARAGE EQUIPUI	6,653,407	615,044	—	—	28,913	—	—	7,297,364
395 LABORATORY EQUIPMENT	(32)	(8)	—	—	—	—	—	(39)
396 POWER OPERATED EQUIPMENT	2,882,211	112,301	(283,891)	—	316,493	—	—	3,027,114
396.1 NMEP POWER OPERATED EQUIPMENT	5,857	11,206	—	—	—	—	—	17,064
397 GEN PLANT-COMMUNICATION EQU	47,828	6,439	(17,683)	—	—	—	—	36,584
397.1 MOBILE	997,861	407,251	—	—	—	—	—	1,405,112
397.2 OTHER THAN MOBILE & TELEMET	(45,361)	(13,462)	—	—	—	—	—	(58,823)
397.3 TELEMETERING - OTHER	1,352,933	749,673	(53,242)	—	—	—	—	2,049,364
397.4 TELEMETERING - MICROWAVE	1,055,153	399,152	(61,120)	—	—	—	—	1,393,185
397.5 TELEPHONE EQUIPMENT	352,519	5,350	—	—	—	—	—	357,869
398 GEN PLANT-MISCELLANEOUS EQU	—	—	—	—	—	—	—	—
398.1 PRINT SHOP	2,795	(410)	—	—	—	—	—	2,385
398.2 KITCHEN EQUIPMENT	10,006	2,253	—	—	—	—	—	12,259
398.3 JANITORIAL EQUIPMENT	14,873	—	—	—	—	—	—	14,873
398.4 INSTALLED IN LEASED BUILDINGS	10,120	—	—	—	—	—	—	10,120
398.5 OTHER MISCELLANEOUS EQUIPMENT	66,739	—	—	—	—	—	—	66,739
General Plant Subtotal*	86,309,163	17,768,151	(11,405,478)	—	826,709	—	—	93,498,545
Utility Property Grand Total*	1,613,122,259	103,276,518	(38,737,699)	(6,831,643)	870,118	—	—	1,671,699,553

\* May not foot due to rounding.

## RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS

## NW NATURAL

Period Beginning: January 2022

Period Ending: December 2022

Functional Class	Beginning	Cost of	Salvage and	Transfers and	Ending			
FERC Plant Account	Reserve	Provision	Retirements	Removal	Other Credits	Adjustments	Loss/(Gain)	Reserve*
<b>NON UTILITY</b>								
<b>Intangible Plant</b>								
303.1	COMPUTER SOFTWARE	93,273	9,714	(163,357)	—	—	—	(60,369)
303.2	CUSTOMER INFORMATION SYSTEM	50,086	5	—	—	—	—	50,091
Non Utility	Intangible Plant Subtotal*	143,359	9,719	(163,357)	—	—	—	(10,278)
<b>Natural Gas Underground Storage</b>								
352	WELLS	5,104,880	312,986	—	—	—	—	5,417,866
352.1	STORAGE LEASEHOLD & RIGHTS	292	16	—	—	—	—	308
352.2	RESERVOIRS	1,129,473	59,952	—	—	—	—	1,189,425
353	LINES	580,269	53,019	—	—	—	—	633,288
354	COMPRESSOR STATION EQUIPMENT	5,115,683	246,714	—	—	—	—	5,362,397
355	MEASURING / REGULATING EQUIPM	2,723,663	204,366	—	—	—	—	2,928,029
357	OTHER EQUIPMENT	17,147	1,409	—	—	—	—	18,556
Non Utility	Natural Gas Underground Storage Subtotal*	14,671,407	878,462	—	—	—	—	15,549,869
<b>Transmission Plant</b>								
368	TRANSMISSION COMPRESSOR	3,050,541	164,768	—	—	—	—	3,215,309
Non Utility	Transmission Plant Subtotal*	3,050,541	164,768	—	—	—	—	3,215,309
<b>Distribution Plant</b>								
376.12	MAINS 4" & >	1,365	157	—	—	—	—	1,522
Non Utility	Distribution Plant Subtotal*	1,365	157	—	—	—	—	1,522
<b>General Plant</b>								
389	LAND	—	—	—	—	—	—	—
390	STRUCTURES & IMPROVEMENTS	55,496	5,611	—	—	—	—	61,107
Non Utility	General Plant Subtotal*	55,496	5,611	—	—	—	—	61,107
<b>Non Utility Other</b>								
121.1	NON-UTIL PROP-DOCK	1,947,067	13,752	—	—	—	—	1,960,819
121.2	NON-UTIL PROP-LAND	—	—	—	—	—	—	—
121.3	NON-UTIL PROP-OIL ST	2,317,342	35,771	—	—	—	—	2,353,113
121.7	NON-UTIL PROP-APPL CENTER	56,088	3,854	—	—	—	—	59,942
121.8	NON-UTIL PROP-STORAGE	(1)	—	—	—	—	—	(1)
Non Utility	Other*	4,320,496	53,377	—	—	—	—	4,373,873
<b>Non Utility Property Grand Total*</b>		<b>22,242,662</b>	<b>1,112,094</b>	<b>(163,357)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>23,191,399</b>

\* May not foot due to rounding

## RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS

## NW NATURAL

Period Beginning: January 2022

Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve*
<b>TOTAL SUMMARY ALL UTILITY DEPRECIATION RESERVES</b>		<b>12/31/2022</b>						
<b>UTILITY</b>								
145006	(10,385,377)							
145009	(263,551)							
145012	967,454							
145015	(230,024)							
145018	(4,758,646)							
145021	(84,018,499)							
145024	1,265,187,738							
145027	24,304,964							
145030	(5,319,363)							
145033	(1,645,265)							
145036	3,712,352							
145039	11,611,469							
169010	6,613,957							
145045	—							
260005	463,559,290							
260010	2,532,234							
145048	31,848							
145051	(202,000)							
145060	971							
<b>SUBTOTAL*</b>								<b>1,671,699,553</b>
<b>ADD:</b>								
145003 REMOVAL WORK IN PROCESS				(66,764,190)				
160205 ROU UTIL LEAS ACC DE				13,274,179				
145205 FIN UTIL LEA ACC DEP				132,879				
145060 COST OF REMOVAL				—				
108701 OR METER/ERT's				(1,006,856)				
145066 WA METER/ERT's				(243,552)				
<b>TOTAL UTILITY DEPRECIATION*</b>				<b>1,616,323,721</b>				
<b>TOTAL SUMMARY ALL NON-UTILITY RESERVES DEPRECIATION</b>								
<b>NON UTILITY</b>								
145405	(124,325)							
145410	1,034							
145415	4,582,025							
145420	17,846,564							
145425	(764,395)							
260015	1,650,496							
<b>TOTAL NON UTILITY DEPRECIATION*</b>				<b>23,191,399</b>				

\* May not foot due to rounding

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Continued)**

4. Add rows as necessary to completely report all data. Number the additional rows in sequence as 2.10, 3.10, 3.02, etc.

Line No.	Functional Classification (a)	Plant Bases (in thousands) (b)	Applied Depreciation or Amortization Rates (percent) (c)
1	Production and Gathering Plant		
2	Offshore	N/A	N/A
3	Onshore	N/A	N/A
4	Underground Gas Storage Plant	297,290	1.79%
5	Transmission Plant		
6	Offshore	N/A	N/A
7	Onshore	N/A	N/A
8	General Plant	N/A	N/A
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<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS**

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts.

(a) Miscellaneous Amortization (Account 425) - Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.

(b) Miscellaneous Income Deductions - Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Amounts of less than \$250,000 may be grouped by classes within the above accounts.

(c) Interest on Debt to Associated Companies (Account 430) -For each associated company that incurred interest on debt during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

(d) Other Interest Expense (Account 431) - Report details including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	Account 425 Miscellaneous Amortization	—
3	Account 426.1 Donations	899,740
4	Account 426.2 Life Insurance - Increase in CSV and Death Benefits	(1,248,738)
5	Account 426.3 Penalties	(20,197)
6	Account 426.4 Civic, Political and Related Activities	1,528,492
7	Account 426.5 Other Deductions	—
8	Total Account 426	1,159,297
9	Account 430 Interest on Debt to Associated Companies	—
10	Account 431 Other Interest Expense	
11	Deferred Compensation	522,214
12	Line of Credit	786,811
13	Notes Payable	2,529,396
14	Other	235,611
15	Total Account 431	4,074,032
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**REGULATORY COMMISSION EXPENSES (Account 928)**

1. Report below details of regulatory commission expenses incurred during the current year (or in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.  
2. In column (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.

Line No.	Description (Furnish name of regulatory commission or body, the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 182.3 at Beginning of Year (e)
1					
2	<b>Northwest Natural does not track expenses by formal regulatory cases.</b>				
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25	<b>Total</b>				



<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**REGULATORY COMMISSION EXPENSES (Account 928) (Continued)**

3. Show in column (k) any expenses incurred in prior years that are being amortized. List in column (a) the period of amortization.
4. Identify separately all annual charge adjustments (ACA)
5. List in column (f), (g), and (h) expenses incurred during year which were charges currently to income, plant, or other accounts.
6. Minor items (less than \$250,000) may be grouped.

Expenses Incurred During Year Charged Currently To Department (f)	Expenses Incurred During Year Charged Currently To Account No. (g)	Expenses Incurred During Year Charged Currently To Amount (h)	Expenses Incurred During Year Charged Currently To Deferred to Account 192.3 (i)	Amortized During Year Contra Account (j)	Amortized During Year Amount (k)	Deferred in Account 182.3 at End of Year (l)	Line No.
							1
<b>Northwest Natural does not track expenses by formal regulatory cases.</b>							2
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<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**Employee Pensions and Benefits (Account 926)**

1. Report below the items contained in Account 926, Employee Pensions & Benefits

Line No.	Expense (a)	Amount (b)
1	Health Benefits	11,808,948
2	Pensions - defined benefit plans	10,250,683
3	Defined contribution plans	5,834,759
4	Pensions - other	1,286,062
5	Benefits dept salaries & wages	3,250,589
6	Stock compensation expenses	2,038,617
7	Other postemployment benefit plans	1,664,124
8	Workers compensation and other STD/Family Leave	907,514
9	Other Benefits	349,333
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30	<b>Total</b>	<b>37,390,629</b>

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### DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals and Other Accounts, and enter such amounts in the appropriate lines and columns provided. Salaries and wages billed to the Respondent by an affiliated company must be assigned to the particular operating function(s) relating to the expenses.  
In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used. When reporting detail of other accounts, enter as many rows as necessary numbered sequentially starting with 75.01, 75.02, etc

Line No.	Classification (a)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (c)	Allocation of Payroll Charged for Clearing Accounts (d)	Total (e)
1	Electric				
2	Operation				
3	Production	—	—	—	—
4	Transmission	—	—	—	—
5	Distribution	—	—	—	—
6	Customer Accounts	—	—	—	—
7	Customer Service and Informational	—	—	—	—
8	Sales	—	—	—	—
9	Administrative and General	—	—	—	—
10	TOTAL Operation (Total of lines 3 thru 9)	—	—	—	—
11	Maintenance				
12	Production	—	—	—	—
13	Transmission	—	—	—	—
14	Distribution	—	—	—	—
15	Administrative and General	—	—	—	—
16	TOTAL Maint. (Total of lines 12 thru 15)	—	—	—	—
17	Total Operation and Maintenance				
18	Production (Total of lines 3 and 12)	—	—	—	—
19	Transmission (Total of lines 4 and 13)	—	—	—	—
20	Distribution (Total of lines 5 and 14)	—	—	—	—
21	Customer Accounts (Line 6)	—	—	—	—
22	Customer Service and Informational (Line 7)	—	—	—	—
23	Sales (Line 8)	—	—	—	—
24	Administrative and General (Total of lines 9 and 15)	—	—	—	—
25	TOTAL Oper. and Maint. (Total of lines 18 thru 24)	—	—	—	—
26	Gas				
27	Operation				
28	Production - Manufactured Gas	—	—	—	—
29	Production - Nat. Gas (Including Expl. and Dev.)	—	—	—	—
30	Other Gas Supply	—	—	—	—
31	Storage, LNG Terminating and Processing	2,673,408	—	244,773	2,918,181
32	Transmission	707,641	—	98,721	806,362
33	Distribution	18,369,458	—	2,610,127	20,979,585
34	Customer Accounts	8,893,411	—	870,655	9,764,066
35	Customer Service and Informational	2,266,146	—	213,506	2,479,652
36	Sales	871,785	—	83,147	954,932
37	Administrative and General	28,007,775	—	2,739,776	30,747,551
38	TOTAL Operation (Total of lines 28 thru 37)	61,789,624	—	6,860,705	68,650,329
39	Maintenance				

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DISTRIBUTION OF SALARIES AND WAGES (continued)					
Classification (a)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (c)	Allocation of Payroll Charged for Clearing Accounts (d)	Total (e)	Line No.
Production - Manufactured Gas	—	—	—	—	40
Production - Natural Gas	—	—	—	—	41
Other Gas Supply	—	—	—	—	42
Storage, LNG Terminating and Processing	845,583	—	85,215	930,798	43
Transmission	1,974,412	—	185,872	2,160,284	44
Distribution	8,655,967	—	1,025,049	9,681,016	45
Administrative and General	1,624,734	—	41,040	1,665,774	46
TOTAL Maint. (Total of lines 40 thru 46)	13,100,696	—	1,337,176	14,437,872	47
Gas (Continued)					48
Total Operation and Maintenance					49
Production - Manufactured Gas (Lines 28 and 40)	—	—	—	—	50
Production - Nat. Gas (Including Expl. and Dev.) (Lines 29 and 41)	—	—	—	—	51
Other Gas Supply (Lines 30 and 42)	—	—	—	—	52
Storage, LNG Terminating and Processing (Lines 31 and 43)	3,518,991	—	329,988	3,848,979	53
Transmission (Total of lines 32 and 44)	2,682,053	—	284,593	2,966,646	54
Distribution (Total of lines 33 and 45)	27,025,425	—	3,635,176	30,660,601	55
Customer Accounts (Total of line 34)	8,893,411	—	870,655	9,764,066	56
Customer Service and Informational (Total of line 35)	2,266,146	—	213,506	2,479,652	57
Sales (Total of line 36)	871,785	—	83,147	954,932	58
Administrative and General (Total of lines 37 and 46)	29,632,509	—	2,780,816	32,413,325	59
TOTAL Operation and Maintenance (Total of lines 50 thru 59)	74,890,320	—	8,197,881	83,088,201	60
Other Utility Departments					61
Operation and Maintenance	—	—	—	—	62
TOTAL All Utility Dept. (Total of lines 25,60, and 62)	74,890,320	—	8,197,881	83,088,201	63
Utility Plant					64
Construction (By Utility Departments)					65
Electric Plant	—	—	—	—	66
Gas Plant	49,016,585	—	4,394,299	53,410,884	67
Other	—	—	—	—	68
TOTAL Construction (Total of lines 66 thru 68)	49,016,585	—	4,394,299	53,410,884	69
Plant Removal (By Utility Departments)					70
Electric Plant	—	—	—	—	71
Gas Plant	—	—	—	—	72
Other	—	—	—	—	73
TOTAL Plant Removal (Total of lines 71 thru 73)	—	—	—	—	74
Other Accounts (Specify):					75
Merchandising	1,243,078	—	—	1,243,078	75.01
Governmental & Public Affairs & Other Non-Utility	438,981	—	570,748	1,009,729	75.02
Utility Employee Sal&Wage - Charged to Renewables	145,701	—	—	145,701	75.03
Utility Employee Sal&Wage - Charged to NWN Gas Storage	204,300	—	—	204,300	75.04
Utility Employee Sal&Wage - Charged to Interstate Storage	883,033	—	—	883,033	75.05
Utility Employee Sal&Wage - Charged to Coos County	—	—	373,985	373,985	75.06
Utility Employee Sal&Wage - Charged to NWN Energy	3,759	—	—	3,759	75.07
Utility Employee Sal&Wage - Charged to Holdco	178,844	—	—	178,844	75.08
Utility Employee Sal&Wage - Charged to Water	453,455	—	—	453,455	75.09
TOTAL Other Accounts	3,551,151	—	944,733	4,495,884	76
TOTAL SALARIES AND WAGES	127,458,056	—	13,536,913	140,994,969	77

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### CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related

- (a) Name of person or organization rendering services.
- (b) Total charges for the year.

- 2. Sum under a description "Other" all of the aforementioned services amounting to \$250,000 or less.
- 3. Total under a description "Total", the total of all of the aforementioned services.
- 4. Charges for outside professional and other consultative services provided schedule.

Line No.	Description (a)	Amount (in Dollars) (b)
1	LOY CLARK CONSTRUCTION	34,501,327
2	BREMIK CONSTRUCTION INC	20,445,985
3	ACCENTURE INTERNATIONAL LIMITED	14,854,808
4	BRIX PAVING NORTHWEST INC	12,341,178
5	ANCHOR QEA LLC	10,353,043
6	JH KELLY LLC	8,889,369
7	M10 INC	8,633,199
8	LOCATING INC	6,793,377
9	INTERNATIONAL BUSINESS MACHINES	5,486,942
10	SEVENSON ENVIRONMENTAL	4,647,804
11	PAYMENTUS CORPORATION	4,182,722
12	SLALOM LLC	4,050,937
13	K & D SERVICES OF OREGON	3,624,586
14	SHI INTERNATIONAL CORP	2,958,555
15	INTEGRITY TRAFFIC OR LLC	2,908,020
16	COOPER MACHINERY SERVICES	2,490,364
17	PEARL LEGAL GROUP PC	2,403,974
18	STRATEGIC BUSINESS SOLUTIONS INC	2,200,918
19	THE NORTH HIGHLAND COMPANY	2,047,400
20	HARDER MECHANICAL CONTRACTORS INC	1,944,570
21	HEATH CONSULTANTS INC	1,890,786
22	PRICEWATERHOUSECOOPERS LLP	1,822,135
23	PEPPER FOSTER CONSULTING	1,780,841
24	INFOSYS LIMITED	1,757,769
25	PERCIPIO CONSULTING GROUP INC	1,702,904
26	ROBERT HALF INTERNATIONAL	1,568,534
27	FORENSICS CORP	1,510,804
28	TAURUS POWER & CONTROLS	1,509,168
29	OSHYN INC	1,439,655
30	TEK SYSTEMS	1,418,626
31	BRADSON TECHNOLOGY LLC	1,416,525
32	COURTNEY & SON INC	1,120,428
33	MCDOWELL RACKNER & GIBSON PC	1,075,872
34	ACUREN INSPECTION INC	1,032,780
35	ONLINE ENTERPRISES INC	1,002,709
36	FLUX RESOURCES LLC	946,568
37	ERNST & YOUNG US LLP	919,000
38	LRS ARCHITECTS INC	798,230
39	NORTHWEST STAFFING RESOURCES INC	788,388
40	BAKER BOTTS LLP	738,700
41	PROPELLER INC	729,354
42	THE AUTOMATION GROUP INC	694,996

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<b>CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES (Continued)</b>		
Line No.	Description (a)	Amount (in Dollars) (b)
43	GEOENGINEERS INC	682,079
44	SANBORN HEAD & ASSOCIATES INC	671,599
45	NORWEST ENGINEERING INC	632,517
46	STOEL RIVES LLP	558,284
47	ENTEGRA LLP	544,503
48	PILLSBURY WINTHROP SHAW PITTMAN LLP	491,152
49	FORRESTER RESEARCH INC	480,350
50	AURITAS LLC	479,070
51	DELOITTE CONSULTING LLP	476,069
52	BRADFORD CONSULTING ENGINEERS INC	462,275
53	SIEMENS ENERGY INC	456,129
54	BEACON HILL STAFFING GROUP LLC	454,078
55	BEGGS CONSTRUCTION INC	451,258
56	JHI ENGINEERING INC	447,045
57	LEVEL ONE A DOXIM COMPANY	419,182
58	TECH TALENT LINK INC	413,913
59	THE ATUM GROUP LLC	410,956
60	GENERAL UTILITIES CO	395,187
61	JPMORGAN CHASE BANK	380,556
62	RANDY L BOEHM	380,391
63	ADO PROFESSIONAL SOLUTIONS INC	367,422
64	OUTREACH EXPERTS LLC	362,901
65	REIMERS & JOLIVETTE INC	359,171
66	PROS INCORPORATED	357,722
67	GREENBERG TRAURIG LLP	351,753
68	VANDERHOEWEN & ASSOCIATES INC	338,519
69	RIZING LLC	334,493
70	ONE CALL CONCEPTS INC	330,882
71	HARRIS GROUP INC	312,486
72	MORGAN LEWIS & BOCKIUS LLP	302,847
73	STANDARD & POOR'S	296,000
74	BOLT MARKETING GROUP LLC	280,673
75	FINE LINE CONCRETE CUTTING INC	275,690
76	BURNS & MCDONNELL ENGINEERING	274,520
77	ABM INDUSTRIES INC	272,322
78	TOKUSAKU INCORPORATED	271,440
79	BAKER HUGHES OILFIELD OPERATIONS LL	270,530
80	HAHN AND ASSOCIATES INC	268,545
81	BCOD INC	265,299
82	MATRIX PDM ENGINEERING INC	260,506
83	BROTHERS PIPELINE CORP	258,809
84	IRANI ENGINEERING INC	255,433
85	Other (Vendors < \$250k)	12,564,824
91		
92	TOTAL	212,343,230

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**Transactions with Associated (Affiliated) Companies**

1. Report below the information called for concerning all goods or services received from or provided to associated (affiliated) companies amounting to more than \$250,000.
2. Sum under a description "Other", all of the aforementioned goods and services amounting to \$250,000 or less.
3. Total under a description "Total", the total of all of the aforementioned goods and services.
4. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote the basis of the allocation.

