CASCADE NATURAL GAS CORPORATION

Docket No. UG-951415

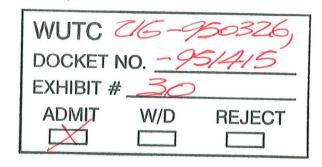
1995 WASHINGTON GENERAL RATE CASE

NWIGU Request #9

Date prepared: 2-28-96

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RE: Exhibit (LMD-1)

With regard to the prefiled testimony to Mr. Lamar Maxwell Dickey, page 18, lines 5-11, please provide a complete explanation to support the proposed allocation of A&G costs.

Response:

The A&G costs were classified and allocated per the Order in the Washington Natural Gas Company Case, pages 14 and 15, with the exception of Property Insurance & Maintenance being allocated on plant investment instead of plant expenses. Specifically, Accounts 920-931 were classified and allocated 50% on Annual Energy Usage and 50% on the pattern group of accounts 712-894 excluding 804.1 with the following exceptions. Account 926.1 was classified and allocated based upon the labor ratios developed for the Expense Accounts. Accounts 924 & 932 were classified and allocated based upon the Rate Base Plant Accounts 301-398. The Restatement and Proforma Adjustments were classified and allocated the same as Accounts 920-932.