

Exhibit No. __ (RJA-2)
Docket No. UG-17____
Witness: Ronald J. Amen

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,
Complainant,

v.

CASCADE NATURAL GAS
CORPORATION,
Respondent.

DOCKET UG-17_____

CASCADE NATURAL GAS CORPORATION

EXHIBIT OF RONALD J. AMEN

SUMMARY OF COSS RESULTS

July 31, 2017

Cascade Natural Gas - Washington
Proposed Test Year Without Gas
Summary

Line No.	Description	Total Company	Res 502, 503	GSC 504, 512	GSI 505	GSLV 511	Interruptible 570, 577	Transport 663	Spl Contracts 9xx
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Rate Base								
2	Plant in Service	\$ 698,410,163	\$ 357,411,034	\$ 143,095,587	\$ 14,440,850	\$ 10,468,277	\$ 1,758,303	\$ 129,298,187	\$ 41,937,925
3	Accumulated Reserve	(345,196,876)	(193,216,299)	(68,893,804)	(6,194,690)	(4,274,411)	(831,381)	(54,184,027)	(17,602,264)
4	Other Rate Base Items	(51,778,027)	(24,948,741)	(10,098,768)	(1,215,378)	(720,101)	(120,278)	(11,835,901)	(2,838,861)
5	TOTAL RATE BASE	\$ 301,435,260	\$ 139,245,995	\$ 64,103,014	\$ 7,030,783	\$ 5,473,765	\$ 806,645	\$ 63,278,259	\$ 21,496,799
6	Revenue at Current Rates								
7	Rate Schedule Revenue	92,897,542	45,209,616.86	23,571,672.43	2,065,869.49	1,562,706.07	214,145.29	14,461,764.21	5,811,768.10
8	Gas Cost Recoveries	112,289,916	59,576,687.16	40,105,965.08	5,479,682.84	5,330,628.58	1,796,952.44	-	-
9	Other Operating Revenues	909,730	761,604.69	120,859.04	2,183.92	1,637.34	306.41	17,498.36	5,640.18
10	Miscellaneous Charges and Taxes	11,094,720	4,461,618	3,291,557	275,417	259,312	76,442	2,437,433	292,942
11	REVENUES	\$ 217,191,909	\$ 110,009,527	\$ 67,090,053	\$ 7,823,154	\$ 7,154,284	\$ 2,087,846	\$ 16,916,695	\$ 6,110,350
12	Expenses								
13	Natural Gas Cost	107,612,403	57,094,979	38,435,324	5,251,423	5,108,578	1,722,099	-	-
14	Operation and Maintenance	42,854,009	28,346,281	8,152,290	593,489	398,565	90,271	4,107,570	1,165,544
15	Depreciation Expense	19,707,306	10,989,634	3,894,957	356,976	251,267	45,850	3,158,670	1,009,952
16	Taxes Other Than Income	4,402,811	2,982,005	802,403	58,816	37,896	7,962	398,016	115,712
17	Revenue Taxes	17,435,062	7,011,316	5,172,595	432,811	407,502	120,126	3,830,362	460,350
18	Income Taxes	5,971,324	3,488,335	1,165,936	104,672	75,182	13,750	856,044	267,404
19	TOTAL EXPENSES - Current	\$ 197,982,915	\$ 109,912,550	\$ 57,623,506	\$ 6,798,187	\$ 6,278,989	\$ 2,000,058	\$ 12,350,663	\$ 3,018,963
20	Operating Income - Current	\$ 19,208,993	\$ 96,977	\$ 9,466,548	\$ 1,024,966	\$ 875,295	\$ 87,788	\$ 4,566,033	\$ 3,091,387
21	Current Rate of Return	6.37%	0.07%	14.77%	14.58%	15.99%	10.88%	7.22%	14.38%