Line No.	Description of the Goods or Service (a)	Name of Associated/Affiliated company (b)	Account(s) Charged or Credited (c)	Amounts Charged or Credited (d)
1	Goods or Services Provided to an Affiliated Company			
2	Labor - salaries & overhead	NW Natural Holding Company	Various	1,955,136
3	Labor - salaries & overhead	NW Natural Gas Storage, LLC	Various	378,195
4	Labor - salaries & overhead	NW Natural Water Company, LLC	Various	535,079
5	Labor - salaries & overhead	NWN Renewables Holding	Various	277,255
6	Labor - salaries & overhead <\$250,000	Various	Various	15,289
7	Indirect costs allocation** and insurance allocation*	NW Natural Water Company, LLC	Various	958,639
8	Indirect costs allocation** and insurance allocation* <\$250,000	Various	Various	262,164
9	Other goods and services <\$250,000	Various	Various	198,764
10	TOTAL			4,580,521
11				
12				
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14				
15	Goods or Services Received from an Affiliated Company			
16	KB pipeline demand & volumetric charge	NNG Financial Corporation	Various	(226,305)
17	Other goods and services <\$250,000	Various	Various	(101,348)
18	TOTAL			(327,653)
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See Affiliated Interest Report filed annually with the Oregon Public Utility Commission (OPUC) and Washington Utilities and Transportation Commission (WUTC) for further information regarding affiliate allocations and billings.

\*2022/2023 prepaid insurance billed to affiliates has an allocation process using consistent methodology to allocate the premiums as needed to the affiliates. The allocation process is consistent with that stated in our cost allocation manual as filed with the Public Utilities Commission (PUC). Policies purchased directly on behalf of affiliates are 100% reimbursed directly and are not included in the allocation - those reimbursements are also included here.

\*\*2022 indirect costs billed to affiliates based on the Massachusetts Method in accordance with our Cost Allocation Manual.



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**COMPRESSOR STATIONS**

1. Report below details concerning compressor stations. Use the following subheading; field compressor stations, products extraction compressor stations, underground compressor stations, transmission compressor stations, distribution compressor stations, and other compressor stations.

2. For column (a), indicate the production areas where such stations are used. Group relatively small field compressor stations by production areas. Show the number of stations grouped. Identify any station held under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of respondent's title, and percent of ownership if jointly owned.

Line No.	Name of station and location (a)	Number of Units at Station (b)	Certificated Horsepower for Each Station (c)	Plant Cost (d)
1	Underground Storage Compressors:			
2	Miller Station, Mist, Oregon	4	15,400	39,847,635
3	North Mist, Mist, Oregon	2	3,750	23,166,410
4	(Fuel used is natural gas)			
5	Field Compressors: NON-UTILITY			
6	Molalla, Oregon	2	2,219	7,723,454
7	Deer Island, Oregon	1	1,680	3,739,477
8	(Fuel used is natural gas)			
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**COMPRESSOR STATIONS (Continued)**

Designate any station that was not operated during the past year. State in a footnote whether the book cost of such station has been retired in the books of account, or what disposition of the station and its book cost are contemplated. Designate any compressor units in transmission compressor stations installed and put into operation during the year and show in a footnote each unit's size and date the unit was placed in operation.

3. For Column (e), include the type of fuel or power, if other than natural gas. If two types of fuel or power are used, show separate entries for natural gas and the other fuel or Power.

Expenses (except depreciation and taxes)  Fuel (e)	Expenses (except depreciation and taxes)  Power (f)	Expenses (except depreciation and taxes)  Other (g)	Gas for Compressor Fuel in Dth (h)	Electricity for Compressor Station kWh (i)	Operational Data  Total Compressor Hours of Operation during the Year (j)	Operational Data  Number of Compressor Operated at Time of Station Peak (k)	Date of Station Peak (l)	Line No.
								1
10,477	N/A	N/A	278,513	N/A	9,083	4	12/22/22	2
—	N/A	N/A	69,187	N/A	7,276	2	12/21/22	3
								4
								5
4,620	N/A	N/A	1,401	N/A	13	N/A	N/A	6
418	N/A	N/A	136	N/A	76	N/A	N/A	7
								8
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								25

Note: Fuel used by the compressors is added to the value of the inventory and expensed as a cost of gas when the inventory is withdrawn from storage.

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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### GAS STORAGE PROJECTS

1. Report injections and withdrawals of gas for all storage projects used by respondent.

Line No.	Item (a)	Gas Belonging to Respondent (Dth) (b)	Gas Belonging to Others (Dth) (c)	Total Amount (Dth) (d)
<b>STORAGE OPERATIONS (in Dth)</b>				
1	Gas Delivered to Storage			
2	January	64,317	—	64,317
3	February	—	48,218	48,218
4	March	—	290,438	290,438
5	April	47,066	329,543	376,609
6	May	1,759,496	1,733,355	3,492,851
7	June	2,209,356	1,031,901	3,241,257
8	July	1,676,658	268,028	1,944,686
9	August	2,315,643	3,647	2,319,290
10	September	1,581,037	362,429	1,943,466
11	October	1,691,124	1,204,891	2,896,015
12	November	322	560,792	561,114
13	December	20,283	146,924	167,207
14	TOTAL (Total of Lines 2 Thru 13)	11,365,302	5,980,166	17,345,468
<b>Gas Withdrawn from Storage</b>				
15	Gas Withdrawn from Storage			
16	January	3,039,313	1,375,968	4,415,281
17	February	2,174,887	795,129	2,970,016
18	March	586,983	42,753	629,736
19	April	1,367,577	433,234	1,800,811
20	May	147,741	2,605	150,346
21	June	36,465	2	36,467
22	July	34,385	187,117	221,502
23	August	6,564	1,240,590	1,247,154
24	September	30,947	975,884	1,006,831
25	October	107,571	26,445	134,016
26	November	773,373	52,811	826,184
27	December	2,644,550	1,730,445	4,374,995
28	TOTAL (Total of lines 16 thru 27)	10,950,356	6,862,983	17,813,339

Note 1: Storage withdrawals shown above include Jackson Prairie activity, net of fuel (gas measured at the city gate.)

Note 2: Starting in May 2019, NW Natural placed its North Mist gas storage expansion project into service. The activity in column (c) represents the injections and withdrawals into the North Mist storage facility.

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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### GAS STORAGE PROJECTS

1. On line 4, enter the total storage capacity certificated by FERC.
2. Report total amount in Dth or other unit, as applicable on lines 2, 3, 4, 7. If quantity is converted from Mcf to Dth, provide conversion factor in a footnote.

Line No.	Item (a)	Total Amount (Dth) (b)
	<b>STORAGE OPERATIONS</b>	
1	Total of Working Gas End of Year (See Note 1)	11,678,222
2	Cushion Gas (Including Native Gas) (See Note 2)	9,057,244
3	Total Gas in Reservoir (Total of Line 1 and 2)	20,735,466
4	Certificated Storage Capacity	NA
5	Number of Injection - Withdrawal Wells (Mist only)	21
6	Number of Observation Wells (Mist only)	23
7	Maximum Day's Withdrawal from Storage (All Underground Storage)	412,068
8	Date of Maximum Days' Withdrawal	12/22/22
9	LNG Terminal Companies	2
10	Number of Tanks	2
11	Capacity of Tanks (in Dth)	1,600,000
12	LNG Volumes	
13	Received at "Ship Rail"	—
14	Transferred to Tanks	850,228
15	Withdrawn from Tanks	820,837
16	"Boil Off" Vaporization Loss	—

Note 1: The working gas on line 1 above includes gas recorded in the 164.1 and 164.3 accounts. It excludes the working gas at our North Mist facility as that gas is owned by the storage customer and is not included in NW Natural's accounts.

Note 2: The cushion gas on line 2 includes the cushion gas at the North Mist facility as that gas is owned by NW Natural and included in a 117.4 account.

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**TRANSMISSION LINES**

1. Report below, by state, the total miles of transmission lines of each transmission system operated by respondent at end of year.
2. Report separately any lines held under a title other than full ownership. Designate such lines with an asterisk, in column (b) and in a footnote state the name of the owner, or co-owner, nature of respondent's title, and percent of ownership if jointly owned.
3. Report separately any line that was not operated during the past year. Enter in a footnote the details and state whether the book cost of such a line, or any portion thereof, has been retired in the books of account, or what disposition of the line and its book costs are contemplated.
4. Report the number of miles of pipe to one decimal point.

Line No.	Designation (Identification) of Line or Group of Lines (a)	* (b)	Total Miles of Pipe (c)
1	State of Oregon		655.3
2	State of Washington		3.5
3	State of Oregon - Kelso - Beaver	*	1.0
4	State of Washington - Kelso - Beaver	*	17.0
5	State of Oregon - Coos County Pipeline	**	76.9
6			
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\* Kelso-Beaver is owned 10% by NW Natural dba KB Pipeline Company, 11% by US Gypsum Corp., and 79% by Portland General Electric (PGE); PGE is the operator. (1 mile of Kelso-Beaver Pipeline is located in the State of Oregon and 17 miles are located in the state of Washington).

\*\* Coos County Pipeline is operated by NW Natural on behalf of Coos County.

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**AUXILIARY PEAKING FACILITIES**

1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc.

2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted. For other facilities, report the rated maximum daily delivery capacities.

3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform System of Accounts.

Line No.	Location of Facility (a)	Type of Facility (b)	Maximum Daily Delivery Capacity of Facility (Dth) (c)	Cost of Facility (in dollars) (d)	Was Facility Operated on Day of Highest Transmission Peak Delivery
1	Portland, OR	LNG	120,000	31,171,945	Yes
2	Newport, OR	LNG	100,000	67,676,450	Yes
3	Mist, OR	Underground	520,000	215,461,134	Yes
4	North Mist, Mist, OR	Underground	120,000	81,829,459	Yes
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<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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### GAS ACCOUNT - NATURAL GAS

1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent.
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
3. Enter in column (c) the Dth as reported in the schedules indicated for the items of receipts and deliveries.
4. Indicate in a footnote the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed.
5. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose. Use copies of pages 520.
6. Indicate by footnote the quantities of gas not subject to Commission regulation which did not incur FERC regulatory costs by showing (1) the local distribution volumes another jurisdictional pipeline delivered to the local distribution company portion of the reporting pipeline (2) the quantities that the reporting pipeline transported or sold through its local distribution facilities or intrastate facilities and which the reporting pipeline received through gathering facilities or intrastate facilities, but not through any of the interstate portion of the reporting pipeline, and (3) the gathering line quantities that were not destined for interstate market of that were not transported through any interstate portion of the reporting pipeline.
7. Indicate in a footnote the specific gas purchase expense account(s) and related to which the aggregate volumes reported on Line 3 relate.
8. Indicate in a footnote (1) the system supply quantities of gas that are stored by the reporting pipeline, during the reporting year and also reported as sales, transportation and compression volumes by the reporting pipeline during the same reporting year, (2) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year which the reporting pipeline intends to sell or transport in a future reporting year, and (3) contract storage quantities.
9. Indicate the volumes of pipeline production field sales that are included in both the company's total sales figure and the company's total transportation figure. Add additional information as necessary to the footnotes.

Line No.	Item (a)	Ref. Page No. (b)	Total Amount of Dth (c)
1	NAME OF SYSTEM:		
2	GAS RECEIVED		
3	Gas Purchases (Accounts 800-805) (See Note 1)		88,719,833
4	Gas of Others Received for Gathering (Account 489.1)	303	N/A
5	Gas of Others Received for Transmission (Account 489.2)	305	N/A
6	Gas of Others Received for Distribution (Account 489.3) Transportation	301	38,130,074
7	Gas of Others Received for Contract Storage (Account 489.4)	306	6,862,983
8	Gas of Other Received for Production/Extraction/Processing (Account 490 and 491)		N/A
9	Exchanged Gas Received from Others (Account 806)	328	N/A
10	Gas Received as Imbalances (Account 806)	328	N/A
11	Receipts of Respondent's Gas Transported by Others (Account 858)	332	N/A
12	Other Gas Withdrawn from Storage (Explain) Underground and LNG Storage	512	10,950,356
13	Gas Received from Shippers as Compressor Station Fuel		—
14	Gas Received from Shippers as Lost and Unaccounted for		—
15	Other Receipts (Specify) LPG		—
16	Total Receipts (Total of lines 3 thru 14)		144,663,246
17	GAS DELIVERED		
18	Gas Sales (Accounts 480-495)		87,103,583
19	Deliveries of Gas Gathered for Others (Account 489.1)	303	—
20	Deliveries of Gas Transported for Others (Account 489.2)	305	—
21	Deliveries of Gas Distributed for Others (Account 489.3) Transportation	301	38,130,074
22	Deliveries of Contract Storage Gas (Account 489.4)	306	6,862,983
23	Gas of Other Delivered for Production/Extraction/Processing (Account 490 and 491)		N/A
24	Exchange Gas Delivered to Others (Account 806)	328	N/A
25	Gas Delivered as Imbalances (Account 806)	328	—
26	Deliveries of Gas to Others for Transportation (Account 858)	332	—
27	Other Gas Delivered to Storage (Explain) Underground and LNG Storage	512	11,365,302
28	Gas Used for Compressor Station Fuel	331	278,513
29	Other Deliveries (Specify): Company Use	331	443,865
30	Total Deliveries (Total of lines 17 thru 27)		144,184,320
31	GAS LOSSES AND GAS UNACCOUNTED FOR		
32	Gas Losses and Gas Unaccounted For		478,926
33	TOTALS		
34	Total Deliveries, Gas Losses & Unaccounted for (Total of lines 30 and 32)		144,663,246

Note 1: The cost of Gas Purchases on line 3 are recorded in FERC account 801.



**NORTHWEST NATURAL GAS COMPANY**

**Oregon Supplement to FERC Form 2**

**December 31, 2022**

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**ANNUAL REPORT  
OREGON SUPPLEMENT TO FERC FORM 2  
for  
MULTI-STATE GAS COMPANIES**

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2	Gas Operating Revenues
3	Interdepartmental Sales - Natural Gas
3	Rent from Gas Property and Interdepartmental Rents
4 - 9	Gas Operation and Maintenance Expenses
10	Depreciation, Depletion, and Amortization of Gas Plant
11	Taxes, Other Than Income Taxes
12	Calculation of Current Federal Income Tax Expense
13	Calculation of Current State Income Taxes (Excise) Tax Expense
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<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - STATEMENT OF INCOME FOR THE YEAR**

Line No.	Account (a)	(REF.) PAGE NO. (b)	GAS UTILITY	
			Current Year (c)	Previous Year (d)
<b>1</b>	<b>UTILITY OPERATING INCOME</b>			
2	Operating Revenues (400)	2		
3	Operating Expenses			
4	Operation Expenses (401)	4-9		
5	Maintenance Expenses (402)	4-9		
6	Depreciation Expense (403)	10		
7	Amort. & Depl. of Utility Plant (404-405)	10		
8	Amort. of Utility Plant Acq. Adj. (406)	10		
9	Amort of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)			
10	Amort. of Conversion Expenses (407)			
11	Taxes Other Than Income Taxes (408.1)	11		
12	Income Taxes - Federal (409.1)	12		
13	Income Taxes - Other (409.1)	13		
14	Provision for Deferred Income Taxes (410.1)	14-21		
15	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	14-21		
16	Investment Tax Credit Adj. - Net (411.4)	22		
17	(Less) Gains from Disp. of Utility Plant (411.6)			
18	Losses from Disp. of Utility Plant (411.7)			
19	TOTAL Utility Operating Expenses (Total of lines 4 thru 18)			
20	Net Utility Operating income (Enter Total of line 2 less 19)			

**SEE FERC ANNUAL REPORT PAGES 114-116**

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - GAS OPERATING REVENUES (Account 400)**

Line No.	Account (a)	OPERATING REVENUES		Dth of NATURAL GAS SOLD		AVG. NO. OF NAT. GAS CUSTOMERS PER MO.	
		Current Year (b)	Previous Year (c)	Current Year (d)	Previous Year (e)	Current Year (f)	Previous Year (g)
1	<b>GAS SERVICE REVENUES</b>						
2	480 Residential Sales	492,513,762	418,945,274	41,923,972	39,101,017	632,471	625,778
3	481 Commercial and Industrial Sales						
4	Small or Commercial	244,610,588	188,675,028	26,172,473	23,324,791	61,650	61,301
5	Large or Industrial	58,258,136	41,948,925	9,978,551	8,639,424	709	711
6	482 Other Sales to Public Authorities	—	—	—	—	—	—
7	484 Interdepartmental Sales	—	—	—	—	—	—
8	<b>TOTAL Sales to Ultimate Consumers</b>	<b>795,382,486</b>	<b>649,569,227</b>	<b>78,074,996</b>	<b>71,065,232</b>	<b>694,830</b>	<b>687,790</b>
9	483 Sales for Resale	—	—	—	—	—	—
10	<b>TOTAL Nat. Gas Service Revenues</b>	<b>795,382,486</b>	<b>649,569,227</b>	<b>78,074,996</b>	<b>71,065,232</b>	<b>694,830</b>	<b>687,790</b>
11	Revenues from Manufactured Gas	—	—				
12	<b>TOTAL Gas Service Revenues</b>	<b>795,382,486</b>	<b>649,569,227</b>				
13	<b>OTHER OPERATING REVENUES</b>						
14	485 Intercompany Transfers	—	—				
15	487 Late Payment Charge	1,646,914	2,050,360				
16	488 Misc. Service Revenues	589,752	537,647				
17	489 Rev. From Trans. of Gas of Others (See Note 1)	37,564,202	36,634,011				
18	490 Sales of Prod. Ext. from Natural Gas						
19	491 Rev. from Nat. Gas Proc. by Others						
20	492 Incidental Gasoline and Oil Sales						
21	493 Rent from Gas Property	74,321	79,687				
22	494 Interdepartmental Rents						
23	495 Other Gas Revenues	31,854,080	32,351,436				
24	<b>TOTAL Other Operating Revenues</b>	<b>71,729,269</b>	<b>71,653,141</b>				
25	<b>TOTAL Gas Operating Revenues</b>	<b>867,111,755</b>	<b>721,222,368</b>				
26	(Less) 496 Provision for Rate Refunds	—	—				
27	<b>TOTAL Gas Operating Revenues Net of Provision for refund</b>	<b>867,111,755</b>	<b>721,222,368</b>				
28	Dist. Type Sales by State (Incl. Main Line Sales to Resid. and Comm. Custrs.)	737,124,350	607,620,302	68,096,445			
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)	58,258,136	41,948,925	9,978,551			
30	Sales for Resale	—	—	—			
31	Other Sales to Pub. Auth. (Local Dist. Only)	—	—	—			
32	Interdepartmental Sales	—	—	—			
33	<b>TOTAL (Same as Line 10, Columns (b) and (d))</b>	<b>795,382,486</b>	<b>649,569,227</b>	<b>78,074,996</b>			

Note 1: Included in line 17, 489 Rev. From Trans. Of Gas of Others, is revenue for gas storage services provided at North Mist.

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**STATE OF OREGON - INTERDEPARTMENTAL SALES - NATURAL GAS (Account 484)**  
Report particulars concerning sales of natural gas included in Account 484

LINE NO.	DEPARTMENT AND BASIS OF CHARGES (a)	POINT OF DELIVERY (b)	MCF (14.73 psia at 60° F) (c)	REVENUE (d)
<b>NOT APPLICABLE</b>				

**RENT FROM GAS PROPERTY AND INTERDEPARTMENTAL RENTS (Accounts 493, 494)**

1. Report particulars concerning rents received, included in Accounts 493 and 494.
2. Minor rents may be entered at the total amount for each class of such rents.
3. If rents are included which were arrived at under an arrangement for apportioning expenses of a joint facility, whereby the amount included in this account represents profit or return on property, depreciation, and taxes, give particulars and the basis of apportionment of such charges to Account 493 or 494.
4. Provide a subheading and total for each account.

