

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,  
Complainant,

DOCKET UG-170929

v.

CASCADE NATURAL GAS  
CORPORATION,  
Respondent.

**CASCADE NATURAL GAS CORPORATION**

**EXHIBIT RJA-R5**

**RON. J. AMEN**

*Revised Rate Design at Proposed Revenue*

**March 23, 2018**

| Customer Class   | Pro Forma Test Year Revenues |               |           |                      | Proposed Revenues |           |                      | Difference          |            |
|--|------------------------------|---------------|-----------|----------------------|-------------------|-----------|----------------------|---------------------|------------|
|  | Billing Units                | Present Rates |           | Revenue              | Proposed Rates    |           | Revenue              | \$ Amount           | % Amount   |
|  |                              | Margin        | CRM       |                      | Margin            | CRM       |                      |                     |            |
| <b>Residential - 503</b>                               |                              |               |           |                      |                   |           |                      |                     |            |
| Basic Service Charge                                   | 2,205,268                    | \$4.00        |           | \$ 8,821,072         | \$6.00            |           | \$ 13,231,608        | \$ 4,410,536        | 50%        |
| Delivery Charge  | 120,189,407                  | \$0.29484     | \$0.00792 | \$ 36,388,545        | \$0.25927         | \$0.00000 | \$ 31,161,508        | \$ (5,227,037)      | -14%       |
| Rounding Difference                                    |                              |               |           |                      |                   |           | \$ 265               | \$ 265              |            |
| <b>Total 503 Revenue</b>                               |                              |               |           | <b>\$ 45,209,617</b> |                   |           | <b>\$ 44,393,381</b> | <b>\$ (816,236)</b> | <b>-2%</b> |
| <b>Commercial - 504</b>                                |                              |               |           |                      |                   |           |                      |                     |            |
| Basic Service Charge                                   | 307,211                      | \$10.00       |           | \$ 3,072,110         | \$15.00           |           | \$ 4,608,165         | \$ 1,536,055        | 50%        |
| Delivery Charge  | 81,344,242                   | \$0.24608     | \$0.00593 | \$ 20,499,562        | \$0.22608         | \$0.00000 | \$ 18,390,306        | \$ (2,109,256)      | -10%       |
| Rounding Difference                                    |                              |               |           |                      |                   |           | \$ 129               | \$ 129              |            |
| <b>Total 504 Revenue</b>                               |                              |               |           | <b>\$ 23,571,672</b> |                   |           | <b>\$ 22,998,600</b> | <b>\$ (573,072)</b> | <b>-2%</b> |
| <b>Industrial - 505</b>                                |                              |               |           |                      |                   |           |                      |                     |            |
| Basic Service Charge                                   | 5,274                        | \$48.00       |           | \$ 253,166           | \$75.00           |           | \$ 395,573           | \$ 142,406          | 56%        |
| Delivery Charge - first 500 therms                     | 1,521,701                    | \$0.18843     | \$0.00452 | \$ 293,612           | \$0.17245         | \$0.00000 | \$ 262,417           | \$ (31,195)         | -11%       |
| Delivery Charge - next 3,500 therms                    | 4,967,619                    | \$0.15175     | \$0.00452 | \$ 776,290           | \$0.13966         | \$0.00000 | \$ 693,778           | \$ (82,512)         | -11%       |
| Delivery Charge - over 4,000 therms                    | 4,928,351                    | \$0.14620     | \$0.00452 | \$ 742,801           | \$0.13470         | \$0.00000 | \$ 663,849           | \$ (78,952)         | -11%       |
| Rounding Difference                                    |                              |               |           |                      |                   |           | \$ 28                | \$ 28               |            |
| <b>Total 505 Revenue</b>                               |                              |               |           | <b>\$ 2,065,869</b>  |                   |           | <b>\$ 2,015,644</b>  | <b>\$ (50,225)</b>  | <b>-2%</b> |
| <b>Large Volume - 511</b>                              |                              |               |           |                      |                   |           |                      |                     |            |
| Basic Service Charge                                   | 1,085                        | \$100.00      |           | \$ 108,455           | \$200.00          |           | \$ 216,911           | \$ 108,455          | 100%       |
| Delivery Charge - first 20,000 therms                  | 7,195,184                    | \$0.14834     | \$0.00325 | \$ 1,090,718         | \$0.13632         | \$0.00000 | \$ 980,847           | \$ (109,870)        | -10%       |
| Delivery Charge - next 80,000 therms                   | 2,872,027                    | \$0.11295     | \$0.00325 | \$ 333,730           | \$0.10450         | \$0.00000 | \$ 300,127           | \$ (33,603)         | -10%       |
| Delivery Charge - over 100,000 therms                  | 1,039,885                    | \$0.02541     | \$0.00325 | \$ 29,803            | \$0.02577         | \$0.00000 | \$ 26,798            | \$ (3,005)          | -10%       |
