

**CASCADE NATURAL GAS CORPORATION**  
**Public Counsel**  
**2006 Rate Case Data Request**

**Request No. PC-35**

Date prepared: April 24, 2006

Preparer: Jon Stoltz

Telephone: 206 381 6823

PC-35 Please provide the following information with regard to the Conservation Alliance Plan ("CAP") mechanism being proposed by Cascade, as described at pages 25-29 of Mr. Stoltz's testimony (Exhibit No. \_\_ (JTS-1T)):

- a) Please provide complete specimen copies of the form of all documents proposed to be submitted by Cascade to the Commission in each year for administration of the proposed gas Conservation Alliance Plan ("CAP") mechanism.
- b) Confirm that the proposed CAP would stabilize the Company's experienced margin revenues on a per customer basis, but would allow the Company to continue to experience growth in future overall gas margin revenues that arise from increases in the number of customers served.
- c) If anything but an unqualified confirmation of part (b) is provided, please explain and illustrate any disagreement with the statement for which confirmation is requested.
- d) Provide Cascade's actual average annual number of gas customers served by rate schedule and in total, for each of the years 1997 through 2005.
- e) Provide Cascade's actual gas margin revenues earned by rate schedule and in total, for each of the years 1997 through 2005.
- f) Provide Cascade's projected average annual number of gas customers expected to be served by rate schedule and in total, for each of the future years 2006 through 2010, based upon the most recent available internal long run forecasts of such data that have been prepared by management.

Given the data supplied in response to part (f), provide Cascade's projected annual gas margin revenues expected to be recovered by rate schedule and in total, for each of the future years 2006 through 2010, based upon the most recent available internal long run forecasts of customer counts that have been prepared by management assuming implementation of the CAP in the form proposed by Cascade.

**Response:**

- a) As part of the annual CAP filing, Cascade will provide the following:
- An updated Weather Normalization Adjustment based upon the twelve months ended June 30 similar to the exhibit and workpapers associated with Exh \_\_ (JTS-6) as previously provided.
  - A set of CAP schedules entitled “CAP Calculation @ June 30, 20XX”, “Hypothetical Therms and Customers – Twelve Months Ended June 30, 20XX”, “Hypothetical Calculation of Baseline Monthly Margin Per Customer”, “Impact of CAP only rate Change”, “Impact of CAP and Amortization Rate Change”, and “Impact of PGA, CAP and Amortization Rate Change”, A specimen copy of these schedules are included in the Excel file entitled “PC DR 35 SPECIMEN CAP FILING.xls”.
- b) The proposed CAP would stabilize the Company’s experienced margin revenues on a per customer basis and the Company expects to continue to experience growth in future overall gas margin revenues that arise from increases in the number of customers served as shown in response to item f) of this data request.
- c) No disagreement
- d) The following tables show the average number of customers by rate schedule by calendar year.

R/S	2005	2004	2003	2002	2001
502	1,567	1,254	1,058	936	791
503	148,967	142,557	137,360	132,090	129,126
504	22,177	21,574	21,181	20,769	20,575
505	399	418	427	446	446
511	69	72	72	77	87
512	2	2	2	2	2
541	69	77	86	92	99
570	11	11	10	10	15
577	3	3	3	3	5
663	132	134	145	219	209
664	25	27	26	25	21
901	12	12	12	12	14

R/S	2000	1999	1998	1997
502	806	732	822	991
503	126,210	121,362	115,798	110,220
504	20,372	19,860	19,155	18,671
505	437	387	306	222
511	88	91	105	108
512	3	3	3	4
541	108	120	134	147
570	14	13	13	13
577	5	6	7	7
663	210	203	195	189
664	19	19	18	16
901	14	14	12	10

- e) See response to PC 10, which shows actual gas margin revenues earned by rate schedule for the period of 1996 through 2005.
- f) The following table shows the projected average annual number of gas customers by rate schedule and total for 2006- 2010