LINE NO.	NAME OF LESSEE OR DEPARTMENT (Designate associated companies) (a)	DESCRIPTION OF PROPERTY (b)	AMOUNT OF REVENUE FOR YEAR	
			NATURAL GAS PROPERTY (c)	MANUFACTURED GAS PROPERTY (d)
<b>ACCOUNT 493 - RENT FROM GAS PROPERTY</b>				
1	City of Portland	CNG Meter Rental	182,303	
2	Other	Communication and other	74,321	
			256,624	

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**STATE OF OREGON ALLOCATED - GAS OPERATION AND MAINTENANCE EXPENSES**

If the amount for previous year is not derived from previously reported figures, explain in footnotes.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. PRODUCTION EXPENSES		
2	A. Manufactured Gas Production		
3	Manufactured Gas Production (Detail Page 4A)	—	—
4	B. Natural Gas Production		
5	B1. Natural Gas Production and Gathering		
6	Operation		
7	750 Operation Supervision and Engineering	—	—
8	751 Production Maps and Records	—	—
9	752 Gas Wells Expenses	—	—
10	753 Field Lines Expenses	—	—
11	754 Field Compressor Station Expenses	—	—
12	755 Field Compressor Station Fuel and Power	—	—
13	756 Field Measuring and Regulating Station Expenses	—	—
14	757 Purification Expenses	—	—
15	758 Gas Well Royalties	<b>SEE FERC ANNUAL REPORT PAGES 317-325</b>	
16	759 Other Expenses	—	—
17	760 Rents	—	—
18	TOTAL Operation (Total of lines 7 thru 17)	—	—
19	Maintenance		
20	761 Maintenance Supervision and Engineering	—	—
21	762 Maintenance of Structures and Improvements	—	—
22	763 Maintenance of Producing Gas Wells	—	—
23	764 Maintenance of Field Lines	—	—
24	765 Maintenance of Field Compressor Station Equipment	—	—
25	766 Maintenance of Field Meas. and Regulating Station Equipment	—	—
26	767 Maintenance of Purification Equipment	—	—
27	768 Maintenance of Drilling and Cleaning Equipment	—	—
28	769 Maintenance of Other Equipment	—	—
29	TOTAL Maintenance (Total of lines 20 thru 28)	—	—
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)	—	—
31	B2. Products Extraction		
32	Operation		
33	770 Operation Supervision and Engineering	—	—
34	771 Operation Labor	—	—
35	772 Gas Shrinkage	—	—
36	773 Fuel	—	—
37	774 Power	—	—
38	775 Materials	—	—
39	776 Operation Supplies and expenses	—	—
40	777 Gas Processed by Others	—	—
41	778 Royalties on Products Extracted	—	—
42	779 Marketing expenses	—	—
43	780 Products Purchased for Resale	—	—
44	781 Variation in Products Inventory	—	—
45	(Less) 782 Extracted Products Used by the Utility-Credit	—	—
46	783 Rents	—	—
47	Total Operation (Total of Lines 33 thru 46)	—	—





<b>Name of Respondent</b>	<b>This Report is:</b>	<b>Date of Report</b>	<b>Year of Report</b>
Northwest Natural Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2022

<b>STATE OF OREGON ALLOCATED - GAS OPERATION AND MAINTENANCE EXPENSES (Con't)</b>			
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
48	Maintenance		
49	784 Maintenance Supervision and Engineering	—	—
50	785 Maintenance of Structures and Improvements	—	—
51	786 Maintenance of Extraction and Refining Equipment	—	—
52	787 Maintenance of Pipe Lines	—	—
53	788 Maintenance of Extracted Products Storage Equipment	—	—
54	789 Maintenance of Compressor Equipment	<b>SEE FERC ANNUAL REPORT PAGES 317-325</b>	
55	790 Maintenance of Gas Measuring and Regulating Equipment	—	—
56	791 Maintenance of Other Equipment	—	—
57	TOTAL Maintenance (Total of lines 49 thru 56)	—	—
58	TOTAL Products Extraction (Total of lines 47 and 57)	—	—
59	C. Exploration and Development		
60	Operation		
61	795 Delay Rentals	—	—
62	796 Nonproductive Well Drilling	—	—
63	797 Abandoned Leases	—	—
64	798 Other Exploration	—	—
65	TOTAL Exploration and Development (Total of lines 61 thru 64)	—	—
66	D. Other Gas Supply Expenses		
67	Operation		
68	800 Natural Gas Well Head Purchases	—	—
69	800.1 Natural Gas Well Head Purchases, Intracompany Transfers	—	—
70	801 Natural Gas Field Line Purchases	—	—
71	802 Natural Gas Gasoline Plant Outlet Purchases	—	—
72	803 Natural Gas Transmission Line Purchases	—	—
73	804 Natural Gas City Gate Purchases	—	—
74	804.1 Liquefied Natural Gas Purchases	—	—
75	805 Other Gas Purchases	—	—
76	(Less) 805.1 Purchases Gas Cost Adjustments	—	—
77	TOTAL Purchased Gas (Total of Lines 68 thru 76)	—	—
78	806 Exchange Gas	—	—
79	Purchased Gas Expense		
80	807.1 Well Expense-Purchased Gas	—	—
81	807.2 Operation of Purchased Gas Measuring Stations	—	—
82	807.3 Maintenance of Purchased Gas Measuring Stations	—	—
83	807.4 Purchased Gas Calculations Expense	—	—
84	807.5 Other Purchased Gas Expenses	—	—
85	TOTAL Purchased Gas Expense (Total of lines 80 thru 84)	—	—
86	808.1 Gas Withdrawn from Storage-Debit	—	—
87	(Less) 808.2 Gas Delivered to Storage-Credit	—	—
88	809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit	—	—
89	(Less) 809.2 Deliveries of Natural Gas for Processing-Credit	—	—
90	Gas used in Utility Operation-Credit		
91	810 Gas Used for Compressor Station Fuel-Credit	—	—
92	811 Gas Used for Products Extraction-Credit	—	—
93	812 Gas Used for Other Utility Operations-Credit	—	—
94	TOTAL Gas Used in Utility Operations-Credit (lines 91 thru 93)	—	—
95	813 Other Gas Supply Expenses	—	—
96	TOTAL Other Gas Supply Exp. (Total of lines 77, 78, 85, 86-89, 94, 95)	—	—
97	TOTAL Production Expenses (Total of lines 3, 30, 58, 65, 96)	—	—

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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<b>STATE OF OREGON ALLOCATED - GAS OPERATION AND MAINTENANCE EXPENSES (Con't)</b>			
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
98	<b>2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES</b>		
99	<b>A. Underground Storage Expenses</b>		
100	Operation		
101	814 Operation Supervision and Engineering	—	—
102	815 Maps and Records	—	—
103	816 Well Expenses	—	—
104	817 Lines Expenses	—	—
105	818 Compressor Station Fuel and Power	<b>SEE FERC ANNUAL REPORT PAGES 317-325</b>	
106	819 Compressor Station Fuel and Power	—	—
107	820 Measuring and Regulating Station Expenses	—	—
108	821 Purification Expenses	—	—
109	822 Exploration and Development	—	—
110	823 Gas Losses	—	—
111	824 Other Expenses	—	—
112	825 Storage Well Royalties	—	—
113	826 Rents	—	—
114	TOTAL Operation (Total of lines of 101 thru 113)	—	—
115	Maintenance		
116	830 Maintenance Supervision and Engineering	—	—
117	831 Maintenance of Structures and Improvements	—	—
118	832 Maintenance of Reservoirs and Wells	—	—
119	833 Maintenance of Lines	—	—
120	834 Maintenance of Compressor Station Equipment	—	—
121	835 Maintenance of Measuring and Regulating Station Equip.	—	—
122	836 Maintenance of Purification Equipment	—	—
123	837 Maintenance of Other Equipment	—	—
124	TOTAL Maintenance (Total of lines 116 thru 123)	—	—
125	TOTAL Underground Storage Expenses (lines 114 and 124)	—	—
126	<b>B. Other Storage Expenses</b>		
127	Operation		
128	840 Operation supervision and Engineering	—	—
129	841 Operation Labor and Expenses	—	—
130	842 Rents	—	—
131	842.1 Fuel	—	—
132	842.2 Power	—	—
133	842.3 Gas Losses	—	—
134	TOTAL Operation (Total of lines 128 thru 133)	—	—
135	Maintenance		
136	843.1 Maintenance Supervision and Engineering	—	—
137	843.2 Maintenance of Structures and Improvements	—	—
138	843.3 Maintenance of Gas Holders	—	—
139	843.4 Maintenance of Purification Equipment	—	—
140	843.5 Maintenance of Liquefaction Equipment	—	—
141	843.6 Maintenance of Vaporizing Equipment	—	—
142	843.7 Maintenance of Compressor Equipment	—	—
143	843.8 Maintenance of Measuring and Regulating Equipment	—	—
144	843.9 Maintenance of Other Equipment	—	—
145	TOTAL Maintenance (Total of lines 136 thru 144)	—	—
146	TOTAL Other Storage Expenses (Total of lines 134 and 145)	—	—

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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<b>STATE OF OREGON ALLOCATED - GAS OPERATION AND MAINTENANCE EXPENSES (Con't)</b>			
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
147	C. Liquefied Natural Gas Terminaling and Processing Expenses		
148	Operation		
149	844.1 Operation Supervision and Engineering	—	—
150	844.2 LNG Processing Terminal Labor and Expenses	—	—
151	844.3 Liquefaction Processing Labor and Expenses	—	—
152	844.4 Liquefaction Transportation Labor and Expenses	—	—
153	844.5 Measuring and Regulating Labor and Expenses	<b>SEE FERC ANNUAL REPORT PAGES 317-325</b>	
154	844.6 Compressor Station Labor and Expenses	—	—
155	844.7 Communication system Expenses	—	—
156	844.8 System Control and Load Dispatching	—	—
157	845.1 Fuel	—	—
158	845.2 Power	—	—
159	845.3 Rents	—	—
160	845.4 Demurrage Charges	—	—
161	(Less) 845.5 Wharfage Receipts-Credit	—	—
162	845.6 Processing Liquefied of Vaporized Gas by Others	—	—
163	846.1 Gas Losses	—	—
164	846.2 Other Expenses	—	—
165	TOTAL Operation (Total of lines 149 thru 164)	—	—
166	Maintenance		
167	847.1 Maintenance Supervision and Engineering	—	—
168	847.2 Maintenance of Structures and Improvements	—	—
169	847.3 Maintenance of LNG Processing Terminal Equipment	—	—
170	847.4 Maintenance of LNG Transportation Equipment	—	—
171	847.5 Maintenance of Measuring and Regulating Equipment	—	—
172	847.6 Maintenance of Compressor Station Equipment	—	—
173	847.7 Maintenance of Communication Equipment	—	—
174	847.8 Maintenance of Other Equipment	—	—
175	TOTAL Maintenance (Total of lines 167 thru 174)	—	—
176	TOTAL Liquefied Nat Gas Terminaling and Proc Exp (Total of lines 165 & 175)	—	—
177	TOTAL Natural Gas Storage (Total of lines 125, 146, and 176)	—	—
178	3. TRANSMISSION EXPENSES		
179	Operation		
180	850 Operation Supervision and Engineering	—	—
181	851 System Control and Load Dispatching	—	—
182	852 Communication system Expenses	—	—
183	853 Compressor Station Labor and Expenses	—	—
184	854 Gas for Compressor Station Fuel	—	—
185	855 Other Fuel and Power for Compressor Stations	—	—
186	856 Mains Expenses	—	—
187	857 Measuring and Regulating Station Expenses	—	—
188	858 Transmission and Compression of Gas by Others	—	—
189	859 Other Expenses	—	—
190	860 Rents	—	—
191	TOTAL Operations (Total of lines 180 thru 190)	—	—

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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<b>STATE OF OREGON ALLOCATED - GAS OPERATION AND MAINTENANCE EXPENSES (Con't)</b>			
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
192	Maintenance		
193	861 Maintenance Supervision and Engineering	—	—
194	862 Maintenance of Structures and Improvements	—	—
195	863 Maintenance of Mains	—	—
196	864 Maintenance of Compressor Station Equipment	—	—
197	865 Maintenance of Measuring and Regulating Station Equipment	—	—
198	866 Maintenance of Communication Equipment	—	—
199	867 Maintenance of Other Equipment	<b>SEE FERC ANNUAL REPORT PAGES 317-325</b>	
200	TOTAL Maintenance (Total of lines 193 thru 199)	—	—
201	TOTAL Transmission Expenses (Total of lines 191 and 200)	—	—
202	<b>4. DISTRIBUTION EXPENSES</b>		
203	Operation		
204	870 Operation Supervision and Engineering	—	—
205	871 Distribution Load Dispatching	—	—
206	872 Compressor Station Labor and Expenses	—	—
207	873 Compressor Station Fuel and Power	—	—
208	874 Mains and Services Expenses	—	—
209	875 Measuring and Regulating Station Expenses-General	—	—
210	876 Measuring and Regulating Station Expenses-Industrial	—	—
211	877 Measuring and Regulating Station Expenses-City Gas	—	—
212	878 Meter and House Regulator Expenses	—	—
213	879 Customer Installations Expenses	—	—
214	880 Other Expenses	—	—
215	881 Rents	—	—
216	TOTAL Operations (Total of lines 204 thru 215)	—	—
217	Maintenance		
218	885 Maintenance Supervision and Engineering	—	—
219	886 Maintenance of Structures and Improvements	—	—
220	887 Maintenance of Mains	—	—
221	888 Maintenance of Compressor Station Equipment	—	—
222	889 Maintenance of Measuring & Regulating Station Equipment-General	—	—
223	890 Maintenance of Meas. and Reg. Station Equipment-Industrial	—	—
224	891 Maintenance of Meas & Reg Station Equip-City Gate	—	—
225	892 Maintenance of Services	—	—
226	893 Maintenance of Meters and House Regulators	—	—
227	894 Maintenance of Other Equipment	—	—
228	TOTAL Maintenance (Total of lines 218 thru 227)	—	—
229	TOTAL Distribution Expenses (Total of lines 216 and 228)	—	—
230	<b>5. CUSTOMER ACCOUNTS EXPENSES</b>		
231	Operation		
232	901 Supervision	—	—
233	902 Meter Reading Expenses	—	—
234	903 Customer Records and Collection Expenses	—	—
235	904 Uncollectible Accounts	—	—
236	905 Miscellaneous Customer Accounts Expenses	—	—
237	TOTAL Customer Accounts Expenses (Total of lines 232-236)	—	—
238	<b>6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSE</b>		
239	Operation		
240	907 Supervision	—	—
241	908 Customer Assistance Expense	—	—
242	909 Informational and Instructional Expenses	—	—
243	910 Miscellaneous Customer Service and Informational Expenses	—	—
244	TOTAL Customer Service & Information Expenses (Total of lines 240 thru 243)	—	—

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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<b>STATE OF OREGON ALLOCATED - GAS OPERATION AND MAINTENANCE EXPENSES (Con't)</b>			
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
245	<b>7. SALES EXPENSES</b>		
246	Operation		
247	911 Supervision	—	—
248	912 Demonstration and Selling Expenses	—	—
249	913 Advertising Expenses	—	—
250	916 Miscellaneous Sales Expenses	<b>SEE FERC ANNUAL REPORT PAGES 317-325</b>	
251	TOTAL Sales Expenses (Total of lines 247 thru 250)	—	—
252	<b>8. ADMINISTRATIVE AND GENERAL EXPENSES</b>		
253	Operation		
254	920 Administrative and General Salaries	—	—
255	921 Office Supplies and Expenses	—	—
256	(Less) 922 Administrative Expenses Transferred - Credit	—	—
257	923 Outside Services Employed	—	—
258	924 Property Insurance	—	—
259	925 Injuries and Damages (See Note 1 Below)	—	—
260	926 Employee Pensions and Benefits	—	—
261	927 Franchise Requirements	—	—
262	928 Regulatory Commission Expenses	—	—
263	(Less) 929 Duplicate Charges - Credit	—	—
264	930.1 General Advertising Expenses	—	—
265	930.2 Miscellaneous General Expenses	—	—
266	931 Rents	—	—
267	TOTAL Operation (Total of lines 254 thru 266)	—	—
268	Maintenance		
269	935 Maintenance of General Plant	—	—
270	TOTAL Administrative and General Expenses (Total of lines 267 and 269)	—	—
271	TOTAL Gas O & M Expenses (Total of lines 97,177, 201, 229, 237, 244, 251, and 270)	—	—

<b>STATE OF OREGON ALLOCATED - GAS OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	FUNCTIONAL CLASSIFICATIONS (a)	OPERATION (b)	MAINTENANCE (c)	TOTAL (d)
272	Production			
273	Manufactured Gas			
274	Natural gas:			
275	Production and Gathering			
276	Products Extraction			
277	Exploration and Dev.			
278	TOTAL Natural Gas	<b>INFORMATION NOT AVAILABLE</b>		
279	Other Gas Supply Expenses	<b>SEE FERC ANNUAL REPORT PAGES 317-325</b>		
280	TOTAL Production			
281	Underground Storage			
282	Other Storage			
283	LNG Terminating and Processing			
284	Transmission Expenses			
285	Distribution Expenses			
286	Customer Accounts Expenses			
287	Customer Service and Informational Expenses			
288	Sales Expenses			
289	Adm. and General Expenses			
290	TOTAL Gas O. & M. Expenses			

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT  
(Account 403, 404.1, 404.2, 404.3, 405)**

(Except Amortization of Acquisitions Adjustments)

Report the amounts of depreciation expense, depletion and amortization for the accounts indicated and classify according to the plant functional groups shown.

Line No.	FUNCTIONAL CLASSIFICATION (a)	DEPRECIATION EXPENSE (ACCOUNT 403) (b)	AMORTIZATION & DEPLETION OF PRODUCING NATURAL GAS LAND & LAND RIGHTS (ACCOUNT 404.1) (c)	AMORTIZATION OF UNDERGROUND STORAGE LAND & LAND RIGHTS (ACCOUNT 404.2) (d)	AMORTIZATION OF OTHER LIMITED-TERM GAS PLANT (ACCOUNT 404.3) (e)	AMORTIZATION OF OTHER GAS PLANT (ACCOUNT 405) (f)	TOTAL (g)
1	Intangible Plant						
2	Production Plant, Manufactured Gas						
3	Production and Gathering Plant, Natural Gas	<b>N/A - See SITUS schedule at OR 30</b>					
4	Products Extraction Plant						
5	Underground Gas Storage Plant						
6	Other Storage Plant						
7	Base Load LNG Terminaling and Processing Plant						
8	Transmission Plant						
9	Distribution Plant						
10	General Plant						
11	Common Plant - Gas						
12							
13							
14							
15							
16							
17							
18							
19	TOTAL						

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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<b>STATE OF OREGON - ALLOCATED TAXES, OTHER THAN INCOME TAXES (Account 408.1)</b>		
<b>Line No.</b>	<b>KIND OF TAX (a)</b>	<b>AMOUNT (b)</b>
	<b>SEE FERC ANNUAL REPORT PAGES 262a - 263b</b>	
	<b>TOTAL (Must agree with page 1, line 11)</b>	

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED CALCULATION OF CURRENT FEDERAL INCOME TAX EXPENSE  
(Account 409.1)**

1. Report amounts used to derive current Federal income tax expense, Account 409.1, for the reporting period. If amounts are shown in thousands, show (000) in the heading for column (b).
2. Show amounts increasing taxable income as positive values and amounts decreasing taxable income as negative.
3. Current tax expense on this schedule must match the amount reported on page 1, line 12 of this report. Separately identify adjustments arising from revisions of prior year accruals.
4. Minor amounts of other additions (subtractions) may be grouped.

Line No.	PARTICULARS (Details) (a)	AMOUNT (b)
1	Gas Operating Revenues	
2	Operations and Maintenance Expenses	
3	Taxes, Other than Income	
4	State Income (Excise) Tax	
5	Interest	
6	Federal Income Tax Depreciation	
7	Other Additions (Subtractions) to Derive Taxable Income	
8		
9		
10		
11		
12		
13		
14	<b>SEE FERC ANNUAL REPORT</b>	
15	<b>PAGE 261</b>	
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27	Federal Tax Net Income	
28	Show Computation of Tax:	



<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED CALCULATION OF CURRENT FEDERAL INCOME TAX EXPENSE  
(Account 409.1)**

1. Report amounts used to derive current Federal income tax expense, Account 409.1, for the reporting period. If amounts are shown in thousands, show (000) in the heading for column (b).
2. Show amounts increasing taxable income as positive values and amounts decreasing taxable income as negative.
3. Current tax expense on this schedule must match the amount reported on page 1, line 13 of this report. Separately identify adjustments arising from revisions of prior year accruals.
4. Minor amounts of other additions (subtractions) may be grouped.

