Investor Presentation



May 2024

NW Natural HOLDINGS™

Investor Information

Company Information

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Forward Looking Statements

This and other presentations made by NW Natural Holdings from time to time, may contain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, which are subject to the safe harbors created by such Act. Forward-looking statements can be identified by words such as “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects” and similar references to future periods. Examples of forward-looking statements include, but are not limited to, statements regarding the following: plans; objectives; estimates; timing; goals; strategies; future events; projections; expectations; acquisitions and timing; completion and integration thereof; storage, pipeline and other infrastructure investments; safety; system modernization and reliability; risk profile; commodity costs and sourcing; competitive advantage; marketing success; service territory; customer service; customer and business growth; customer satisfaction ratings; weather; customer rates and timing and magnitude of potential rate changes; price advantage; customer preference; conversion potential; business risk; efficiency of business operations; regulatory recovery; business development and new business initiatives; water and wastewater industry and investments including timing, completion and integration of such investments; environmental initiatives and remediation recoveries; gas storage markets and business opportunities; gas storage development, costs, timing or returns related thereto; dispositions and timing, completion and outcomes thereof; accretion, financial positions and performance; economic and housing market trends and performance; shareholder return and value; capital expenditures; technological innovations and investments; availability and sources of liquidity; strategic goals and visions; decarbonization and the role of natural gas and the gas delivery system, including competitive renewable natural gas strategy; use of renewables such as renewable natural gas and hydrogen; low carbon pathway and Vision 2050; carbon emissions and savings; renewable natural gas projects or investments and timing related thereto; procurement of renewable natural gas for customers; workforce trends; diversity, equity and inclusion initiatives; hedge efficacy; cash flows and adequacy thereof; return on equity; capital structure; return on invested capital; revenues and earnings and timing thereof; margins; net income; operations and maintenance expense; dividends; credit ratings and profile; debt and equity issuances; the regulatory environment; effects of regulatory disallowance; timing or effects of future regulatory proceedings or future regulatory approvals; regulatory prudence reviews or deferrals; timing, outcome and effects of regulatory dockets or mechanisms or approvals, including, but not limited to, OPUC approval of the Oregon general rate case comprehensive stipulation; effects of legislation and changes in laws and regulations, including but not limited to carbon, renewable natural gas and renewable hydrogen regulations; gas supply; supply chain; effects, extent, severity and duration of COVID-19 and resulting economic disruption; the impact of efforts to mitigate risks posed by its spread, the ability of our workforce, customers or suppliers to operate or conduct business, COVID-19 expenses and financial impact and cost recovery including through regulatory deferrals, impact on capital projects, governmental actions and timing thereof, including actions to reopen the economy; and other statements that are other than statements of historical facts.

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements, so we caution you against relying on any of these forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements are discussed by reference to the factors described in Part I, Item 1A “Risk Factors,” and Part II, Item 7 and Item 7A “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and “Quantitative and Qualitative Disclosure about Market Risk” in the Company’s most recent Annual Report on Form 10-K, and in Part I, Items 2 and 3 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Quantitative and Qualitative Disclosures About Market Risk”, and Part II, Item 1A, “Risk Factors”, in the Company’s quarterly reports filed thereafter.

All forward-looking statements made in this presentation and all subsequent forward-looking statements, whether written or oral and whether made by or on behalf of the Company, are expressly qualified by these cautionary statements. Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

Leadership Presenting



DAVID H. ANDERSON • Chief Executive Officer

Mr. Anderson is currently NW Natural Holding's CEO effective May 2023. Previously Anderson was NW Natural Holding's President and CEO effective October 2018 and Northwest Natural Gas Company's ("NW Natural") President and CEO effective August 2016. Since he joined NW Natural in 2004, Mr. Anderson has served in various executive positions over Operations, Regulation and Financial Matters, as COO and CFO. Previously, Mr. Anderson held executive positions within TXU Corporate including Senior Vice President and Chief Accounting Officer. Mr. Anderson holds a BBA in Accounting from Texas Tech University and held a CPA (retired) and CGMA.



JUSTIN B. PALFREYMAN • President NW Natural Holdings, NW Natural, & NW Natural Water

Mr. Palfreyman is currently NW Natural Holdings' President effective May 2023. Previously, Mr. Palfreyman was NW Natural's Senior Vice President of Strategy and Business Development effective 2016. In addition, he is the President of NW Natural Water. Previously, Mr. Palfreyman was with Lazard, Freres & Co. serving as a Director in the Energy & Infrastructure Group and worked in the Infrastructure Investment Banking Group at Goldman Sachs in New York. Mr. Palfreyman has an MBA and a Master of Public Policy from The University of Chicago, and a Bachelor of Business Administration from Pacific Lutheran University.



BRODY J. WILSON • Interim CFO, Vice President, Treasurer, and Chief Accounting Officer

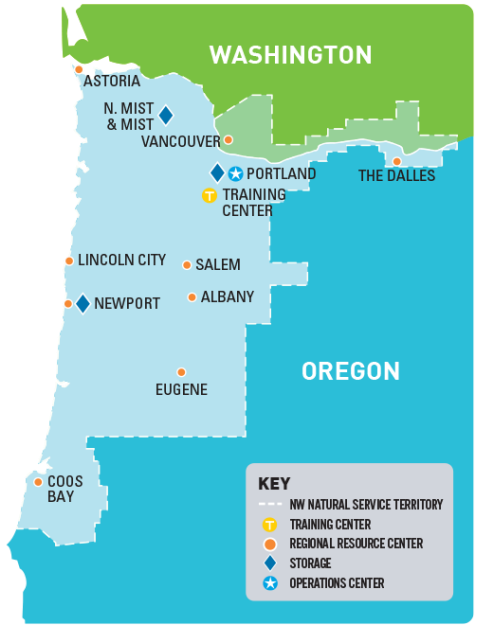
Mr. Wilson is currently interim Chief Financial Officer of NW Natural Holdings and NW Natural effective July 28, 2023. He also currently serves as Vice President, Treasurer, and Chief Accounting Officer of NW Natural Holdings and NW Natural. Mr. Wilson has been serving as Treasurer since 2016 and was appointed NW Natural's Controller and Chief Accounting Officer in 2013. Prior to joining the Company in 2012, he was a Senior Manager in the Energy & Utility Group at PricewaterhouseCoopers LLP. Mr. Wilson holds a Bachelor of Science in Accounting from George Fox University and is a CPA in Oregon.

Introduction

NWN At A Glance

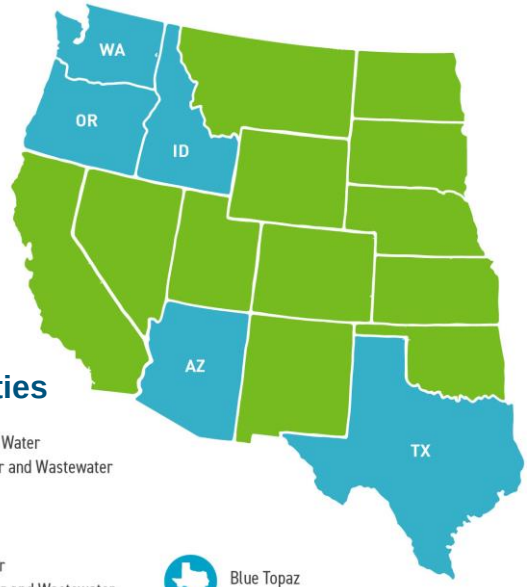
Gas Utility

- 2.0 million people served
- 800,000 connections
- 14,000 miles of modern pipeline
- $4.5 billion in assets
- Growing service territory in Oregon & Southwest Washington



Water & Wastewater Utilities

- Over 180,000 people served through approximately 74,000 owned connections
- Supporting nearly 20,000 O&M service connections
- $152 million of property, plant and equipment
- Fast-growing service territories
- Continued disciplined expansion



Owned Utilities

Salmon Valley Water
Sunriver Water and Wastewater
Avion Water
Hiland

Cascadia Water
Suncadia Water and Wastewater

Blue Topaz

Falls Water
Gem State Water

Foothills Water and Wastewater
Rose Valley Water Company

NW Natural Renewables

- Investing in renewable energy and the transition to a decarbonized future
- Focused on the production and supply of lower carbon fuels supporting a variety of sectors
- Initial $50 million total investment in RNG production facility



Corporate Strategy

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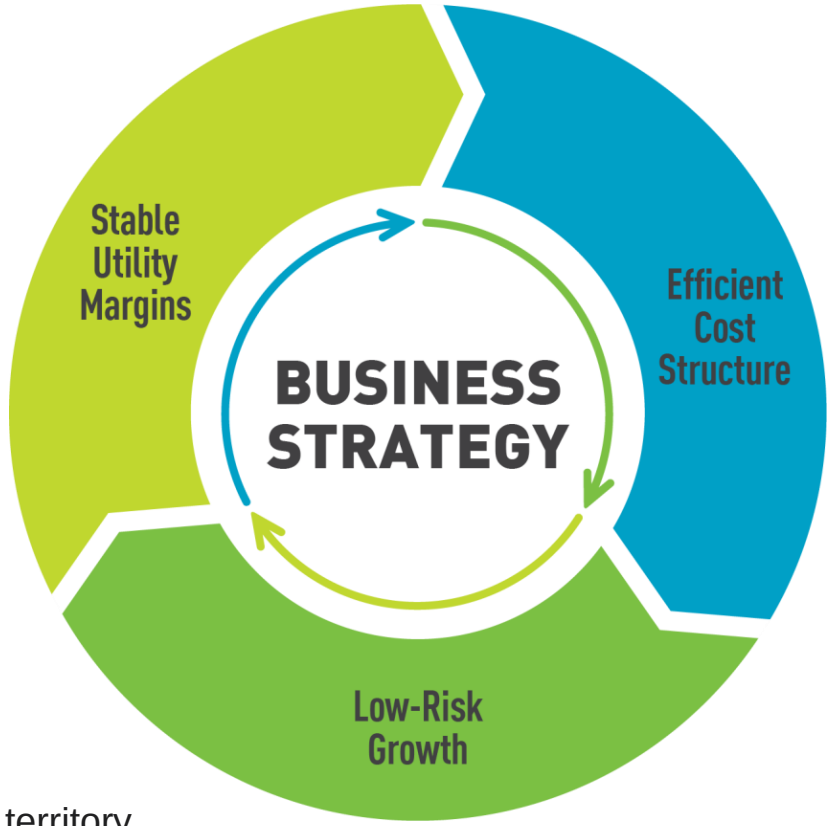
Conservative Strategy

Stable gas and water utility margins through progressive regulation

- Gas utility: weather, decoupling and environmental cost recovery mechanisms as well as a renewable natural gas automatic adjustment clause in Oregon
- Constructive relationships with regulators and customer groups benefit both gas and water utilities

Excellent operations and efficient cost structure

- Commitment to safety, reliability, and high-quality service
- Continued focus on efficient business operations



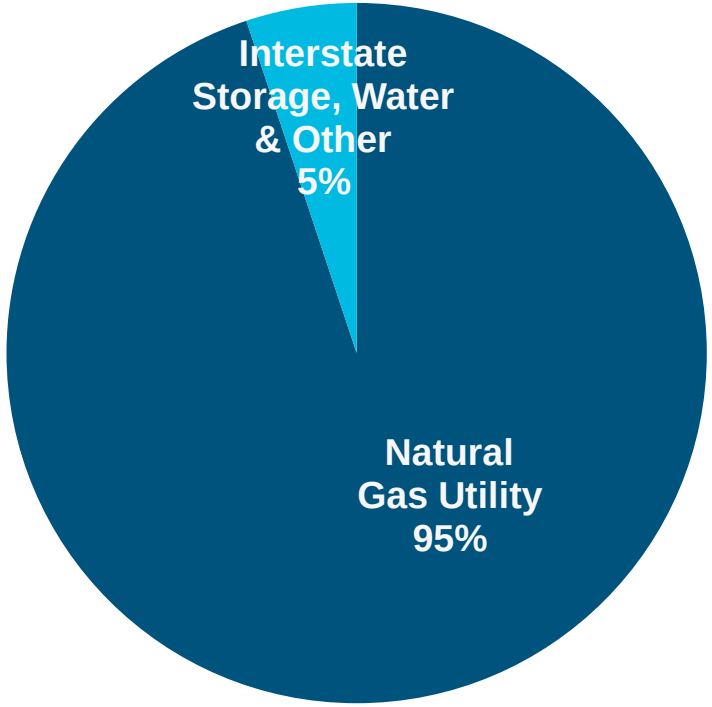
Long-term growth opportunities that fit NWN's profile

- **GAS UTILITY:** strong cap-ex profile with attractive and growing service territory
- **WATER & WASTEWATER:** long-term, disciplined strategy to acquire water utilities and wastewater businesses in a highly fragmented industry with ample infrastructure investment opportunities
- **COMPETITIVE RNG:** potential for incremental earnings and cash flow through renewable natural gas investments, supported by long-term contracts, that could help decarbonize a variety of sectors including utility, commercial, industrial and transportation sectors