R/S	FY2006	FY2007	FY2008	FY2009	FY2010
502	1,562	1,608	1,655	1,704	1,754
503	153,107	157,684	162,415	167,287	172,306
504	22,351	22,567	22,793	23,021	23,251
505	453	451	449	446	444
511	72	72	73	74	74
663	149	148	147	147	146
664	27	27	27	26	26
	<u>177,721</u>	<u>182,557</u>	<u>187,559</u>	<u>192,705</u>	<u>198,001</u>

Based upon the most recent available internal long run forecasts of customer counts the following is the projected annual gas margin revenues expected to be recovered by the CAP program under residential rate schedule 503 and Commercial rate Schedule 504:

	R/S	FY2006	FY2007	FY2008	FY2009	FY2010
Residential Customers	503	153,107	157,684	162,415	167,287	172,306
Avg Commodity Margin Per Cust		\$ 184.48	\$ 184.48	\$ 184.48	\$ 184.48	\$ 184.48
Projected Commodity Margin		\$ 28,245,179	\$29,089,544	\$29,962,319	\$30,861,106	\$31,787,011
Basic Service Charge		<u>\$ 12,860,988</u>	<u>\$13,245,456</u>	<u>\$13,642,860</u>	<u>\$14,052,108</u>	<u>\$14,473,704</u>
Total Margin		<u>\$ 41,106,167</u>	<u>\$42,335,000</u>	<u>\$43,605,179</u>	<u>\$44,913,214</u>	<u>\$46,260,715</u>
Commercial Customers	504	22,351	22,567	22,793	23,021	23,251
Avg Commodity Margin Per Cust		\$ 721.91	\$ 721.91	\$ 721.91	\$ 721.91	\$ 721.91
Projected Commodity Margin		\$ 16,135,410	\$16,291,343	\$16,454,495	\$16,619,090	\$16,785,129
Basic Service Charge		<u>\$ 3,754,968</u>	<u>\$ 3,791,256</u>	<u>\$ 3,829,224</u>	<u>\$ 3,867,528</u>	<u>\$ 3,906,168</u>
Total Margin		<u>\$ 19,890,378</u>	<u>\$20,082,599</u>	<u>\$20,283,719</u>	<u>\$20,486,618</u>	<u>\$20,691,297</u>

Cascade Natural Gas Corporation CONSERVATION ALLIANCE PLAN SPECIMEN CAP Calculation @ June 30, 20XX			
	Amount	Current Rate	Change in Rate
<b>Residential</b>			
Number of Customers @ 6/30/XX	153,584		
Annual Baseline Commodity Margin per Customer	\$ 184.48		
Total Margin	\$ 28,333,176.09		
Weather Normalized Therms @ 6/30/XX	104,542,068		
New Baseline CAP Commodity Rate Per Therm	\$ 0.27339	0.26937	\$ <u>0.00402</u>
<b>Commercial</b>			
Number of Customers @ 6/30/XX	22,723		
Annual Baseline Commodity Margin per Customer	\$ 721.91		
Total Margin	\$ 16,403,744.36		
Weather Normalized Therms @ 6/30/XX	76,483,658		
New Baseline CAP Commodity Rate Per Therm	\$ 0.21595	0.21252	\$ <u>0.00343</u>
	\$ 721.90		
<b>Amortization of Deferral Balances:</b>			
<b>CONSERVATION VARIANCE DEFERRAL BALANCE</b>			
BALANCE	\$ 300,000.00		
Interest During Amortization	\$ 18,000.00		
Total Deferral Balance	\$ 318,000.00		
Total Therms @ 6/30/XX	181,025,726		
Amortization Rate	\$ 0.00176	\$ -	\$ 0.00176
<b>WEATHER VARIANCE DEFERRAL BALANCE</b>			
BALANCE	\$ (800,000.00)		
Interest During Amortization	\$ (48,000.00)		
Total Deferral Balance	\$ (848,000.00)		
Total Therms @ 6/30/XX	181,025,726		
Amortization Rate	\$ (0.00468)	\$ -	\$ (0.00468)
Total Amortization Rate Per Therm			\$ <u>(0.00293)</u>
Total Change in Rate Schedule 503			\$ <u>0.00109</u>
Total Change in Rate Schedule 504			\$ <u>0.00051</u>