Line No.	PARTICULARS (Details) (a)	AMOUNT (b)
1	Gas Operating Revenues	
2	Operations and Maintenance Expenses	
3	Taxes, Other than Income	
4	Interest	
5	State Income (Excise) Tax Depreciation	
6	Other Additions (Subtractions) to Derive Taxable Income	
7		
8		
9		
10		
11		
12		
13		
14	<b>SEE FERC ANNUAL REPORT</b>	
15	<b>PAGE 261</b>	
16		
17		
18		
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23		
24		
25		
26		
27	Federal Tax Net Income	
28	Show Computation of Tax:	

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INCOME TAXES (Account 190)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.  
2. In the space provided:  
(a) identify, by amount and classification, significant items for which deferred taxes are being provided.  
(b) indicate insignificant amounts under Other.

Line No.	ACCOUNT SUBDIVISIONS (a)	BALANCE BEGINNING OF YEAR (b)	CHANGES DURING THE YEAR	
			AMOUNTS DEBITED ACCOUNT 410.1 (c)	AMOUNTS CREDITED ACCOUNT 410.1 (d)
1	Electric			
2				
3				
4				
5				
6				
7	Other			
8	TOTAL ELECTRIC			
9				
10				
11				
12				
13				
14				
15	Other			
16	TOTAL GAS			
17	Other (Specify)			
18	TOTAL (ACCOUNT 190)			
19	Classification of Totals			
20	Federal Income Tax			
21	State Income Tax			
22	Local Income Tax			

**NOT APPLICABLE**

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Con't)**

3. Beginning balance may be omitted if not readily available. Report gas utility deferred taxes only.

4. Use separate pages as required.

CHANGES DURING THE YEAR		ADJUSTMENTS				BALANCE END OF YEAR (k)	Line No.
AMOUNTS DEBITED ACCOUNT 410.2 (e)	AMOUNTS CREDITED ACCOUNT 410.2 (f)	DEBITS		CREDITS			
		ACCT. NO. (g)	AMOUNT (h)	ACCT. NO. (i)	AMOUNT (j)		
							1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
							12
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							22

**NOT APPLICABLE**

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INCOME TAXES (Account 281)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amortizable property.
2. In the space provided:
- (a) identify, by amount and classification, significant items for which deferred taxes are being provided.
  - (b) indicate insignificant amounts under Other.
  - (c) Date amortization for tax purposes commenced.
  - (d) "Normal" depreciation rate used in computing the deferred tax.

Line No.	ACCOUNT (a)	BALANCE BEGINNING OF YEAR (b)	CHANGES DURING THE YEAR	
			AMOUNTS DEBITED ACCOUNT 410.1 (c)	AMOUNTS CREDITED ACCOUNT 410.1 (d)
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities			
5	Other			
6				
7				
8	TOTAL Electric (Total of lines 3 thru 7)			
9	Gas			
10	Defense Facilities			
11	Pollution Control Facilities			
12	Other			
13				
14				
15	TOTAL Gas (Total of lines 10 thru 14)			
16	Gas (Specify)			
17	TOTAL (Acct 281) Total of 8, 15 & 16)			
18	Classification of TOTAL			
19	Federal Income Tax			
20	State Income Tax			
21	Local Income Tax			

**NOT APPLICABLE**

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INCOME TAXES (Account 281) (Con't)**

(e) Tax rate used originally defer amounts and the tax rate used during the current year to amortize previous deferrals.  
 3. Beginning balance may be omitted if not readily available. Report gas utility deferred taxes only.  
 4. Use separate pages as required.

CHANGES DURING THE YEAR		ADJUSTMENTS				BALANCE END OF YEAR (k)	Line No.
AMOUNTS DEBITED ACCOUNT 410.2 (e)	AMOUNTS CREDITED ACCOUNT 410.2 (f)	DEBITS		CREDITS			
		ACCT. NO. (g)	AMOUNT (h)	ACCT. NO. (i)	AMOUNT (j)		
							1
							2
							3
							4
							5
							6
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							21

**NOT APPLICABLE**

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INCOME TAXES (Account 282)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.
2. In the space provided:
- (a) State the general method or methods of liberalized depreciation being used (sum-of-year digits, declining balance, etc.)
  - (b) Estimated lives (i.e. useful life, guideline life, guideline class life, etc.)
  - (c) Classes of plant to which each method is being applied and date method was adopted.

Line No.	ACCOUNT SUBDIVISIONS (a)	BALANCE BEGINNING OF YEAR (b)	CHANGES DURING THE YEAR	
			AMOUNTS DEBITED ACCOUNT 410.1 (c)	AMOUNTS CREDITED ACCOUNT 410.1 (d)
1	Account 282			
2	Electric			
3	Gas			
4	Other			
5	TOTAL (Total of lines 2 thru 4)			
6	Other (Specify)			
7				
8				
9	TOTAL (Acct 282) (Total of 5 thru 8)			
10	Classification of TOTAL			
11	Federal Income Tax			
12	State Income Tax			
13	Local Income Tax			

**NOT APPLICABLE**

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INCOME TAXES (Account 282) (Con't)**

3. Beginning balance may be omitted if not readily available. Report gas utility deferred taxes only.

4. Use separate pages as required.

CHANGES DURING THE YEAR		ADJUSTMENTS				BALANCE END OF YEAR (k)	Line No.
AMOUNTS DEBITED ACCOUNT 410.2 (e)	AMOUNTS CREDITED ACCOUNT 410.2 (f)	DEBITS		CREDITS			
		ACCT. NO. (g)	AMOUNT (h)	ACCT. NO. (i)	AMOUNT (j)		
							1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13

**NOT APPLICABLE**

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INCOME TAXES (Account 283)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.

2. In the space provided below include amounts relating to insignificant items under Other.

Line No.	ACCOUNT SUBDIVISIONS (a)	BALANCE BEGINNING OF YEAR (b)	CHANGES DURING THE YEAR	
			AMOUNTS DEBITED ACCOUNT 410.1 (c)	AMOUNTS CREDITED ACCOUNT 410.1 (d)
1	Account 283			
2	Electric			
3				
4				
5				
6				
7				
8	Other			
9	TOTAL Electric (Total of 2 thru 8)			
10	Gas			
11				
12				
13				
14				
15				
16	Other			
17	TOTAL Gas (Total of lines 10 thru 16)			
18	Other (Specify)			
19	TOTAL (Acct 283) (Total of 9, 17, & 18)			
20	Classification of TOTAL			
21	Federal Income Tax			
22	State Income Tax			
23	Local Income Tax			

**SEE ANNUAL REPORT  
PAGES 276 - 277**



<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INCOME TAXES (Account 283) (Con't)**

3. Beginning balance may be omitted if not readily available. Report gas utility deferred taxes only.

4. Use separate pages as required.

CHANGES DURING THE YEAR		ADJUSTMENTS				BALANCE END OF YEAR (k)	Line No.
AMOUNTS DEBITED ACCOUNT 410.2 (e)	AMOUNTS CREDITED ACCOUNT 410.2 (f)	DEBITS		CREDITS			
		ACCT. NO. (g)	AMOUNT (h)	ACCT. NO. (i)	AMOUNT (j)		
							1
							2
							3
							4
							5
							6
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							22
							23

**SEE ANNUAL REPORT  
PAGES 276 - 277**

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) December 31, 2022	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)**

Report below information applicable to Account 255. Explain by footnote any correction to the account balance shown in column (g). Include in column (l) the average period over which the tax credits are amortized.

Line No.	ACCOUNT (a)	BALANCE BEGINNING OF YEAR (b)	DEFERRED FOR YEAR		ALLOCATION TO CURRENT YEAR'S INCOME		ADJUSTMENTS (g)	BALANCE END OF YEAR (h)
			ACCOUNT NO. (c)	AMOUNT (d)	ACCOUNT NO. (e)	AMOUNT (f)		
1								
2								
3								
4								
5								
6								
7								
8								
9	<b>NONE</b>							
10								
11								
12								
13								
14								
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31								
32								
33								

NOTES

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)**

Report below information applicable to Account 255. Explain by footnote any correction to the account balance shown in column (g). Include in column (l) the average period over which the tax credits are amortized.

Line No.	ACCOUNT (a)	BALANCE BEGINNING OF YEAR (b)	DEFERRED FOR YEAR		ALLOCATION TO CURRENT YEAR'S INCOME		BALANCE END OF YEAR (g)	AVERAGE PERIOD OF ALLOCATION TO INCOME (h)
			ACCOUNT NO. (c)	AMOUNT (d)	ACCOUNT NO. (e)	AMOUNT (f)		
1	Gas Utility							
2	3%							
3	4%							
4	7%							
5	10%							
6	TOTAL							
7	Other (List separately and show 3%, 4%, 7% , 10% and TOTAL							
8								
9								
10								
11								
12								
13	NONE							
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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<b>STATE OF OREGON - SITUS UTILITY PLANT SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION</b>							
Line No.	ITEM (a)	TOTAL (b)	ELECTRIC (c)	GAS (d)	OTHER (SPECIFY) (e)	OTHER (SPECIFY) (f)	COMMON (g)
1	<b>UTILITY PLANT</b>						
2	In Service						
3	Plant in Service (Classified)	2,678,885,208		2,678,885,208			
4	Property Under Capital Leases	88,409,922		88,409,922			
5	Plant Purchased or Sold	—					
6	Completed Construction not Classified	1,092,842,270		1,092,842,270			
7	Experimental Plant Unclassified	—					
8	TOTAL (Enter total of lines 3 thru 7)	3,860,137,400		3,860,137,400			
9	Leased to Others	—					
10	Held for Future Use	970,068		970,068			
11	Construction Work in Progress	78,422,662		78,422,662			
12	Acquisition Adjustments	—					
13	TOTAL Utility Plant (Enter total of lines 8 thru 12)	3,939,530,130		3,939,530,130			
14	Accum. Prov. for Depr., Amort., & Depl.	1,476,273,877		1,476,273,877			
15	Net Utility Plant (Line 13 less 14)	2,463,256,253		2,463,256,253			
16	<b>DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION</b>						
17	In Service:						
18	Depreciation	1,441,580,464		1,441,580,464			
19	Amort. and Depl. of Producing Natural Gas Land and Land Rights	—					
20	Amort. of Underground Storage Land and Land Rights	68,207		68,207			
21	Amort. of Other Utility Plant	94,799,996		94,799,996			
21.01	Salvage Work In Progress	—					
21.02	Less Removal Work in Progress	60,174,790		60,174,790			
22	TOTAL in Service (Lines 18 thru 21)	1,476,273,877		1,476,273,877			
23	Leased to Others						
24	Depreciation	—		—			
25	Amortization and Depletion	—		—			
26	TOTAL Leased to Others (Lines 24 and 25)	—		—			
27	Held for Future Use						
28	Depreciation	—		—			
29	Amortization	—		—			
30	TOTAL Held for Future Use (Lines 28 and 29)	—		—			
31	Abandonment of Leases (Natural Gas)	—		—			
32	Amort. of Plant Acquisition Adjustment	—		—			
33	TOTAL Accumulated Provisions (Should agree with line 14 above) (Lines 22, 26, 30, 31, and 32)	1,476,273,877		1,476,273,877			

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - SITUS GAS PLANT IN SERVICE**

1. Report below the original cost of gas plant in service according to the prescribed accounts.
2. In addition to Account 101, *Gas Plant in Service (Classified)*, this page and the next include Account 102, *Gas Plant Purchased or Sold*; Account 103, *Experimental Gas Plant Unclassified*; and Account 106, *Completed Construction Not Classified-Gas*.
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions or prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on Estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in column (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at the end of year.
6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.
7. For Account 399, state the nature and use of plant included in this account and if substantial in amount, submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.
8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

**SEE FOLLOWING PAGES**

ACCOUNT SUMMARY BY FUNCTIONAL CLASS

NW Natural

Period Beginning: January 2022  
 Period Ending: December 2022

Functional Class	Beginning					Ending
FERC Plant Account	Balance	Additions	Retirements	Transfers	Adjustments	Balance*
<b>UTILITY</b>						
<b>Intangible Plant</b>						
301 ORGANIZATION	852	—	—	—	—	852
302 FRANCHISES & CONSENTS	83,496	—	—	—	—	83,496
303.1 COMPUTER SOFTWARE	129,179,492	15,030,652	(27,842,196)	—	—	116,367,948
303.11 COMPUTER SW HORIZON	—	47,100,838	—	—	—	47,100,838
303.12 COMPUTER SW TSA SECURITY DIRECTIVE	—	6,653,764	—	—	—	6,653,764
303.2 CUSTOMER INFORMATION SYSTEM	30,488,305	—	—	—	—	30,488,305
303.3 INDUSTRIAL & COMMERCIAL BIL	4,146,951	—	—	—	—	4,146,951
303.4 CRMS	—	—	—	—	—	—
303.5 POWERPLANT SOFTWARE	—	—	—	—	—	—
303.6 NMEP COMPUTER SOFTWARE	784,350	—	—	—	—	784,350
303.7 CLOUD-BASED SOFTWARE	11,671,585	4,970,971	—	—	—	16,642,555
303.71 CLOUD-BASED SW HORIZON	—	23,987,694	—	—	—	23,987,694
303.72 CLOUD-BASED SW TSA SECURITY DIRECTIVE	—	1,128,717	—	—	—	1,128,717
303.8 NWN ONLY NMEP COMPUTER SOFTWARE	1,741	—	—	—	—	1,741
Intangible Plant Subtotal*	176,356,772	98,872,636	(27,842,196)	—	—	247,387,212
<b>Production Plant - Oil Gas</b>						
304.1 LAND	24,998	—	—	—	—	24,998
305.2 P P O G STRU & IMPR-SEWER S	—	—	—	—	—	—
305.5 P P O G STRU & IMPR-OTHER Y	13,156	—	—	—	—	13,156
312.3 P P O G FUEL HANDLING AND S	—	—	—	—	—	—
318.3 P P O G LIGHT OIL REFINING	144,896	—	—	—	—	144,896
318.5 P P O G TAR PROCESSING	243,551	—	—	—	—	243,551
325 NATURAL GAS PROD AND GATHER	—	—	—	—	—	—
327 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—
328 NATURAL GAS PROD AND GATHER	—	—	—	—	—	—
331 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—
332 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—
333 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—
334 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—
Production Plant - Oil Gas Subtotal*	426,601	—	—	—	—	426,601
<b>Production Plant - Other</b>						
305.11 GAS PRODUCTION - COTTAGE G	8,320	—	—	—	—	8,320
305.17 STRUCTURES MIXING STATION	46,587	—	—	—	—	46,587
311 P P OTHER-LIQUEFIED PETROLE	—	—	—	—	—	—
311.4 P P OTHER-L P G GRANGER	—	—	—	—	—	—
311.7 LIQUIFIED GAS EQUIPMENT COO	4,033	—	—	—	—	4,033
311.8 LIQUIFIED GAS EQUIPMENT LIN	4,209	—	—	—	—	4,209
319 GAS MIXING EQUIPMENT GASCO	185,448	—	—	—	—	185,448
Production Plant - Other Subtotal*	248,597	—	—	—	—	248,597

\* May not foot due to rounding.

ACCOUNT SUMMARY BY FUNCTIONAL CLASS

NW Natural

Period Beginning: January 2022

Period Ending: December 2022

Functional Class	Beginning					Ending
FERC Plant Account	Balance	Additions	Retirements	Transfers	Adjustments	Balance*
<b>UTILITY</b>						
<b>Natural Gas Underground Storage</b>						
350.1	LAND	106,549	—	—	—	106,549
350.2	RIGHTS-OF-WAY	109,625	—	—	—	109,625
350.3	NMEP RIGHTS-OF-WAY	538,145	—	—	—	538,145
350.4	NMEP LAND	461,268	—	—	—	461,268
350.5	NWN ONLY NMEP RIGHTS-OF-WAY	2,611	—	—	—	2,611
350.6	NWN ONLY NMEP LAND	3,047	—	—	—	3,047
351	STRUCTURES AND IMPROVEMENTS	8,919,522	232,028	—	—	9,151,550
351.1	NMEP STRUCTURES AND IMPROVEMENTS	11,709,397	1,742,515	—	—	13,451,912
351.2	NWN ONLY NMEP STRUCTURES AND IMPROV	34,890	—	—	—	34,890
352	WELLS	31,497,831	4,189,394	—	—	35,687,225
352.1	STORAGE LEASEHOLD & RIGHTS	3,938,491	—	—	—	3,938,491
352.2	RESERVOIRS	7,272,553	—	—	—	7,272,553
352.3	NON-RECOVERABLE NATURAL GAS	6,440,890	—	—	—	6,440,890
352.4	NMEP WELLS	17,119,662	5,617	—	—	17,125,279
352.5	NMEP STORAGE LEASEHOLD & RIGHTS	2,642,483	6,054	—	—	2,648,537
352.6	NMEP RESERVOIRS	2,642,483	6,054	—	—	2,648,537
352.7	NMEP NON-RECOVERABLE NATURAL GAS	2,696,233	6,237	—	—	2,702,470
352.8	NWN ONLY NMEP WELLS	89,656	—	—	—	89,656
352.9	NWN ONLY NMEP STORAGE LEASEHOLD & RIGHTS	15,450	—	—	—	15,450
352.10	NWN ONLY NMEP RESERVOIRS	15,450	—	—	—	15,450
352.11	NWN ONLY NMEP NON-RECOVERABLE NATURAL GAS	15,886	—	—	—	15,886
353	LINES	8,211,418	1,348,338	—	—	9,559,756
353.1	NMEP LINES	459,584	—	—	—	459,584
353.2	NWN ONLY NMEP LINES	1,741	—	—	—	1,741
354	COMPRESSOR STATION EQUIPMENT	27,592,775	2,644,786	—	—	30,237,560
354.7	NMEP COMPRESSOR STATION EQUIPMENT	23,166,410	—	—	—	23,166,410
354.8	NWN ONLY NMEP COMPRESSOR STATION EQUIP	238,430	—	—	—	238,430
355	MEASURING / REGULATING EQUIPM	17,013,339	11,169,468	—	—	28,182,807
355.1	NMEP MEASURING / REGULATING EQUIPMENT	10,762,340	889,077	—	—	11,651,417
355.2	NWN ONLY NMEP MEASURING / REG EQUIP	67,604	—	—	—	67,604
356	PURIFICATION EQUIPMENT	28,464,761	345,224	—	—	28,809,985
356.1	NMEP PURIFICATION EQUIPMENT	6,652,661	335,530	—	—	6,988,190
357	OTHER EQUIPMENT	5,084,949	113,567	—	—	5,198,516
<b>Natural Gas Underground Storage Subtotal*</b>		<b>223,988,136</b>	<b>23,033,888</b>	<b>—</b>	<b>—</b>	<b>247,022,023</b>

\* May not foot due to rounding.

