

**CASCADE NATURAL GAS CORPORATION GENERAL RATE CASE
Docket No. UG-17 _____**

ATTACHMENT F: RATE CASE COMPLIANCE MATRIX

August 31, 2017

**Cascade Natural Gas
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Citation	Requirement	Compliance
WAC 480-07-510 - General rate proceedings		
(1) Testimony and exhibits	The company must file with the commission nineteen paper copies of all testimony and exhibits that the company intends to present as its direct case if the filing is suspended and a hearing held, unless the commission preapproves the filing of fewer copies.	Per a phone conversation between Commission Staff and the Company (Ashley Huff to Maryalice Rosales), Commission Staff preapproved the filing of one original and ten (10) copies.
	In addition, the company must provide one electronic copy of all filed material in the format identified in WAC 480-07-140(6).	On August 31, 2017, the Company submitted the electronic files for all hardcopy documents submitted as part of this general rate case filing. The files were included on a USB thumb drive which was enclosed in the mailed boxes containing the hardcopies of the filing.
	The company must serve a copy of the materials filed under this section on public counsel at the time of filing with the commission in any proceeding in which public counsel will appear.	On August 31, 2017, the Company mailed public counsel a hardcopy of the entire general rate case filing including a USB thumb drive with an electronic version of the filing.
	The utility must provide an exhibit that includes a results-of-operations statement showing test year actual results and the restating and pro forma adjustments in columnar format supporting its general rate request.	The Company's result-of-operation for the test year is presented in Exhibit No. __ (MPP-2). Column (1) of this exhibit provides the test year actuals. Column (2) is the summation of all adjustments, both restating and pro forma, to achieve the pro forma results of operation. Exhibit No. __ (MPP-2) is discussed in Michael P. Parvinen's Direct Testimony.
	The utility must also show each restating and pro forma adjustment and its effect on the results of operations.	Exhibit No. __ (MPP-5) presents four restating adjustments, identified as R-1 through R-4, and nine pro forma adjustments identified as P-1 through P-9. Exhibit No. __ (MPP-5) also shows total impact on the results of operations. Exhibit No. __ (MPP-5) is discussed in Michael P. Parvinen's Direct Testimony.
	The testimony must include a written description of each proposed restating and pro forma adjustment describing the reason, theory, and calculation of the adjustment.	A written description of each proposed restating and pro forma adjustment describing the reason, theory, and calculation of the adjustment is provided in Michael P. Parvinen's Direct Testimony filed as Exhibit No. __ (MPP-1T). See pages 4 through 10.

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(2) Tariff sheets	The company must file with the commission and provide to public counsel a copy of the proposed new or revised tariff sheets in legislative format, with strike-through to indicate any material to be deleted or replaced and underlining to indicate any material to be inserted, in paper and electronic format, unless already provided as an exhibit under subsection (1) of this section. The company must also file with the commission copies of any tariff sheets that are referenced by new or amended tariff sheets.	The filing includes proposed revised tariffs as Attachment A to the cover letter. Legislative tariffs where the changes to the tariff sheets are in redline/strike-out text is included in the filing as Attachment B. The proposed tariffs are also discussed in Jennifer G. Gross’s Direct Testimony and included as Exhibit No. __ (JGG-2). Copies were filed with the Commission and one copy was provided to Public Counsel.
(3) Work papers and accounting adjustments	(a) At the time the company makes its general rate case filing, <u>the company must provide one copy of all supporting work papers of each witness to public counsel and three copies to staff in a format as described in this subsection.</u> Staff and each other party must provide work papers to all other parties within five days after the filing of each subsequent round of testimony filed (e.g., response, rebuttal). If the testimony, exhibits, or work papers refer to a document, including, but not limited to, a report, study, analysis, survey, article or decision, that document must be included as a work paper unless it is a reported court or agency decision, in which case the reporter citation must be provided in the testimony. If a referenced document is voluminous, it need not be provided, but the company must identify clearly the materials that are omitted and their content. Omitted materials must be provided or made available if requested.	The Company’s rate case submission mailed on August 31, 2017, included three copies of work papers for Staff. The Company also mailed one copy of all supporting workpapers to public counsel on August 31, 2017. Work papers BR 3 through BR 3.149 are too voluminous to print and are only provided electronically.
(b) Organization	Work papers must be plainly identified and well organized, and must include an index and tabs. All work papers must be cross referenced and include a description of the cross referencing methodology.	Work papers contain an index by witness and identifying tab names. Each page of the work papers is numbered, and has line numbering and a column identifier. Figures are cross referenced when applicable.