| Rounding Difference                                    |                              |               |           |                      |                   |           | \$ 31                | \$ 31               |            |
| <b>Total 511 Revenue</b>                               |                              |               |           | <b>\$ 1,562,706</b>  |                   |           | <b>\$ 1,524,714</b>  | <b>\$ (37,992)</b>  | <b>-2%</b> |
| <b>Interruptible - 570</b>                             |                              |               |           |                      |                   |           |                      |                     |            |
| Basic Service Charge                                   | 121                          | \$130.00      |           | \$ 15,730            | \$500.00          |           | \$ 60,500            | \$ 44,770           | 285%       |
| Delivery Charge - first 30,000 therms                  | 1,784,890                    | \$0.08233     | \$0.00130 | \$ 149,270           | \$0.06313         | \$0.00000 | \$ 112,680           | \$ (36,590)         | -25%       |
| Delivery Charge - over 30,000 therms                   | 2,064,045                    | \$0.02251     | \$0.00130 | \$ 49,145            | \$0.01797         | \$0.00000 | \$ 37,091            | \$ (12,054)         | -25%       |
| Rounding Difference                                    |                              |               |           |                      |                   |           | \$ 8                 | \$ 8                |            |
| <b>Total 570 Revenue</b>                               |                              |               |           | <b>\$ 214,145</b>    |                   |           | <b>\$ 210,279</b>    | <b>\$ (3,866)</b>   | <b>-2%</b> |
| <b>Transport - 663</b>                                 |                              |               |           |                      |                   |           |                      |                     |            |
| Contract Demand  | 21,723,625                   | \$0.20        |           | \$ 4,344,725         | \$0.22            |           | \$ 4,779,198         | \$ 434,473          | 10%        |
| System Balancing Charge                                | 438,603,935                  | \$0.00040     |           | \$ 175,442           | \$0.00040         |           | \$ 175,442           | \$ -                | 0%         |
| Basic Service Charge                                   | 2,258                        | \$500.00      |           | \$ 1,129,000         | \$750.00          |           | \$ 1,693,500         | \$ 564,500          | 50%        |
| Contract Charges (1)                                   | n/a                          | n/a           |           | \$ 21,000            | n/a               |           | \$ 21,000            | \$ -                | 0%         |
| Delivery Charge - first 100,000 therms                 | 93,012,401                   | \$0.05730     | \$0.00107 | \$ 5,429,134         | \$0.05044         | \$0.00000 | \$ 4,691,545         | \$ (737,588)        | -14%       |
| Delivery Charge - next 200,000 therms                  | 66,218,169                   | \$0.02023     | \$0.00107 | \$ 1,410,447         | \$0.01841         | \$0.00000 | \$ 1,219,076         | \$ (191,371)        | -14%       |
| Delivery Charge - next 200,000 therms                  | 34,443,391                   | \$0.01187     | \$0.00107 | \$ 445,697           | \$0.01118         | \$0.00000 | \$ 385,077           | \$ (60,620)         | -14%       |
| Delivery Charge - over 500,000 therms                  | 244,929,975                  | \$0.00508     | \$0.00107 | \$ 1,506,319         | \$0.00531         | \$0.00000 | \$ 1,300,578         | \$ (205,741)        | -14%       |
| Rounding Difference                                    |                              |               |           |                      |                   |           | \$ 523               | \$ 523              |            |
| <b>Total 663 Revenue</b>                               |                              |               |           | <b>\$ 14,461,764</b> |                   |           | <b>\$ 14,265,940</b> | <b>\$ (195,825)</b> | <b>-1%</b> |
| (1) Contract related charges for certain 663 customers |                              |               |           |                      |                   |           |                      |                     |            |
| <b>Special Contracts - Total 9xx</b>                   |                              |               |           |                      |                   |           |                      |                     |            |
| Basic Service Charge                                   |                              |               |           | \$ 68,500            |                   |           | \$ 68,500            | \$ -                | 0%         |
| Contract Demand Charge                                 |                              |               |           | \$ 2,321,433         |                   |           | \$ 2,321,433         | \$ -                | 0%         |
| Dispatch Delivery/ Sys Balancing Charge                |                              |               |           | \$ 74,842            |                   |           | \$ 74,842            | \$ -                | 0%         |
| Delivery Charge  |                              |               |           | \$ 3,346,993         |                   |           | \$ 3,346,993         | \$ -                | 0%         |
| Rounding Difference                                    |                              |               |           | \$ -                 |                   |           | \$ -                 | \$ -                |            |
| <b>Total 9xx Revenue</b>                               |                              |               |           | <b>\$ 5,811,768</b>  |                   |           | <b>\$ 5,811,768</b>  | <b>\$ -</b>         | <b>0%</b>  |