ACCOUNT SUMMARY BY FUNCTIONAL CLASS

NW Natural

Period Beginning: January 2022  
 Period Ending: December 2022

Functional Class	Beginning					Ending
FERC Plant Account	Balance	Additions	Retirements	Transfers	Adjustments	Balance*
<b>UTILITY</b>						
<b>Local Storage Plant</b>						
360.11 LAND - LNG LINNTON	83,598	—	—	—	—	83,598
360.12 LAND - LNG NEWPORT	536,433	—	—	—	—	536,433
360.2 LAND - OTHER	106,557	—	—	—	—	106,557
361.11 STRUCTURES & IMPROVEMENTS	10,802,745	1,452,034	—	—	—	12,254,779
361.12 STRUCTURES & IMPROVEMENTS	12,196,541	—	—	—	—	12,196,541
361.2 STRUCTURES & IMPROVEMENTS -	26,757	—	—	—	—	26,757
362.11 GAS HOLDERS - LNG LINNTON	4,556,064	—	—	—	—	4,556,064
362.12 GAS HOLDERS - LNG NEWPORT	5,927,104	—	—	—	—	5,927,104
362.2 GAS HOLDERS - LNG OTHER	1,600	—	—	—	—	1,600
363.11 LIQUEFACTION EQUIP. - LINN	3,911,724	—	—	—	—	3,911,724
363.12 LIQUEFACTION EQUIP - NEWPO	15,970,396	6,562,936	—	—	—	22,533,333
363.21 VAPORIZING EQUIP - LINNTON	4,458,618	—	—	—	—	4,458,618
363.22 VAPORIZING EQUIP - NEWPORT	6,718,209	—	—	—	—	6,718,209
363.31 COMPRESSOR EQUIP - LINNTON	179,151	233,035	—	—	—	412,186
363.32 COMPRESSOR EQUIPMENT - NE	5,565,285	13,113	—	—	—	5,578,397
363.41 MEASURING & REGULATING EQU	3,575,321	1,919,653	—	—	—	5,494,974
363.42 MEASURING & REGULATING EQU	10,852,103	3,334,330	—	—	—	14,186,433
363.5 CNG REFUELING FACILITIES	3,051,295	—	—	—	—	3,051,295
363.6 LNG REFUELING FACILITIES	739,473	—	—	—	—	739,473
Local Storage Plant Subtotal*	89,258,977	13,515,101	—	—	—	102,774,078
<b>Transmission Plant</b>						
365.1 LAND	1,015,597	—	—	—	—	1,015,597
365.2 LAND RIGHTS	6,455,177	—	—	—	—	6,455,177
365.3 NMEP LAND RIGHTS	577,199	—	—	—	—	577,199
365.4 NWN ONLY NMEP LAND RIGHTS	3,337	—	—	—	—	3,337
366.3 STRUCTURES & IMPROVEMENTS -	1,546,073	—	—	—	—	1,546,073
367 MAINS	191,574,733	24,101,399	—	—	—	215,676,132
367.21 NORTH MIST TRANSMISSION LI	1,994,582	—	—	—	—	1,994,582
367.22 SOUTH MIST TRANSMISSION LI	14,949,264	—	—	—	—	14,949,264
367.23 SOUTH MIST TRANSMISSION LI	34,881,341	—	—	—	—	34,881,341
367.24 11.7M S MIST TRANS LINE	17,466,182	—	—	—	—	17,466,182
367.25 12M NORTH S MIST TRANS	18,613,651	—	—	—	—	18,613,651
367.26 38M NORTH S MIST TRANS	68,232,676	—	—	—	—	68,232,676
367.27 NMEP MAINS	66,923,170	—	—	—	—	66,923,170
367.28 NWN ONLY NMEP MAINS	330,841	—	—	—	—	330,841
368 TRANSMISSION COMPRESSOR	—	—	—	—	—	—
369 MEASURING & REGULATE STATION	3,969,549	—	—	—	—	3,969,549
370 COMMUNICATION EQUIPMENT	—	—	—	—	—	—
Transmission Plant Subtotal*	428,533,373	24,101,399	—	—	—	452,634,771

\* May not foot due to rounding.



ACCOUNT SUMMARY BY FUNCTIONAL CLASS

NW Natural

Period Beginning: January 2022

Period Ending: December 2022

Functional Class	Beginning					Ending
FERC Plant Account	Balance	Additions	Retirements	Transfers	Adjustments	Balance*
<b>UTILITY</b>						
<b>Distribution Plant</b>						
374.1 LAND	201,303	—	—	—	—	201,303
374.2 LAND RIGHTS	1,858,502	—	—	—	—	1,858,502
375 STRUCTURES & IMPROVEMENTS	132,550	—	—	—	—	132,550
376.11 MAINS < 4"	587,194,771	16,499,881	(289,102)	—	—	603,405,550
376.12 MAINS 4" & >	581,124,809	53,283,853	(302,073)	—	—	634,106,588
376.13 NMEP MAINS HP 4" & >	664,080	—	—	—	—	664,080
377 COMPRESSOR STATION EQUIPMENT	818,380	—	—	—	—	818,380
378 MEASURING & REG EQUIP - GENER	38,964,211	3,265,151	—	—	—	42,229,363
378.1 MEASURING & REG EQUIP - RNG	438,033	(779,381)	—	—	—	(341,349)
379 MEASURING & REG EQUIP - GATE	17,218,164	1,470,039	—	—	—	18,688,202
380 SERVICES	825,393,624	33,166,944	(2,556,758)	—	—	856,003,809
381 METERS	99,259,221	2,605,576	(2,234,105)	—	—	99,630,691
381.1 METERS (ELECTRONIC)	1,696,938	—	—	—	—	1,696,938
381.2 ERT (ENCODER RECEIVER TRANS	37,328,708	1,181,594	(4,452,761)	—	—	34,057,540
382 METER INSTALLATIONS	57,446,884	2,182,874	(2,772,410)	—	—	56,857,347
382.1 METER INSTALLATIONS (ELECTR	481,020	—	—	—	—	481,020
382.2 ERT INSTALLATION (ENCODER	8,636,416	2,766,128	(243,307)	—	—	11,159,237
383 HOUSE REGULATORS	2,531,884	141,552	—	—	—	2,673,436
386 OTHER PROPERTY ON CUSTOMERS P	1,162,110	—	—	—	—	1,162,110
386.1 MULTI-FAMILY METER ROOMS	—	—	—	—	—	—
387.1 CATHODIC PROTECTION TESTING	173,859	—	—	—	—	173,859
387.2 CALORIMETERS @ GATE STATIONS	69,794	—	—	—	—	69,794
387.3 METER TESTING EQUIPMENT	72,671	—	—	—	—	72,671
Distribution Plant Subtotal*	2,262,867,931	115,784,208.8	(12,850,517.06)	—	—	2,365,801,623

\* May not foot due to rounding.

ACCOUNT SUMMARY BY FUNCTIONAL CLASS

NW Natural

Period Beginning: January 2022  
 Period Ending: December 2022

Functional Class	Beginning					Ending
FERC Plant Account	Balance	Additions	Retirements	Transfers	Adjustments	Balance*
<b>UTILITY</b>						
<b>General Plant</b>						
389 LAND	11,509,766	11,247	—	—	—	11,521,012
390 STRUCTURES & IMPROVEMENTS	98,182,990	20,088,332	—	—	—	118,271,322
390.1 SOURCE CONTROL FACILITY	21,639,097	579,888	—	—	—	22,218,984
391.1 OFFICE FURNITURE & EQUIPMEN	17,371,396	226,438	(150,625)	—	—	17,447,209
391.2 COMPUTERS	51,130,073	4,612,845	(11,483,791)	—	—	44,259,127
391.21 COMPUTERS HORIZON	—	2,198,614	—	—	—	2,198,614
391.22 COMPUTERS TSA SECURITY DIRECTIVE	—	24,886,345	—	—	—	24,886,345
391.3 ON SITE BILLING	—	—	—	—	—	—
391.4 CUSTOMER INFORMATION SYSTEM	—	—	—	—	—	—
391.5 NMEP COMPUTERS	546,467	86,674	—	—	—	633,141
391.51 NMEP COMPUTERS TSA SECURITY DIRECTIVE	—	247,810	—	—	—	247,810
391.6 NWN ONLY NMEP COMPUTERS	6,819	—	—	—	—	6,819
392 TRANSPORTATION EQUIPMENT	56,126,707	3,087,491	(2,108,481)	—	—	57,105,717
393 STORES EQUIPMENT	119,406	—	—	—	—	119,406
394 TOOLS - SHOP & GARAGE EQUIPUI	17,909,245	607,647	—	—	—	18,516,892
395 LABORATORY EQUIPMENT	—	—	—	—	—	—
396 POWER OPERATED EQUIPMENT	15,203,113	1,552,829	(720,480)	—	—	16,035,463
396.1 NMEP POWER OPERATED EQUIPMENT	222,314	54	—	—	—	222,368
397 GEN PLANT-COMMUNICATION EQU	67,401	—	(17,683)	—	—	49,718
397.1 MOBILE	3,869,970	—	—	—	—	3,869,970
397.2 OTHER THAN MOBILE & TELEMET	9,958	—	—	—	—	9,958
397.3 TELEMETERING - OTHER	8,702,826	2,732,618	(53,242)	—	—	11,382,202
397.4 TELEMETERING - MICROWAVE	5,694,170	336,547	(61,120)	—	—	5,969,596
397.5 TELEPHONE EQUIPMENT	340,671	—	—	—	—	340,671
398 GEN PLANT-MISCELLANEOUS EQU	—	—	—	—	—	—
398.1 PRINT SHOP	4,359	—	—	—	—	4,359
398.2 KITCHEN EQUIPMENT	28,865	—	—	—	—	28,865
398.3 JANITORIAL EQUIPMENT	14,873	—	—	—	—	14,873
398.4 INSTALLED IN LEASED BUILDINGS	5,393	—	—	—	—	5,393
398.5 OTHER MISCELLANEOUS EQUIPMENT	66,739	—	—	—	—	66,739
General Plant Subtotal*	308,772,616	61,255,378	(14,595,421)	—	—	355,432,573
Utility Property Grand Total*	3,490,453,001	336,562,610	(55,288,134)	—	—	3,771,727,478
GL Account 160005	85,966,407					86,016,680
GL Account 160010	—					(22,203)
GL Account 142105	1,897,662					2,415,446
GL Account 142110	254,210					—
Utility Property Under Capital Leases *	88,118,279					88,409,923
Total Utility Plant*	3,578,571,281					3,860,137,401

\* May not foot due to rounding.

ACCOUNT SUMMARY BY FUNCTIONAL CLASS

NW Natural

Period Beginning: January 2022

Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance*
<b>NON-UTILITY</b>						
<b>Intangible Plant</b>						
303.1 COMPUTER SOFTWARE	163,357	—	(163,357)	—	—	—
303.2 CUSTOMER INFORMATION SYSTEM	61,429	—	—	—	—	61,429
Non Utility Intangible Plant Subtotal*	224,786	—	(163,357)	—	—	61,429
<b>Natural Gas Underground Storage</b>						
352 WELLS	20,999,793	930,325	—	—	—	21,930,118
352.1 STORAGE LEASEHOLD & RIGHTS	1,020	—	—	—	—	1,020
352.2 RESERVOIRS	3,561,501	—	—	—	—	3,561,501
353 LINES	2,575,844	—	—	—	—	2,575,844
354 COMPRESSOR STATION EQUIPMENT	12,836,305	274,817	—	—	—	13,111,121
355 MEASURING / REGULATING EQUIPMENT	9,025,709	—	—	—	—	9,025,709
357 OTHER EQUIPMENT	63,256	—	—	—	—	63,256
Non Utility Natural Gas Underground Storage Subtotal*	49,063,429	1,205,141	—	—	—	50,268,570
<b>Transmission Plant</b>						
368 TRANSMISSION COMPRESSOR	7,723,454	—	—	—	—	7,723,454
Non Utility Transmission Plant Subtotal*	7,723,454	—	—	—	—	7,723,454
<b>Distribution Plant</b>						
376.12 MAINS 4" & >	—	—	—	—	—	—
Non Utility Distribution Plant Subtotal*	—	—	—	—	—	—
<b>General Plant</b>						
389 LAND	438,739	—	—	—	—	438,739
390 STRUCTURES & IMPROVEMENTS	250,296	—	—	—	—	250,296
Non Utility General Plant Subtotal*	689,035	—	—	—	—	689,035

\* May not foot due to rounding.

ACCOUNT SUMMARY BY FUNCTIONAL CLASS  
NW Natural

Period Beginning: January 2022

Period Ending: December 2022

Functional Class	Beginning					Ending
FERC Plant Account	Balance	Additions	Retirements	Transfers	Adjustments	Balance*
<b>NON-UTILITY</b>						
<b>Non Utility Other</b>						
121.1 NON-UTIL PROP-DOCK	1,946,033	—	—	—	—	1,946,033
121.2 NON-UTIL PROP-LAND	125,102	—	—	—	—	125,102
121.3 NON-UTIL PROP-OIL ST	5,891,879	(6,304)	—	—	—	5,885,574
121.7 NON-UTIL PROP-APPL CENTER	64,906	—	—	—	—	64,906
121.8 NON-UTIL PROP-STORAGE	96,038	—	—	—	—	96,038
<b>Non Utility Other*</b>	<b>8,123,958</b>	<b>(6,304)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>8,117,654</b>
<hr/>						
<b>Non Utility Property Grand Total*</b>	<b>65,824,662</b>	<b>1,198,837</b>	<b>(163,357)</b>	<b>—</b>	<b>—</b>	<b>66,860,143</b>

\* May not foot due to rounding.

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - SITUS GAS PLANT HELD FOR FUTURE USE (Account 105)**

1. Report separately each property held for future use at end of the year having an original cost of \$100,000 or more. Other items of property held for future use may be grouped provided that the number of properties so grouped is indicated.

2. For property having an original cost of \$100,000 or more previously used in utility operations, now held for future use, give in addition to other required information, the date that utility use of such property was discontinued, and the date the original was transferred to Account 105.

Line No.	DESCRIPTION AND LOCATION OF PROPERTY (a)	DATE ORIGINALLY INCLUDED IN THIS ACCOUNT (b)	DATE EXPECTED (c)	BALANCE END OF YEAR (d)
1	Underground Storage	07/2009	Undetermined	127,921
2	Easement	11/2011	Undetermined	136,720
3	Willamette River Crossing - Engineering Costs	05/2015	Undetermined	705,427
4				
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28				
29				
30	TOTALS			970,068

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - SITUS CONSTRUCTION WORK IN PROGRESS - GAS (Account 107)**

1. Report below descriptions and balances at end of year of projects in process of construction (Account 107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).
3. Minor projects (less than \$1,000,000) may be grouped.

Line No.	DESCRIPTION OF PROJECT (a)	CONSTRUCTION WORK IN PROGRESS - GAS (ACCOUNT 107) (b)	ESTIMATED ADDITIONAL COST OF PROJECT (c)
1	Misc Information Services Projects	27,745,900	26,683,672
2	Mains and Services Jobs	26,242,090	15,621,449
3	Other	14,024,869	4,513,156
4	Portland LNG Readiness	4,013,879	6,280,726
5	Mist Projects	3,224,976	9,808,500
6	Misc Facilities Projects	1,598,761	15,673,813
7	Newport LNG Readiness	1,023,643	7,163,221
8	North Mist Projects	548,544	3,751,000
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26			
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28			
29			
30	TOTALS	78,422,662	89,495,537

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> <b>(Mo, Da, Yr)</b>	<b>Year of Report</b> December 31, 2022
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<b>STATE OF OREGON - SITUS ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT  (Account 108)</b>
1. Explain in a footnote any important adjustments during year. 2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for gas plant in service pages 24-27, column (d), excluding retirements of non-depreciable property. 3. The provisions of Account 108 of the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications. 4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.
<b>SEE FOLLOWING PAGES</b>

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS  
NW NATURAL

Period Beginning: January 2022  
Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve*
<b>UTILITY</b>								
<b>Intangible Plant</b>								
301 ORGANIZATION	—	—	—	—	—	—	—	—
302 FRANCHISES & CONSENTS	—	—	—	—	—	—	—	—
303.1 COMPUTER SOFTWARE	41,164,285	8,982,821	(27,842,196)	—	—	—	—	22,304,911
303.11 COMPUTER SW HORIZON	—	813,380	—	—	—	—	—	813,380
303.12 COMPUTER SW TSA SECURITY DIRECTIVE	—	221,249	—	—	—	—	—	221,249
303.2 CUSTOMER INFORMATION SYSTEM	30,485,095	508	—	—	—	—	—	30,485,603
303.3 INDUSTRIAL & COMMERCIAL BIL	4,146,951	—	—	—	—	—	—	4,146,951
303.4 CRMS	—	—	—	—	—	—	—	—
303.5 POWERPLANT SOFTWARE	—	—	—	—	—	—	—	—
303.6 NMEP COMPUTER SOFTWARE	409,117	139,131	—	—	—	—	—	548,248
303.7 CLOUD-BASED SOFTWARE	2,416,859	3,403,972	—	—	—	—	—	5,820,831
303.71 CLOUD-BASED SW HORIZON	—	793,126	—	—	—	—	—	793,126
303.8 NWN ONLY NMEP COMPUTER SOFTW	276	311	—	—	—	—	—	586
Intangible Plant Subtotal	78,622,584	14,354,498	(27,842,196)	—	—	—	—	65,134,886
<b>Production Plant - Oil Gas</b>								
304.1 LAND	—	—	—	—	—	—	—	—
305.2 P P O G STRU & IMPR-SEWER S	—	—	—	—	—	—	—	—
305.5 P P O G STRU & IMPR-OTHER Y	13,814	—	—	—	—	—	—	13,814
312.3 P P O G FUEL HANDLING AND S	—	—	—	—	—	—	—	—
318.3 P P O G LIGHT OIL REFINING	152,141	—	—	—	—	—	—	152,141
318.5 P P O G TAR PROCESSING	255,729	—	—	—	—	—	—	255,729
325 NATURAL GAS PROD AND GATHER	—	—	—	—	—	—	—	—
327 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—	—	—
328 NATURAL GAS PROD AND GATHER	—	—	—	—	—	—	—	—
331 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—	—	—
332 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—	—	—
333 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—	—	—
334 NATURAL GAS PROD & GATHERIN	—	—	—	—	—	—	—	—
Production Plant - Oil Gas Subtotal*	421,683	—	—	—	—	—	—	421,683
<b>Production Plant - Other</b>								
305.11 GAS PRODUCTION - COTTAGE G	8,736	—	—	—	—	—	—	8,736
305.17 STRUCTURES MIXING STATION	51,246	—	—	—	—	—	—	51,246
311 P P OTHER-LIQUIFIED PETROLE	—	—	—	—	—	—	—	—
311.4 P P OTHER-L P G GRANGER	—	—	—	—	—	—	—	—
311.7 LIQUIFIED GAS EQUIPMENT COO	8,066	—	—	—	—	—	—	8,066
311.8 LIQUIFIED GAS EQUIPMENT LIN	6,585	—	—	—	—	—	—	6,585
319 GAS MIXING EQUIPMENT GASCO	194,720	—	—	—	—	—	—	194,720
Production Plant - Other Subtotal*	269,353	—	—	—	—	—	—	269,353

\* May not foot due to rounding.



RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS  
NW NATURAL

Period Beginning: January 2022  
Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
<b>UTILITY</b>								
<b>Natural Gas Underground Storage</b>								
350.1 LAND	—	—	—	—	—	—	—	—
350.2 RIGHTS-OF-WAY	35,139	1,564	—	—	—	—	—	36,703
350.3 NMEP RIGHTS-OF-WAY	22,887	8,539	—	—	—	—	—	31,426
350.4 NMEP LAND	3	1	—	—	—	—	—	3
350.5 NWN ONLY NMEP RIGHTS-OF-WAY	33	41	—	—	—	—	—	75
350.6 NWN ONLY NMEP - LAND	—	—	—	—	—	—	—	—
351 STRUCTURES AND IMPROVEMENTS	3,315,503	136,062	—	—	—	—	—	3,451,565
351.1 NMEP STRUCTURES AND IMPROVEMENTS	907,107	300,729	—	—	—	—	—	1,207,836
351.2 NWN ONLY NMEP STRUCTURES AND IMPROVEMENTS	472	584	—	—	—	—	—	1,057
352 WELLS	13,451,111	480,076	—	—	—	—	—	13,931,187
352.1 STORAGE LEASEHOLD & RIGHTS	1,942,698	62,819	—	—	—	—	—	2,005,517
352.2 RESERVOIRS	3,051,185	122,421	—	—	—	—	—	3,173,606
352.3 NON-RECOVERABLE NATURAL GAS	3,862,011	99,834	—	—	—	—	—	3,961,845
352.4 NMEP WELLS	873,034	342,060	—	—	—	—	—	1,215,093
352.5 NMEP STORAGE LEASEHOLD & RIGHTS	134,636	49,718	—	—	—	—	—	184,354
352.6 NMEP RESERVOIRS	139,104	51,580	—	—	—	—	—	190,684
352.7 NMEP NON-RECOVERABLE NATURAL GAS	133,029	49,745	—	—	—	—	—	182,774
352.8 NWN ONLY NMEP WELLS	1,469	1,745	—	—	—	—	—	3,215
352.9 NWN ONLY NMEP STORAGE LEASEH & RIGHTS	239	282	—	—	—	—	—	521
352.10 NWN ONLY NMEP RESERVOIRS	246	296	—	—	—	—	—	542
352.11 NWN ONLY NMEP NON-RECOVERABLE NAT	236	287	—	—	—	—	—	524
353 LINES	3,804,224	190,932	—	—	—	—	—	3,995,156
353.1 NMEP LINES	24,566	9,493	—	—	—	—	—	34,059
353.2 NWN ONLY NMEP LINES	(201,976)	32	—	—	—	—	—	(201,944)
354 COMPRESSOR STATION EQUIPMENT	16,600,158	526,151	—	—	—	—	—	17,126,309
354.7 NMEP COMPRESSOR STATION EQUIPMENT	1,607,300	582,996	—	—	—	—	—	2,190,296
354.8 NWN ONLY NMEP COMPRESSOR STATION EQUIPMENT	4,436	5,528	—	—	—	—	—	9,963
355 MEASURING / REGULATING EQUIPM	5,342,581	468,931	—	—	—	—	—	5,811,511
355.1 NMEP MEASURING / REGULATING EQUIPMENT	583,498	233,327	—	—	—	—	—	816,825
355.2 NWN ONLY NMEP MEASURING / REG. EQUIPM	1,012	1,352	—	—	—	—	—	2,364
356 PURIFICATION EQUIPMENT	718,262	438,405	—	—	—	—	—	1,156,666
356.1 NMEP PURIFICATION EQUIPMENT	448,537	156,369	—	—	—	—	—	604,906
357 OTHER EQUIPMENT	1,138,826	115,035	—	—	—	—	—	1,253,861
<b>Natural Gas Underground Storage Subtotal*</b>	<b>57,941,566</b>	<b>4,436,933</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>62,378,499</b>

\* May not foot due to rounding.

**RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS  
NW NATURAL**

Period Beginning: January 2022  
Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve*
<b>UTILITY</b>								
<b>Local Storage Plant</b>								
360.11 LAND - LNG LINNTON	—	—	—	—	—	—	—	—
360.12 LAND - LNG NEWPORT	(242)	—	—	—	—	—	—	(242)
360.2 LAND - OTHER	—	—	—	—	—	—	—	—
361.11 STRUCTURES & IMPROVEMENTS	3,976,852	454,753	—	—	—	—	—	4,431,605
361.12 STRUCTURES & IMPROVEMENTS	4,194,877	513,474	—	—	—	—	—	4,708,351
361.2 STRUCTURES & IMPROVEMENTS -	13,312	464	—	—	—	—	—	13,776
362.11 GAS HOLDERS - LNG LINNTON	2,805,308	129,316	—	—	—	—	—	2,934,624
362.12 GAS HOLDERS - LNG NEWPORT	6,326,012	96,019	—	—	—	—	—	6,422,031
362.2 GAS HOLDERS - LNG OTHER	1,282	16	—	—	—	—	—	1,297
363.11 LIQUEFACTION EQUIP. - LINN	2,785,740	53,851	—	—	—	—	—	2,839,591
363.12 LIQUEFACTION EQUIP - NEWPO	7,548,919	208,490	—	—	—	—	—	7,757,409
363.21 VAPORIZING EQUIP - LINNTON	2,514,871	42,431	—	—	—	—	—	2,557,302
363.22 VAPORIZING EQUIP - NEWPORT	770,419	224,949	—	—	—	—	—	995,368
363.31 COMPRESSOR EQUIP - LINNTON	208,476	3,540	—	—	—	—	—	212,017
363.32 COMPRESSOR EQUIPMENT - NE	1,865,737	387,061	—	—	—	—	—	2,252,798
363.41 MEASURING & REGULATING EQU	999,163	191,186	—	—	—	—	—	1,190,349
363.42 MEASURING & REGULATING EQU	293,023	125,808	—	—	—	—	—	418,832
363.5 CNG REFUELING FACILITIES	1,671,865	79,842	—	—	—	—	—	1,751,707
363.6 LNG REFUELING FACILITIES	739,473	592	—	—	—	—	—	740,065
Local Storage Plant Subtotal*	36,715,086	2,511,793	—	—	—	—	—	39,226,879
<b>Transmission Plant</b>								
365.1 LAND	—	—	—	—	—	—	—	—
365.2 LAND RIGHTS	2,420,713	95,752	—	—	—	—	—	2,516,465
365.3 NMEP LAND RIGHTS	29,040	10,439	—	—	—	—	—	39,479
365.4 NWN ONLY NMEP LAND RIGHTS	50	60	—	—	—	—	—	110
366.3 STRUCTURES & IMPROVEMENTS -	439,926	27,056	—	—	—	—	—	466,982
367 MAINS	46,569,036	3,734,599	—	—	—	—	—	50,303,636
367.21 NORTH MIST TRANSMISSION LI	1,280,286	33,443	—	—	—	—	—	1,313,728
367.22 SOUTH MIST TRANSMISSION LI	11,728,110	230,717	—	—	—	—	—	11,958,827
367.23 SOUTH MIST TRANSMISSION LI	16,607,368	662,164	—	—	—	—	—	17,269,532
367.24 11.7M S MIST TRANS LINE	7,174,133	332,149	—	—	—	—	—	7,506,282
367.25 12M NORTH S MIST TRANS	7,347,231	356,141	—	—	—	—	—	7,703,372
367.26 38M NORTH S MIST TRANS	27,112,628	1,304,381	—	—	—	—	—	28,417,009
367.27 NMEP MAINS	4,550,464	1,655,199	—	—	—	—	—	6,205,663
367.28 NWN ONLY NMEP MAINS	4,819	6,446	—	—	—	—	—	11,265
368 TRANSMISSION COMPRESSOR	(9)	—	—	—	—	—	—	(9)
369 MEASURING & REGULATING STATION	1,907,740	82,433	—	—	—	—	—	1,990,173
370 COMMUNICATION EQUIPMENT	—	—	—	—	—	—	—	—
Transmission Plant Subtotal*	127,171,536	8,530,978	—	—	—	—	—	135,702,514

\* May not foot due to rounding.

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS  
NW NATURAL

Period Beginning: January 2022  
Period Ending: December 2022

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve*
UTILITY								
Distribution Plant								
374.1 LAND	—	—	—	—	—	—	—	—
374.2 LAND RIGHTS	1,688,068	9,169	—	—	—	—	—	1,697,237
375 STRUCTURES & IMPROVEMENTS	53,879	1,939	—	—	—	—	—	55,818
376.11 MAINS < 4"	339,203,459	14,451,417	(289,102)	(1,350,140)	15,409	—	—	352,031,044
376.12 MAINS 4" & >	241,451,111	13,652,792	(302,073)	(980,075)	16,823	—	—	253,838,578
376.13 NMEP MAINS HP 4" & >	39,367	15,379	—	—	—	—	—	54,745
377 COMPRESSOR STATION EQUIPMENT	699,564	10,516	—	—	—	—	—	710,080
378 MEASURING & REG EQUIP - GENER	14,425,421	783,305	—	—	—	—	—	15,208,726
378.1 MEASURING & REG EQUIP - RNG	1,847	(5,058)	—	—	—	—	—	(3,211)
379 MEASURING & REG EQUIP - GATE	3,071,032	386,546	—	—	—	—	—	3,457,578
380 SERVICES	442,959,521	24,209,741	(2,556,758)	(3,948,904)	—	—	—	460,663,599
381 METERS	16,278,557	2,415,778	(2,234,105)	—	11,177	—	—	16,471,407
381.1 METERS (ELECTRONIC)	2,091,193	(380,000)	—	—	—	—	—	1,711,193
381.2 ERT (ENCODER RECEIVER TRANS	14,506,766	2,021,398	(4,452,761)	—	—	—	—	12,075,403
382 METER INSTALLATIONS	3,898,892	2,673,618	(2,772,410)	—	—	—	—	3,800,099
382.1 METER INSTALLATIONS (ELECTR	204,240	43,027	—	—	—	—	—	247,267
382.2 ERT INSTALLATION (ENCODER	5,305,823	337,130	(243,307)	—	—	—	—	5,399,646
383 HOUSE REGULATORS	517,761	74,898	—	—	—	—	—	592,658
386 OTHER PROPERTY ON CUSTOMERS P	511,391	122,656	—	—	—	—	—	634,047
386.1 MULTI-FAMILY METER ROOMS	—	—	—	—	—	—	—	—
387.1 CATHODIC PROTECTION TESTING	147,699	1,469	—	—	—	—	—	149,168
387.2 CALORIMETERS @ GATE STATIONS	69,794	—	—	—	—	—	—	69,794
387.3 METER TESTING EQUIPMENT	72,671	—	—	—	—	—	—	72,671
Distribution Plant Subtotal*	1,087,198,054	60,825,718	(12,850,517)	(6,279,119)	43,409	—	—	1,128,937,546

\* May not foot due to rounding.

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS  
NW NATURAL

Period Beginning: January 2022  
Period Ending: December 2022

Functional Class	Beginning			Cost of	Salvage and	Transfers and		Ending
FERC Plant Account	Reserve	Provision	Retirements	Removal	Other Credits	Adjustments	Loss/(Gain)	Reserve*
<b>UTILITY</b>								
<b>General Plant</b>								
389	LAND	426,129	—	—	—	—	—	426,129
390	STRUCTURES & IMPROVEMENTS	16,539,915	2,295,445	—	—	—	—	18,835,359
390.1	SOURCE CONTROL FACILITY	6,316,753	462,810	—	—	—	—	6,779,563
391.1	OFFICE FURNITURE & EQUIPMEN	6,554,103	677,074	(150,625)	—	—	—	7,080,553
391.2	COMPUTERS	26,058,461	9,277,270	(11,483,791)	—	—	—	23,851,940
391.21	COMPUTERS HORIZON	—	108,802	—	—	—	—	108,802
391.22	COMPUTERS TSA SECURITY DIRECTIVE	—	1,064,346	—	—	—	—	1,064,346
391.5	NMEP COMPUTERS	261,454	122,834	—	—	—	—	384,288
391.6	NWN ONLY NMEP COMPUTERS	1,080	1,364	—	—	—	—	2,443
392	TRANSPORTATION EQUIPMENT	16,377,347	3,877,560	(2,108,481)	—	481,303	—	18,627,729
393	STORES EQUIPMENT	119,406	—	—	—	—	—	119,406
394	TOOLS - SHOP & GARAGE EQUIPUI	6,586,159	606,417	—	—	28,913	—	7,221,490
395	LABORATORY EQUIPMENT	(32)	(8)	—	—	—	—	(39)
396	POWER OPERATED EQUIPMENT	2,876,634	555,811	(720,480)	—	316,493	—	3,028,458
396.1	EQUIPMENT	5,857	11,206	—	—	—	—	17,064
397	GEN PLANT-COMMUNICATION EQU	47,828	6,439	(17,683)	—	—	—	36,584
397.1	MOBILE	990,215	391,493	—	—	—	—	1,381,708
397.2	OTHER THAN MOBILE & TELEMET	(45,361)	(13,462)	—	—	—	—	(58,823)
397.3	TELEMETERING - OTHER	1,313,273	725,664	(53,242)	—	—	—	1,985,695
397.4	TELEMETERING - MICROWAVE	1,055,153	399,152	(61,120)	—	—	—	1,393,185
397.5	TELEPHONE EQUIPMENT	352,519	5,350	—	—	—	—	357,869
398	GEN PLANT-MISCELLANEOUS EQU	—	—	—	—	—	—	—
398.1	PRINT SHOP	2,795	(410)	—	—	—	—	2,385
398.2	KITCHEN EQUIPMENT	10,006	2,253	—	—	—	—	12,259
398.3	JANITORIAL EQUIPMENT	14,873	—	—	—	—	—	14,873
398.4	INSTALLED IN LEASED BUILDINGS	5,393	—	—	—	—	—	5,393
398.5	OTHER MISCELLANEOUS EQUIPMENT	66,739	—	—	—	—	—	66,739
	General Plant Subtotal*	85,936,700	20,577,410	(14,595,421)	—	826,709	—	92,745,398
	Utility Property Grand Total*	1,474,276,562	111,237,330	(55,288,134)	(6,279,119)	870,118	—	1,524,816,757
<b>NON UTILITY</b>								
<b>Intangible Plant</b>								
303.1	COMPUTER SOFTWARE	93,273	9,714	(163,357)	—	—	—	(60,369)
303.2	CUSTOMER INFORMATION SYSTEM	50,086	5	—	—	—	—	50,091
Non Utility	Intangible Plant Subtotal*	143,359	9,719	(163,357)	—	—	—	(10,278)

\* May not foot due to rounding.

**RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS  
NW NATURAL**

Period Beginning: **January 2022**  
Period Ending: **December 2022**

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve*
<b>NON UTILITY</b>								
<b>Natural Gas Underground Storage</b>								
352 WELLS	5,104,880	312,986	—	—	—	—	—	5,417,866
352.1 STORAGE LEASEHOLD & RIGHTS	292	16	—	—	—	—	—	308
352.2 RESERVOIRS	1,129,473	59,952	—	—	—	—	—	1,189,425
353 LINES	580,269	53,019	—	—	—	—	—	633,289
354 COMPRESSOR STATION EQUIPMENT	5,115,683	246,714	—	—	—	—	—	5,362,396
355 MEASURING / REGULATING EQUIPM	2,723,663	204,366	—	—	—	—	—	2,928,029
357 OTHER EQUIPMENT	17,147	1,409	—	—	—	—	—	18,555
<b>Non Utility Natural Gas Underground Storage Subtotal*</b>	<b>14,671,406</b>	<b>878,461</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>15,549,867</b>
<b>Transmission Plant</b>								
368 TRANSMISSION COMPRESSOR	3,050,541	164,768	—	—	—	—	—	3,215,308
<b>Non Utility Transmission Plant Subtotal*</b>	<b>3,050,541</b>	<b>164,768</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>3,215,308</b>
<b>Distribution Plant</b>								
376.12 MAINS 4" & >	1,365	157	—	—	—	—	—	1,522
<b>Non Utility Distribution Plant Subtotal*</b>	<b>1,365</b>	<b>157</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,522</b>
<b>General Plant</b>								
389 LAND	—	—	—	—	—	—	—	—
390 STRUCTURES & IMPROVEMENTS	55,496	5,611	—	—	—	—	—	61,106
<b>Non Utility General Plant Subtotal*</b>	<b>55,496</b>	<b>5,611</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>61,106</b>
<b>Non Utility Other</b>								
121.1 NON-UTIL PROP-DOCK	1,947,067	13,752	—	—	—	—	—	1,960,819
121.2 NON-UTIL PROP-LAND	—	—	—	—	—	—	—	—
121.3 NON-UTIL PROP-OIL ST	2,317,342	35,771	—	—	—	—	—	2,353,113
121.7 NON-UTIL PROP-APPL CENTER	56,088	3,854	—	—	—	—	—	59,943
121.8 NON-UTIL PROP-STORAGE	(1)	—	—	—	—	—	—	(1)
<b>Non Utility Other*</b>	<b>4,320,496</b>	<b>53,377</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>4,373,873</b>
<b>Non Utility Property Grand Total*</b>	<b>22,242,662</b>	<b>1,112,094</b>	<b>(163,357)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>23,191,399</b>

\* May not foot due to rounding.

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS  
NW NATURAL

Period Beginning: **January 2022**  
Period Ending: **December 2022**

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
<b>TOTAL SUMMARY ALL UTILITY DEPRECIATION RESERVES</b>		<b>12/31/2022</b>						
<b>UTILITY</b>								
145006	(10,385,377)							
145009	(263,551)							
145012	967,454							
145015	(230,024)							
145018	(4,758,646)							
145021	(81,497,944)							
145024	1,157,845,034							
145027	23,951,007							
145030	(5,307,061)							
145033	(1,645,265)							
145036	3,713,696							
145039	11,611,469							
169010	6,613,957							
145045	—							
260005	421,838,954							
260010	2,532,234							
145048	31,848							
145051	(202,000)							
145060	971							
<b>SUBTOTAL*</b>				<u><u>1,524,816,758</u></u>				
<b>ADD:</b>								
145003 REMOVAL WORK IN PROCESS			(60,174,790)					
160205 ROU UTIL LEAS ACC DE			13,274,179					
145205 FIN UTIL LEA ACC DEP			132,879					
145060 COST OF REMOVAL			—					
145063 OR METER/ERT's			(1,775,148)					
<b>TOTAL UTILITY DEPRECIATION*</b>				<u><u>1,476,273,877</u></u>				
<b>TOTAL SUMMARY ALL NON-UTILITY RESERVES DEPRECIATION</b>								
<b>NON UTILITY</b>								
145405	(124,325)							
145410	1,034							
145415	4,582,025							
145420	17,846,564							
145425	(764,395)							
260015	1,650,496							
<b>TOTAL NON UTILITY DEPRECIATION*</b>				<u><u>23,191,398.71</u></u>				

\* May not foot due to rounding.

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED  
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION  
AND DEPLETION**

Line No.	ITEM (a)	TOTAL (b)	ELECTRIC (c)	GAS (d)	OTHER (SPECIFY) (e)	OTHER (SPECIFY) (f)	COMMON (g)
1	<b>UTILITY PLANT</b>						
2	In Service						
3	Plant in Service (Classified)						
4	Property Under Capital Leases						
5	Plant Purchased or Sold						
6	Completed Construction not Classified		<b>N/A - See SITUS schedule at OR 23</b>				
7	Experimental Plant Unclassified						
8	TOTAL (Enter total of lines 3 thru 7)						
9	Leased to Others						
10	Held for Future Use						
11	Construction Work in Progress						
12	Acquisition Adjustments						
13	TOTAL Utility Plant (Enter total of lines 8 thru 12)						
14	Accum. Prov. for Depr., Amort., & Depl.						
15	Net Utility Plant (Line 13 less 14)						
16	<b>DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION</b>						
17	In Service:						
18	Depreciation						
19	Amort. and Depl. of Producing Natural Gas Land and Land Rights						
20	Amort. of Underground Storage Land and Land Rights						
21	Amort. of Other Utility Plant						
21.01	Salvage Work In Progress						
21.02	Less Removal Work in Progress						
22	TOTAL in Service (Lines 18 thru 21)						
23	Leased to Others						
24	Depreciation						
25	Amortization and Depletion						
26	TOTAL Leased to Others (Lines 24 and 25)						
27	Held for Future Use						
28	Depreciation						
29	Amortization						
30	TOTAL Held for Future Use (Lines 28 and 29)						
31	Abandonment of Leases (Natural Gas)						
32	Amort. of Plant Acquisition Adjustment						
33	TOTAL Accumulated Provisions (Should agree with line 14 above) (Lines 22, 26, 30, 31, and 32)						

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED GAS PLANT IN SERVICE**

- Report below the original cost of gas plant in service
- In addition to Account 101, Gas Plant In Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold, Account 103, Completed Construction Not Classified - Gas.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions or prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on Estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in column (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at the end of the year. **(Continued on page 33)**

Line No.	Account (a)	BALANCE BEGINNING OF YEAR (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	BALANCE END OF YEAR (g)	
1	1. Intangible Plant							
2	301 Organization							
3	302 Franchises and Consents							
4	303 Miscellaneous Intangible Plant							
5	TOTAL Intangible Plant							
6	2. Production Plant							
7	Natural Gas Production & Gathering Plant							
8	325.1 Producing Lands							
9	325.2 Producing Leaseholds	N/A - See SITUS schedule at OR 24 - 27						
10	325.3 Gas Rights							
11	325.4 Rights-of-Way							
12	325.5 Other Land and Land Rights							
13	326 Gas Well Structures							
14	327 Field Compressor Station Structures							
15	328 Field Meas. And Reg. Sta. Structures							
16	329 Other Structures							
17	330 Producing Gas Wells - Well Construction							
18	331 Producing Gas Wells - Well Equipment							
19	332 Field Lines							
20	333 Field Compressor Station Equipment							
21	334 Field Mess. And Reg. Sta. Equipment							
22	335 Drilling and Cleaning Equipment							
23	336 Purification Equipment							
24	337 Other Equipment							
25	338 Unsuccessful Explor. & Devel. Costs							
26	TOTAL Production & Gathering Plant							
27	Products Extraction Plant							
28	340 Land and Land Rights							
29	341 Structures and Improvements							
30	342 Extraction and Refining Equipment							
31	343 Pipe lines							
32	344 Extracted Products Storage Equipment							



<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED GAS PLANT IN SERVICE (CONT'D)**

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc. and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

7. For account 399, state the nature and use of plant included in this account and if substantial amount, submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Line No.	Account (a)	BALANCE BEGINNING OF YEAR (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	BALANCE END OF YEAR (g)	
	2. Production Plant (Con't) Products Extraction Plant (Con't)							
33	345 Compressor Equipment							
34	345 Gas Meas. And Reg. Equipment							
35	347 Other Equipment							
36	TOTAL Products Extraction Plant							
37	TOTAL Nat. Gas Production Plant	<b>N/A - See SITUS schedule at OR 24 - 27</b>						
38	Mfd. Gas Prod. Plant (Submit Suppl. Stmt)							
39	TOTAL Production Plant							
40	3. Natural Gas Storage & Proc. Plant							
41	Underground Storage Plant							
42	350.1 Land							
43	350.2 Rights-of-Way							
44	351 Structures & Improvements							
45	352 Wells							
46	352.1 Storage Leaseholds & Rights							
47	352.2 Reservoirs							
48	352.3 Non-recoverable Natural Gas							
49	353 Lines							
50	354 Compressor Station Equipment							
51	355 Measuring & Reg. Equipment							
52	356 Purification Equipment							
53	357 Other Equipment							
54	TOTAL Underground Storage Plant							
55	Other Storage Plant							
56	360 Land and Land Rights							
57	361 Structures and Improvements							
58	362 Gas Holders							
59	363 Purification Equipment							
60	363.1 Liquefaction Equipment							
61	363.2 Vaporizing Equipment							
62	363.3 Compressor Equipment							
63	363.4 Meas. And Reg. Equipment							
64	363.5 Other Equipment							
65	TOTAL Other Storage Plant							

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED GAS PLANT IN SERVICE (CONT'D)**

Line No.	Account (a)	BALANCE BEGINNING OF YEAR (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	BALANCE END OF YEAR (g)	
66	Base Load Liquefied Natural Gas Terminaling and Processing Plant							
67	364.1 Land and Land Rights							
68	364.2 Structures and Improvements							
69	364.3 LNG Processing Terminal Equipment							
70	364.4 LNG Transportation Equipment							
71	364.5 Measuring and Regulating Equipment	<b>N/A - See SITUS schedule at OR 24 - 27</b>						
72	364.6 Compressor Station Equipment							
73	364.7 Communications Equipment							
74	364.8 Other Equipment							
75	TOTAL Base Load Liquefied Natural Gas, Terminaling, & Processing Plant							
76								
77	TOTAL Nat. Gas Storage & Proc. Plant							
78	4. Transmission Plant							
79	365.1 Land and Land Rights							
80	365.2 Rights-of-Way							
81	366 Structures and Improvements							
82	367 Mains							
83	368 Compressor Station Equipment							
84	369 Measuring and Reg. Sta. Equipment							
85	370 Communication Equipment							
86	371 Other Equipment							
87	TOTAL Transmission Plant							
88	5. Distribution Plant							
89	374 Land and Land Rights							
90	375 Structures and Improvements							
91	376 Mains							
92	377 Compressor Station Equipment							
93	378 Meas. And Reg. Sta. Equip. - General							
94	379 Meas. And Reg. Sta. Equip. - City Gate							
95	380 Services							
96	381 Meters							
97	382 Meter Installations							
98	383 House Regulators							
99	384 House Reg. installations							
100	385 Industrial Meas. & Reg. Sta. Equip							
101	386 Other Prop. On Customers' premises							
102	387 Other Equipment							
103	TOTAL Distribution Plant							

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED GAS PLANT IN SERVICE (CONT'D)**

Line No.	Account (a)	BALANCE BEGINNING OF YEAR (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	BALANCE END OF YEAR (g)	
104	6. General Plant							
105	389 Land and Land Rights							
106	390 Structures and Improvements							
107	391 Office Furniture and Equipment							
108	392 Transportation Equipment	<b>N/A - See SITUS schedule at OR 24 - 27</b>						
109	393 Store Equipment							
110	394 Tools, Shop, and Garage Equipment							
111	395 Laboratory Equipment							
112	396 Power Operated Equipment							
113	397 Communication Equipment							
114	398 Miscellaneous Equipment							
115	Subtotal							
116	399 Other Intangible Property							
117	TOTAL General Plant							
118	TOTAL (Accounts 101 and 106)							
119	Gas Plant Purchased (See Instr. 8)							
120	(Less) Gas Plant Sold (See Instr. 8)							
121	Experimental Gas Plant Unclassified							
122	TOTAL Gas Plant In Service							

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED GAS PLANT HELD FOR FUTURE USE (Account 105)**

1. Report separately each property held for future use at end of the year having an original cost of \$100,000 or more. Other items of property held for future use may be grouped provided that the number of properties so grouped is indicated.