Cascade Natural Gas Corporation

Hypothetical Terms and Customers - Twelve Months Ended June 30, 2007

Description	Rate Schedules	2007												Total
		JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	
<b>CORE MARKET RATE SCHEDULES</b>														
<b>Therms</b>		22895,3088	23077,0176	22913,696	23298,7456	23627,552	23895,7888	24065,6	24104,3376	24100,2112	24028,8256	23952,032	23619,9808	283579,296
Residential														
General Service	503	2,617,889	2,260,942	2,809,512	4,694,029	9,468,994	14,613,325	19,131,747	14,616,955	12,719,847	10,009,541	5,516,695	4,038,451	102,497,927
Net Unbilled		(334,800)	(12,300)	755,500	1,721,800	3,943,200	2,425,500	698,500	(3,624,800)	(2,502,200)	(439,000)	(2,239,000)	(332,400)	
Total Actual		2,283,089	2,248,642	3,565,012	6,415,829	13,412,194	17,038,825	19,830,247	10,992,155	10,217,647	9,570,541	3,277,695	3,706,051	102,557,927
Weather Normalizing Adjustment		247,081	220,714	(313,321)	100,248	(679,801)	1,666,473	(876,851)	(295,681)	935,871	9,559	725,016	(49,166)	1,984,141
Total Adjusted Therms		2,530,170	2,469,357	3,251,691	6,516,076	12,732,393	18,705,298	19,453,396	10,696,473	11,153,518	9,580,100	4,002,710	3,656,885	104,542,068
<b>Commercial</b>														
General Service	504	2,584,067	2,452,637	2,644,567	3,635,461	6,171,174	10,022,153	13,092,849	10,837,414	9,116,574	8,717,101	4,327,694	3,428,592	75,030,486
Less Company Use		(841)	(331)	(436)	(2,350)	(6,396)	(15,177)	(18,846)	(16,714)	(11,054)	(8,071)	(3,367)	(1,892)	(84,725)
Net Unbilled		(177,271)	183,969	719,064	937,150	2,835,104	1,929,823	542,184	(2,258,414)	(2,158,854)	(537,871)	(1,390,767)	(176,892)	
Total Actual		2,406,796	2,566,606	3,363,631	4,572,811	8,386,278	11,951,876	13,634,983	8,579,000	6,957,722	6,179,430	2,936,927	3,251,700	74,937,861
Weather Normalizing Adjustment		120,079	205,222	(205,412)	159,473	(353,744)	1,155,887	(879,735)	(101,254)	578,241	20,826	381,934	(31,221)	1,545,797
Total Adjusted Therms		2,526,875	2,801,828	3,158,219	4,732,284	8,152,534	13,107,863	13,555,448	8,477,746	7,535,963	6,200,255	3,318,861	3,220,479	76,483,658
<b>Customers</b>														
General Service	503	147,404	148,783	148,607	151,191	153,350	155,336	156,351	156,816	157,116	156,879	156,288	154,888	153,584
General Service	504	22,015	22,189	22,032	22,403	22,719	22,977	23,140	23,177	23,173	23,105	23,031	22,712	22,723



