

**Exh. JH-3  
Dockets UE-190334, UG-190335,  
and UE-190222  
Witness: Joanna Huang**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**AVISTA CORPORATION, d/b/a  
AVISTA UTILITIES,**

**Respondent.**

**DOCKETS UE-190334, UG-190335,  
and UE-190222 (*Consolidated*)**

**EXHIBIT TO  
TESTIMONY OF**

**Joanna Huang**

**STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

*Natural Gas Pro Forma Analysis*

**October 3, 2019**

AVISTA UTILITIES  
WASHINGTON NATURAL GAS  
TWELVE MONTHS ENDED DECEMBER 31, 2018  
(000'S OF DOLLARS)

		April 1, 2020				
Line No.	DESCRIPTION	WITH PRESENT RATES			WITH 04.01.2020 PROPOSED RATES	
		Actual Per Results Report	Total Adjustments	04.2020 Adjusted Total	Proposed Revenues & Related Exp	04.01.2020 Proposed Total
	<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>
<b>REVENUES</b>						
1	Total General Business	\$140,625	\$(51,873)	\$88,752	\$7,044	\$95,796
2	Total Transportation	5,088	(133)	4,955		4,955
3	Other Revenues	50,681	(50,348)	333		333
4	Total Gas Revenues	196,394	(102,354)	94,040	7,044	101,084
<b>EXPENSES</b>						
Production Expenses						
5	City Gate Purchases	90,669	(90,669)	-		-
6	Purchased Gas Expense	955	16	971		971
7	Net Nat Gas Storage Trans	(292)	292	-		-
8	Total Production	91,332	(90,361)	971	-	971
Underground Storage						
9	Operating Expenses	1,532	-	1,532		1,532
10	Depreciation	627	(201)	426		426
11	Taxes	302	(72)	230		230
12	Total Underground Storage	2,461	(273)	2,188	-	2,188
Distribution						
13	Operating Expenses	12,316	285	12,601		12,601
14	Depreciation	11,642	(17)	11,625		11,625
15	Taxes	14,128	(6,803)	7,325	270	7,595
16	Total Distribution	38,086	(6,535)	31,551	270	31,821
17	Customer Accounting	7,234	(378)	6,856	27	6,883
18	Customer Service & Information	8,093	(6,853)	1,240		1,240
19	Sales Expenses	-	-	-		-
Administrative & General						
20	Operating Expenses	15,045	(408)	14,638	14	14,652
21	Depreciation/Amortization	8,492	1,221	9,713		9,713
22	Regulatory Amortizations	(1,559)	3,664	2,105		2,105
23	Taxes	-	-	-		-
24	Total Admin. & General	21,978	4,478	26,456	14	26,470
25	Total Gas Expense	169,184	(99,923)	69,262	311	69,573
26	OPERATING INCOME BEFORE FIT	27,210	(2,432)	24,779	6,733	31,512
<b>FEDERAL INCOME TAX</b>						
27	Current Accrual	2,557	(321)	2,236	1,414	3,650
28	Debt Interest	-	(212)	(212)	-	(212)
29	Deferred FIT	54	339	393		393
30	Amort ITC	(15)	-	(15)		(15)
31	NET OPERATING INCOME	24,614	(2,238)	22,376	5,319	27,695
<b>RATE BASE: PLANT IN SERVICE</b>						
32	Underground Storage	28,442	600	29,042		29,042
33	Distribution Plant	462,636	24,072	486,708		486,708
34	General Plant	114,053	20,300	134,353		134,353
35	Total Plant in Service	605,131	44,972	650,103	-	650,103
<b>ACCUMULATED DEPREC/AMORT</b>						
36	Underground Storage	(11,051)	(431)	(11,482)		(11,482)
37	Distribution Plant	(145,402)	(2,824)	(148,226)		(148,226)
38	General Plant	(32,354)	(2,563)	(34,917)		(34,917)
39	Total Accum. Depreciation/Amort.	(188,807)	(5,818)	(194,625)	-	(194,625)
40	NET PLANT	416,324	39,154	455,478	-	455,478
41	DEFERRED FIT	(88,908)	(711)	(89,619)		(89,619)
42	Net Plant After DFIT	327,416	38,443	365,859	-	365,859
43	GAS INVENTORY	8,355	-	8,355		8,355
44	GAIN ON SALE OF BUILDING	-	-	-		-
45	OTHER	5,338	88	5,426		5,426
46	WORKING CAPITAL	7,549	(436)	7,113		7,113
47	TOTAL RATE BASE	348,658	38,007	386,753	0	386,753
48	RATE OF RETURN	<b>7.06%</b>		<b>5.79%</b>		<b>7.16%</b>