HIGHLY REGULATED

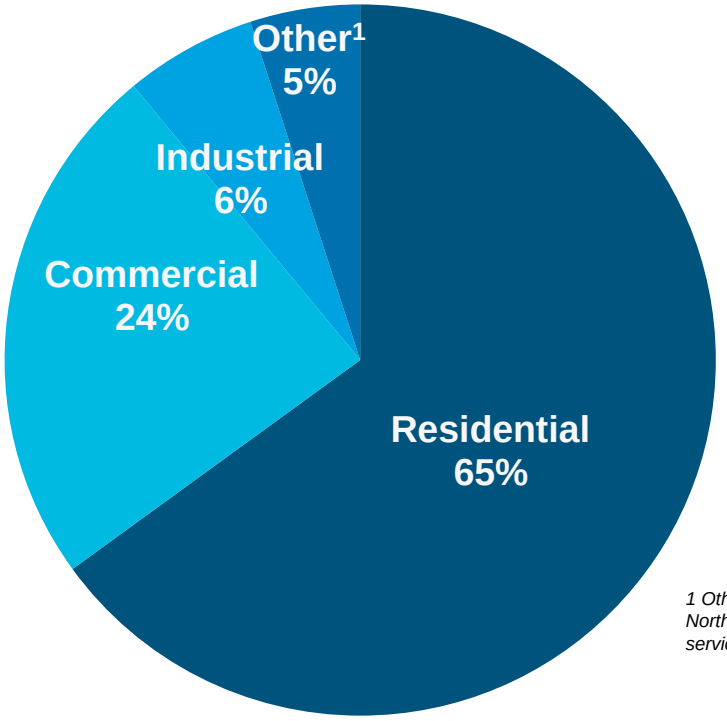
Majority Revenues from Utilities

2023 Operating Revenues



Favorable Customer Mix

2023 Natural Gas Utility Margin



1 Other is primarily margin from North Mist regulated gas storage services

Community & Sustainability Achievements

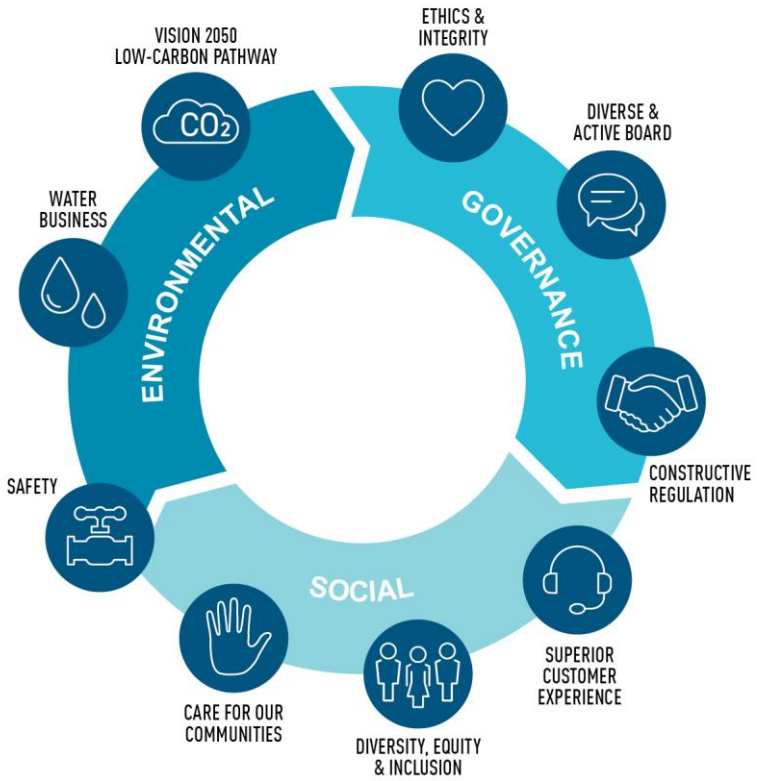
Published ESG Report with disclosures in alignment with SASB and including components of TCFD

Environmental

- On track to meet or exceed carbon savings goal of 30% by 2035[1]
- Saved 535,881 in 2022, taking nearly 119,000 cars off the road
- Our vision forward is being a provider of carbon neutral energy by 2050

Safety

- No cast iron or bare steel pipe in natural gas system, making our system one of the most modern and tightest in the nation
- Performed transmission pipeline inspections at about 2.5x the rate required in 2022
- By end of 2022, we had installed more than 295,000 EFVs on about 40% of service lines, compared to industry average of 27%



Governance

- Maintained well-qualified, diverse, independent and active Board with appropriate business & risk oversight
- In 2022, 10 out of 11 directors were independent
- 27% identify as culturally or racially diverse, 45% identify as women including board chair
- 100% of active NW Natural employees participated in ethics and compliance training in 2022
- Honored as one of the 2022 and 2023 World's Most Ethical Companies®[3]

Customers & Employees

- Ranked #2 in the West for residential customer service[2]
- In 2022, donated $1 million and 7,584 volunteer hours
- In 2022, 27% of our workforce were women, and 21% were racially or culturally diverse

Full report at nwnatural.com/about-us/the-company/sustainability

1 *This is an emissions savings goal equivalent to 30% of the carbon emissions from our sales customers' gas use and NW Natural company operations from 2015*
2 *2022 and 2023 J.D. Power Gas Utility Residential Customer Satisfaction Study for Large Utilities*
3 *"World's Most Ethical Companies" and "Ethisphere" names and marks are registered trademarks of Ethisphere LLC*

Long-Term Investment Targets

Growth targets over the next five years include:

Consolidated Holding Company

- EPS growth of 4% - 6%[1]
- Strong and growing dividend[2]

Natural Gas Utility

- Customer growth averaging 0.8% per year
- Capital plan of $1.4 - $1.6 billion
- Rate base growth of 5% - 7%[3]

Water & Wastewater Utilities

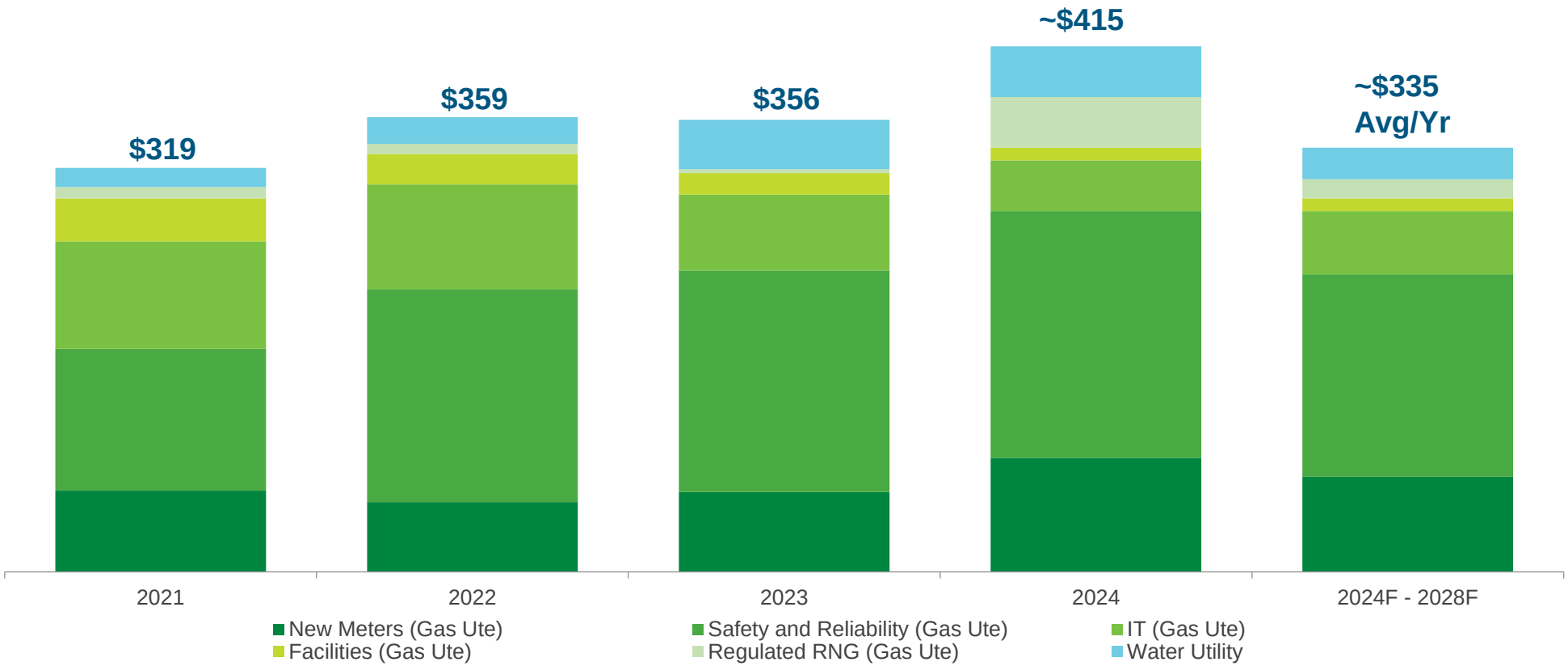
- Long-term strategy, incremental earnings growth and diversity
- Deliberate and disciplined roll-up strategy
- Organic customer growth averaging 2.5 – 3.0% per year
- Capital plan of $120 - $140 million[4] for system improvements

1 *EPS growth forecasted for period 2022 – 2027 compounded annually; EPS growth rate uses 2022 EPS of $2.54 as base year*
2 *Future dividends are subject to Board of Director discretion and approval*
3 *Rate base growth forecasted for period 2023 - 2028*
4 *Water cap-ex plan is based on projected needs of water and wastewater utilities acquired or pending acquisition as of 12/31/23*

Stable and Growing Return Proposition

Investing in our Systems

Gas & Water Capital Expenditures[1]
(In millions)



Consolidated Forecast Five-Year 2024-28 Cap-Ex Approximately $1.6 Billion

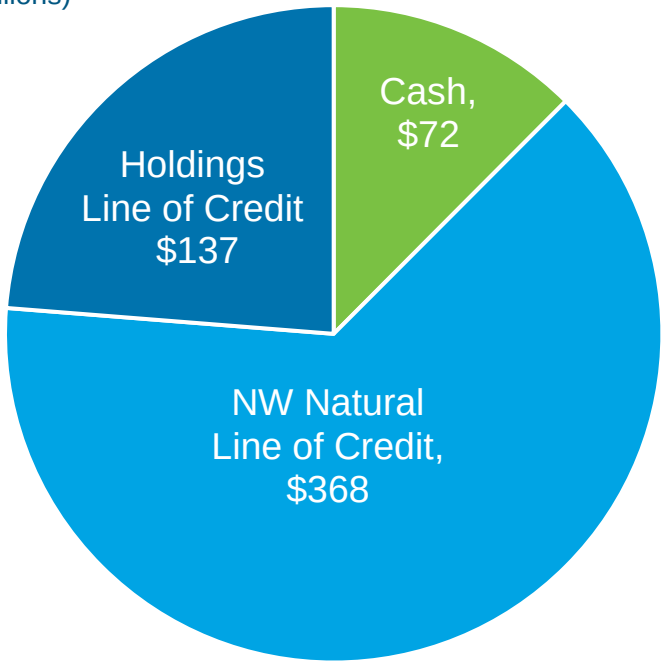
1 Chart is based on accrual cap-ex figures and includes cloud-based software and excludes acquisition cap-ex.

The timing and amount of the capital expenditures and projects for 2024 or additional investments in our infrastructure during or after 2024 could change based on customer growth, significant changes in prevailing regulatory policies or outcomes, or significant local, state or federal laws, legislation or regulations, or cost estimates. Required funds for the investments are expected to be internally generated or financed with long-term debt or equity, as appropriate.

Liquidity and Financing

Available Liquidity

As of March 31, 2024
(In millions)



Strong Credit Ratings[1]

	S&P	Moody's
NW Natural Holdings:		
Issuer Credit Rating	A	N/A
Outlook	Negative	N/A
NW Natural Gas:		
Senior Secured Debt	AA-	A2
Senior Unsecured Debt	A+	Baa1
Outlook	Stable	Stable

1 *The above credit ratings are dependent upon a number of factors, both qualitative and quantitative, and are subject to change at any time. The disclosure of these credit ratings is not a recommendation to buy, sell or hold NW Holdings securities.*

Natural Gas Utility

Gas Utility Overview

- Over 165 years of service in our communities
- Largest stand-alone local distribution company in the Pacific Northwest
- Serve 2.0 million people in more than 140 communities through 800,000 meters in Oregon and southwest Washington
- Consistently recognized for high-quality customer service by J.D. Power
- One of the safest, most modern distribution systems in the country



Resilient Business Model

Nearly 80% of Natural Gas Utility Margin is Decoupled			
	% of Volumes	% of Margin	% of Margin Decoupled
Residential	38%	65%	90%
Commercial	23%	24%	76%
Industrial	39%	6%	0%
Other	N/A	5%	N/A
Total	100%	100%	77%

For year ended December 31, 2023

~70% of Gas Utility Margin Earned during Heating Season				
	Q1	Q2	Q3	Q4
Sales Volumes *(weather normalized)*	40%	18%	10%	32%
Utility Margin	38%	19%	12%	31%
Net Income	77%	0%	-26%	49%