Cascade Natural Gas Corporation CONSERVATION ALLIANCE PLAN SPECIMEN IMPACT OF CAP ONLY RATE CHANGE State of Washington									
Line No.	Description (a)	Rate Schedule (b)	Average # of Bills (c)	Actual Therms Sold (d)	Actual Revenue (e)	Restated Revenue (f)	Per Therm Rate Change (g)	Amount of Change (h)	Percent Change (i)
<b>CORE MARKET RATE SCHEDULES</b>									
<b>Residential</b>									
1	Dry Out	502	1,387	1,315,625	1,282,456	1,241,705		0	0.00%
2	General Service	503	145,577	98,555,699	100,352,886	97,711,861	0.00402	396,368	0.41%
3	Compressed Natural Gas	512	0	0	-	0		0	0.00%
4	Gas A/C	541	45	75,451	72,389	70,828		0	0.00%
5	Unbilled at 6/30/03			1,642,600	1,573,397	1,531,886	0.00402	6,606	0.43%
6	Less Unbilled at 6/30/02			(1,582,600)	(1,418,880)	(1,381,446)	0.00402	(6,365)	0.46%
7	<b>Total Residential</b>		147,009	100,006,775	101,862,248	99,174,834		396,609	0.40%
<b>Commercial</b>									
8	Dry Out	502	42	99,121	90,810	88,267		0	0.00%
9	General Service	504	21,849	72,845,152	68,283,692	66,449,179	\$ 0.00343	250,139	0.38%
10	Large Volume	511	63	6,619,158	5,586,303	5,506,534		0	0.00%
11	Compressed Natural Gas	512	1	149,699	120,413	118,450		0	0.00%
12	Gas A/C	541	27	89,913	83,218	81,179		0	0.00%
13	Unbilled at 6/30/03			1,505,000	1,385,425	1,349,541	0.00343	5,168	0.38%
14	Less Unbilled at 6/30/02			(1,512,900)	(1,308,423)	(1,266,743)	0.00343	(5,195)	0.41%
15	Less Company Use			(84,725)	(81,658)	(79,543)	0.00343	(291)	0.37%
16	<b>Total Commercial</b>		21,982	79,709,398	74,167,780	72,246,864		249,821	0.35%
<b>Industrial Firm</b>									
17	Dry Out	502	0	0	-	0		0	
18	General Service	505	409	9,926,053	8,787,791	8,584,548		0	0.00%
19	Large Volume	511	8	1,379,521	1,121,887	1,086,871		0	0.00%
20	Compressed Natural Gas	512	1	5,210	4,824	4,737		0	0.00%
21	<b>Total Industrial Firm</b>		418	11,310,784	9,914,502	9,676,156		0	0.00%
<b>Industrial Interruptible</b>									
22	General	570	5	867,872	670,455	651,387		0	0.00%
23	Accounting Adjustment								
24	Less Unbilled Adjustment					0		0	
23	<b>Total Industrial Inter.</b>		5	867,872	670,455	651,387		0	0.00%
<b>Institutional Interruptible</b>									
24	General	570	7	3,178,131	2,346,596	2,272,471		0	0.00%
25	Institutional	577	3	412,999	327,424	317,488		0	0.00%
26	<b>Total Institut. Interr.</b>		10	3,591,130	2,674,020	2,589,959		0	0.00%
27	<b>Subtotal Core</b>		169,424	195,485,959	189,289,005	184,339,200		646,430	0.35%
<b>NONCORE MARKET RATE SCHEDULES</b>									
28	Gas Supply	681, 682		2,412,017	1,213,295	1,213,295			
29	Gas Supply - Cust.Owned	683		51,025,440	24,235,600	24,235,600			
30	Transportation Distribution	685-686		7,443,287 <sup>a</sup>	721,409	721,409			
31	General	663	131	89,107,723	10,435,697	10,434,327			
32	Large Volume	664	22	156,846,205	6,362,505	6,359,908			
33	Special Contracts	901	12	273,994,454	5,761,934	5,761,934			
34	<b>Subtotal Noncore</b>		165	519,948,382	48,730,440	48,726,473			
35	<b>TOTAL CORE AND NONCORE</b>		169,589	715,434,341	238,019,445	233,065,673		646,430	0.28%
<b>ADJUSTMENTS</b>									
36	B & O Tax				8,927,966	8,927,966			
37	Billing/Technical Adjustments				(790,706)	(790,706)			
38	Other				833,552	833,552			
39	<b>Total Adjustments</b>			0	8,970,812	8,970,812			
40	<b>ADJUSTED CORE &amp; NONCORE TOTALS</b>				246,990,257	242,036,485			
41	Adjustments to Gas Transportation Revenue					0			
42	<b>TOTAL THERMS &amp; REVENUE</b>			715,434,341	246,990,257	242,036,485		646,430	0.27%

