

EXHIBIT A

BEFORE THE  
WASHINGTON UTILITIES & TRANSPORTATION COMMISSION

CASCADE NATURAL GAS CORPORATION

Excess Deferred Income Tax

CNGC WUTC Advice No. W20-09-04 / UG-\_\_\_\_\_

September 15, 2020

# CASCADE NATURAL GAS CORPORATION

## EXHIBIT A

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**CASCADE NATURAL GAS CORPORATION**  
**2020 Protected Rate Allocation**

W20-09-04  
 Protected Exhibit A  
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	Current	Proposed
Protected	\$ (2,069,021)	\$ (1,929,304)

Rate Schedule	503	504	505	511	570	663	Total
Current Sch 581 Rates	(0.00806)	(0.00619)	(0.00392)	(0.00321)	(0.00119)	(0.00071)	
% change (same for each sch)	-10.87750%	-10.87750%	-10.87750%	-10.87750%	-10.87750%	-10.87750%	
<b>Proposed Rate Increment</b>	<b>\$ (0.00718)</b>	<b>\$ (0.00552)</b>	<b>\$ (0.00349)</b>	<b>\$ (0.00286)</b>	<b>\$ (0.00106)</b>	<b>\$ (0.00063)</b>	
Proposed Tax Costs Refunded	\$ (913,130)	\$ (487,123)	\$ (50,595)	\$ (77,496)	\$ (2,430)	\$ (398,530)	<b>\$ (1,929,304)</b>
Proposed Rate Adjustment	\$ 0.00088	\$ 0.00067	\$ 0.00043	\$ 0.00035	\$ 0.00013	\$ 0.00008	
Proposed Volumes	127,118,966	88,299,944	14,482,050	27,088,723	2,291,417	629,818,145	889,099,245

**Cascade Natural Gas Corporation**  
**Protected Amount of Change By Rate Schedule**  
**Based Upon the Twelve Months Ended 7/31/20**  
**State of Washington**

Line No.	Description (a)	Rate Schedule (b)	Average # of Bills (c)	Forecasted Therms Sold (d)	Actual Revenue (e)	Per Therm Cost Change (f)	Amount of Change (g)	
<b>CORE MARKET RATE SCHEDULES</b>								
1	Residential	503	193,657	127,118,966	129,784,520	0.00088	111,448.54	0.09%
2	Commercial	504	26,658	88,299,944	79,262,367	0.00067	59,454.00	0.08%
3	Industrial Firm	505	480	14,482,050	9,601,453	0.00043	6,175.12	0.06%
4	Large Volume	511	98	27,088,723	18,277,286	0.00035	9,458.51	0.05%
5	Industrial Interruptible	570	8	2,291,417	1,421,635	0.00013	296.61	0.02%
6	<b>Subtotal Core</b>		<b>220,901</b>	<b>259,281,100</b>	<b>238,347,261</b>		<b>186,833</b>	
<b>NONCORE MARKET RATE SCHEDULES</b>								
7	Distribution	663	188	629,818,145	20,168,203	\$ 0.00008	48,641	0.24%
8	Special Contracts	9xx	7	216,766,399	4,441,400	\$ -		
9	<b>Subtotal Non-core</b>		<b>195</b>	<b>846,584,544</b>	<b>24,609,603</b>	<b>\$ 0</b>	<b>48,641</b>	
10	<b>CORE &amp; NON-CORE</b>		<b>221,096</b>	<b>1,105,865,644</b>	<b>262,956,864</b>	<b>\$ -</b>	<b>235,474</b>	0.09%

**Cascade Natural Gas Corporation**  
**PROTECTED TYPICAL MONTHLY BILL BY CLASS**  
**State of Washington**

Line No.	Description (a)	Typical Monthly Therm Use (b)	Avg Bill @ 11/1/19 Rates (c)	Present Filing Changes (d)	Proposed Typical Bill (e)	Percent Change (f)
1	Residential (503)	56	\$ 55.85	\$ 0.05	\$ 55.90	0.09%
2	Commercial (504)	290	\$ 247.78	\$ 0.19	\$ 247.97	0.08%
3	Industrial (505)*	N/A	\$ 0.66299	\$ 0.00043	\$ 0.66342	0.06%
4	Large Vol Service (511)*	N/A	\$ 0.67472	\$ 0.00035	\$ 0.67507	0.05%
5	Interruptible (570)*	N/A	\$ 0.62042	\$ 0.00013	\$ 0.62055	0.02%
6	Distribution (663)*	N/A	\$ 0.03202	\$ 0.00008	\$ 0.03210	0.24%

\* The large variation among customers in the Industrial and Interruptible customer classes renders average consumption numbers meaningless, therefore only per therm figures have been listed.