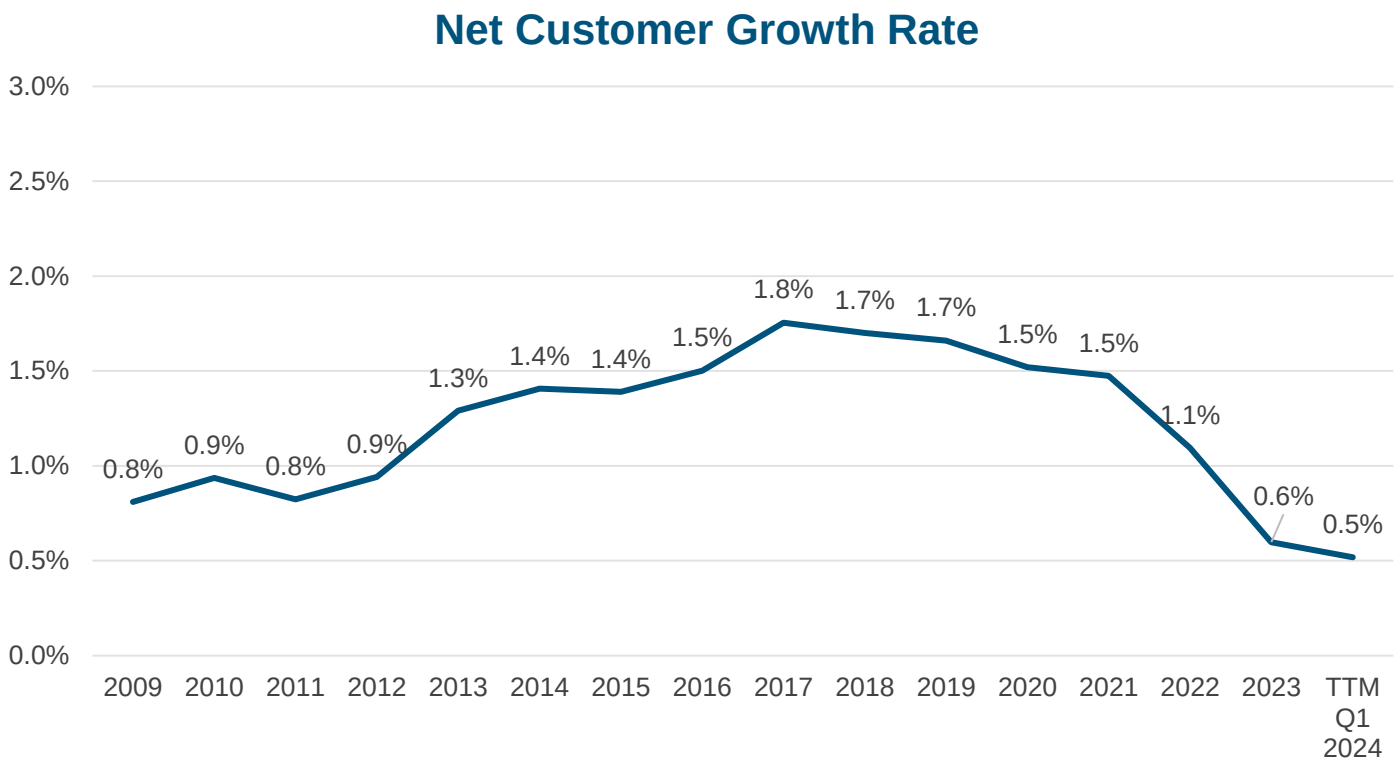
For year ended December 31, 2023

Customer Growth

Customer growth
- Headwinds from interest rates
- Single-family permitting in Oregon and Portland metro picked up Q1 2024 vs. Q1 2023
- Projecting 0.8% customer growth for 2024

Conversions
- Serve 63% of single-family homes in territory
- Opportunities to convert homes

Affordable Energy
- Oregon customers saw 9% drop in rates beginning 11/1/2023
- NW Natural customer bills are 7% lower today than 15 years ago



Investing in the Gas System

New Meters/Customer Growth
- Meter modernization/replacement program
- New construction & conversions
- Main extensions

Safety & Reliability
- Recurring replacements
- Enhanced system reliability to support growth

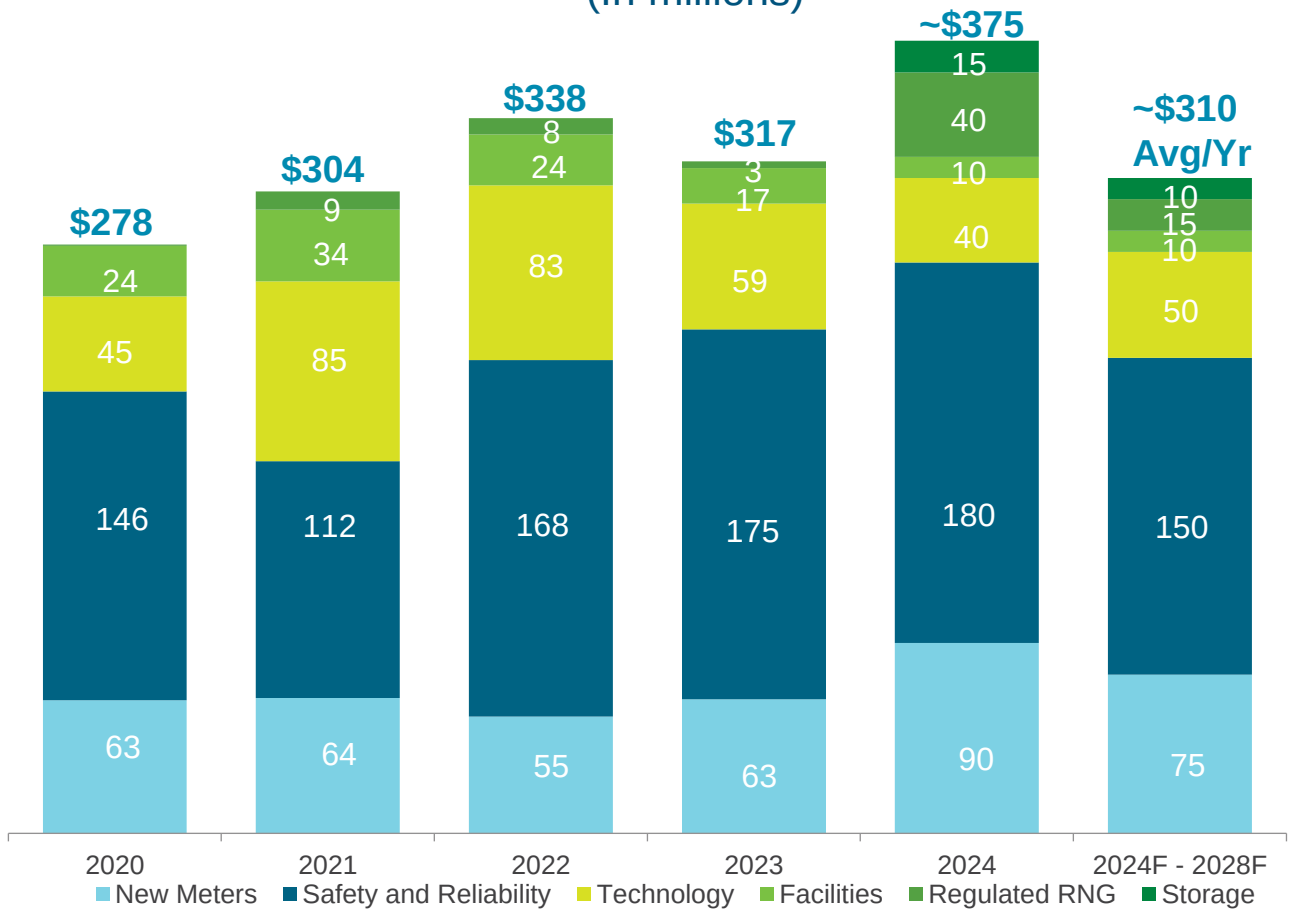
Technology
- Security, efficiencies and upgrades
- Customer information system

Facilities
- Resource and operations center renovations

Renewable Natural Gas (RNG)
- Planned investments for gas utility

The timing and amount of the capital expenditures and projects for 2024 or additional investments in our infrastructure during or after 2024 could change based on customer growth, significant changes in prevailing regulatory policies or outcomes, or significant local, state or federal laws, legislation or regulations, or cost estimates. Required funds for the investments are expected to be internally generated or financed with long-term debt or equity, as appropriate.

System Capital Expenditures[1]
(In millions)



1 Chart is based on accrual cap-ex figures and includes cloud-based software

Gas Utility Forecast Five-Year 2024-28 Cap-Ex Approximately $1.5 Billion

Progressive Regulation

	OREGON	WASHINGTON
KEY DEFERRALS RECOVERING:		
COVID	✓	✓[1]
Enterprise Resource Planning (ERP) System Upgrade	✓	✓
TSA Cybersecurity	✓	✓[1]
KEY MECHANISMS:		
Decoupling/Weather Normalization (WARM)	✓	
Purchased Gas Adjustment (PGA)	✓	✓
Environmental Cost	✓	✓
Incentive Sharing[2]	✓	✓
RNG Automatic Adjustment Clause	✓	
RATE CASE TEST YEAR	Forward	Multiyear[3]
CURRENT RATE STRUCTURES:		
ROE	9.4%	Not determined
ROR	6.836%	6.814%
Equity Ratio	50%	Not determined
2023 Rate Base[4]	$1.9B	$0.3B

1 *Recovery is expected to be determined through a future rate case proceeding.*
2 *In Oregon, NW Natural shares PGA gains and losses*
3 *In 2019, SB 5116 was passed granting the WUTC authority to incorporate costs and capital up to 48 months after the rate effective date. In 2021, SB 5295 was passed requiring multiyear general rate plans that include performance-based measures.*
4 *Rate base is a 13-month average ending 12/31/23. Oregon rate base includes gas reserves and North Mist gas storage facility*

Supportive Mechanisms

OREGON
Decoupling

- Intended to break the link between earnings and consumption by removing incentive to increase usage
- Employs use-per-customer decoupling calculation, which adjusts margin revenues to account for the difference between actual and expected customer volumes

OREGON
Weather Normalization (WARM)

- Stabilizes collection of fixed costs for residential and commercial customers
- Adjusts billings based on temperature variances compared to average weather
- Applied from December through mid-May of each heating season

OREGON • WASHINGTON
Purchased Gas Adjustment (PGA)

- Adjusts annual rates to reflect changes in expected cost of gas commodity purchases
- Includes spot purchases, contract supplies, derivatives, storage inventories, and for Oregon gas reserves
- Includes temporary rate adjustments amortizing deferred regulatory account balances

OREGON • WASHINGTON
Environmental Cost Recovery

- Recovers environmental costs for sites attributable to each state at a rate of 96.68% in Oregon and 3.32% in Washington
- Costs are subject to an annual prudence review in both Oregon and Washington, and in Oregon an earnings test[1]
- Allows for deferral of environmental costs in both Oregon and Washington, and in Oregon the accrual of carrying costs

OREGON
RNG Automatic Cost Recovery

- Allows renewable natural gas project costs to be added to rates annually on November 1st
- Provides for a mechanism for NW Natural to defer the difference between forecasted and actual RNG costs
- Costs are subject to an earnings test that includes deadbands at 50 basis points below and above NW Natural's authorized ROE

1 *To the extent the utility earns more than its authorized ROE in Oregon in a year, the utility is required to cover environmental expenses and interest on expenses greater than $10 million (plus interest from insurance proceeds) with those earnings that exceed its authorized ROE*

Washington 2021 Rate Case

- **Order received October 21, 2021 –** Multi-party settlement approved by the WUTC. New rates were effective Nov. 1, 2021 with the second year effective Nov. 1, 2022
- **Request Based on System Investments –** Multiyear rate case to recover investments and costs for:
  - System resiliency & reliability
  - Headquarter leasehold improvements & rent costs
  - Vancouver, Washington service center upgrades
  - Consumer-focused technology investments

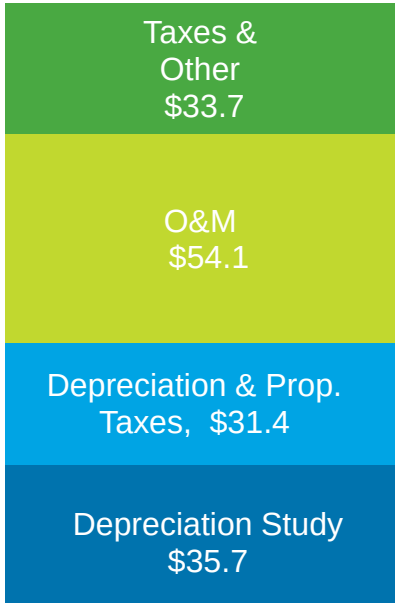
	2021 - 2022 RATE CASE			
	Year 1		Year 2	
	Request	Order	Request	Order
ROR	6.913%	6.814%	6.913%	6.814%
Rate Base	$225.9M	$225.9M	$247.3M	$247.3M
Revenue Requirement	+$6.3M	+$5.0M	+$3.2M	Up to +$3.0M[1]

1 *Year 2 is subject to prudency filing and full review*

2024 Oregon General Rate Case

	2018-2019 RATE CASE Settled	2020 RATE CASE Settled	2022 RATE CASE Settled	2024 RATE CASE REQUEST Filed Dec. '23
ROE	9.4%	9.4%	9.4%	10.1%
ROR	7.317%	6.965%	6.836%	7.406%
Equity/LT Debt	50/50	50/50	50 / 50	50 / 50
Rate Base	$1.20B	$1.45B	$1.76B	$2.14B
Revenue Requirement	+$24.8M	+$45.8M	+$59.4M	+$154.9M
Percentage of Ask Received	61%	64%	76%	n/a

Revenue Requirement Components
Total Ask $154.9 Million



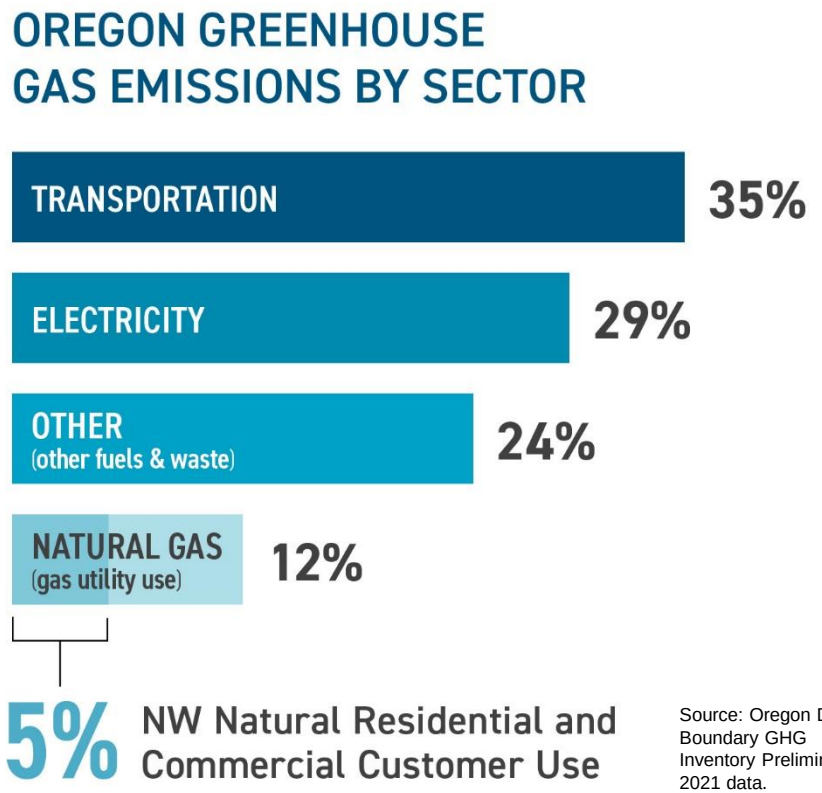
Lag in 2024 primarily related to cap-ex and O&M included in Oregon rate case