**AVISTA UTILITIES**  
**CALCULATION OF REQUESTED GENERAL REVENUE REQUIREMENT**  
**WASHINGTON NATURAL GAS**  
**TWELVE MONTHS ENDED DECEMBER 31, 2018**

<b>Line No.</b>	<b>Description</b>	<b>Requested Base Rate Change 4/1/2020 (000's of Dollars)</b>
1	Pro Forma Rate Base	\$ 386,753
2	Proposed Rate of Return	<u>7.16%</u>
3	Net Operating Income Requirement	\$27,695
4	Pro Forma Net Operating Income	<u>\$ 22,376</u>
5	Net Operating Income Deficiency	\$5,319
6	Conversion Factor	0.755118
7	Revenue Requirement - 2020	<b>\$7,044</b>
8	Total Base Distribution Revenues*	\$ 93,707
9	Percentage Base Distribution Revenue Increase	<u><u>7.52%</u></u>
10	Total Present Billed Revenue	<u>\$ 127,800</u>
11	Percentage Billed Revenue Increase	<u>5.51%</u>

<b>AVISTA UTILITIES PROPOSED COST OF CAPITAL WASHINGTON NATURAL GAS</b>			
<b>Proposed Capital Structure</b>			
<b>Component</b>	<b>Capital Structure</b>	<b>Cost</b>	<b>Weighted Cost</b>
S-T Debt	2.65%	4.36%	0.12%
L-T Debt	48.85%	5.19%	2.54%
Common	48.50%	9.30%	4.51%
Total	<u>100.00%</u>		<u>7.16%</u>

**AVISTA UTILITIES  
REVENUE CONVERSION FACTOR  
WASHINGTON NATURAL GAS  
TWELVE MONTHS ENDED DECEMBER 31, 2018**

<b>Line No.</b>	<b>Description</b>	<b>Factor</b>
1	<b>Revenues</b>	1.000000
	<b>Expense:</b>	
2	Uncollectibles	0.003781
3	Commission Fees	0.002000
4	Washington Excise Tax	0.038374
6	Total Expense	<u>0.044155</u>
7	Net Operating Income Before FIT	0.955845
8	Federal Income Tax @ 21%	0.200727
9	REVENUE CONVERSION FACTOR	0.755118

AVISTA UTILITIES  
WASHINGTON NATURAL GAS  
TWELVE MONTHS ENDED DECEMBER 31, 2018  
(000'S OF DOLLARS)