Cascade Natural Gas Corporation CONSERVATION ALLIANCE PLAN SPECIMEN IMPACT OF CAP & AMORTIZATION RATE CHANGE State of Washington									
Line No.	Description (a)	Rate Schedule (b)	Average # of Bills (c)	Actual Therms Sold (d)	Actual Revenue (e)	Restated Revenue (f)	Per Therm Rate Change (g)	Amount of Change (h)	Percent Change (i)
<b>CORE MARKET RATE SCHEDULES</b>									
<b>Residential</b>									
1	Dry Out	502	1,387	1,315,625	1,282,456	1,241,705		0	0.00%
2	General Service	503	145,577	98,555,699	100,352,886	97,711,861	0.00109	107,821	0.11%
3	Compressed Natural Gas	512	0	0	-	0		0	0.00%
4	Gas A/C	541	45	75,451	72,389	70,828		0	0.00%
5	Unbilled at 6/30/03			1,642,600	1,573,397	1,531,886	0.00109	1,797	0.12%
6	Less Unbilled at 6/30/02			(1,582,600)	(1,418,880)	(1,381,446)	0.00109	(1,731)	0.13%
7	<b>Total Residential</b>		147,009	100,006,775	101,862,248	99,174,834		107,886	0.11%
<b>Commercial</b>									
8	Dry Out	502	42	99,121	90,810	88,267		0	0.00%
9	General Service	504	21,849	72,845,132	68,283,692	66,449,179	0.00051	36,866	0.06%
10	Large Volume	511	63	6,619,158	5,586,303	5,506,534		0	0.00%
11	Compressed Natural Gas	512	1	149,699	120,413	118,450		0	0.00%
12	Gas A/C	541	27	88,917	83,218	81,179		0	0.00%
13	Unbilled at 6/30/03			1,505,000	1,385,425	1,349,541	0.00051	762	0.06%
14	Less Unbilled at 6/30/02			(1,512,900)	(1,300,423)	(1,266,743)	0.00051	(766)	0.06%
15	Less Company Use			(84,725)	(81,658)	(79,543)	0.00051	(43)	0.05%
16	<b>Total Commercial</b>		21,982	79,709,398	74,167,780	72,246,864		36,819	0.05%
<b>Industrial Firm</b>									
17	Dry Out	502	0	0	-	0		0	
18	General Service	503	409	9,926,053	8,787,791	8,584,548		0	0.00%
19	Large Volume	511	8	1,379,521	1,121,887	1,086,871		0	0.00%
20	Compressed Natural Gas	512	1	5,210	4,824	4,737		0	0.00%
21	<b>Total Industrial Firm</b>		418	11,310,784	9,914,502	9,676,156		0	0.00%
<b>Industrial Interruptible</b>									
22	General	570	5	867,872	670,455	651,387		0	0.00%
23	Accounting Adjustment							0	
24	Less Unbilled Adjustment					0		0	
23	<b>Total Industrial Inter.</b>		5	867,872	670,455	651,387		0	0.00%
<b>Institutional Interruptible</b>									
24	General	570	7	3,178,131	2,346,596	2,272,471		0	0.00%
25	Institutional	577	3	412,999	327,424	317,488		0	0.00%
26	<b>Total Institut. Interr.</b>		10	3,591,130	2,674,020	2,589,959		0	0.00%
27	<b>Subtotal Core</b>		169,424	195,485,959	189,289,005	184,339,200		144,705	0.08%
<b>NONCORE MARKET RATE SCHEDULES</b>									
28	Gas Supply	681, 682		2,412,017	1,213,295	1,213,295			
29	Gas Supply - Cust.Owned	683		51,025,440	24,235,600	24,235,600			
30	Transportation Distribution	685-686		7,443,287 *a	721,409	721,409			
31	General	663	131	89,107,723	10,435,697	10,434,327			
32	Large Volume	664	22	156,846,205	6,362,505	6,359,908			
33	Special Contracts	901	12	273,994,454	5,761,934	5,761,934			
34	<b>Subtotal Noncore</b>		165	519,948,382	48,730,440	48,726,473			
35	<b>TOTAL CORE AND NONCORE</b>		169,589	715,434,341	238,019,445	233,065,673		144,705	0.06%
<b>ADJUSTMENTS</b>									
36	B & O Tax				8,927,966	8,927,966			
37	Billing/Technical Adjustments				(790,706)	(790,706)			
38	Other				833,552	833,552			
39	<b>Total Adjustments</b>			0	8,970,812	8,970,812			
40	<b>ADJUSTED CORE &amp; NONCORE TOTALS</b>				246,990,257	242,036,485			
41	Adjustments to Gas Transportation Revenue					0			
42	<b>TOTAL THERMS &amp; REVENUE</b>			715,434,341	246,990,257	242,036,485		144,705	0.06%