Environmental Stewardship

Role of Our Gas System Today

NW Natural's System

- Delivers 50% more energy than any other utility in Oregon
- During winter peak-demand periods, the natural gas system in Portland, Oregon, delivers about twice as much energy as the electric system to residential customers
- One of the tightest, most modern natural gas distribution systems in the nation
- Our residential and commercial customers' emissions account for just 5% of Oregon's total carbon emissions

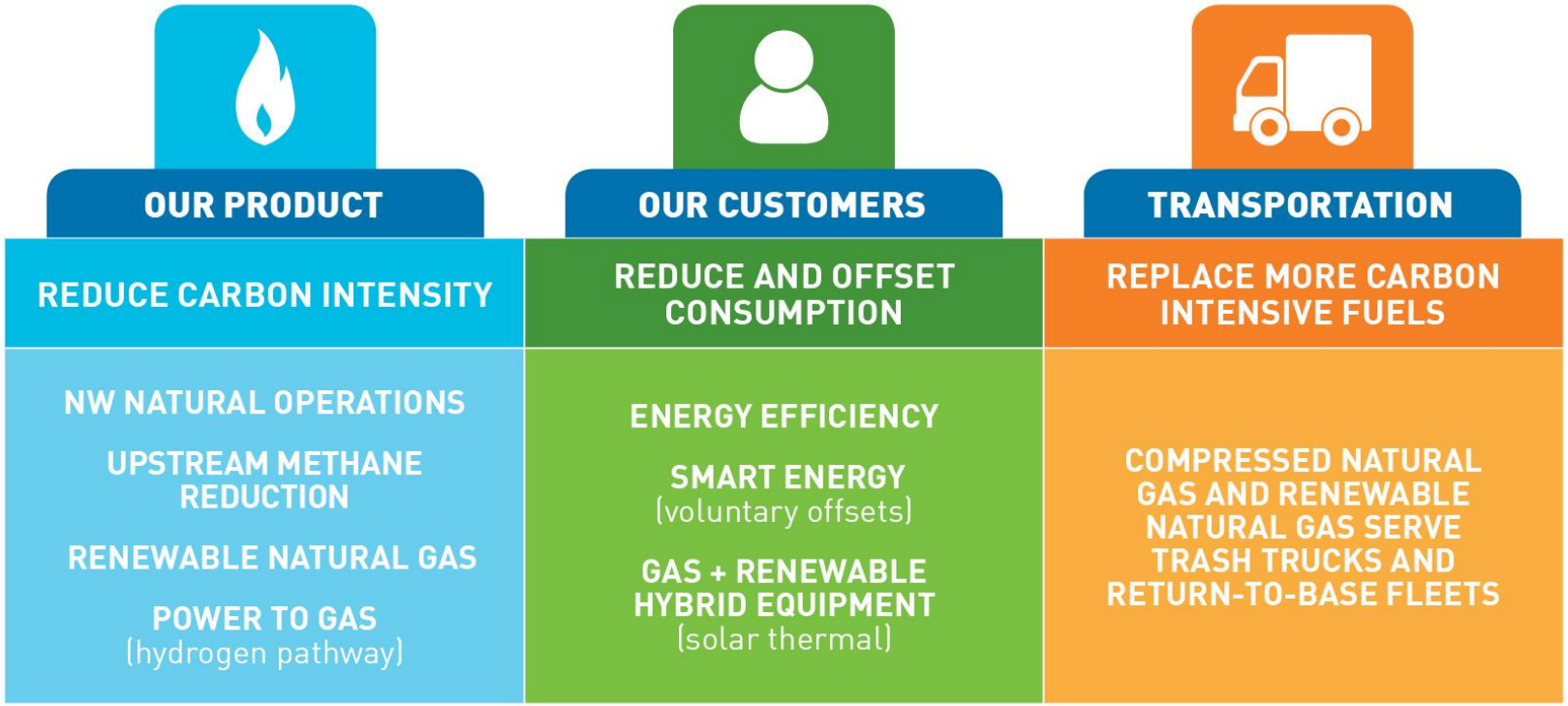


Source: Oregon DEQ In-Boundary GHG Inventory Preliminary 2021 data.

Our Low-Carbon Pathway

VOLUNTARY GOAL: 30% CARBON SAVINGS BY 2035

Goal established in 2016



Baseline: 2015 emissions associated with customer use & company operations

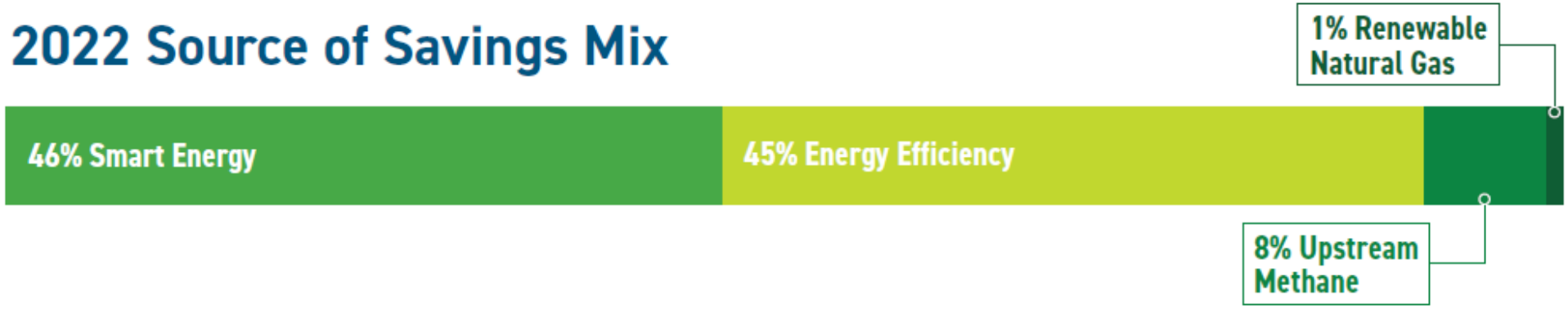
On Track to Meet or Exceed Goal

Our voluntary carbon savings goal of 30% by 2035 includes emissions from our own operations and the gas use by our sales customers

2022: Ahead of Target Savings Rate

535,881 metric tons of carbon dioxide equivalent saved.

This marks 42% of savings toward goal, ahead of target pace.

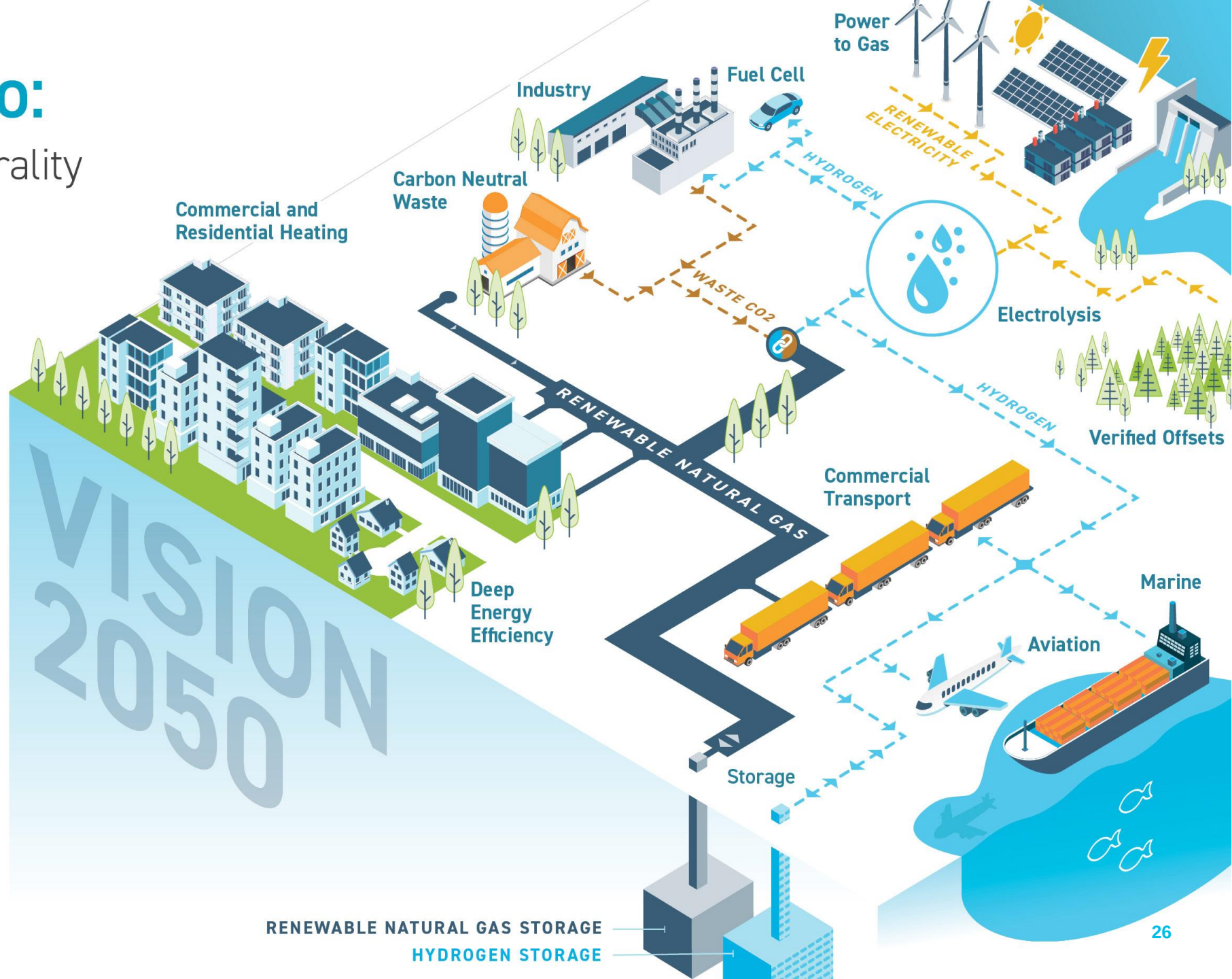


Destination Zero:

Our vision of carbon neutrality

A decarbonizing network:

- Renewable Natural Gas
- Hydrogen
- Waste CO_2
- Renewable Electricity



Destination Zero Analysis

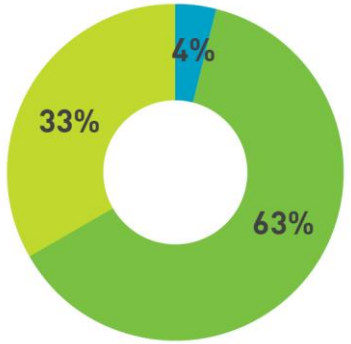
- The next evolution in our thinking is an in-depth analysis, using a variety of assumptions, to illustrate possible scenarios to achieve carbon neutrality for energy provided by 2050
- Our analysis draws on proven approaches to serve existing and new customers as well as developments of policy support and continued evolution of technology
- Each of the three scenarios we explored incorporates varying applications of the following:
  - ✓ Enhanced energy efficiency,
  - ✓ Declining amounts of verified offsets, and
  - ✓ Lower carbon fuels such as RNG and hydrogen (along with small amounts of carbon capture)
- We expect our analysis and thinking to continue to evolve, but our vision remains to be a provider of net neutral energy by 2050

2050 POSSIBLE SCENARIOS

Percentage of GHG savings by source

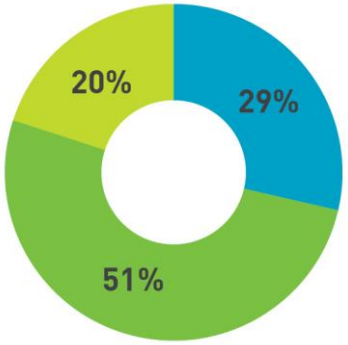
Balanced

Balanced mix of renewable supply and demand-side measures with no offsets in 2050



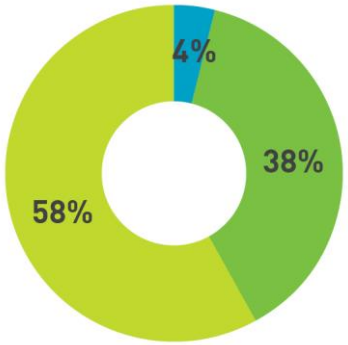
Moderate Offset

Offsets in conjunction with mix of renewable supply and demand-side measures



RNG Constrained

Less RNG and no offsets in 2050 with emphasis on demand side measures and clean hydrogen