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(c) Electronic documents	Parties <u>must provide all electronic files</u> supporting their witnesses' work papers. The electronic files must be fully functional <u>and include all formulas and linked spreadsheet files</u> . Electronic files that support the exhibits and work papers must be provided using <u>logical file paths, as necessary, by witness, and using identifying file names</u> . A party may file a document with locked, hidden or password protected cells only if necessary to protect the confidentiality of the information within the cells or proprietary information in the document. The party shall designate that portion of the document as confidential under RCW 80.04.095, WAC 480-07-160, and/or a protective order, and the party shall provide it to any person requesting the password who has signed an appropriate confidentiality agreement.	Electronic work papers are fully functional. Each witness's work paper has identifiable names, including tab names which are stated in the footer of the work paper and identified in the work paper's index.
(d) A detailed portrayal of the development	A detailed portrayal of the development of any capital structure and rate of return proposal and all supporting work papers in the format described in this subsection.	<p>The Company's capital structure is discussed in Tammy Nygard's Direct Testimony, filed as Exhibit No. __ (TJN-1T), pages 2 through 5.</p> <p>The case for Cascade's proposed rate of return proposal is presented in J. Stephen Gaske's Direct Testimony, filed as Exhibit No. __ (JSG-1T), and is supported with Exhibit No. __ (JSG-2).</p>
(e) Restating and pro forma adjustments	Parties must provide work papers that contain a detailed portrayal of restating actual and pro forma adjustments that the company uses to support its filing or that another party uses to support its litigation position, specifying all relevant assumptions, and including specific references to charts of accounts, financial reports, studies, and all similar records relied on by the company in preparing its filing, and by all parties in preparing their testimony and exhibits. All work papers must include support for, and calculations showing, the	<p>A detailed portrayal of restating actual and pro forma adjustments is presented in Exhibit No. __ (MPP-5) and supporting work papers.</p> <p>The interstate and multiservice allocation factor calculations are found on Work Paper MPP WP 1.1, page 46 of 86.</p>

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	derivation of each input number used in the detailed portrayal and for each subsequent level of detail. The derivation of all interstate and multiservice allocation factors must be provided in the work papers.	
(i) Change in methodologies for adjustments	If a party proposes to calculate an adjustment in a manner different from the method that the commission most recently accepted or authorized for the company, it must also present a work paper demonstrating how the adjustment would be calculated under the methodology previously accepted by the commission, and a brief narrative describing the change. Commission approval of a settlement does not constitute commission acceptance of any underlying methodology unless so specified in the order approving the settlement.	The Company proposes changes to its weather normalization adjustments as presented in Brian Robertson’s Direct Testimony, filed as Exhibit No. __ (BR-1T).
(ii) "Restating actual adjustments"	"Restating actual adjustments" adjust the booked operating results for any defects or infirmities in actual recorded results that can distort test period earnings. Restating actual adjustments are also used to adjust from an as-recorded basis to a basis that is acceptable for rate making. Examples of restating actual adjustments are adjustments to remove prior period amounts, to eliminate below-the-line items that were recorded as operating expenses in error, to adjust from book estimates to actual amounts, and to eliminate or to normalize extraordinary items recorded during the test period.	Restating actual adjustments are discussed in Michael Parvinen’s Direct Testimony, filed as Exhibit No. __ (MPP-1T), and are presented in summary in column (2) of Exhibit No. __ (MPP-2) and are included individually in Exhibit No. __ (MPP-5).
(iii) "Pro forma adjustments"	"Pro forma adjustments" give effect for the test period to all known and measurable changes that are not offset by other factors. The work papers must identify dollar values and underlying reasons for each proposed pro forma adjustment.	Pro forma adjustments are discussed in Michael Parvinen’s Direct Testimony, filed as Exhibit No. __ (MPP-1T) and are presented in summary in column (2) of Exhibit No. __ (MPP-2), and are included individually in Exhibit No. __ (MPP-5). Michael Parvinen’s Direct Testimony identifies the underlying reason for the pro forma adjustments.

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(f) A detailed portrayal of revenue sources.	A detailed portrayal of revenue sources during the test year and a parallel portrayal, by source, of changes in revenue produced by the filing, including an explanation of how the changes were derived.	Sources of revenue during the test year are discussed in Maryalice Rosales’s Direct Testimony, filed as Exhibit No. ___ (MCR-1T). Exhibit No. ___ (MCR-2) shows revenues by rate schedule; Exhibit No. ___ (MCR-3) shows adjustments to revenue; and Exhibit No. ___ (MCR-4) shows weather normalized, adjusted test year revenues. Work Papers identify source documents.
(g) ROR explanation	If the public service company has not achieved its authorized rate of return, an explanation of why it has not and what the company is doing to improve its earnings in addition to its request for increased rates.	Discussions on why Cascade needs a rate case and how Cascade has controlled costs to mitigate the need for a rate case are found on pages 4-5 of Nicole Kivisto’s Direct testimony, included as Exhibit No. ___ (NAK-1T).
(h) Representation of rate base and results of operations	A representation of the actual rate base and results of operation of the company during the test period, calculated in the manner used by the commission to calculate the company's revenue requirement in the commission's most recent order granting the company a general rate increase.	These items are discussed in Michael Parvinen’s Direct Testimony, filed as Exhibit No. ___ (MPP-1T) and presented in Exhibit No. ___ (MPP-2). Detailed rate base calculations are included in MPP WP 1.1, 1.2, 1.3 and 1.4.
(i) Supplementation of the annual affiliate and subsidiary transaction reports	Supplementation of the annual affiliate and subsidiary transaction reports as provided in rules governing reporting requirements for each industry, as necessary, to include all transactions during the test period. The company is required to identify all transactions that materially affect the proposed rates.	Affiliate transaction detail was provided in Cascade’s Annual Affiliate Interest Report filed on April 27, 2017, in Docket No. 170303.
(4) Summary document	The company must file with the commission a summary document that briefly states the following information on an annualized basis, if applicable. In presenting the following information, the company must itemize revenues from any temporary, interim, periodic, or other noncontinuing tariffs.	This information is provided in the Company’s “Summary Document”, included as Attachment C to the cover letter.
	The company must include in its rate change percentage and revenue change calculations any revenues from proposed general rate change tariffs that would	This information is provided in the Company’s “Summary Document”, included as Attachment C to the cover letter.