2. For property having an original cost of \$100,000 or more previously used in utility operations, now held for future use, give in addition to other required information, the date that utility use of such property was discontinued, and the date the original was transferred to Account 105.

Line No.	DESCRIPTION AND LOCATION OF PROPERTY (a)	DATE ORIGINALLY INCLUDED IN THIS ACCOUNT (b)	DATE EXPECTED (c)	BALANCE END OF YEAR (d)
1	<b>N/A - See SITUS schedule at OR 28</b>			
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29				
30		<b>TOTALS</b>		

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED CONSTRUCTION WORK IN PROGRESS - GAS (Account 107)**

1. Report below descriptions and balances at end of year of projects in process of construction (Account 107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).
3. Minor projects (less than \$1,000,000) may be grouped.

Line No.	DESCRIPTION OF PROJECT (a)	CONSTRUCTION WORK IN PROGRESS - GAS (ACCOUNT 107) (b)	ESTIMATED ADDITIONAL COST OF PROJECT (c)
1			
2			
3			
4	<b>N/A - See SITUS schedule at OR 29</b>		
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29			
30	TOTALS		

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - ALLOCATED ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT (Account 108)**

1. Explain in a footnote any important adjustments during the year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for gas plant in service, pages 32-35, column (d) excluding retirements of non-depreciable property.
3. The provisions of Account 108 of the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year-end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund of similar method of depreciation accounting.

**Section A. Balances and Changes During Year**

Line No.	ITEM (a)	TOTAL (d+d+e) (b)	GAS PLANT IN SERVICE (c)	GAS PLANT HELD FOR FUTURE USE (d)	GAS PLANT LEASED TO OTHERS (e)
1	Balance Beginning of Year				
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense				
4	(413) Exp. Of Gas Plt. Lease to Others				
5	Transportation Expenses - Clearing				
6	Other Clearing Accounts				
7	Other Accounts (Specify):	N/A - See SITUS schedule at OR 30			
8					
9	Total Deprec. Prov. For Year (Enter total of lines 3-8)				
10	Net Charges for Plant Retired:				
11	Book Cost of Plant Retired				
12	Cost of Removal				
13	Salvage (Credit)				
14	TOTAL Net Charges for Plant Ret. (Enter Total of lines 11-13)				
15	Other Debit or Credit Items (Describe):				
16					
17	Balance End of Year (Enter Total of Lines 1,9, 14, 15,& 16)				

**Section B. Balances at End of Year According to Functional Classifications**

18	Production - Manufactured Gas				
19	Prod. And Gathering - Natural Gas				
20	Products Extraction - Natural Gas				
21	Underground Gas Storage				
22	Other Storage Plant				
23	Base Load LNG Term and Proc. Plt.				
24	Transmission				
25	Distribution				
26	General				
27	TOTAL (Total of Lines 18 thru 26)				

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - GAS STORED (Account 117, 164.1, 164.2 and 164.3)**

- Report below the information called for concerning inventories of gas stored.
- The Uniform System of Accounts provides that inventory cost records be maintained on a consolidated basis for all storage projects with separate records showing the Mcf of inputs and withdrawals and balance for each project, except under certain specified circumstances. If the respondent's inventory cost records are not maintained on a consolidated basis for all storage projects, furnish an explanation of the accounting followed and reason for any deviation from the general basis provided by the Uniform System of Accounts. Separate schedules on this schedule form should be furnished for each group of storage projects for which separate inventory cost records are maintained.
- If during the year adjustment was made of the stored gas inventory, such as to correct for cumulative inaccuracies of gas measurements, furnish an explanation of the reason for the adjustment, the Mcf and dollar amount of adjustment and account charged or credited.
- Give a concise statement of the facts and the accounting performed with respect to any encroachment of withdrawals during the year, or restoration of previous encroachment, upon native gas constituting the "gas cushion" of any storage reservoir.
- If the respondent uses a "base stock" in connection with its inventory accounting, give a concise statement of the basis of establishing such "base stock" and the inventory basis and the accounting performed with respect to any encroachment of withdrawals upon "base stock", or restoration of previous encroachment, including brief particulars of any such accounting during the year.
- If respondent has provided accumulated provision for stored gas which may not eventually be fully recovered from any storage project furnish a statement showing: (a) date of Commission authorization of such accumulated provision (b) explanation of circumstances requiring such provision (c) basis of provision and factors of calculation (d) estimated ultimate accumulated provision accumulation (e) a summary showing balance of accumulated provision and entries during year.
- Pressure base of gas volumes reported in this schedule is 14.73 psia at 60° F.

Line No.	Description (a)	Non Current (Account 117) (b)	Current (Account 164.1) (c)	LNG (Account 164.1) (d)	LNG (Account 164.2) (e)	Total (i)
1	Balance at Beginning of Year					
2	Gas Delivered to Storage					
3	Contra Account					
4	Gas Withdrawn from Storage					
5	Contra Account					
6	Other Debits and Credits					
7	(Explain	<b>SEE FERC ANNUAL REPORT</b>				
8	Balance at End of Year					
9	Dekatherms					
10	Amount Per Dekatherm					
11						
12	Balance at End of Year					
13	MCF					
14	Amount per Mcf					
15	State basis of segregation of inventory between current and noncurrent portions.					
16						
17	Gas delivered to storage:					
18	Mcf					
19	Amount per Mcf					
20	Cost basis of gas delivered to storage:					
21	Specify: Own production (give production area, see					
22	uniform system of accounts); average system purchases					
23	specific purchases (state which purchases).					
24	Does cost of gas delivered to storage include any expenses					
25	for use of respondent's transmission, storage, or other					
26	facilities? If so, give particulars and date of Commission					
27	approval of the accounting.					
28						
29	Gas withdrawn from storage:					
30	Mcf					
31	Amount per Mcf					
32	Cost basis of withdrawals:					
33	Specify: average cost, lifo, fifo. (Explain any change in					
34	inventory basis during year and give date of Commission;					
35	approval of the change or approval of an inventory basis					
36	different from that referred to in uniform system of accounts)					

<b>Name of Respondent</b>	<b>This Report is:</b>	<b>Date of Report</b>	<b>Year of Report</b>
Northwest Natural Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2022

**STATE OF OREGON - GAS PURCHASES (Accounts 800, 801, 802, 803, 804.1 and 805)**

1. Report particulars of gas purchases during the year in the manner prescribed below. (Code numbers to be used in reporting for Columns (d), (e) and (f) will be supplied by the Commission.)

2. Provide subheadings and totals for prescribed accounts as follows

- 800 Natural Gas Well Head Purchases
- 801 Natural Gas Field Line Purchases
- 802 Natural Gas Gasoline Plant Outlet Purchases
- 803 Natural gas Transmission Line Purchases
- 804 Natural Gas City Gate Purchases
- 804.1 Liquefied natural Gas Purchases
- 805 Other gas Purchases

Purchases are to be reported in account number sequence, e.g. all purchases charged to Account 800, followed by charges to Account 801, etc. Under each account number, purchases should be reported by states in alphabetical order. Totals are to be shown for each account in Columns (k) and (l) and should agree with the books of accounts, or any differences reconciled.

3. Purchases may be reported by gas purchase contract totals (at the option of the respondent) where one contract includes two or more FERC producer rate schedules or small producer certificates, provided that the same price is being paid for all gas purchased under the contract. If two or more prices are in effect under the same contract, separate details for each price shall be reported. The name, and FERC rate schedule or small producer certificate docket number of each seller included in the contract total shall be listed on separate sheets, clearly cross-referenced. Where two or more prices are in effect, the sellers at each price are to be listed separately.

4. Purchases of less than 100,000 MCF per year per contract from sellers not affiliated with the reporting company may (at the option of the respondent) be grouped by account number, except when the purchases were permanently discontinued during the reporting year. When grouped purchases are reported, the number of grouped purchases is to be reported in Column (a). Only Columns (a), (k), (l), and (m) are to be completed for grouped purchases; however, the Commission may request additional details when necessary. Grouped non-jurisdictional purchases should be shown on a separate line.

5. Column instructions are as follows:

Column (a) and (d) - In reporting the names of sellers under FERC rate schedules, use the names as they appear on the filed rate schedules. Abbreviations may be used where necessary. The code number to be used is the Commission assigned number.

Column (b) - Give the name of the producing field only for purchases at the wellhead or from field lines. The plant name should be given for purchases from gasoline plant outlets. If purchases under a contract are from more than one field or plant, use the name of the one contributing the largest volume. Use a footnote to list the other fields or plants involved.

Column (c) - State the net rate in cents per MCF as of December 31 for the reported year, applicable to the volume shown in Column (k). The net rate includes all applicable deductions and downward adjustments. The rate is effective if filed pursuant to applicable statutes and regulations and (as to FERC rates schedules) permitted by the commission to become effective.

Columns (e) and (f) - General Services Administration location code designations are to be used to designate the state and county where the gas is received. Where gas is received in more than one county, use the code designation for the county having the largest volume, and by footnote list the other counties involved.

Column (g) - List the assigned commission rate schedule number or small producer certificate docket number. Use the designation "NF" in Column (g) to indicate non-jurisdictional purchases.

Column (h) - In some cases, two or more lines will be required to report a purchase, as when two or more rates are being paid under the same contract, or when purchases under the same rate schedule are charged to more than one account. If for such reasons the producer rate schedule or non-jurisdictional purchase contract appears on more than one line, enter a numerical code (selected by the respondent) in Column (h) to so indicate. Once established, the same numerical suffix is to be used for all subsequent-year reporting of the purchase. If the purchase was permanently discontinued during the reporting year, so indicate by an asterisk (\*) in column (h). Column (h) is to be used also, to enter any Commission assigned letter rate schedule suffix (e.g. R.S. No. 22A).

Column (i) - Show date of the gas purchase contract. If gas is purchased under a renegotiated contract show the dates of the original and renegotiated contracts on the following line in brackets. If new acreage is dedicated by ratification of an existing contract, show the date of the ratification, rather than the date of the original contract. If gas is being sold from a different reservoir than the original dedicated acreage pursuant to Section 2.56 (f) (2) of the Commission's Rules of Practice and Procedure, place the letter "A" after the contract date.

Column (j) - Show, for each purchase, the approximate BTU per cubic foot, determined in accordance with the definition in item No. 7 of the General Instructions for FERC Form 2.

Column (k) - State the volume of purchased gas as finally measured for purpose of determining the amount payable for the gas. Include current year receipts of make-up gas that was paid for in prior years.

Column (l) - State the dollar amount (omit cents) paid and previously paid for the volumes of gas shown in Column (k).

Column (m) - State the average cost per MCF to the nearest hundredth of a cent. (Column (l) divided by Column (k) multiplied by 100).



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<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - GAS PURCHASES (Account 800, 801, 802, 803, 804, 804.1 and 805) (Con't)**

Line No.	NAME OF SELLER (DESIGNATE ASSOCIATED COMPANIES) (a)	NAME OF PRODUCING FIELD OR GASOLINE PLANT (b)	NET RATE EFFECTIVE DECMEBER 31 (c)
1			
2			
3			
4			
5			
6		<b>SEE FERC ANNUAL REPORT</b>	
7		<b>PAGE 520</b>	
8			
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<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) December 31, 2022	<b>Year of Report</b> December 31, 2022
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Line No.	SELLAR CODE (d)	STATE CODE (e)	COUNTRY CODE (f)	RATE SCHEDULE		DATE OF CONTRACT (i)	APPROX BTU PER CU FEET (j)	GAS PURCHASED - MCF (14.73 PSIA 60°F) (k)	COST OF GAS (l)	COST PER MCF (CENTS) (m)
				No. (g)	Suffix (h)					
1										
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**SEE FERC ANNUAL REPORT  
PAGE 520**

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - GAS USED IN UTILITY OPERATIONS - CREDIT (Accounts 810, 811 and 812)**

- Report below particulars of credits during the year to Accounts 810, 811 and 812, which offset charges to operating expenses or other accounts for the cost of gas from the respondent's own supply.
- Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas.
- If the reported MCF for any use is an estimated quantity, state such fact.
- If any natural gas was used by the respondent for which charge was not made to the appropriate operating expenses or other account, list separately in column (c) the MCF of gas so used, omitting entries in columns (d) and (e).
- Pressure base of measurement, to be reported in columns (c) and (f) is 14.73 psia at 60° F.

Line No.	PURPOSE FOR WHICH GAS WAS USED (a)	ACCOUNT CHARGED (b)	NATURAL GAS			MANUFACTURED GAS	
			Dth OF GAS USED (14.73 PSIA AT 60° F) (c)	AMOUNT OF CREDIT (d)	AMOUNT PER Dth (CENTS) (e)	MCF OF GAS USED (14.73 PSIA AT 60° F) (f)	AMOUNT OF CREDIT (g)
1	810 Gas used for Compressor Station Fuel - Credit		—	—	—	N/A	N/A
2	811 Gas used for Products Extraction - Credit		—	—	—	N/A	N/A
3	(a) Gas shrinkage & other usage in respondent's own processing		—	—		N/A	N/A
4	(b) Gas shrinkage, etc. for respondent's gas processed by others		—	—		N/A	N/A
5	812 Gas used for Other Utility Operations - Credit		722,378	297,259	0.41	N/A	N/A
6	(Report separately for each principal use, Group minor uses.)					N/A	N/A
7	System - All Districts		278,827	297,259			
8	LNG Plants		165,038	0*			
9	Underground Storage Compressors		278,513	0*			
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25	TOTAL		722,378	297,259	0.41		

\* Included in the Cost of Inventory

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - GAS ACCOUNT - NATURAL GAS**

- The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent, taking into consideration differences in pressure bases used in measuring Mcf of natural gas received and delivered.
- Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
- Enter in column (c) the Dth as reported in the schedules indicated for the items of receipts and deliveries.
- In a footnote report the volumes of gas from respondent's own production delivered to respondent's transmission system and included in natural gas sales.
- If the respondent operates two or more systems which are not interconnected, separate schedules should be submitted. Insert pages for this purpose.

Line No.	ITEM (a)	REF. PAGE NO. (b)	Amount of Dth (c)
1	<b>GAS RECEIVED</b>		
2	Natural Gas Produced		—
3	LPG Gas Produced and Mixed with Natural Gas		—
4	Manufactured Gas Produced and Mixed with Natural Gas		—
5	Purchased Gas		
6	(a.) Wellhead		
7	(b.) Field Lines		17,447
8	(c.) Gasoline Plants		
9	(d.) Transmission Line		
10	(e.) City Gate Under FERC Rate Schedules		79,651,518
11	(f.) LNG		
12	(g.) Other		
13	TOTAL, Gas Purchased (Enter Total of lines 7 thru 13)		79,668,965
14	Gas of Others Received for Transportation		36,169,725
15	Receipts of Respondents' Gas Transported or Compressed by Others		
16	Exchange Gas Received		
17	Gas Withdrawn from Underground Storage	*	8,880,256
18	Gas Received from LNG Storage		820,837
19	Gas Received from LNG Processing		
20	Other Receipts (Specify): Off System Storage Withdrawal		
21	TOTAL Receipts (Enter Total of lines 2 thru 5, 13, and 14 thru 20)		125,539,783

\* This amount does not tie to system page 512 as it only includes Oregon storage sites.

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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<b>STATE OF OREGON - GAS ACCOUNT - NATURAL GAS (CONT'D)</b>			
Line No.	ITEM (a)	REF. PAGE NO. (b)	Amount of Dth (c)
<b>GAS DELIVERED</b>			
22	Natural Gas Sales		
23	a. Field Sales		
24	(i) To Interstate Pipeline Companies for Resale pursuant to		—
25	FERC Rate Schedules		—
26	(ii) Retail Industrial Sales		—
27	(iii) Other Field Sales		—
28	TOTAL, Field Sales		—
29	b. Transmission System Sales		
30	(i) To Interstate Pipeline Co. for Resale Under FERC Rate Schedules		—
31	(ii) To Interstate Pipeline Co. and Gas Utilities for resale under		—
32	FERC Rate Schedules		—
33	(iii) Mainline Industrial Sales Under FERC Certification		—
34	(iv) Other Mainline Industrial Sales		—
35	(v) Other Transmission System Sales		—
36	TOTAL, Transmission System Sales		—
37	c. Local Distribution by Respondent		
38	(i) Retail Industrial Sales		9,963,153
39	(ii) Other Distribution System Sales		68,797,645
40	TOTAL, Distribution System Sales		78,760,798
41	d. Interdepartmental sales		—
42	e. Unbilled Therms		(685,803)
43	TOTAL SALES		78,074,995
44	Deliveries of Gas Transported or Compressed for:		
45	(a.) Other Interstate Pipeline Companies		—
46	(b.) Others - Transportation		36,169,725
47	TOTAL, Gas Transported or Compressed for Others		36,169,725
48	Deliveries of Respondent's Gas for Trans. or Compression by Others		—
49	Exchange Gas Delivered		—
50	Natural Gas Used by Respondent		722,378
51	Natural Gas Delivered to Underground Storage	*	9,304,112
52	Natural Gas Delivered to LNG Storage		850,228
53	Natural Gas Delivered to LNG Processing		—
54	Natural Gas for Franchise Requirements		—
55	Other Deliveries (Specify): FIK		—
56	TOTAL SALES & OTHER DELIVERIES		125,121,438
<b>UNACCOUNTED FOR GAS</b>			
57	Production System Losses		—
58	Storage Losses: Mist Gas Loss		—
59	Transmission System Losses		—
60	Distribution System Losses		418,345
61	Other Losses (Leakage)		—
62	TOTAL Unaccounted for		418,345
63	TOTAL SALES, OTHER DELIVERIES, AND UNACCOUNTED FOR		125,539,783

\* This amount does not tie to system page 512 as it only includes Oregon storage sites.