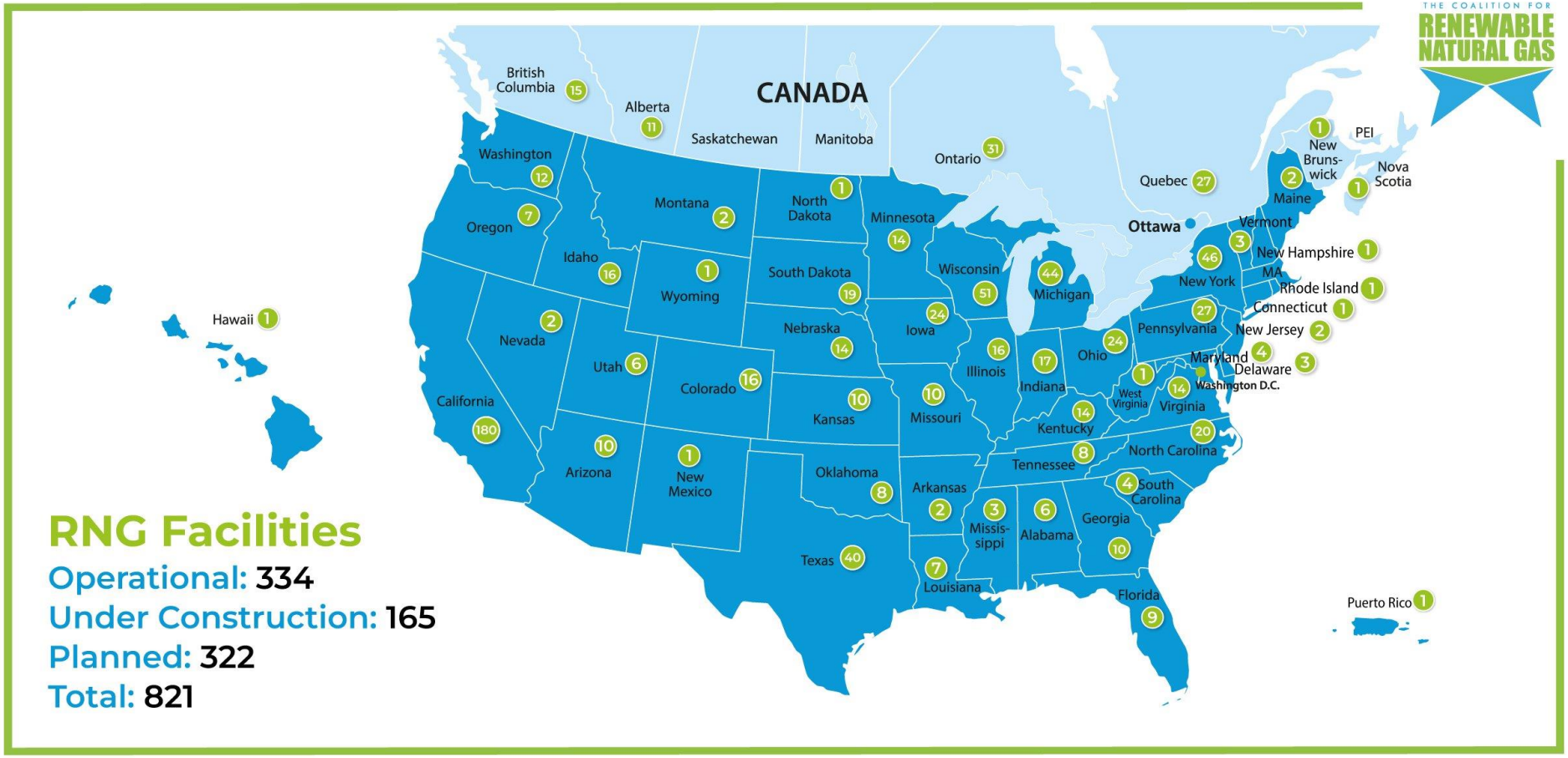


% carbon capture/offsets cancelling out fossil emissions

% that is renewable natural gas

% that is clean hydrogen

RNG Projects Across North America



As of April 28, 2024

Groundbreaking RNG Legislation

- Oregon and Washington laws support gas utilities purchasing renewable natural gas (RNG)
  - Oregon Senate Bill 98 passed in 2019 and rulemaking completed in July 2020
  - Washington law (House Bill 1257: Clean Buildings Bill) passed in 2019
- Creates another path for RNG to become an increasing part of Pacific Northwest's energy supply
- SB 98 allows natural gas utilities to acquire and deliver RNG and hydrogen; HB 1257 allows this for RNG
- Oregon SB 98 sets voluntary RNG portfolio targets for Oregon's natural gas utilities and allows up to 5% of a utility's annual revenue requirement to be used to cover the incremental cost of RNG
- Allows for investments related to RNG infrastructure, including production facilities, cleaning and conditioning equipment, and pipeline interconnections
- Potential revenue source for communities to turn their waste into energy

Oregon Senate Bill 98 supports voluntary volumetric RNG targets:	2025	2030	2035	2040	2045
	10%	15%	20%	25%	30%

Gas Utility RNG Contracts to Date

Procurement

(Pass-through Cost)

- **Anew LLC (formerly Element Markets)** – 0.7 million MMBtu from 2021 - 2023
- **Archaea** – up to 1 million MMBtu of RNG annually for a fixed fee for a period of 21 years beginning in 2022
- **BP Products North America** – 0.4 million MMBtu over a five-year period beginning in 2022

Investments

(Rate Base)

Partnership with Tyson

- **Lexington Facility** – $8M facility that commenced operation in Jan. 2022
- **Dakota City Facility** – $12M facility that commenced operations in April 2023

Greater Wenatchee Facility - planned facility that is could commence operations in December 2025



NW Natural has exclusive rights to purchase or develop RNG totaling about 3% of our annual sales volume for Oregon

Hydrogen & Research Projects

NW Natural Initiatives

Hydrogen Blend Testing – successfully blended 20% hydrogen at NW Natural's state-of-the-art training facility

Turquoise Hydrogen Pilot Project – partnering with Modern Hydrogen in an effort to turn methane into clean hydrogen and solid carbon. Project was commissioned in 2024

Carbon Capture, Use & Storage (CCUS) – working with a few commercial customers on a pilot using CarbinX equipment. This equipment captures carbon dioxide from existing boilers to reduce both energy use and greenhouse gas emissions

Hybrid Heating with Ground Source Heat Pumps – sponsoring a housing authority to pilot and install exterior ground loops and interior ground source heat pumps with gas furnaces. An additional way to support peak heating needs and reduce emissions



Modern Hydrogen project at NW Natural's Central Service Center

NW Natural Water

Water Investment Approach

The water and wastewater sector aligns well with NWN's conservative risk profile and offers diversification, stable cash flows, and substantial long-term investment opportunities

Acquire

- Federal and state agencies driving upgrades to water and wastewater infrastructure
- EPA estimates nearly $625 billion of investment in water utilities in the next 20 years
- Continue disciplined acquisition strategy, exploring adjacent high-growth regions

Grow

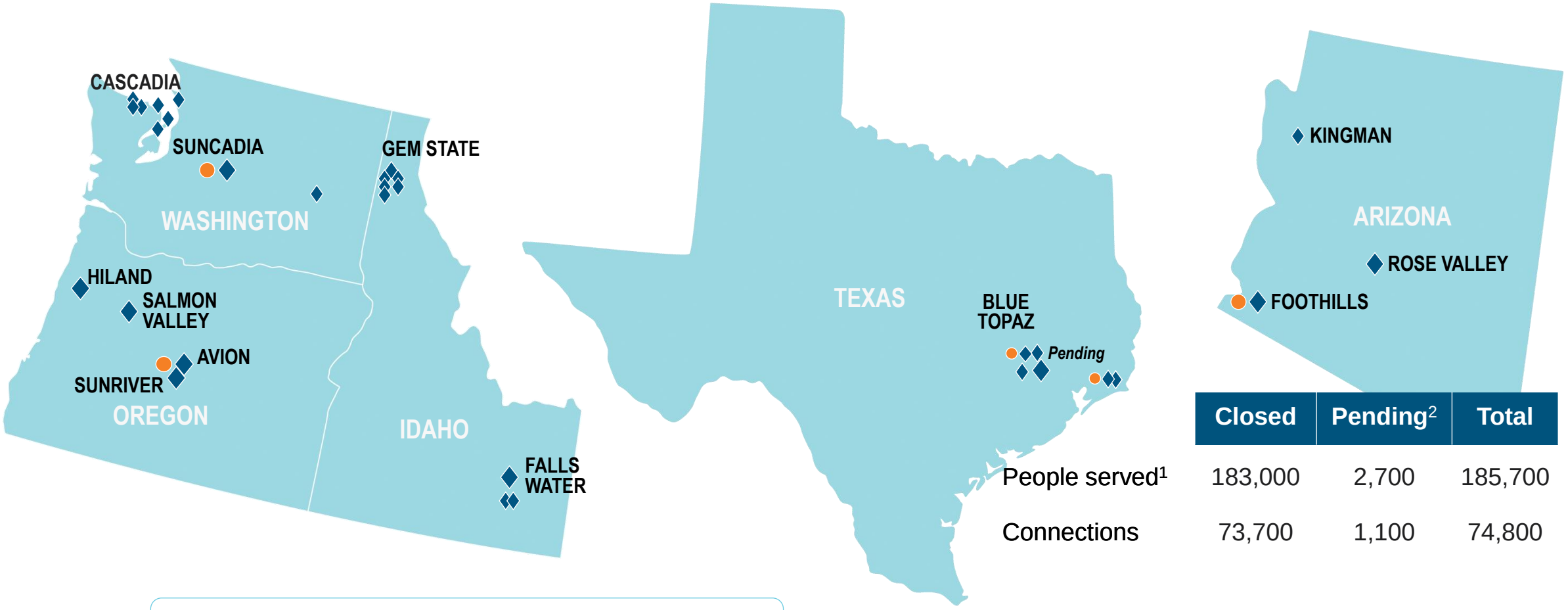
- Water infrastructure improvement through five-year 2024-28 capital investment plan of approximately $120 million to $140 million[1]
- Projected organic customer growth rate of 2.5 – 3.0% compounded annually from 2023-28

Recover

- Expect recovery of capital investments through constructive regulatory engagement
- Over long term, growing water business targeted to be an earnings driver and opportunity to deploy capital at attractive rates of return for infrastructure needs

1 *The timing and amount of the core capital expenditures and projects for 2023 and the next five years could change based on regulation, growth, and cost estimates*

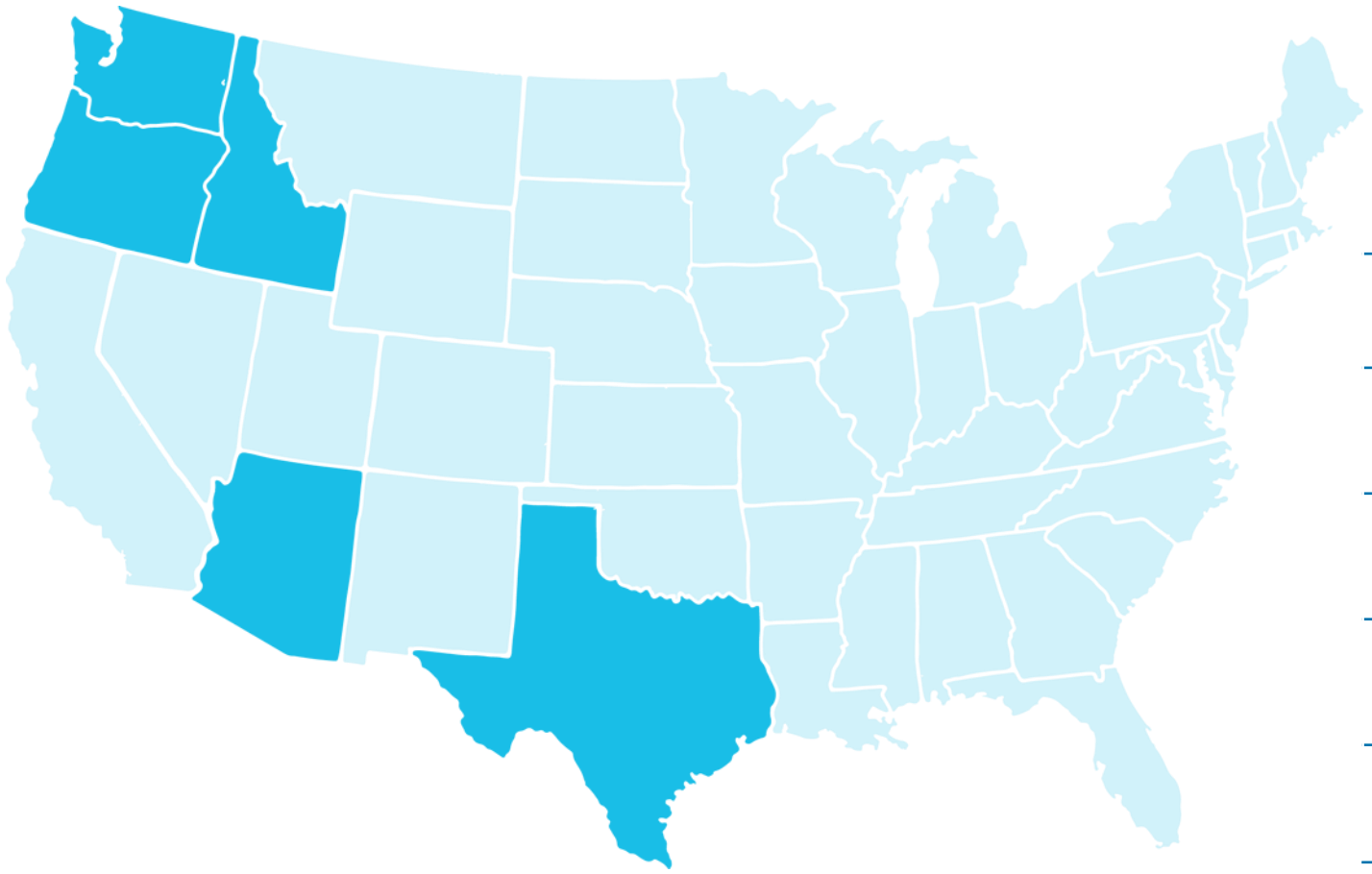
NW Natural Water Owned Connections At A Glance



	Closed	Pending[2]	Total
People served[1]	183,000	2,700	185,700
Connections	73,700	1,100	74,800