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	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
22	Calculation of Rate Schedule Revenue Requirement at Equal Rates of Return								
23	Required Return	7.60%	7.60%	7.60%	7.60%	7.60%	7.60%	7.60%	7.60%
24	Required Operating Income	\$ 22,903,051	\$ 10,579,911	\$ 4,870,547	\$ 534,199	\$ 415,897	\$ 61,289	\$ 4,807,882	\$ 1,633,327
25	Operating Income (Deficiency)/Surplus	(3,694,058)	(10,482,934)	4,596,001	490,767	459,398	26,499	(241,849)	1,458,060
26	Revenue (Deficiency) / Surplus	\$ (5,946,681)	\$ (12,684,759)	\$ 4,596,001	\$ 490,767	\$ 459,398	\$ 26,499	\$ (292,647)	\$ 1,458,060
27	Rate Schedule Revenue Requirement	\$ 98,844,224	\$ 57,894,376	\$ 18,975,672	\$ 1,575,102	\$ 1,103,308	\$ 187,646	\$ 14,754,411	\$ 4,353,708
28	Other Operational Revenues								
29	Total Revenue Requirement	\$ 223,138,590	122,694,286.11	62,494,052.88	7,332,386.24	6,694,885.87	2,061,346.76	17,209,342.56	4,652,289.61
30	Deficiency / (Surplus) as % of Sales & Trans F	5.67%	25.15%	-17.03%	-20.94%	-25.19%	-9.11%	1.73%	-23.86%
31	Expenses at Required Return								
32	Natural Gas Cost	\$ 107,612,403	\$ 57,094,979	\$ 38,435,324	\$ 5,251,423	\$ 5,108,578	\$ 1,722,099	\$ -	\$ -
33	Operation and Maintenance	\$ 42,876,565	\$ 28,368,328	\$ 8,152,290	\$ 593,489	\$ 398,565	\$ 90,271	\$ 4,108,079	\$ 1,165,544
34	Depreciation Expense	19,707,306	10,989,634	3,894,957	356,976	251,267	45,850	3,158,670	1,009,952
35	Taxes Other Than Income	4,402,811	2,982,005	802,403	58,816	37,896	7,962	398,016	115,712
36	Revenue Taxes	17,676,022	7,246,842	5,172,595	432,811	407,502	120,126	3,835,796	460,350
37	Income Taxes	7,960,432	5,432,587	1,165,936	104,672	75,182	13,750	900,900	267,404
38	TOTAL EXPENSES - Required	\$ 200,235,539	\$ 112,114,375	\$ 57,623,506	\$ 6,798,187	\$ 6,278,989	\$ 2,000,058	\$ 12,401,460	\$ 3,018,963
39	Rate Schedule Revenue as Proposed	\$ 98,844,224	\$ 49,886,298	\$ 23,571,672	\$ 2,065,869	\$ 1,562,706	\$ 284,145	\$ 15,661,764	\$ 5,811,768
40	Gas Cost Recoveries	112,289,916	59,576,687	40,105,965	5,479,683	5,330,629	1,796,952	-	-
41	Other Operating Revenues	909,730	761,605	120,859	2,184	1,637	306	17,498	5,640
42	Miscellaneous Charges and Taxes	11,094,720	4,461,618	3,291,557	275,417	259,312	76,442	2,437,433	292,942
43	Total Revenue	\$ 223,138,590	\$ 114,686,208	\$ 67,090,053	\$ 7,823,154	\$ 7,154,284	\$ 2,157,846	\$ 18,116,695	\$ 6,110,350
44	Proposed Revenue Increase	\$ 5,946,681	\$ 4,676,681	\$ -	\$ -	\$ -	\$ 70,000	\$ 1,200,000	\$ -
45	Current Revenue to Cost Ratio	0.97	0.90	1.07	1.07	1.07	1.01	0.98	1.31
46	Current Parity Ratio	1.00	0.92	1.10	1.10	1.10	1.04	1.01	1.35
47	Proposed Revenue to Cost Ratio	1.00	0.93	1.07	1.07	1.07	1.05	1.05	1.31