| Customer Class                       | Pro Forma Test Year Revenues |                    | Proposed Revenues |                    | Difference            |            |
|--------------------------------------|------------------------------|--------------------|-------------------|--------------------|-----------------------|------------|
|                                      |                              | Revenue            |                   | Revenue            | \$ Amount             | % Amount   |
| <b>SALES SUMMARY</b>                 |                              |                    |                   |                    |                       |            |
| Tariff Schedule Revenue              | \$                           | 72,624,010         | \$                | 71,142,618         | \$ (1,481,392)        | -2%        |
| Revenue Taxes and Fees               | \$                           | 8,364,346          | \$                | 8,364,346          | \$ -                  | 0%         |
| Gas Cost                             | \$                           | 112,289,916        | \$                | 112,289,916        | \$ -                  | 0%         |
| <b>Total Sales Revenue</b>           | <b>\$</b>                    | <b>193,278,272</b> | <b>\$</b>         | <b>191,796,880</b> | <b>\$ (1,481,392)</b> | <b>-1%</b> |
| <b>TRANSPORTATION SUMMARY</b>        |                              |                    |                   |                    |                       |            |
| Tariff Schedule and Contract Revenue | \$                           | 20,273,532         | \$                | 20,077,708         | \$ (195,825)          | -1%        |
| Revenue Taxes and Fees               | \$                           | 2,730,375          | \$                | 2,730,375          | \$ -                  | 0%         |
| <b>Total Transportation Revenue</b>  | <b>\$</b>                    | <b>23,003,907</b>  | <b>\$</b>         | <b>22,808,082</b>  | <b>\$ (195,825)</b>   | <b>-1%</b> |
| <b>TOTAL CASCADE REVENUE</b>         |                              |                    |                   |                    |                       |            |
| Sales Total                          | \$                           | 193,278,272        | \$                | 191,796,880        | \$ (1,481,392)        | -1%        |
| Transportation Total                 | \$                           | 23,003,907         | \$                | 22,808,082         | \$ (195,825)          | -1%        |
| Other Operating Revenue              | \$                           | 909,730            | \$                | 909,730            | \$ -                  | 0%         |
| <b>Total Cascade Revenue</b>         | <b>\$</b>                    | <b>217,191,909</b> | <b>\$</b>         | <b>215,514,692</b> | <b>\$ (1,677,217)</b> | <b>-1%</b> |