**Cascade Natural Gas Corporation**  
**CONSERVATION ALLIANCE PLAN SPECIMEN**  
**IMPACT OF PGA, CAP & AMORTIZATION RATE CHANGE**  
**State of Washington**

Line No.	Description (a)	Rate Schedule (b)	Average # of Bills (c)	Actual Therms Sold (d)	Actual Revenue (e)	Restated Revenue (f)	Per Therm Rate Change (g)	Amount of Change (h)	Percent Change (i)
<b>CORE MARKET RATE SCHEDULES</b>									
<b>Residential</b>									
1	Dry Out	502	1,387	1,315,625	1,282,456	1,241,705	(0.03738)	(49,172)	-3.96%
2	General Service	503	145,577	98,555,699	100,352,886	97,711,861	(0.03867)	(3,811,395)	-3.90%
3	Compressed Natural Gas	512	0	0	-	0	(0.03738)	0	0.00%
4	Gas A/C	541	45	75,451	72,389	70,828	(0.03738)	(2,820)	-3.98%
5	Unbilled at 6/30/03			1,642,600	1,573,397	1,531,886	(0.03867)	(63,523)	-4.15%
6	Less Unbilled at 6/30/02			(1,582,600)	(1,418,880)	(1,381,446)	(0.03867)	61,203	-4.43%
7	<b>Total Residential</b>		147,009	100,006,775	101,862,248	99,174,834		(3,865,707)	-3.90%
<b>Commercial</b>									
8	Dry Out	502	42	99,121	90,810	88,367	(0.03738)	(3,705)	-4.20%
9	General Service	504	21,849	72,845,132	68,283,692	66,442,179	(0.03835)	(2,793,568)	-4.20%
10	Large Volume	511	63	6,619,158	5,586,303	5,506,534	(0.03727)	(246,679)	-4.48%
11	Compressed Natural Gas	512	1	149,699	120,413	118,460	(0.03738)	(5,595)	-4.72%
12	Gas A/C	541	27	88,913	83,218	81,179	(0.03738)	(3,323)	-4.09%
13	Unbilled at 6/30/03			1,505,000	1,385,425	1,349,541	(0.03835)	(57,716)	-4.28%
14	Less Unbilled at 6/30/02			(1,512,900)	(1,300,423)	(1,266,743)	(0.03835)	58,019	-4.58%
15	Less Company Use			(84,725)	(81,658)	(79,543)	(0.03835)	3,249	-4.08%
16	<b>Total Commercial</b>		21,982	79,709,398	74,167,780	72,246,864		(3,049,318)	-4.22%
<b>Industrial Firm</b>									
17	Dry Out	502	0	0	0	0	(0.03738)	0	
18	General Service	505	409	2,926,053	8,787,791	8,584,548	(0.03727)	(369,919)	-4.31%
19	Large Volume	511	8	1,379,521	1,121,887	1,086,871	(0.03727)	(51,411)	-4.73%
20	Compressed Natural Gas	512	1	5,210	4,824	4,737	(0.03738)	(195)	-4.11%
21	<b>Total Industrial Firm</b>		418	11,310,784	9,914,502	9,676,156		(421,525)	-4.36%
<b>Industrial Interruptible</b>									
22	General	570	5	867,872	670,455	651,387	(0.03716)	(32,250)	-4.95%
23	Accounting Adjustment					0		0	
24	Less Unbilled Adjustment					0		0	
23	<b>Total Industrial Inter.</b>		5	867,872	670,455	651,387		(32,250)	-4.95%
<b>Institutional Interruptible</b>									
24	General	570	7	3,178,131	2,346,596	2,272,471	0.24773	787,318	34.65%
25	Institutional	577	3	412,999	327,424	317,488	0.24773	102,312	32.23%
26	<b>Total Institut. Interr.</b>		10	3,591,130	2,674,020	2,589,959		889,631	34.35%
27	<b>Subtotal Core</b>		169,424	195,485,959	189,289,005	184,339,200		(6,479,170)	-3.51%
<b>NONCORE MARKET RATE SCHEDULES</b>									
28	Gas Supply	681, 682		2,412,017	1,213,295	1,213,295			
29	Gas Supply - Cust.Owned	683		51,025,440	24,235,600	24,235,600			
30	Transportation Distribution	685-686		7,443,287	721,409	721,409			
31	General	663	131	89,107,723	10,435,697	10,434,327	0.00508		
32	Large Volume	664	22	156,846,205	6,362,505	6,359,908			
33	Special Contracts	901	12	273,994,454	5,761,934	5,761,934			
34	<b>Subtotal Noncore</b>		165	519,948,382	48,730,440	48,726,473			
35	<b>TOTAL CORE AND NONCORE</b>		169,589	715,434,341	238,019,445	233,065,673		(6,479,170)	-2.78%
<b>ADJUSTMENTS</b>									
36	B & O Tax				8,927,966	8,927,966			
37	Billing/Technical Adjustments				(790,706)	(790,706)			
38	Other				833,552	833,552			
39	<b>Total Adjustments</b>			0	8,970,812	8,970,812			
40	<b>ADJUSTED CORE &amp; NONCORE TOTALS</b>				246,990,257	242,036,485			
41	Adjustments to Gas Transportation Revenue					0			
42	<b>TOTAL THERMS &amp; REVENUE</b>			715,434,341	246,990,257	242,036,485		(6,479,170)	-2.68%