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - MISCELLANEOUS GENERAL EXPENSES (Account 930.2)**

Report below the information called for concerning items included in miscellaneous general expenses.

Line No.	ITEMS (a)	TOTAL (b)	AMOUNT APPLICABLE TO STATE OF OREGON (c)	AMOUNT APPLICABLE TO OTHER STATES (d)
	<b>SEE FERC ANNUAL REPORT PAGE 335</b>			

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - POLITICAL ADVERTISING**

1. List all payments for advertising, the purpose of which is to aid or defeat any measure before the people or to promote or prevent the enactment of any national, state, district or municipal legislation.
2. Give the specific purpose of such advertising, when and where placed, and the account or accounts charged.
3. Report whole dollars only. Provide a total for each account and a grand total.

Line No.	DESCRIPTION (a)	ACCOUNT CHARGED (b)	AMOUNT (d)
	<p><b>NONE</b></p>		



<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - POLITICAL CONTRIBUTIONS**

1. List all payments for advertising, the purpose of which is to aid or defeat any measure before the people or to promote or prevent the enactment of any national, state, district or municipal legislation.
2. The purpose of all contributions or payments should be clearly explained
3. Report whole dollars only. Provide a total for each account and a grand total.

Line No.	DESCRIPTION (a)	ACCOUNT CHARGED (b)	AMOUNT (c)
1	SYSTEM INTERNAL LOBBY AND INTERNAL RESOURCES	10896	96,907
2	Total 10896	Total	96,907
3			
4	NATURAL GAS POLITICAL	10897	302,601
5	SYSTEM INTERNAL LOBBY AND INTERNAL RESOURCES	10897	289,625
6	Total 10897	Total	592,226
7			
8	SYSTEM INTERNAL LOBBY AND INTERNAL RESOURCES	10898	38,129
9	Total 10898	Total	38,129
10			
11	NATURAL GAS POLITICAL	10911	110,000
12	Total 10911	Total	110,000
13			
14			
15		Total	837,262

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - EXPENDITURES TO ANY PERSON OR ORGANIZATION  
HAVING AN AFFILIATED INTEREST FOR SERVICES, ETC.**

1. Report all expenditures to any person or organization having an affiliated interest for service, advice, auditing, associating, sponsoring, engineering, managing, operating, financial, legal or other services. See Oregon Revised Statute 757.015 for definition of "affiliated interest."  
2. Give reference if such expenditures have in the past been approved by the Commission. Describe the services received and the account or accounts charged. Report whole dollars only.

Line No.	DESCRIPTION (a)	ACCOUNT NUMBER (b)	TOTAL AMOUNT (d)	AMOUNT ASSIGNED TO OREGON (d)
1	The required affiliated interest expenditure information for 2022 will be provided in NW Natural's FY 2022 annual affiliated interest report that will be filed with the commission near the same time as this filing.			
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<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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### STATE OF OREGON - DONATIONS AND MEMBERSHIPS

1. List all donations and membership expenditures made by the utility during the year and the accounts charged. Give the name, city, and state of each organization to whom a donation has been made. Group donations under headings such as:

- a. Contributions to and memberships in charitable organizations.
- b. Organizations of the utility industry.
- c. Technical and professional organizations.
- d. Commercial and trade organizations.
- e. All other organizations and kinds of donations and contributions.

2. List donations by type and group by the accounts charged. Report whole dollars only. Provide a total for each group of donations.

Line No.	DESCRIPTION (a)	ACCOUNT NUMBER (b)	TOTAL AMOUNT (c)	AMOUNT ASSIGNED TO OREGON (d)
1	All donations listed below are contributions to charitable organizations.			
2	UNITED WAY	606400	60,000	60,000
3	OREGON COMMUNITY FOUNDATION	606400	50,167	50,167
4	ADELANTE MUJERES	606400	40,000	40,000
5	STORE TO DOOR	606400	40,000	40,000
6	ASIAN HEALTH SERVICE CENTER	606400	35,000	35,000
7	GROWING GARDENS	606400	35,000	35,000
8	BONNEVILLE ENVIRONMENTAL FOUNDATION	606400	30,200	30,200
9	OREGON STATE UNIVERSITY FOUNDATION	606400	15,000	15,000
10	LIFEWORNS NW	606400	12,810	12,810
11	OREGON FOOD BANK INC	606400	11,080	11,080
12	BRIDGE MEADOWS	606400	10,840	10,840
13	URBAN GLEANERS	606400	10,500	10,500
14	AMERICAN GAS FOUNDATION	606400	10,000	10,000
15	FUND FOR PORTLAND PUBLIC SCHOOLS	606400	10,000	10,000
16	LITERARY ARTS INC	606400	10,000	10,000
17	P EAR	606400	10,000	10,000
18	PORTLAND COMMUNITY COLLEGE FOUNDATION INC	606400	10,000	10,000
19	IRCO	606400	8,544	8,544
20	UNITED WAY OF THE COLUMBIA- WILLAMETTE	606400	8,277	8,277
21	THE NATURE CONSERVANCY IN OREGON	606400	8,020	8,020
22	LATINO NETWORK	606400	7,923	7,923
23	CASA FOR CHILDREN INC	606400	7,801	7,801
24	KAIROSPDX	606400	7,563	7,563
25	NORTHWEST HOUSING ALTERNATIVES INC	606400	7,500	7,500
26	YOUTH VILLAGES OF OREGON	606400	7,500	7,500
27	COUNCIL FOR THE HOMELESS	606400	6,000	—
28	BLACK UNITED FUND OF OREGON INC	606400	5,803	5,803
29	MARCH OF DIMES - OREGON	606400	5,750	5,750
30	CLASSROOM LAW PROJECT	606400	5,720	5,720
31	OREGON PUBLIC BROADCASTING	606400	5,680	5,680
32	OUTSIDE IN	606400	5,600	5,600
33	THE FRESHWATER TRUST	606400	5,415	5,415
34	BASIC RIGHTS EDUCATION FUND	606400	5,200	5,200
35	LIBRARY FOUNDATION INC SERVING THE PEOPLE OF MULTNOMAH COUNTY	606400	5,180	5,180
36	THE FOREST PARK CONSERVANCY	606400	5,180	5,180
37	OREGON STATE PARKS FOUNDATION	606400	5,126	5,126
38	PORTLAND PARKS FOUNDATION	606400	5,125	5,125
39	PORTLAND HOMELESS FAMILY SOLUTIONS	606400	5,079	5,079
40	OREGON MAYOR'S ASSOCIATION	606400	5,050	5,050

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Line No.	DESCRIPTION (a)	ACCOUNT NUMBER (b)	TOTAL AMOUNT (c)	AMOUNT ASSIGNED TO OREGON (d)
41	NORTHWEST EARTH INSTITUTE	606400	5,010	5,010
42	ADOPT ONE BLOCK	606400	5,000	5,000
43	ALL HANDS RAISED	606400	5,000	5,000
44	BEAVERTON EDUCATION FOUNDATION	606400	5,000	5,000
45	BOYS GIRLS CLUB OF SALEM MARION POLK COUNTIES INC	606400	5,000	5,000
46	CAMPBELL INSTITUTE	606400	5,000	5,000
47	CENTRAL CITY CONCERN DEVELOPMENT	606400	5,000	5,000
48	CHILDRENS PUBLIC PRIVATE PARTNERSHIP	606400	5,000	5,000
49	ARTHUR D. CURTIS CHILDREN'S JUSTICE	606400	5,000	—
50	CLARK COUNTY VOCATIONAL SKILLS CENTER FOUNDATION	606400	5,000	—
51	COLLEGE POSSIBLE - OREGON	606400	5,000	5,000
52	DOUGY CENTER INC	606400	5,000	5,000
53	GUIDE DOGS FOR THE BLIND INC	606400	5,000	5,000
54	INCIGHT COMPANY	606400	5,000	5,000
55	IUOE LOCAL 701 SOLIDARITY FUND INC	606400	5,000	5,000
56	OREGON BUSINESS & INDUSTRY	606400	5,000	5,000
57	OREGON MUSEUM OF SCIENCE AND INDUSTRY	606400	5,000	5,000
58	SMART READING	606400	5,000	5,000
59	THE PARKS AND RECREATION FOUNDATION OF VANCOUVER AND CLARK COUNTY	606400	5,000	—
60	A VILLAGE FOR ONE	606400	4,515	4,515
61	AGROS INTERNATIONAL	606400	4,254	4,254
62	OREGON CAPITOL FOUNDATION	606400	4,100	4,100
63	LINES FOR LIFE	606400	3,760	3,760
64	NATIVE AMERICAN YOUTH AND FAMILY CENTER	606400	3,703	3,703
65	JANUS YOUTH PROGRAMS INC	606400	3,540	3,540
66	AMERICAN LEADERSHIP FORUM OF OREGON	606400	3,500	3,500
67	HEAT OREGON	606400	3,500	3,500
68	OREGON LIBRARY ASSOCIATION INC	606400	3,500	3,500
69	REACH COMMUNITY DEVELOPMENT INC	606400	3,500	3,500
70	TOGETHER WE ARE GREATER THAN	606400	3,500	3,500
71	URBAN LEAGUE OF PORTLAND	606400	3,240	3,240
72	COMMUNITY CYCLING CENTER	606400	3,040	3,040
73	BLANCHET HOUSE OF HOSPITALITY	606400	3,010	3,010
74	BRADLEY ANGLE	606400	3,000	3,000
75	CLARK COMMUNITY COLLEGE DISTRICT 14 FOUNDATION	606400	3,000	—
76	CLARK COUNTY FOOD BANK	606400	3,000	—
77	COLUMBIA PACIFIC ECONOMIC DEVELOPMENT	606400	3,000	3,000
78	COMMUNITY FOUNDATION FOR SOUTHWEST WASHINGTON	606400	3,000	—
79	COMMUNITY PARTNERS FOR AFFORDABLE HOUSING	606400	3,000	3,000
80	FAMILY BUILDING BLOCKS INC	606400	3,000	3,000
81	FRIENDS OF THE CHILDREN-PORTLAND	606400	3,000	3,000
82	LOWER COLUMBIA ESTUARY PARTNERSHIP	606400	3,000	3,000
83	THE CHILDRENS BOOK BANK	606400	2,915	2,915
84	HARPERS PLAYGROUND	606400	2,902	2,902
85	SOLVE	606400	2,752	2,752
86	LGBTQ COMMUNITY CENTER FUND	606400	2,700	2,700
87	CLACKAMAS COMMUNITY COLLEGE FOUNDATION	606400	2,640	2,640
88	BROWN HOPE	606400	2,600	2,600
89	STREET ROOTS	606400	2,532	2,532

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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Line No.	DESCRIPTION (a)	ACCOUNT NUMBER (b)	TOTAL AMOUNT (c)	AMOUNT ASSIGNED TO OREGON (d)
90	ACHIEVEMENT REWARDS FOR COLLEGE SCIENTISTS FOUNDATION INC OREGON	606400	2,500	2,500
91	BIENESTAR INC	606400	2,500	2,500
92	CASA OF LANE COUNTY	606400	2,500	2,500
93	CENTRO CULTURAL DE CONDADO DE WASHINGTON COUNTY	606400	2,500	2,500
94	CONSTRUCTING HOPE PRE- APPRENTICESHIP PROGRAM	606400	2,500	2,500
95	FRENCH AMERICAN INTERNATIONAL SCHOOL	606400	2,500	2,500
96	FRIENDLY HOUSE INC	606400	2,500	2,500
97	FRIENDS OF ZENGER FARM	606400	2,500	2,500
98	GLEANERS OF CLACKAMAS COUNTY INCORPORATED	606400	2,500	2,500
99	HILLSBORO COMMUNITY FOUNDATION INC	606400	2,500	2,500
100	LEGACY HEALTH FOUNDATION	606400	2,500	2,500
101	MT SCOTT PARK CENTER FOR LEARNING INC	606400	2,500	2,500
102	NEIGHBORHOOD PARTNERSHIPS INC	606400	2,500	2,500
103	OREGON COAST AQUARIUM INC	606400	2,500	2,500
104	PLAYWORKS EDUCATION ENERGIZED	606400	2,500	2,500
105	READING RESULTS	606400	2,500	2,500
106	REGIONAL ARTS & CULTURE COUNCIL	606400	2,500	2,500
107	SERENDIPITY CENTER INC	606400	2,500	2,500
108	SOCIAL VENTURE PARTNERS PORTLAND	606400	2,500	2,500
109	UNITED NEGRO COLLEGE FUND INC	606400	2,500	2,500
110	VOLUNTEERS OF AMERICA INC	606400	2,500	2,500
111	WILLAMETTE UNIVERSITY	606400	2,500	2,500
112	WILLIAM TEMPLE HOUSE	606400	2,500	2,500
113	YAKONA NATURE PRESERVE	606400	2,500	2,500
114	YWCA OF GREATER PORTLAND	606400	2,500	2,500
115	UNITED WAY OF THE COLUMBIA-WILLAMET	606400	2,400	2,400
116	MEALS ON WHEELS PEOPLE INC	606400	2,245	2,245
117	VITAL GROUND FOUNDATION INC	606400	2,100	2,100
118	HABITAT FOR HUMANITY PORTLAND METRO EAST	606400	2,030	2,030
119	MID-COLUMBIA COMMUNITY ACTION COUNCIL INC	606400	2,000	2,000
120	OLD MILL CENTER FOR CHILDREN & FAMILY	606400	2,000	2,000
121	YOUNG MENS CHRISTIAN ASSOCIATION OF EUGENE	606400	2,000	2,000
122	Add: Donations Less than \$2k	606400	91,123	86,483
123				
124	<b>TOTAL DONATIONS</b>	606400	899,740	865,100
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<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) x An Original (2) o A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**State of Oregon - Officers' Salaries**

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration, or finance), and any other person who performs similar policy-making functions.

2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent and date change in incumbency was made.

3. Utilities which are required to file similar data with the Securities and Exchange Commission, may substitute a copy of Item 4, Regulation S-K, identified as this schedule page. The substituted page(s) should be conformed to the size of this page.

Line No.	Title (a)	Name of Officer (b)	SALARY FOR YEAR	
			Total (c)	Oregon (d)
See the salary information for 2022 excerpted from the Summary Compensation Table on page 52 of the 2022 Northwest Natural Holding Company Proxy (Item 4, Regulation S-K requirement) filed on April 13, 2023 below.				
	NAME AND PRINCIPAL POSITION		TOTAL SALARY	
1	David H. Anderson President and Chief Executive Officer		\$795,833	
2	Frank H. Burkhartsmeyer Senior Vice President and Chief Financial Officer		\$512,167	
3	MardiLyn Saathoff Senior Vice President, Regulation and General Counsel		\$427,167	
4	Kimberly A. Heiting, Senior Vice President, Operations and Chief Marketing Officer		\$381,000	
5	Justin Palfreyman, Vice President, Strategy and Business Development Officer		\$359,500	

<b>Name of Respondent</b> Northwest Natural Gas Company	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr)	<b>Year of Report</b> December 31, 2022
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**STATE OF OREGON - DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS  
OTHER THAN EMPLOYEES AND CHARGED TO OREGON OPERATING ACCOUNTS**

1. Report for each service rendered (including materials furnished incidental to the service which are impracticable of (separation)by recipient and in total the aggregate of all payments made during the year where the aggregate of such payments to a recipient was \$25,000 or more including fees, retainers, commissions, gifts, contributions, assessments, bonuses, subscriptions, allowances for expenses or any other form of payments for services, traffic settlements, amounts paid for construction or maintenance of plant to persons other than affiliates to any one corporation, institution, association, firm partnership, committee, or person (not an employee of the respondent). Indicate by an asterisk in column (c) each item that includes payments for materials furnished incidental to the services performed. Payments to a recipient by two or more companies within a single system under a cost sharing or other joint arrangement shall be considered a single item for reporting in this schedule and shall be shown in the report of the principal company in the joint arrangement(as measured by gross operating revenues) with references thereto in the reports of the other system companies in the joint arrangement.

2. If more convenient, this schedule may be filled out for a group of companies considered as one system and shown only in the report of the principal company in the system, with references thereto in the reports of the other companies.

Line No.	NAME OF RECIPIENT (a)	NATURE OF SERVICE (b)	AMOUNT OF PAYMENT (c)
	SEE FERC ANNUAL REPORT PAGE 357		

Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2022

In order to help us with production of our Oregon Utility Statistics publication, please indicate:

Oregon Production Statistics (Therms)

Gas Produced	—
Gas Purchased	796,689,650
Total Receipts	<u>796,689,650</u>

Gas Sales	787,607,980
Gas Used by Company	7,223,780
Gas Delivered to LNG and Storage - Net	4,532,470
Losses & billing Delay	(2,674,580)
Total Disbursements	<u>796,689,650</u>

Oregon Revenue by Service Class

Residential	\$ 491,142,036
Commercial & Industrial	
Firm	271,839,058
Interruptible	34,500,526
Transportation	18,133,472
Gas Storage Services	19,430,730
Total	<u>835,045,822</u>

Gas Sold in Therms (Oregon)

Residential	419,239,719
Commercial & Industrial	
Firm	295,949,223
Interruptible	65,561,014
Transportation	361,697,252
Total	<u>1,142,447,208</u>

Average Number of Oregon Customers

Residential	632,471
Commercial & Industrial	
Firm	62,249
Interruptible	110
Transportation	282
Total	<u>695,112</u>



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**Distribution of Salaries and Wages  
Oregon Jurisdiction**

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals and Other Accounts, and enter such amounts in the appropriate lines and columns provided. Salaries and wages billed to the Respondent by an affiliated company must be assigned to the particular operating function(s) relating to the expenses.

In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used. When reporting detail of other accounts, enter as many rows as necessary numbered sequentially starting with 75.01, 75.02, etc.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (c)	Allocation of Payroll Charged for Clearing Accounts (d)	Total (e)
1	Electric				
2	Operation				
3	Production				
4	Transmission				
5	Distribution	<b>SEE FERC ANNUAL REPORT</b>			
6	Customer Accounts	<b>PAGES 354-355</b>			
7	Customer Service and Informational				
8	Sales				
9	Administrative and General				
10	TOTAL Operation (Total of lines 3 thru 9)				
11	Maintenance				
12	Production				
13	Transmission				
14	Distribution				
15	Administrative and General				
16	TOTAL Maintenance (Total of lines 12 thru 15)				
17	Total Operation and Maintenance				
18	Production (Total of lines 3 and 12)				
19	Transmission (Total of lines 4 and 13)				
20	Distribution (Total of lines 5 and 14)				
21	Customer Accounts (line 6)				
22	Customer Service and Informational (line 7)				
23	Sales (line 8)				
24	Administrative and General (Total of lines 9 and 15)				
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)				
26	Gas				
27	Operation				
28	Production - Manufactured Gas				
29	Production - Natural Gas(Including Exploration and Development)				
30	Other Gas Supply				
31	Storage, LNG Terminating and Processing				
32	Transmission				
33	Distribution				
34	Customer Accounts				
35	Customer Service and Informational				
36	Sales				
37	Administrative and General				
38	TOTAL Operation (Total of lines 28 thru 37)				
39	Maintenance				
40	Production - Manufactured Gas				

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41	Production - Natural Gas(Including Exploration and Development)				
42	Other Gas Supply				
43	Storage, LNG Terminating and Processing				
44	Transmission				
45	Distribution				
46	Administrative and General				
47	TOTAL Maintenance (Total of lines 40 thru 46)				
48	Gas (Continued)				
49	Total Operation and Maintenance				
50	Production - Manufactured Gas (Total of lines 28 and 40)				
51	Production - Natural Gas (Including Expl. and Dev.)(ll. 29 and 41)	<b>SEE FERC ANNUAL REPORT</b>			
52	Other Gas Supply (Total of lines 30 and 42)	<b>PAGES 354-355</b>			
53	Storage, LNG Terminating and Processing (Total of ll. 31 and 43)				
54	Transmission (Total of lines 32 and 44)				
55	Distribution (Total of lines 33 and 45)				
56	Customer Accounts (Total of line 34)				
57	Customer Service and Informational (Total of line 35)				
58	Sales (Total of line 36)				
59	Administrative and General (Total of lines 37 and 46)				
60	Total Operation and Maintenance (Total of lines 50 thru 59)				
61	Other Utility Departments				
62	Operation and Maintenance				
63	TOTAL ALL Utility Dept. (Total of lines 25, 60, and 62)				
64	Utility Plant				
65	Construction (By Utility Departments)				
66	Electric Plant				
67	Gas Plant				
68	Other				
69	TOTAL Construction (Total of lines 66 thru 68)				
70	Plant Removal (By Utility Departments)				
71	Electric Plant				
72	Gas Plant				
73	Other				
74	TOTAL Plant Removal (Total of lines 71 thru 73)				
75					
76	TOTAL Other Accounts				
77	TOTAL SALARIES AND WAGES				