**ACTUAL RESTATEMENT ADJUSTMENTS  
RESULTS**

Line No.	DESCRIPTION	Per Results Report	Deferred FIT Rate Base	Deferred Debits and Credits	Working Capital	Remove AMI Rate Base	Eliminate B & O Taxes	Restate Property Tax	Uncollectible Expense	Regulatory Expense
	Adjstment Number Workpaper Reference	1.00 G-ROO	1.01 G-DFIT	1.02 G-DDC	1.03 G-WC	1.04 G-AMI	2.01 G-EBO	2.02 G-RPT	2.03 G-UE	2.04 G-RE
	REVENUES									
1	Total General Business	\$ 140,625	\$ -	\$ -	\$ -	\$ -	\$ (5,070)	\$ -	\$ -	\$ -
2	Total Transportation	5,088	-	-	-	-	(128)	-	-	-
3	Other Revenues	50,681	-	-	-	-	-	-	-	-
4	Total Gas Revenues	196,394	-	-	-	-	(5,198)	-	-	-
	EXPENSES									
	Production Expenses									
5	City Gate Purchases	90,669	-	-	-	-	-	-	-	-
6	Purchased Gas Expense	955	-	-	-	-	-	-	-	-
7	Net Nat Gas Storage Trans	(292)	-	-	-	-	-	-	-	-
8	Total Production	91,332	-	-	-	-	-	-	-	-
	Underground Storage									
9	Operating Expenses	1,532	-	-	-	-	-	-	-	-
10	Depreciation/Amortization	627	-	-	-	-	-	-	-	-
11	Taxes	302	-	-	-	-	-	(78)	-	-
12	Total Underground Storage	2,461	-	-	-	-	-	(78)	-	-
	Distribution									
13	Operating Expenses	12,316	-	-	-	-	-	-	-	-
14	Depreciation/Amortization	11,642	-	-	-	-	-	-	-	-
15	Taxes	14,128	-	-	-	-	(5,184)	80	-	-
16	Total Distribution	38,086	-	-	-	-	(5,184)	80	-	-
17	Customer Accounting	7,234	-	10	-	-	-	-	(320)	-
18	Customer Service & Information	8,093	-	-	-	-	-	-	-	-
19	Sales Expenses	-	-	-	-	-	-	-	-	-
	Administrative & General									
20	Operating Expenses	15,045	-	-	-	-	-	-	-	(50)
21	Depreciation/Amortization	8,492	-	-	-	-	-	-	-	-
22	Regulatory Amortizations	(1,559)	-	-	-	-	-	-	-	-
23	Taxes	-	-	-	-	-	-	-	-	-
24	Total Admin. & General	21,978	-	-	-	-	-	-	-	(50)
25	Total Gas Expense	169,184	-	10	-	-	(5,184)	2	(320)	(50)
26	OPERATING INCOME BEFORE FIT	27,210	-	(10)	-	-	(14)	(2)	320	50
	FEDERAL INCOME TAX									
27	Current Accrual	2,557	-	(2)	-	-	(3)	(0)	67	11
28	Debt Interest	-	7	0	2	34	-	-	-	-
29	Deferred FIT	54	-	-	-	-	-	-	-	-
30	Amort ITC	(15)	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	\$ 24,614	\$ (7)	\$ (8)	\$ (2)	\$ (34)	\$ (11)	\$ (2)	\$ 253	\$ 40
	RATE BASE									
	PLANT IN SERVICE									
32	Underground Storage	\$ 28,442	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	Distribution Plant	462,636	-	-	-	(7,041)	-	-	-	-
34	General Plant	114,053	-	-	-	-	-	-	-	-
35	Total Plant in Service	605,131	-	-	-	(7,041)	-	-	-	-
	ACCUMULATED DEPRECIATION/AMORT									
36	Underground Storage	(11,051)	-	-	-	-	-	-	-	-
37	Distribution Plant	(145,402)	-	-	-	433	-	-	-	-
38	General Plant	(32,354)	-	-	-	-	-	-	-	-
39	Total Accumulated Depreciation/Amortization	(188,807)	-	-	-	433	-	-	-	-
40	NET PLANT	416,324	-	-	-	(6,608)	-	-	-	-
41	DEFERRED TAXES	(88,908)	(1,247)	-	-	570	-	-	-	-
42	Net Plant After DFIT	327,416	(1,247)	-	-	(6,038)	-	-	-	-
43	GAS INVENTORY	8,355	-	-	-	-	-	-	-	-
44	GAIN ON SALE OF BUILDING	-	-	-	-	-	-	-	-	-
45	OTHER	5,338	-	(7)	-	-	-	-	-	-
46	WORKING CAPITAL	7,549	-	-	(436)	-	-	-	-	-
47	TOTAL RATE BASE	\$ 348,658	\$ (1,247)	\$ (7)	\$ (436)	\$ (6,038)	\$ -	\$ -	\$ -	\$ -
48	RATE OF RETURN	7.06%								
50	REVENUE REQUIREMENT	467	-109	10	-38	-528	15	2	-335	-52