Average Customers By Rate Schedule  
 Calendar Years

R/S	2005	2004	2003	2002	2001
502	1,567	1,254	1,058	936	791
503	148,967	142,557	137,360	132,090	129,126
504	22,177	21,574	21,181	20,769	20,575
505	399	418	427	446	446
511	69	72	72	77	87
512	2	2	2	2	2
541	69	77	86	92	99
570	11	11	10	10	15
577	3	3	3	3	5
663	132	134	145	219	209
664	25	27	26	25	21
901	12	12	12	12	14

R/S	2000	1999	1998	1997
502	806	732	822	991
503	126,210	121,362	115,798	110,220
504	20,372	19,860	19,155	18,671
505	437	387	306	222
511	88	91	105	108
512	3	3	3	4
541	108	120	134	147
570	14	13	13	13
577	5	6	7	7
663	210	203	195	189
664	19	19	18	16
901	14	14	12	10

	Calendar 2005		Calendar 2004		Calendar 2003		Calendar 2002		Calendar 2001		Calendar 2000		Calendar 1999		Calendar 1998		Calendar 1997	
	# of Bills	Average	# of Bills	Average	# of Bills	Average	# of Bills	Average	# of Bills	Average	# of Bills	Average	# of Bills	Average	# of Bills	Average	# of Bills	Average
502	18803	1567	15049	1254	12698	1058	11227	938	9491	806	8788	732	8788	822	9889	11888	991	
503	1787608	148967	1710679	142557	1648321	137980	1585077	132080	1548917	129128	1514517	126210	1466345	127362	1389573	1322640	110220	
504	286123	22177	258888	21574	254167	21181	249228	20769	246904	20375	244699	20372	238321	19860	229857	224050	18571	
505	4789	399	5020	418	5121	427	5348	448	5262	445	5244	437	4638	387	3667	2665	222	
511	827	69	861	72	868	72	925	77	1048	87	1061	88	1094	91	1262	1293	108	
512	24	2	24	2	24	2	24	2	24	2	31	3	38	3	35	52	4	
541	831	69	922	77	1027	86	1106	92	1163	99	1239	108	1435	120	1611	1759	147	
570	137	11	119	10	119	10	120	10	178	14	173	14	157	13	158	134	13	
577	36	3	36	3	36	3	41	3	55	5	60	6	71	6	80	155	13	
663	1589	132	1610	134	1736	145	2631	219	2510	209	2517	210	2433	203	2337	2266	189	
664	298	25	316	26	316	26	300	25	250	21	228	19	228	19	213	192	18	
901	144	12	144	12	144	12	146	12	166	14	166	14	168	14	141	120	10	