1 *People served is based on estimated average household size for service territory*
2 *Pending transactions are subject to customary closing conditions, including regulatory approvals. These transactions may be pending application to acquire and authorization to close from utility commission.*

Water & Wastewater Acquisition Opportunities



	All Water and Wastewater Systems		Privately Owned Systems	
	Systems	Connections	Systems	Connections
Pacific Northwest	4,700	5.6M	2,760	511,000
Texas	5,739	17.3M	2,400	400,000
Arizona	1,100	3.0M	500	530,000
West of Mississippi	36,500	77.3M	16,700	9.1M
United States	71,325	202.0M	30,160	29.0M

Numbers in table above represent permanent community water and wastewater systems
Source: Bluefield

Growing Water Systems

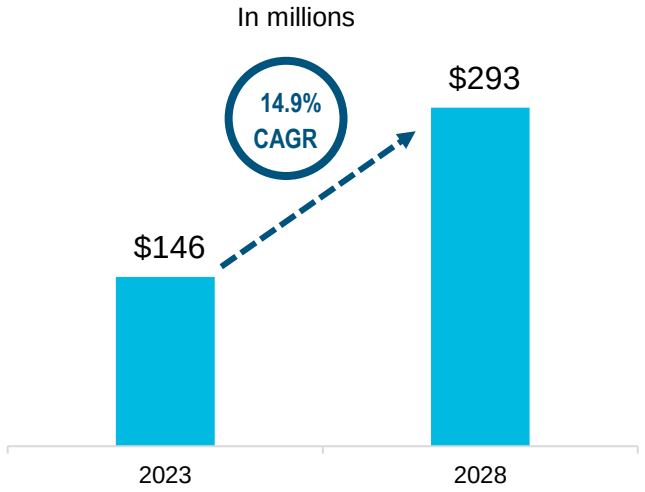
Investing in Safety, Reliability

- Five-year cap-ex expected to be ~$120 million (2024-2028)
- Investments in system reliability
- Focus on information technology
- New wastewater treatment plant in Sunriver

Strong Customer Growth

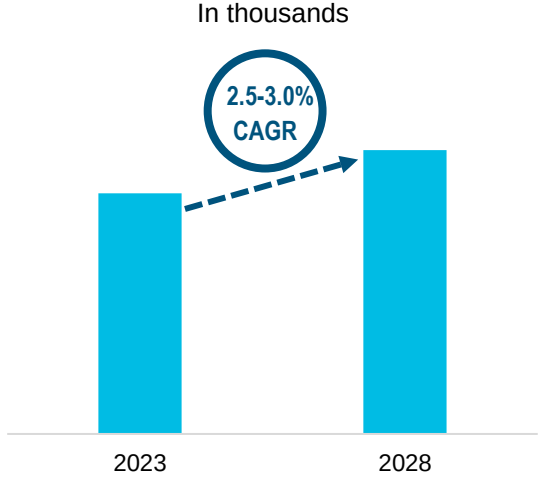
- Acquired utilities in fast-growing areas
- Additional opportunities near existing footprint
- Including acquisitions closed in 2023, 12.7% customer growth last year
- Organic customer growth of 2.0% in 2023

Projected PP&E Growth[1]



1 PP&E growth for water utilities owned or pending acquisition as of 12/31/23

Projected Organic Customer Growth



Water Regulation

- Collaborative, transparent, and productive relationships with regulators
- Strong track record of approvals for acquisitions and constructive general rate cases

	OREGON			WASHINGTON		IDAHO		TEXAS	ARIZONA
KEY MECHANISMS:									
COVID Deferral	✓					✓		✓	
Fair Market Value Legislation								✓	✓
RATE CASE TEST YEAR	Forward			Historic[1]		Historic[1]		Historic[1]	Historic[1]
RECENT RATE CASE FILINGS	**Salmon Valley**	**Sunriver**	**Avion**	**Cascadia**	**Suncadia**	**Falls Water**	**Gem State**	**Blue Topaz[2]**	**Foothills**
Status	Completed	*In progress*	Completed	*In progress*	Completed	Completed	Completed	N/A	*In Progress*
ROE	Confidential Settlement	*10.0%*	Confidential Settlement	*12%*	Confidential Settlement	9.7%	9.50%	N/A	*10.0%*
Capital Structure	Confidential Settlement	*60%/40%*	Confidential Settlement	*60% Equity 40% Debt*	Confidential Settlement	55% Equity 45% Debt	55% Equity 45% Debt	N/A	*60.6% Equity 39.4% Debt*
Revenue Requirement	Confidential Settlement	*+$521k*	Confidential Settlement	*$1.8M*	Confidential Settlement	+$715k	+$214k	N/A	*$3.3M wastewater; $1M water*

1 *Historic test year with the potential ability to adjust for certain future projects or events*
2 *Blue Topaz latest general rate case from 2008 and had an 11.91% ROR with 95% equity layer. This case was transferred from TCEQ (Texas Commission on Environmental Quality) to the PUCT (Public Utility Commission of Texas) in 2014.*

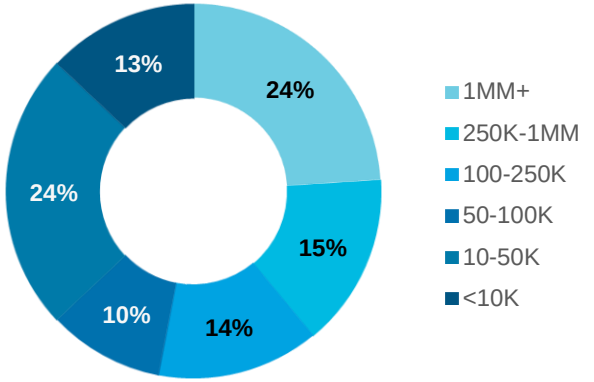
O&M Services Business

Our Investment Goals

- A natural extension of its utility ownership business, NW Natural Water launched a water and wastewater services business in April 2023. Today we're serving nearly 20,000 connections
- Provides support to water and wastewater system owners by leveraging shared personnel, technology and expertise at a reasonable cost
- Allows for disciplined expansion in an attractive growth market
- Provides a scalable opportunity in the Pacific Northwest
- High customer retention rate (90%+) with stable margins and cash flows. Realize earnings immediately without regulatory lag

Estimated Size of O&M Market

$2.6B O&M contract services market today with growth expected



NW Natural Renewables

Competitive RNG Growth

The competitive RNG business represents a significant opportunity to add earnings and cash flows in a rapidly-growing market segment

Market Opportunity

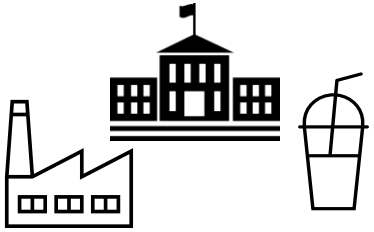
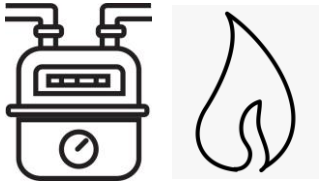
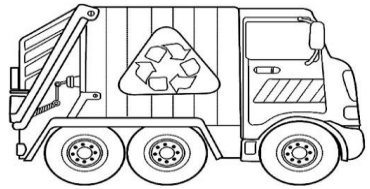
- Achieve attractive returns as demand exceeds RNG supply
- Increasing demand for renewable fuels from:
  - Voluntary and mandated targets in the utility, commercial, industrial and transportation sectors
  - Partnership opportunities for a stable, long-term partner to develop and manage projects
- RNG production forecasted to grow in the next decade

Strategic Fit & Competitive Advantage

- Building on expertise and market knowledge
- Aligns with core competencies
  - Developing and managing critical distribution infrastructure
  - Environmental stewardship
  - Strong balance sheet/durability
  - Create long-term value for our stakeholders by decarbonizing businesses beyond NW Natural's gas utility
- RNG projects sized well for investment by NW Natural Renewables

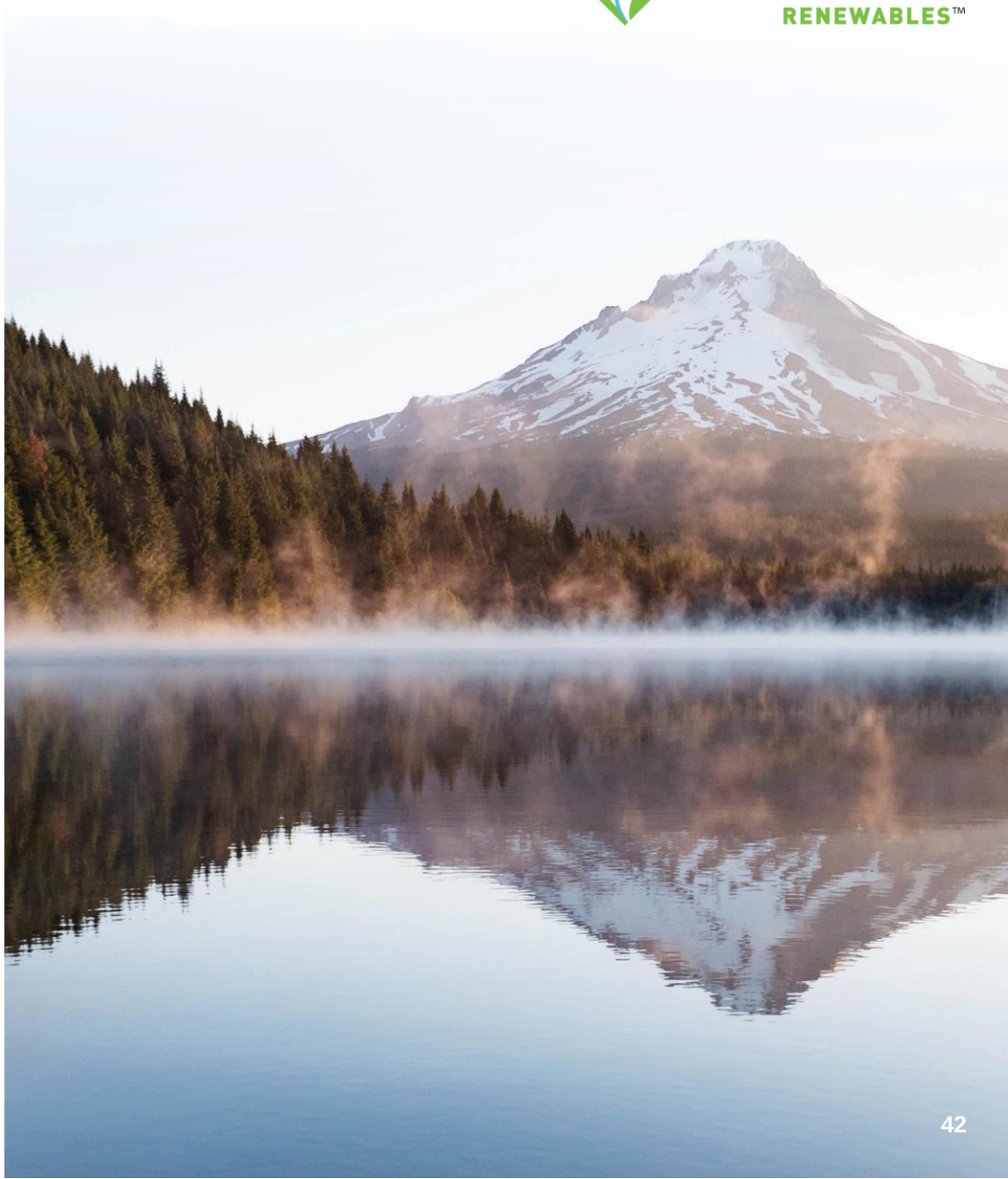
Focused on securing a portfolio of primarily fixed-price contracts for long-term earnings growth

Primary Expected RNG Markets

	 Commercial, Industrial, and Institutional Customers	 Gas Utilities	 Natural Gas Vehicles
PRIMARY DRIVERS	Corporate sustainability goals including emission reductions	Meet voluntary emissions/renewable goals, including demand for RNG from customers, or statutory emissions targets/requirements	Meet obligations for low-emissions fuel in state and federal regulatory programs
REVENUE OPPORTUNITY	Long-term sales via bilateral contracts or through third-party marketers at prices above production costs	Long-term sales contracts to utilities at prices above production costs	Sales to vehicles to generate state and federal credits, which are sold to obligated parties for their compliance needs
POLICY DEPENDENCIES	Minimal	State-level renewable and carbon reduction policies	Federal and state-level clean fuel policies