AVISTA UTILITIES  
WASHINGTON NATURAL GAS  
TWELVE MONTHS ENDED DECEMBER 31, 2018  
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Injuries & Damages 2.05 G-ID	FIT / DFIT Expense 2.06 G-FIT	Office Space Charges to Non-Utility 2.07 G-OSC	Restate Excise Taxes 2.08 G-RET	Net Gains & Losses 2.09 G-NGL	Weather Normalization / Gas Cost Adjust 2.10 G-WNGC	Eliminate Adder Schedules 2.11 G-EAS	Misc. Restating Non-Util / Non-Recurring Expense 2.12 G-MR
	Adjustment Number Workpaper Reference								
	REVENUES								
1	Total General Business	\$ -	\$ -	\$ -	\$ -	\$ -	6,259	\$ 5,056	\$ -
2	Total Transportation	-	-	-	-	-	-	-	-
3	Other Revenues	-	-	-	-	-	(3,321)	(51,690)	114
4	Total Gas Revenues	-	-	-	-	-	2,938	(46,634)	114
	EXPENSES								
	Production Expenses								
5	City Gate Purchases	-	-	-	-	-	2,651	(41,801)	-
6	Purchased Gas Expense	-	-	-	-	-	4	-	-
7	Net Nat Gas Storage Trans	-	-	-	-	-	-	292	-
8	Total Production	-	-	-	-	-	2,655	(41,509)	-
	Underground Storage								
9	Operating Expenses	-	-	-	-	-	-	-	-
10	Depreciation/Amortization	-	-	-	-	-	-	-	-
11	Taxes	-	-	-	-	-	-	-	-
12	Total Underground Storage	-	-	-	-	-	-	-	-
	Distribution								
13	Operating Expenses	-	-	-	-	-	-	-	(8)
14	Depreciation/Amortization	-	-	-	-	(13)	-	-	-
15	Taxes	-	-	-	-	-	240	194	-
16	Total Distribution	-	-	-	-	(13)	240	194	(8)
17	Customer Accounting	-	-	-	-	-	24	19	-
18	Customer Service & Information	-	-	-	-	-	-	(6,860)	(1)
19	Sales Expenses	-	-	-	-	-	-	-	-
	Administrative & General								
20	Operating Expenses	54	-	(17)	-	-	13	10	(371)
21	Depreciation/Amortization	-	-	-	-	-	-	1,083	-
22	Regulatory Amortizations	-	-	-	-	-	-	-	-
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	54	-	(17)	-	-	13	1,093	(371)
25	Total Gas Expense	54	-	(17)	-	(13)	2,932	(47,063)	(380)
26	OPERATING INCOME BEFORE FIT	(54)	-	17	-	13	6	429	494
	FEDERAL INCOME TAX								
27	Current Accrual	(11)	-	4	-	3	1	90	104
28	Debt Interest	-	-	-	-	-	-	-	-
29	Deferred FIT	-	-	-	-	-	-	339	-
30	Amort ITC	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	\$ (43)	\$ -	\$ 13	\$ -	\$ 10	\$ 5	\$ (0)	\$ 390
	RATE BASE								
	PLANT IN SERVICE								
32	Underground Storage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	Distribution Plant	-	-	-	-	-	-	-	-
34	General Plant	-	-	-	-	-	-	-	-
35	Total Plant in Service	-	-	-	-	-	-	-	-
	ACCUMULATED DEPRECIATION/AMORT								
36	Underground Storage	-	-	-	-	-	-	-	-
37	Distribution Plant	-	-	-	-	-	-	-	-
38	General Plant	-	-	-	-	-	-	-	-
39	Total Accumulated Depreciation/Amortization	-	-	-	-	-	-	-	-
40	NET PLANT	-	-	-	-	-	-	-	-
41	DEFERRED TAXES	-	-	-	-	-	-	-	-
42	Net Plant After DFIT	-	-	-	-	-	-	-	-
43	GAS INVENTORY	-	-	-	-	-	-	-	-
44	GAIN ON SALE OF BUILDING	-	-	-	-	-	-	-	-
45	OTHER	-	-	-	-	-	-	-	-
46	WORKING CAPITAL	-	-	-	-	-	-	-	-
47	TOTAL RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
48	RATE OF RETURN								
50	REVENUE REQUIREMENT	56	0	-18	0	-14	-6	0	-517