Estimated Customers-Washington

	Plan FY2006	Plan FY2007	Plan FY2008	Plan FY2009	Plan FY2010	Plan FY2011
Residential	154,626	159,249	164,027	168,947	174,016	179,236
Commercial	22,457	22,675	22,901	23,130	23,362	23,595
Industrial	637	634	631	627	624	621
<b>Total</b>	<b>177,720</b>	<b>182,558</b>	<b>187,559</b>	<b>192,705</b>	<b>198,002</b>	<b>203,453</b>

Estimated Breakdown by Rate Schedule

Schedule 1	Allocation %	Per JTS-3					
		FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
502-Res	0.98%	1,463	1,519	1,565	1,612	1,660	1,710
503	99.02%	147,373	153,107	157,684	162,415	167,287	172,306
<b>Residential Estimate</b>	<b>100.00%</b>	<b>148,836</b>	<b>154,626</b>	<b>159,249</b>	<b>164,027</b>	<b>168,947</b>	<b>174,016</b>
502-Comm	0.19%	42	43	43	43	44	45
504	99.53%	22,030	22,351	22,567	22,793	23,021	23,251
511-Comm	0.28%	63	64	64	65	66	67
<b>Commercial Estimate</b>	<b>100.00%</b>	<b>22,134</b>	<b>22,457</b>	<b>22,675</b>	<b>22,901</b>	<b>23,130</b>	<b>23,362</b>
505	71.12%	405	453	451	449	446	442
511-Industrial	1.29%	7	8	8	8	8	8
663	23.37%	133	149	148	147	147	145
664	4.22%	24	27	27	27	26	26
<b>Commercial Estimate</b>	<b>100.00%</b>	<b>569</b>	<b>637</b>	<b>634</b>	<b>631</b>	<b>627</b>	<b>621</b>

Estimated Customers By Rate Schedule Summary

R/S	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
502	1,562	1,608	1,655	1,704	1,754	1,806
503	153,107	157,684	162,415	167,287	172,306	177,475
504	22,351	22,567	22,793	23,021	23,251	23,484
505	453	451	449	446	444	442
511	72	72	73	74	74	75
663	149	148	147	147	146	145
664	27	27	27	26	26	26
<b>Total</b>	<b>177,721</b>	<b>182,557</b>	<b>187,559</b>	<b>192,705</b>	<b>198,001</b>	<b>203,453</b>

R/S	FY2006	FY2007	FY2008	FY2009	FY2010
503	153,107	157,684	162,415	167,287	172,306
Avg Commodity Margin Per Cust	\$ 184.48	\$ 184.48	\$ 184.48	\$ 184.48	\$ 184.48
Projected Commodity Margin	\$ 28,245,179	\$ 29,089,544	\$ 29,962,319	\$ 30,861,106	\$ 31,787,011
Basic Service Charge	\$ 12,860,988	\$ 13,245,456	\$ 13,642,860	\$ 14,052,108	\$ 14,473,704
<b>Total Margin</b>	<b>\$ 41,106,167</b>	<b>\$ 42,335,000</b>	<b>\$ 43,605,179</b>	<b>\$ 44,913,214</b>	<b>\$ 46,260,715</b>
504	22,351	22,567	22,793	23,021	23,251
Avg Commodity Margin Per Cust	\$ 721.91	\$ 721.91	\$ 721.91	\$ 721.91	\$ 721.91
Projected Commodity Margin	\$ 16,135,410	\$ 16,291,343	\$ 16,454,495	\$ 16,619,090	\$ 16,785,129
Basic Service Charge	\$ 3,754,968	\$ 3,791,256	\$ 3,829,224	\$ 3,867,528	\$ 3,906,168
<b>Total Margin</b>	<b>\$ 19,890,378</b>	<b>\$ 20,082,599</b>	<b>\$ 20,283,719</b>	<b>\$ 20,486,618</b>	<b>\$ 20,691,297</b>