

**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**

**August 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	Spi Contracts 9xx
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	<b>Rate Base</b>								
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	(345,668,787)	(193,458,578)	(68,990,616)	(6,204,449)	(4,281,483)	(832,562)	(54,270,934)	(17,630,166)
4	Other Rate Base Items	(51,880,650)	(25,001,399)	(10,119,832)	(1,217,502)	(721,640)	(120,535)	(11,854,813)	(2,844,929)
5	<b>TOTAL RATE BASE</b>	<b>\$ 300,860,726</b>	<b>\$ 138,951,057</b>	<b>\$ 63,985,139</b>	<b>\$ 7,018,900</b>	<b>\$ 5,465,154</b>	<b>\$ 805,206</b>	<b>\$ 63,172,440</b>	<b>\$ 21,462,829</b>
6	<b>Revenue at Current Rates</b>								
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	<b>REVENUES</b>	<b>\$ 217,191,909</b>	<b>\$ 110,009,527</b>	<b>\$ 67,090,053</b>	<b>\$ 7,823,154</b>	<b>\$ 7,154,284</b>	<b>\$ 2,087,846</b>	<b>\$ 16,916,695</b>	<b>\$ 6,110,350</b>
12	<b>Expenses</b>								
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	10,989,673	3,894,942	356,973	251,265	45,850	3,158,652	1,009,951
16	Taxes Other Than Income	4,402,811	2,981,765	802,598	58,830	37,906	7,964	398,009	115,738
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	5,976,649	3,491,310	1,167,189	104,775	75,255	13,764	856,714	267,641
19	<b>TOTAL EXPENSES - Current</b>	<b>\$ 197,988,240</b>	<b>\$ 109,915,324</b>	<b>\$ 57,624,939</b>	<b>\$ 6,798,301</b>	<b>\$ 6,279,071</b>	<b>\$ 2,000,074</b>	<b>\$ 12,351,307</b>	<b>\$ 3,019,225</b>
20	<b>Operating Income - Current</b>	<b>\$ 19,203,668</b>	<b>\$ 94,203</b>	<b>\$ 9,465,115</b>	<b>\$ 1,024,853</b>	<b>\$ 875,213</b>	<b>\$ 87,772</b>	<b>\$ 4,565,388</b>	<b>\$ 3,091,125</b>
21	<b>Current Rate of Return</b>	<b>6.38%</b>	<b>0.07%</b>	<b>14.79%</b>	<b>14.60%</b>	<b>16.01%</b>	<b>10.90%</b>	<b>7.23%</b>	<b>14.40%</b>

**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	Spi Contracts 9xx
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
22	<b>Calculation of Rate Schedule Revenue Requirement at Equal Rates of Return</b>								
23	Required Return	7.60%	7.60%	7.60%	7.60%	7.60%	7.60%	7.60%	7.60%
24	Required Operating Income	\$ 22,859,398	\$ 10,557,501	\$ 4,861,591	\$ 533,296	\$ 415,242	\$ 61,180	\$ 4,799,842	\$ 1,630,746
25	Operating Income (Deficiency)/Surplus	(3,655,730)	(10,463,299)	4,603,524	491,557	459,971	26,592	(234,454)	1,460,380
26	Revenue (Deficiency) / Surplus	\$ (5,884,981)	\$ (12,643,693)	\$ 4,603,524	\$ 491,557	\$ 459,971	\$ 26,592	\$ (283,310)	\$ 1,460,380
27	Rate Schedule Revenue Requirement	\$ 98,782,523	\$ 57,853,310	\$ 18,968,149	\$ 1,574,313	\$ 1,102,735	\$ 187,553	\$ 14,745,074	\$ 4,351,388
28	Other Operational Revenues								
29	Total Revenue Requirement	\$ 223,076,889	122,653,219.70	62,486,529.71	7,331,597.13	6,694,313.18	2,061,253.56	17,200,005.65	4,649,970.29
30	Deficiency / (Surplus) as % of Sales & Trans I	5.61%	25.07%	-17.06%	-20.98%	-25.22%	-9.14%	1.67%	-23.90%
31	<b>Expenses at Required Return</b>								
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	\$ 42,876,331	\$ 28,368,113	\$ 8,152,290	\$ 593,489	\$ 398,565	\$ 90,271	\$ 4,108,059	\$ 1,165,544
34	Depreciation Expense	19,707,306	\$ 10,989,673	\$ 3,894,942	\$ 356,973	\$ 251,265	\$ 45,850	\$ 3,158,652	\$ 1,009,951
35	Taxes Other Than Income	4,402,811	\$ 2,981,765	\$ 802,598	\$ 58,830	\$ 37,906	\$ 7,964	\$ 398,009	\$ 115,738
36	Revenue Taxes	17,673,522	\$ 7,244,549	\$ 5,172,595	\$ 432,811	\$ 407,502	\$ 120,126	\$ 3,835,588	\$ 460,350
37	Income Taxes	7,945,119	5,416,639	1,167,189	104,775	75,255	13,764	899,855	267,641
38	TOTAL EXPENSES - Required	\$ 200,217,491	\$ 112,095,718	\$ 57,624,939	\$ 6,798,301	\$ 6,279,071	\$ 2,000,074	\$ 12,400,164	\$ 3,019,225
39	Rate Schedule Revenue as Proposed	\$ 98,782,523	\$ 49,824,597	\$ 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	\$ 223,076,889	\$ 114,624,507	\$ 67,090,053	\$ 7,823,154	\$ 7,154,284	\$ 2,157,846	\$ 18,116,695	\$ 6,110,350
44	Proposed Revenue Increase	\$ 5,884,981	\$ 4,614,981	\$ -	\$ -	\$ -	\$ 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	<b>Current Parity Ratio</b>	<b>1.00</b>	<b>0.92</b>	<b>1.10</b>	<b>1.10</b>	<b>1.10</b>	<b>1.04</b>	<b>1.01</b>	<b>1.35</b>
47	Proposed Revenue to Cost Ratio	1.00	0.93	1.07	1.07	1.07	1.05	1.05	1.31