**Cascade Natural Gas Corporation**  
**PROTECTED DERIVATION OF PROPOSED RATE ADJUSTMENT**  
**State of Washington**

Line No.	Revised Description	503 Residential Customers	504 Commercial Customers	505 Firm Indust Customers	511 Large Vol Customers	570 Interruptible Customers	663 Dist. Trans. Service Customers
1	Protected Rate Effective 11/1/2019	(\$0.00806)	(\$0.00619)	(\$0.00392)	(\$0.00321)	(\$0.00119)	(\$0.00071)
	<u>Proposed Incremental Change</u>						
2	Residential (503)	\$0.00088					
3	Commercial (504)		\$0.00067				
4	Firm Industrial (505)			\$0.00043			
5	Large Vol Service (511)				\$0.00035		
6	Interruptible (570)					\$0.00013	
7	Transpotration Service (663)						\$0.00008
	Total Proposed Rate - Schedule 581	(\$0.00718)	(\$0.00552)	(\$0.00350)	(\$0.00287)	(\$0.00106)	(\$0.00063)

**CASCADE NATURAL GAS CORPORATION**  
**2020 Unprotected Tax Cost Allocation**

	Current	Proposed
Unprotected	\$ (769,135)	\$ (1,004,478)

Rate Schedule	503	504	505	511	570	663	Total
Current Unpro. Tax Rates	(0.003005)	(0.002303)	(0.001458)	(0.001197)	(0.000441)	(0.000261)	
% change (same for each sch)	24.89153%	24.89153%	24.89153%	24.89153%	24.89153%	24.89153%	
<b>Proposed Tax Increment</b>	<b>\$ (0.00375)</b>	<b>\$ (0.00288)</b>	<b>\$ (0.00182)</b>	<b>\$ (0.00149)</b>	<b>\$ (0.00055)</b>	<b>\$ (0.00033)</b>	
Proposed Tax Costs Collected	\$ (477,076)	\$ (253,973)	\$ (26,371)	\$ (40,496)	\$ (1,262)	\$ (205,300)	<b>\$ (1,004,478)</b>
Proposed Rate Adjustment	(0.00075)	(0.00057)	(0.00036)	(0.00030)	(0.00011)	(0.00006)	
Proposed Volumes	127,118,966	88,299,944	14,482,050	27,088,723	2,291,417	629,818,145	889,099,245

**Cascade Natural Gas Corporation**  
**UNPROTECTED TAX AMOUNT OF CHANGE BY RATE SCHEDULE**  
**Based Upon the Twelve Months Ended 7/31/20**  
**State of Washington**

Line No.	Description (a)	Rate Schedule (b)	Average # of Bills (c)	Forecasted Therms Sold (d)	Actual Revenue (e)	Per Therm Tax Change (g)	Amount of Change (h)	
<b>CORE MARKET RATE SCHEDULES</b>								
1	Residential	503	193,657	127,118,966	129,784,520	(0.00075)	(95,083.76)	-0.07%
2	Commercial	504	26,658	88,299,944	79,262,367	(0.00057)	(50,618.00)	-0.06%
3	Industrial Firm	505	480	14,482,050	9,601,453	(0.00036)	(5,255.80)	-0.05%
4	Large Volume	511	98	27,088,723	18,277,286	(0.00030)	(8,071.13)	-0.04%
5	Industrial Interruptible	570	8	2,291,417	1,421,635	(0.00011)	(251.53)	-0.02%
6	Subtotal Core		220,901	259,281,100	238,347,261		(159,280)	
<b>NONCORE MARKET RATE SCHEDULES</b>								
7	Distribution	663	188	629,818,145	20,168,203	(0.00006)	(40,917)	-0.20%
8	Special Contracts	9xx	7	216,766,399	4,441,400	-		
9	Subtotal Non-core		195	846,584,544	24,609,603		<b>(40,917)</b>	
10	<b>CORE &amp; NON-CORE</b>		<b>221,096</b>	<b>1,105,865,644</b>	<b>262,956,864</b>		<b>(200,198)</b>	-0.08%

**Cascade Natural Gas Corporation**  
**UNPROTECTED TAX PROPOSED TYPICAL MONTHLY BILL BY CLASS**  
**State of Washington**

Line No.	Description (a)	Typical Monthly Therm Use (b)	Avg Bill @ 11/1/19 Rates (c)	Present Filing Changes (d)	Proposed Typical Bill (e)	Percent Change (f)
1	Residential (503)	56	\$55.85	(\$0.04)	\$55.81	-0.08%
2	Commercial (504)	290	\$247.78	(\$0.17)	\$247.61	-0.07%
3	Industrial (505)	N/A	\$0.66299	(\$0.00036)	\$0.66263	-0.05%
4	Industrial Lg Vol (511)	N/A	\$0.67472	(\$0.00030)	\$0.67442	-0.04%
5	Interruptible (570)	N/A	\$0.62042	(\$0.00011)	\$0.62031	-0.02%
6	Distribution (663)	N/A	\$0.03202	(\$0.00006)	\$0.03196	-0.20%

\* The large variation among customers in the Industrial and Interruptible customer classes renders average consumption numbers meaningless, therefore only per therm figures have been listed.

**Cascade Natural Gas Corporation**  
**UNPROTECTED TAX DERIVATION OF PROPOSED RATE ADJUSTMENT**  
**State of Washington**

Line No.	Revised Description	503 Residential Customers	504 Commercial Customers	505 Firm Indust Customers	511 Lrg Volumes Customers	570 Interruptible Customers	663 Distribution Customers
1	Unprotected Rate Adjustment Effective 11/1/2019	(\$0.003005)	(\$0.002303)	(\$0.001458)	(\$0.001197)	(\$0.000441)	(\$0.000261)
	<u>Proposed Incremental Change</u>						
2	Residential	(0.00075)					
3	Commercial		(0.00057)				
4	Industrial Firm			(0.00036)			
5	Large Volume				(0.00030)		
6	Interruptible - CORE					(0.00011)	
7	Non-Core Customers						(0.00006)
8	Total Proposed Rate - Schedule 582	(\$0.00376)	(\$0.00287)	(\$0.00182)	(\$0.00150)	(\$0.00055)	(\$0.00032)