AVISTA UTILITIES  
WASHINGTON NATURAL GAS  
TWELVE MONTHS ENDED DECEMBER 31, 2018  
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Restating Incentives Expense 2.13 G-RI	Restate Debt Interest 2.14 G-DI	Restate 2018 AMA Rate Base to EOP 2.15 G-EOP18	Restated TOTAL R-Ttl
	Adjsutment Number Workpaper Reference				
	REVENUES				
1	Total General Business	\$ -	\$ -	\$ -	146,870
2	Total Transportation	-	-	-	4,960
3	Other Revenues	-	-	-	(4,216)
4	Total Gas Revenues	-	-	-	147,614
	EXPENSES				
	Production Expenses				
5	City Gate Purchases	-	-	-	51,519
6	Purchased Gas Expense	-	-	-	959
7	Net Nat Gas Storage Trans	-	-	-	-
8	Total Production	-	-	-	52,478
	Underground Storage				
9	Operating Expenses	-	-	-	1,532
10	Depreciation/Amortization	-	-	43	670
11	Taxes	-	-	-	224
12	Total Underground Storage	-	-	43	2,426
	Distribution				
13	Operating Expenses	-	-	-	12,308
14	Depreciation/Amortization	-	-	567	12,196
15	Taxes	-	-	-	9,458
16	Total Distribution	-	-	567	33,962
17	Customer Accounting	-	-	-	6,967
18	Customer Service & Information	-	-	-	1,232
19	Sales Expenses	-	-	-	-
	Administrative & General				
20	Operating Expenses	(72)	-	-	14,612
21	Depreciation/Amortization	-	-	961	9,453
22	Regulatory Amortizations	-	-	-	(476)
23	Taxes	-	-	-	-
24	Total Admin. & General	(72)	-	961	23,589
25	Total Gas Expense	(72)	-	1,571	120,654
26	OPERATING INCOME BEFORE FIT	72	-	(1,571)	26,960
	FEDERAL INCOME TAX				
27	Current Accrual	15	190	(330)	2,695
28	Debt Interest	-	-	(180)	(137)
29	Deferred FIT	-	-	-	393
30	Amort ITC	-	-	-	(15)
31	NET OPERATING INCOME	\$ 57	\$ (190)	\$ (1,061)	\$ 24,024
	RATE BASE				
	PLANT IN SERVICE				
32	Underground Storage	\$ -	\$ -	600	\$ 29,042
33	Distribution Plant	-	-	24,409	480,004
34	General Plant	-	-	12,935	126,988
35	Total Plant in Service	-	-	37,944	636,034
	ACCUMULATED DEPRECIATION/AMORT				
36	Underground Storage	-	-	(431)	(11,482)
37	Distribution Plant	-	-	(3,208)	(148,177)
38	General Plant	-	-	(2,338)	(34,692)
39	Total Accumulated Depreciation/Amortization	-	-	(5,977)	(194,351)
40	NET PLANT	-	-	31,967	441,683
41	DEFERRED TAXES	-	-	304	(89,281)
42	Net Plant After DFIT	-	-	32,271	352,402
43	GAS INVENTORY	-	-	-	8,355
44	GAIN ON SALE OF BUILDING	-	-	-	-
45	OTHER	-	-	-	5,331
46	WORKING CAPITAL	-	-	-	7,113
47	TOTAL RATE BASE	\$ -	\$ -	32,271	\$ 373,201
48	RATE OF RETURN				
50	REVENUE REQUIREMENT	-75	252	4,466	3,576



AVISTA UTILITIES  
WASHINGTON NATURAL GAS  
TWELVE MONTHS ENDED DECEMBER 31, 2018  
(000'S OF DOLLARS)