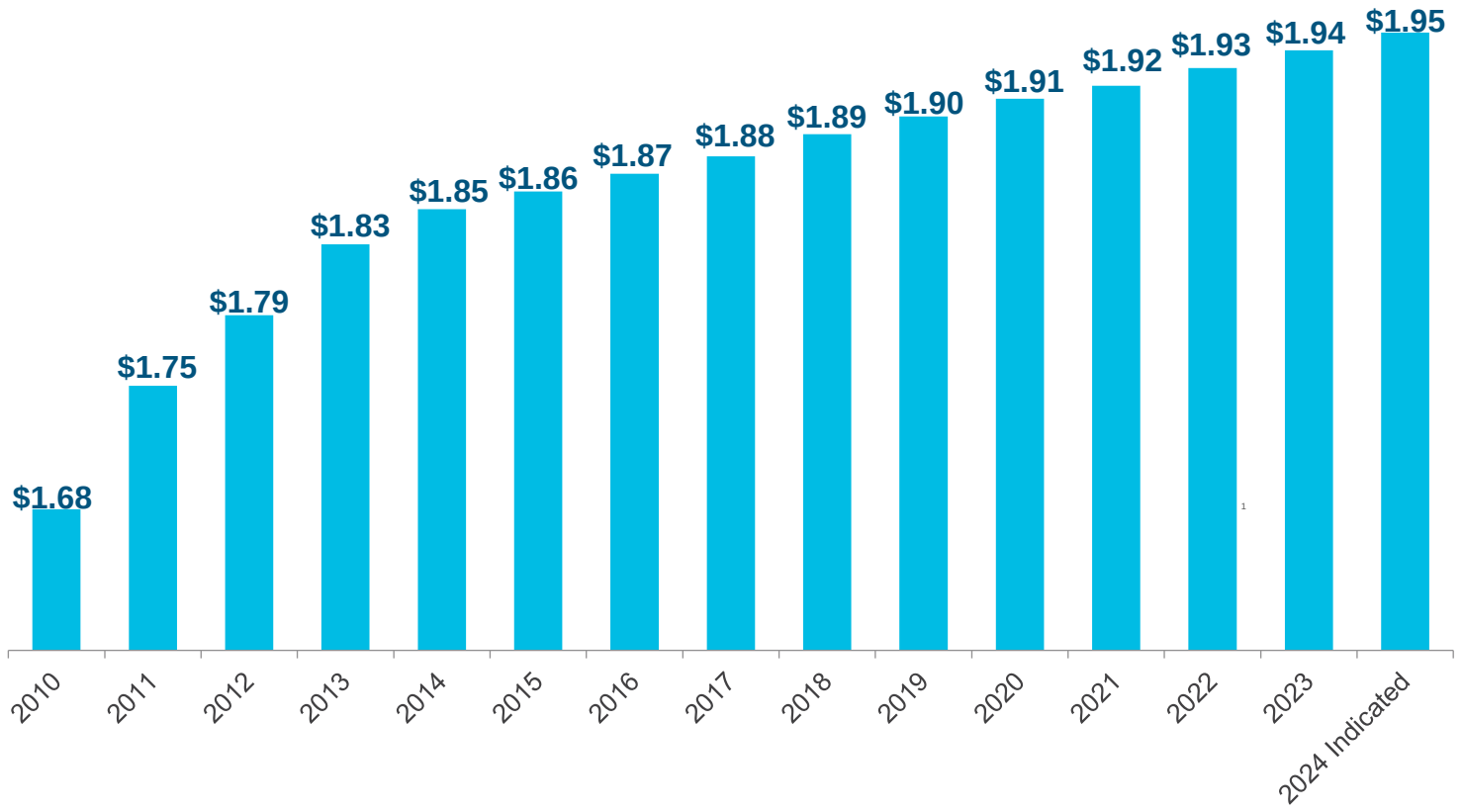
NW Natural Renewables: EDL Project Update

- NW Natural Renewables' first projects are with EDL, a leading global producer of sustainable distributed energy
- Committed $25 million per facility toward the development of two production facilities ($50 million total) designed to convert landfill waste gases into RNG
- Contracted to take a 20-year supply of RNG produced by the facilities
- Separately contracted offtakes to sell an equivalent amount of fixed-volume, primarily fixed-price RNG supply to investment grade counterparties under long-term contracts
- Raw gas volumes are flowing for both projects at the expected levels, full commissioning has not occurred due to a technical issue with conditioning equipment
- Awaiting full commissioning later in 2024 with revenues and cash flows expected promptly thereafter



Conclusion

68 YEARS OF GROWING DIVIDENDS



1 of only 3 Companies on NYSE with this Legacy

Future dividends are subject to Board of Director discretion and approval

Investment Thesis

Stable and growing utility margins driven by the following targets over the next five years including:

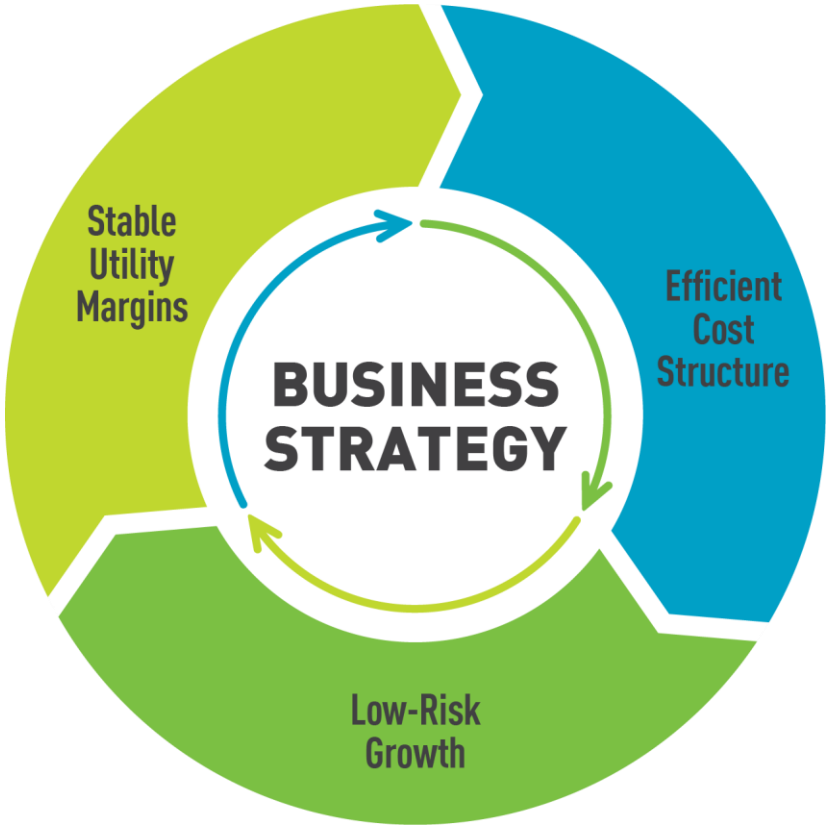
- EPS growth of 4% – 6%[1]
- Gas utility customer growth averaging 0.8%
- Gas utility cap-ex $1.4 – $1.6 billion with rate base growth of 5% – 7%[2]

Excellent operations and efficient cost structure

- Commitment to safety, reliability, and high-quality service
- Continued focus on efficient business operations

Long-term growth opportunities

- Water strategy provides earnings diversity
- Competitive RNG incremental earnings and cash flow growth



1 *EPS growth forecasted for period 2022 – 2027 compounded annually; EPS growth rate uses 2022 EPS of $2.54 as base year*
2 *Rate base growth forecasted for period 2023 - 2028*

Stable and Growing Return Proposition

Appendix

Driving a Clean Energy Future

- NW Natural is a member of Our Nation's Energy Future (ONE Future), a coalition representing more than 20% of the U.S. natural gas value chain and committed to reducing methane emissions through adopting science-based standards and best practices. ONE Future has exceeded its goal of reducing methane emissions across the natural gas value chain to below 1% by 2025.
- Methane Challenge Program partners are recognized by the EPA as leaders in reducing methane emissions. As a founding partner, NW Natural is adopting practices such as alternative blowdown methods. Instead of venting gas into the atmosphere when we depressurize pipelines, we flare gas or reroute it to stay on a pipeline—a process known as cross-compression. With these practices, we're able to reduce potential greenhouse gas emissions by 90% to as much as 100%. We also use line isolation and drawdown to reduce volume before venting. These are recognized as industry best practices.

- Northwest Energy Efficiency Alliance (NEEA) is a non-profit collaborative that works to advance energy efficiency on behalf of more than 13 million consumers in Oregon, Washington, Idaho and Montana. NEAA supports accelerated adoption of highly efficient space and water heat equipment designed to reduce carbon emissions. After a long history of success stories in the electric sector, NEEA began the nation's first natural gas market transformation effort in 2015. Holly Braun, Business Development Manager at NW Natural, currently serves as vice chair of NEEA's board of directors, which includes representatives of energy efficiency organizations, public interest groups and state governments.
- Through our partnerships with GTI Energy, Low Carbon Resources Initiative and Northwest Energy Efficiency Alliance we seek to transform the market for innovative products like gas heat pumps, net zero energy homes, fuel cells and other progressive energy-saving technologies. We co-founded the North American Gas Heat Pump Collaborative to support accelerated adoption of highly efficient space and water heat equipment that are designed to reduce carbon emissions.

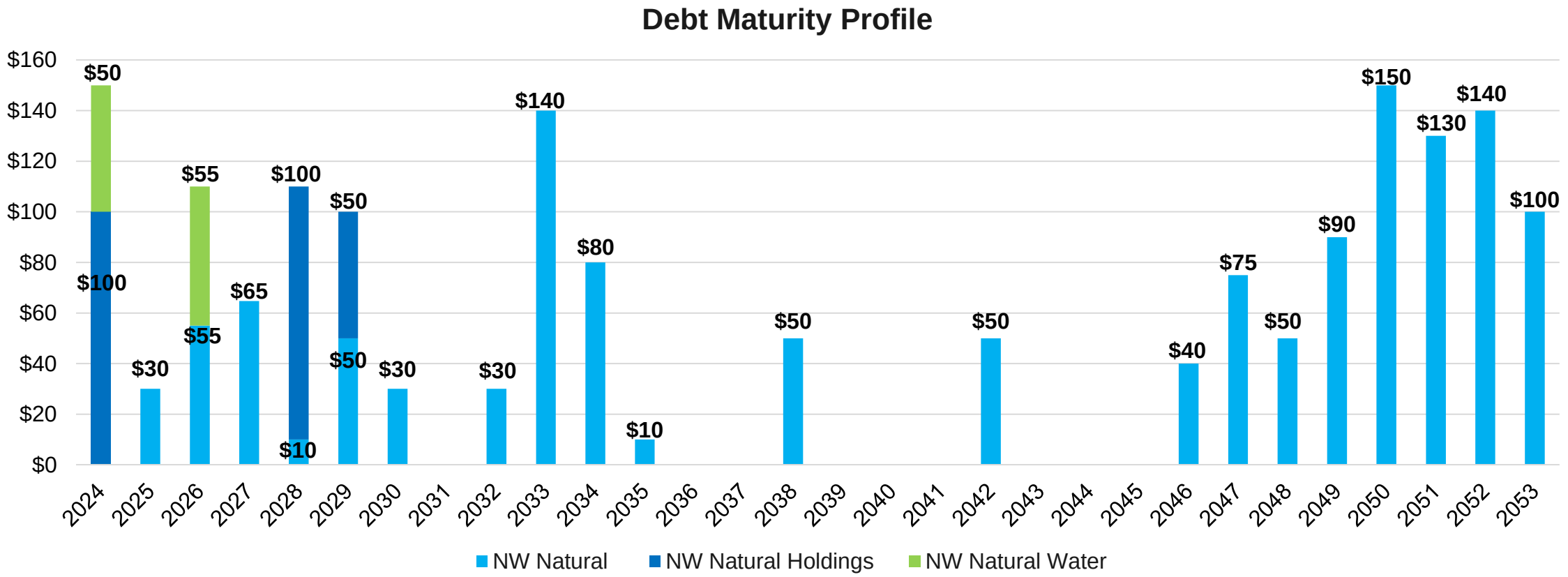
- NW Natural is a member of the Coalition for Renewable Natural Gas, a member-led nonprofit representing nearly 300 companies, municipalities, universities, and organizations dedicated to advancing RNG through policy and education. NW Natural is also a member of the American Biogas Council, a national trade association representing the entire U.S. biogas industry and dedicated to maximizing the production and use of biogas from organic waste.

- HyReady is a worldwide collaboration developing research, best practices and practical standards for adding hydrogen into natural gas pipeline networks.
- Renewable Hydrogen Alliance, a cross-industry coalition that advocates for creating hydrogen from surplus renewable electricity as a critical step to reducing dependence on fossil fuels. The alliance has successfully backed legislation and policies in Oregon and Washington to advance the development and use of renewable hydrogen. NW Natural is one of five founding members.

Current Utility Commissioners

	OREGON COMMISSION (OPUC)	WASHINGTON COMMISSION (WUTC)	IDAHO COMMISSION (IUTC)	TEXAS COMMISSION (PUCT)	ARIZONA COMMISSION (ACC)
Chair	**Megan Decker (D)** • Appointed April 2017 • Term ends March 2025	**David Danner (D)** • Appointed chair Feb 2013 • Term ends Jan 2025	**Eric Anderson (R)** • Appointed Dec 2015 • Term ends Jan 2025	**Thomas Gleeson (NA)** • Appointed Jan 2024 • Term ends August 2029	**James O'Connor (R)** • Appointed Jan 2021 • Term ends Jan 2025
Commissioners	**Letha Tawney (D)** • Appointed May 2018 • Term ends May 2024 **Les Perkins (I)** • Appointed Fall 2023 • Term ends Feb 2028	**Ann Rendahl (D)** • Appointed Dec 2014 • Term ends Jan 2027 **Milton Doumit (R)** • Appointed Sept 2022 • Term ends Jan 2029	**Edward Lodge (NA)** • Appointed Feb 2023 • Term ends Jan 2029 **John Hammond (D)** • Appointed Jan 2022 • Term ends Jan 2027	**Jimmy Glotfelty (NA)** • Appointed Aug 2021 • Term ends Aug 2025 **Lori Cobos (NA)** • Appointed June 2021 • Term ends (not listed) **Kathleen Jackson (NA)** • Appointed August 2022 • Term ends Aug 2027 • (Interim Chair 2023-24) **Vacancy**	**Anna Tovar (D)** • Appointed Jan 2021 • Term ends Jan 2025 **Lea Marquez Peterson (R)** • Appointed May 2019 • Term ends Jan 2025 **Nick Myers (R)** • Appointed Jan 2023 • Term ends Jan 2027 **Kevin Thompson (R)** • Appointed Jan 2023 • Term ends Jan 2027

NW Natural Holdings
Debt Maturity Profile



- Interest rate volatility impact mitigated by predominately fixed-rate debt
- Manageable debt repayment schedule with no significant maturities in any particular year

Diverse Resource Portfolio

Gas Supply

- 60% supply from Canada
- 40% supply from the Rockies
- Natural gas serves territory through one bi-directional pipeline

