

Cascade Natural Gas Corporation
Summary of Results of Operations
For the 12 Month Period Ended December 31, 2014

Docket UG-151309
August 27, 2015

Line No.	Description (a)	Company Proposal				Staff Proposal				Staff Recommendation	
		Statement of Operations Per Books (b)	Weather Normalization Adjustment (c)	Advertising Adjustment (d)	Commission Basis Restated Total (e)	Low Income Addition (f)	Proposed Adjustment to Expense (g)	Adjustment to Working Capital (h)	Commission Basis Restated Total (i)	Proposed Rate Increase (j)	Commission Basis Restated Total (k)
	Operating Revenue										
1	Natural Gas Sales	\$ 216,831,029	\$ 9,513,370	\$ -	\$ 226,344,399				\$ 226,344,399		\$ 226,344,399
2	Gas Transportation Revenue	19,865,944		0	19,865,944				19,865,944		19,865,944
3	Proposed Change to Rates	0		0	0				0	1,250,000	1,250,000
4	Other Operating Revenue	1,243,014		0	1,243,014				1,243,014		1,243,014
5	Subtotal	\$ 237,939,987	\$ 9,513,370	\$ -	\$ 247,453,357	\$ -	\$ -	\$ -	\$ 247,453,357	\$ 1,250,000	\$ 248,703,357
6	LESS: Nat. Gas/Production Costs	136,501,138	6,894,944		143,396,083				143,396,083	-	143,396,083
7	Revenue Taxes	19,850,355			19,850,355				19,850,355		19,850,355
8	Operating Margin	\$ 81,588,493	\$ 2,618,426	\$ -	\$ 84,206,919	\$ -	\$ -	\$ -	\$ 84,206,919	\$ 1,250,000	\$ 85,456,919
	Operating Expenses										
9	Production	312,167			312,167				312,167		312,167
10	Distribution	16,389,141	0	0	16,389,141	-			16,389,141		16,389,141
11	Customer Accounts	5,153,766	8,943	0	5,162,709	-		0	5,162,709	1,175	5,163,884
12	Customer Service & Information	1,058,071	0	0	1,058,071	a 150,000			1,208,071		1,208,071
13	Sales	9,412	0	(9,412)	0	-			0		0
14	Administrative & General	17,016,010	0	0	17,016,010	-	b (15,012)		17,000,998		17,000,998
15	Depreciation & Amortization	16,906,574	0	0	16,906,574	-			16,906,574		16,906,574
16	Prop./Payroll/Misc. Taxes	4,520,396	403,557	0	4,923,953	-		0	4,923,953	53,025	4,976,978
17	Federal Income Taxes	4,653,263	772,074	3,294	5,428,631	(52,500)	5,254	0	5,381,385	418,530	5,799,915
18	Total Operating Expenses	\$ 66,018,800	\$ 1,184,574	\$ (6,118)	\$ 67,197,256	\$ 97,500	\$ (9,758)	\$ -	\$ 67,284,999	\$ 472,730	\$ 67,757,729
19	Net Operating Income	\$ 15,569,693	\$ 1,433,852	\$ 6,118	\$ 17,009,663	\$ (97,500)	\$ 9,758	\$ -	\$ 16,921,921	\$ 777,270	\$ 17,699,191
	Rate Base										
20	Plant In Service	607,126,362			607,126,362				607,126,362		607,126,362
21	Accumulated Depreciation	(311,903,076)			(311,903,076)				(311,903,076)		(311,903,076)
22	Contributions In Aid	0			0				0		0
23	Cust. Adv. For Constr.	(3,243,768)			(3,243,768)				(3,243,768)		(3,243,768)
24	Accum. Deferred Income Taxes	(66,632,573)			(66,632,573)				(66,632,573)		(66,632,573)
25	Deferred Debits	0			0				0		0
26	Working Capital Allowance	34,140,235			34,140,235			c (23,042,687)	\$11,097,548		11,097,548
27	Total	\$ 259,487,180	\$ -	\$ -	\$ 259,487,180	\$ -	\$ -	\$ (23,042,687)	\$ 236,444,493	\$ -	\$ 236,444,493
28	Rate Of Return	6.00%			6.56%				7.16%		7.49%

Note: This report does not include all ratemaking adjustments that would be included in the context of a general rate case

a This adjustment increases the \$800,000 Low Income amount by \$150,000 for a total \$950,000.

b This adjustment removes General Advertising Expense of \$15,012 allocated from affiliate, shown in Affiliated Interest Report.

c This adjustment adjusts working capital from "End of Period" balances to "Average of Monthly Average" balances.