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	supersede revenue from noncontinuing tariffs. The summary document must also include:	
	(a) The date and amount of the latest prior general rate increase authorized by the commission, and the revenue realized from that authorized increase in the test period, based on the company's test period units of revenue.	This information is provided in the Company's "Summary Document", included as Attachment C to the cover letter.
	(b) Total revenues at present rates and at requested rates.	This information is provided in the Company's "Summary Document", included as Attachment C to the cover letter.
	(c) Requested revenue change in percentage, in total, and by major customer class.	This information is provided in the Company's "Summary Document", included as Attachment C to the cover letter.
	(d) Requested revenue change in dollars, in total, and by major customer class.	This information is provided in the Company's "Summary Document", included as Attachment C to the cover letter.
	(e) Requested rate change in dollars, per average customer, by customer class, or other representation, if necessary to depict representative effect of the request. The summary document must also state the effect of the proposed rate increase in dollars per month on typical residential customers by usage categories.	This information is provided in the Company's "Summary Document", included as Attachment C to the cover letter.
	(f) Most current customer count, by major customer class.	This information is provided in the Company's "Summary Document", included as Attachment C to the cover letter.
	(g) Current authorized overall rate of return and authorized rate of return on common equity.	This information is provided in the Company's "Summary Document", included as Attachment C to the cover letter.
	(h) Requested overall rate of return and requested rate of return on common equity, and the method or methods used to calculate rate of return on common equity.	This information is provided in the Company's "Summary Document", included as Attachment C to the cover letter.
	(i) Requested capital structure.	This information is provided in the Company's "Summary Document", included as Attachment C to the cover letter.
	(j) Requested net operating income.	This information is provided in the Company's "Summary Document", included as Attachment C to the cover letter.
	(k) Requested rate base and method of calculation, or equivalent.	This information is provided in the Company's "Summary Document", included as Attachment C to the cover letter.

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	(l) Requested revenue effect of attrition allowance, if any is requested.	This information is provided in the Company's "Summary Document", included as Attachment C to the cover letter.
(5) Required service of summary document	The company must serve the summary document on public counsel and mail the summary document described in subsection (4) of this section to the persons designated below on the same date it files the summary document with the commission:	On August 31, 2017, the Company mailed public counsel a hardcopy of the entire general rate case filing including the Company's "Summary Document", included as Attachment C to the cover letter.
	(a) All intervenors on the commission's master service list for the company's most recent general rate proceeding;	On August 31, 2017, the Company also emailed the Company's "Summary of Request Natural Gas Rate Increase" to all persons on the Commission's master service list for the Company's most recent general rate case.
	(b) All intervenors on the master service list for any other rate proceeding involving the company during the five years prior to the filing, if the rates established or considered in that proceeding may be affected in the company's proposed general rate filing;	On August 31, 2017, the Company also emailed the Company's "Summary of Request Natural Gas Rate Increase" to all persons who intervened in UG-170855.
	(c) All persons who have informed the company in writing that they wish to be provided with the summary document required under this section. The company must enclose a cover letter stating that the pre-filed testimony and exhibits and the accompanying work papers, diskettes, and publications specified in this rule are available from the company on request or stating that they have been provided. This provision does not create a right to notice in persons named to receive the summary.	No one has yet contacted the Company asking to be provided with a summary document. If the Company does receive such a request the information along with the prescribed cover letter will be provided.
(6) Cost studies	The company must file with the commission any cost studies it performed or relied on to prepare its filing, identify all cost studies conducted in the last five years for any of the company's services, and describe the methodology used in such studies.	See Exhibit No. __ (RJA-1T). Also, The Company had Cost of Service Studies prepared for the general rate cases, UG-152286 in WA, UG 287, and UG 305 in OR. The Company had Administrative and General Cost Comparisons prepared for UG-152286 and UG-287.

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(7) Other	The company must file with the commission its most recent annual report to shareholders, if any, and any subsequent quarterly reports to shareholders; the most recent FERC Form 1 and FERC Form 2, if applicable; and the company's Form 10K's, Form 10Q's, any prospectuses for any issuances of securities, and quarterly reports to stockholders, if any, for the most recent two years prior to the filing date.	The Company filed one original and ten copies of these financial reports with its rate case docketed as UG-170855. Per a conversation with Staff (Schooley) the only new financial report included in this filing is the most recent 10Q.