**PRO FORMA ADJUSTMENTS**

Line No.	DESCRIPTION	Pro Forma Revenue Normalization	Pro Forma LEAP Deferral Amortization	Pro Forma Labor Non-Exec	Pro Forma Labor Exec	Pro Forma Employee Benefits	Pro Forma Insurance Expense	Pro Forma IS/IT Expense
	Adjstment Number Workpaper Reference	3.01 G-PREV	3.02 G-PLEAP	3.03 G-PLN	3.04 G-PLE	3.05 G-PEB	3.06 G-PINS	3.07 G-PIT
	REVENUES							
1	Total General Business	\$ (58,118)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Total Transportation	(5)	-	-	-	-	-	-
3	Other Revenues	4,549	-	-	-	-	-	-
4	Total Gas Revenues	(53,574)	-	-	-	-	-	-
	EXPENSES							
	Production Expenses							
5	City Gate Purchases	(51,519)	-	-	-	-	-	-
6	Purchased Gas Expense	-	-	12	-	-	-	-
7	Net Nat Gas Storage Trans	-	-	-	-	-	-	-
8	Total Production	(51,519)	-	12	-	-	-	-
	Underground Storage							
9	Operating Expenses	-	-	-	-	-	-	-
10	Depreciation/Amortization	-	-	-	-	-	-	-
11	Taxes	-	-	-	-	-	-	-
12	Total Underground Storage	-	-	-	-	-	-	-
	Distribution							
13	Operating Expenses	-	-	293	-	-	-	-
14	Depreciation/Amortization	-	-	-	-	-	-	-
15	Taxes	(2,230)	-	-	-	-	-	-
16	Total Distribution	(2,230)	-	293	-	-	-	-
17	Customer Accounting	(220)	-	109	-	-	-	-
18	Customer Service & Information	-	-	8	-	-	-	-
19	Sales Expenses	-	-	-	-	-	-	-
	Administrative & General							
20	Operating Expenses	(116)	-	154	(2)	-	-	-
21	Depreciation/Amortization	-	-	-	-	-	-	-
22	Regulatory Amortizations	-	1,745	-	-	-	-	-
23	Taxes	-	-	-	-	-	-	-
24	Total Admin. & General	(116)	1,745	154	(2)	-	-	-
25	Total Gas Expense	(54,085)	1,745	576	(2)	-	-	-
26	OPERATING INCOME BEFORE FIT	511	(1,745)	(576)	2	-	-	-
	FEDERAL INCOME TAX							
27	Current Accrual	107	(366)	(121)	0	-	-	-
28	Debt Interest	-	(1)	-	-	-	-	-
29	Deferred FIT	-	-	-	-	-	-	-
30	Amort ITC	-	-	-	-	-	-	-
31	NET OPERATING INCOME	\$ 404	\$ (1,378)	\$ (455)	\$ 2	\$ -	\$ -	\$ -
	RATE BASE							
	PLANT IN SERVICE							
32	Underground Storage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	Distribution Plant	-	-	-	-	-	-	-
34	General Plant	-	-	-	-	-	-	-
35	Total Plant in Service	-	-	-	-	-	-	-
	ACCUMULATED DEPRECIATION/AMORT							
36	Underground Storage	-	-	-	-	-	-	-
37	Distribution Plant	-	-	-	-	-	-	-
38	General Plant	-	-	-	-	-	-	-
39	Total Accumulated Depreciation/Amortization	-	-	-	-	-	-	-
40	NET PLANT	-	-	-	-	-	-	-
41	DEFERRED TAXES	-	-	-	-	-	-	-
42	Net Plant After DFIT	-	-	-	-	-	-	-
43	GAS INVENTORY	-	-	-	-	-	-	-
44	GAIN ON SALE OF BUILDING	-	-	-	-	-	-	-
45	OTHER	-	95	-	-	-	-	-
46	WORKING CAPITAL	-	-	-	-	-	-	-
47	TOTAL RATE BASE	\$ -	\$ 95	\$ -	\$ -	\$ -	\$ -	\$ -
48	RATE OF RETURN							
50	REVENUE REQUIREMENT	-535	1,834	602	-2	0	0	0