LNG Peaking Facilities

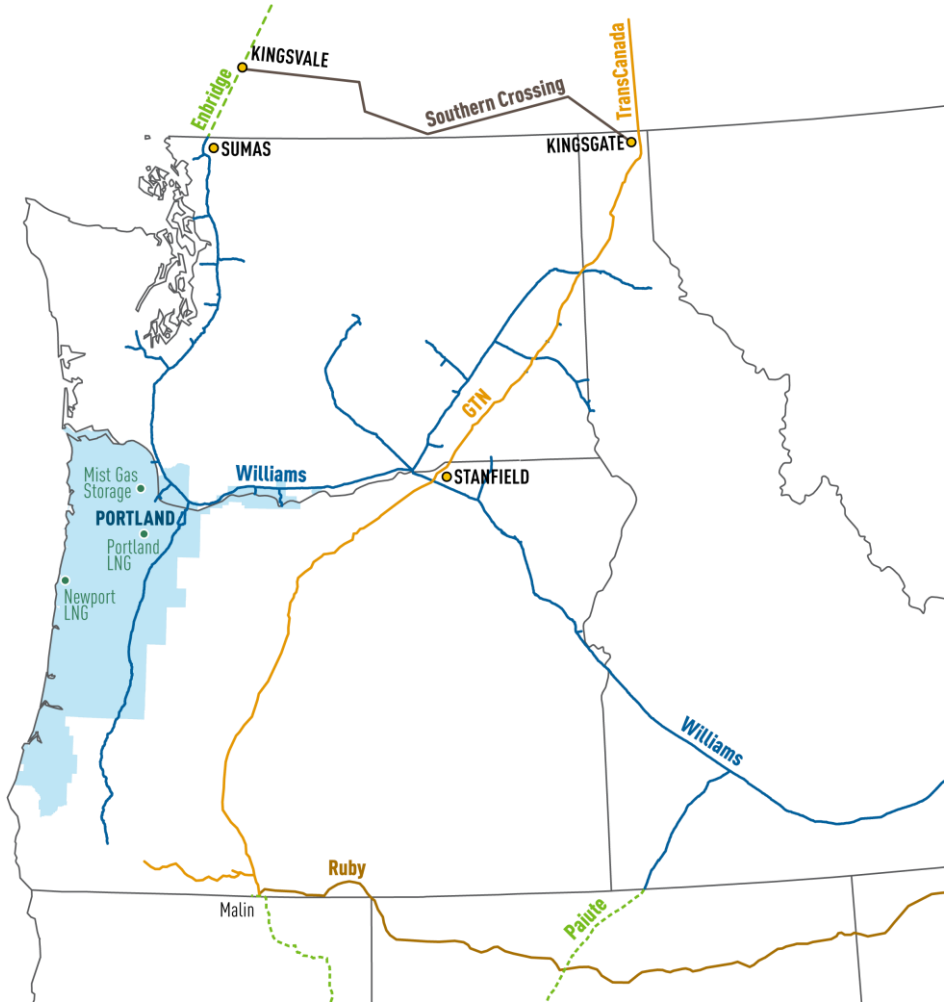
- Portland LNG – 0.6 Bcf
- Newport LNG – 1.0 Bcf

Mist Gas Storage Facility

- Valuable asset – limited storage in the Pacific Northwest
- 17.5 Bcf facility with 11.7 Bcf serving utility customers and 5.8 Bcf primarily under long-term contracts
- Utility can recall 5.8 Bcf to support customer demand

North Mist Storage Expansion

- 4.1 Bcf expansion serves a single customer under long-term contract



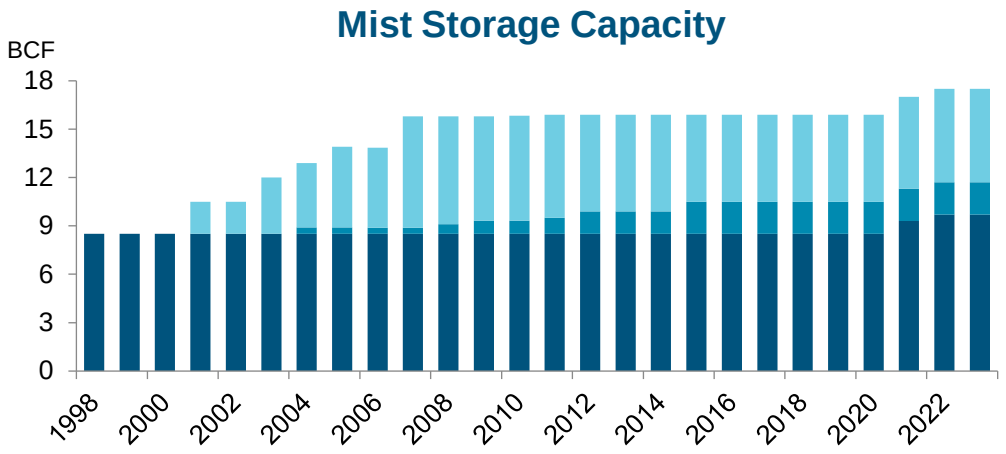
Mist Storage Facility

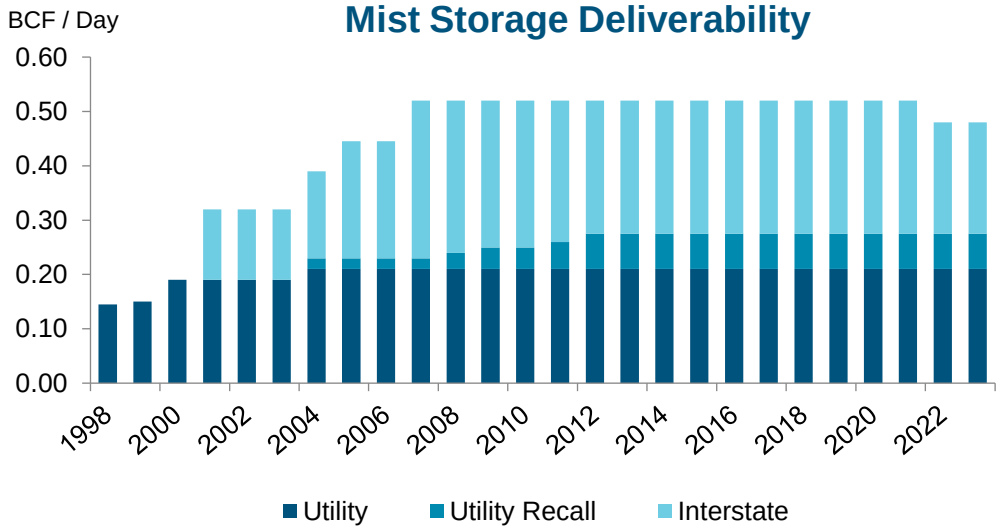
Overview

- In operation since 1989
- Storage capacity at Mist 17.5 Bcf
  - 11.7 Bcf Core Utility
  - 5.8 Bcf Interstate Storage Services

Unique, Valuable Asset

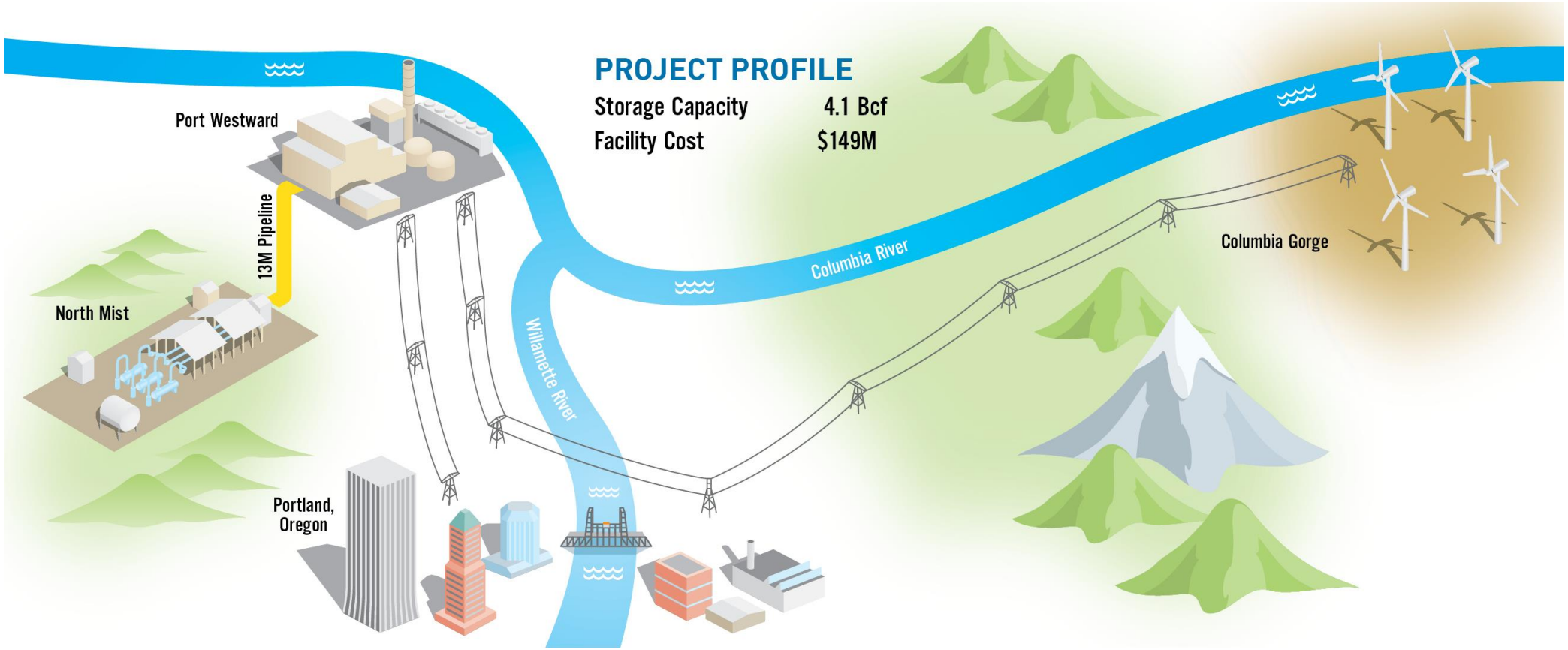
- Limited storage options in Pacific Northwest
- Part of utility's diverse, reliable gas supply strategy
- Utility can recall Interstate portion for Core Utility demand
- Optimize and share revenues with utility customers
- 5.8 Bcf under high-value contracts with the majority long-term





North Mist Facility

- Unique no-notice 24/7 storage service supporting gas-fired electric generating facilities that are integrating wind into energy generation mix
- $149 million investment was immediately included in rate base once placed into service in May 2019
- Contracted under 30-year agreement with single-customer (Portland General Electric)*



Water & Wastewater Utility Transactions

Company	People Served	Connections	Location	Date Signed	Date Closed	Transaction Details
Salmon Valley Water Company	1,928	964	Welches, OR	12/18/2017	11/1/2018	
Falls Water Company	20,272	7,138	Idaho Falls, ID	12/19/2017 6/28/2019 7/2/2020	9/13/2018 8/3/2020 2/9/2021	Falls Water Taylor Mountain Morningview
Cascadia	10,705	3,609	Puget Sound, WA	5/15/2018 1/22/2019 11/2/2020 8/2/2021 5/17/2022 5/27/2022 11/8/2022	11/2/2018 5/1/2019 11/12/2020 9/16/2021 8/16/2022 8/19/2022 2/1/2023	Lehman & Sea View Estates/Monterra Del Bay Association Discovery Bay Village Water Northwest Water Services Aquarius Utilities Pedersen
Sunriver Water & Environmental	20,600	9,644	Sunriver, OR	10/12/2018	5/31/2019	
Gem State	4,596	1,839	Coeur d'Alene, ID	12/18/2018 3/21/2019 9/12/2019 12/18/2020 3/22/2021 11/4/2022	7/31/2019 10/1/2019 4/2/2020 9/3/2021 10/4/2021 11/4/2022	Spirit Lake East/Lynnwood Diamond Bar/Bar Circle S Happy Valley/Bitterroot Troy Hoffman Pelican Point Water Idaho Club Sewer
Suncadia Water & Environmental	8,136	3,826	Cle Elum, WA	10/12/2019	1/31/2020	Suncadia
Blue Topaz Water & Wastewater	14,458	5,783	Conroe, TX Beaumont, TX Montgomery, TX Beaumont, TX	10/31/2019 12/28/2020 1/13/2022 11/18/2021	3/2/2020 5/2/2022 12/1/2022 12/2/2022	T&W Water Belle Oaks Water & Wastewater Caney Creek Water & Wastewater Water Necessities/Rural Water
Avion Water	17,723	7,089	Bend, OR	12/15/2021	12/17/2021 7/8/2022 6/30/2023 1/5/2024	45.6% Interest
Foothills Water & Wastewater	73,303	29,321	Yuma, AZ Kingman, AZ	12/8/2021 1/6/2023	10/5/2022 12/14//2023	Far West Water & Sewer Kingman Water
Rose Valley Water Company	5,990	2,396	Peoria, AZ	9/27/2023	10/2/2023	Rose Valley Water Company
Hiland	5,323	2,129	Newberg, OR	5/8/2023	12/29/2023	Hiland (Owned Utility Connections)
Total Closed	**183,034**	**73,738**				
Everett Square/ES Water/Montgomery Utilities	1,775	710	Conroe, TX	1/26/2023		To be part of Blue Topaz
Venterra	930	372	Houston, TX	11/8/2022		To be part of Blue Topaz
Total Pending	**2,705**	**1,082**				
Total Closed & Pending	**185,739**	**74,820**				

Water and Wastewater
O&M Service Transactions

Company	Connections	Region Served	Date Signed	Date Closed
King Water Company	11,676	Washington	4/30/2023	4/30/2023
Hiland	6,594	Oregon	5/8/2023	10/31/2023
Gem State	1,320	Idaho	12/18/2018	7/31/2019
Total Closed	**19,590**			


NW Natural
HOLDINGS™