AVISTA UTILITIES  
WASHINGTON NATURAL GAS  
TWELVE MONTHS ENDED DECEMBER 31, 2018  
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Pro Forma Property Tax	Pro Forma Depreciation Expense	Pro Forma 2019 Major Capital Adds	Pro Forma O&M Offsets	Pro Forma Fee Free Amortization	Pro Forma Total
		3.08 G-PPT	3.09 G-PDEP	3.10 G-PCAP	3.11 G-POFF	3.12 G-PFEE	PF-STH
	Adjustment Number						
	Workpaper Reference						
	REVENUES						
1	Total General Business	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 88,752
2	Total Transportation	-	-	-	-	-	4,955
3	Other Revenues	-	-	-	-	-	333
4	Total Gas Revenues	-	-	-	-	-	94,040
	EXPENSES						
	Production Expenses						
5	City Gate Purchases	-	-	-	-	-	-
6	Purchased Gas Expense	-	-	-	-	-	971
7	Net Nat Gas Storage Trans	-	-	-	-	-	-
8	Total Production	-	-	-	-	-	971
	Underground Storage						
9	Operating Expenses	-	-	-	-	-	1,532
10	Depreciation/Amortization	-	(244)	-	-	-	426
11	Taxes	6	-	-	-	-	230
12	Total Underground Storage	6	(244)	-	-	-	2,188
	Distribution						
13	Operating Expenses	-	-	-	-	-	12,601
14	Depreciation/Amortization	-	(731)	160	-	-	11,625
15	Taxes	97	-	-	-	-	7,325
16	Total Distribution	97	(731)	160	-	-	31,551
17	Customer Accounting	-	-	-	-	-	6,856
18	Customer Service & Information	-	-	-	-	-	1,240
19	Sales Expenses	-	-	-	-	-	-
	Administrative & General						
20	Operating Expenses	-	-	-	(10)	-	14,638
21	Depreciation/Amortization	-	(543)	803	-	-	9,713
22	Regulatory Amortizations	-	-	-	-	836	2,105
23	Taxes	-	-	-	-	-	-
24	Total Admin. & General	-	(543)	803	(10)	836	26,456
25	Total Gas Expense	103	(1,518)	963	(10)	836	69,262
26	OPERATING INCOME BEFORE FIT	(103)	1,518	(963)	10	(836)	24,779
	FEDERAL INCOME TAX						
27	Current Accrual	(22)	319	(202)	2	(176)	2,236
28	Debt Interest	-	-	(75)	-	-	(212)
29	Deferred FIT	-	-	-	-	-	393
30	Amort ITC	-	-	-	-	-	(15)
31	NET OPERATING INCOME	\$ (81)	\$ 1,199	\$ (686)	\$ 8	\$ (660)	\$ 22,376
	RATE BASE						
	PLANT IN SERVICE						
32	Underground Storage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,042
33	Distribution Plant	-	-	6,704	-	-	486,708
34	General Plant	-	-	7,365	-	-	134,353
35	Total Plant in Service	-	-	14,069	-	-	650,103
	ACCUMULATED DEPRECIATION/AMORT						
36	Underground Storage	-	-	-	-	-	(11,482)
37	Distribution Plant	-	-	(49)	-	-	(148,226)
38	General Plant	-	-	(225)	-	-	(34,917)
39	Total Accumulated Depreciation/Amortization	-	-	(274)	-	-	(194,625)
40	NET PLANT	-	-	13,795	-	-	455,478
41	DEFERRED TAXES	-	-	(338)	-	-	(89,619)
42	Net Plant After DFIT	-	-	13,457	-	-	365,859
43	GAS INVENTORY	-	-	-	-	-	8,355
44	GAIN ON SALE OF BUILDING	-	-	-	-	-	-
45	OTHER	-	-	-	-	-	5,426
46	WORKING CAPITAL	-	-	-	-	-	7,113
47	TOTAL RATE BASE	\$ -	\$ -	\$ 13,457	\$ -	\$ -	\$ 386,753
48	RATE OF RETURN						
50	REVENUE REQUIREMENT	108	-1,588	2,184	-10	875	7,043

