

Cascade Natural Gas Corporation		
Statement of Operations Per Books		
State of Washington		
Line No.	Description	Amount
	(a)	(b)
	<u>Operating Revenues</u>	
1	Natural Gas Sales	\$ 152,742,068
2	Gas Transportation Revenue	6,292,514
3	Other Operating Revenue	103,193
4	Total Revenues	\$ 159,137,775
	<u>Operating Expenses</u>	
5	Natural Gas Purchased	98,782,619
6	Manufactured Gas Production	7,495
7	Distribution	6,930,104
8	Customer Accounts	4,326,486
9	Customer Service and Informational	1,581,391
10	Sales	734,738
11	Administrative and General	9,758,614
12	Depreciation and Amortization	8,105,216
13	Total Operating Expenses	130,226,663
	<u>Operating Taxes</u>	
14	Other Than Income	13,754,723
15	State Income	-
16	Federal Income	3,240,270
17	Total Taxes	\$ 16,994,993
18	Total Operating Revenue Deductions	147,221,656
19	Net Operating Income	\$ 11,916,119
20	Rate Base	\$ 154,210,487
21	Rate of Return	7.73%

Column (b) Carried Forward to Exhibit _____ (JTS-1), Schedule 1, Page 1, Column (b).

WUTC <i>UG-950326,</i>		
DOCKET NO <i>-951415</i>		
EXHIBIT # <i>SA</i>		
ADMIT	W/D	REJECT
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Cascade Natural Gas Corporation Statement of Operations Per Books State of Washington					
Line No.	Description (a)	Total (b)	Allocation Formula (c)	Washington (d)	Oregon (e)
<u>Operating Revenues</u>					
1	Natural Gas Sales	\$ 185,341,335		\$ 152,742,068	\$ 32,599,267
2	Gas Transportation Revenue	6,871,050		6,292,514	578,536
3	Other Operating Revenue	197,728		103,193	94,535
4	Total Revenues	192,410,113		159,137,775	33,272,338
<u>Operating Expenses</u>					
5	Natural Gas Purchased	118,073,332		98,782,619	19,290,713
6	Manufactured Gas Production	9,513		7,495	2,018
<u>Distribution</u>					
9	Direct	7,947,646		6,001,442	1,946,204
10	General	1,177,012	(1)	928,662	248,350
11	Total	9,124,658		6,930,104	2,194,554
<u>Customer Accounts</u>					
12	Direct	3,806,325		2,899,688	906,637
13	General	1,808,362	(1)	1,426,798	381,564
14	Total	5,614,687		4,326,486	1,288,201
<u>Customer Service & Informational</u>					
15	Direct	1,609,094		1,250,848	358,246
16	General	418,939	(1)	330,543	88,396
17	Total	2,028,033		1,581,391	446,642
<u>Sales</u>					
18	Direct	831,466		726,504	104,962
19	General	10,435	(1)	8,234	2,201
20	Total	841,901		734,738	107,163
<u>Administrative & General</u>					
21	Direct	715,521		218,567	496,954
22	General	12,091,315	(1)	9,540,047	2,551,268
23	Total	12,806,836		9,758,614	3,048,222

Cascade Natural Gas Corporation						
Statement of Operations Per Books						
State of Washington						
Line No.	Description	Total	Allocation Formula	Washington		Oregon
	(a)	(b)	(c)	(d)		(e)
	Depreciation and Amortization					
	Depreciation					
24	Direct	8,703,721		7,071,527		1,632,194
	Indirect:					
25	General Office	508,910	(1)	401,530		107,380
26	Meters & Regulators	665,034	(3)	526,973		138,061
27	Propane Plant	52,635	(2)	44,340		8,295
28	Telemetry	68,544	(1)	54,081		14,463
29	Central Warehouse	8,574	(1)	6,765		1,809
30	Amortization	63,000		-		63,000
31	Total	10,070,418		8,105,216		1,965,202
	Total Operating Expenses	158,569,378		130,226,663		28,342,715
	Operating Taxes					
	<u>Other Than Income</u>					
32	Direct	14,887,580		13,252,412		1,635,168
33	General	636,643	(1)	502,311		134,332
34	Total	15,524,223		13,754,723		1,769,500
	<u>Income Taxes</u>					
	Federal					
35	Current	2,328,347	(4)	1,953,483		374,864
36	Deferred	1,806,991	(4)	1,516,067		290,924
37	ITC Amortization	(275,279)	(5)	(229,280)		(45,999)
38	Oregon State	137,529		-		137,529
39	Total	3,997,588		3,240,270		757,318
40	Total Operating Taxes	19,521,811		16,994,993		2,526,818
	Total Operating Rev. Deductions	178,091,189		147,221,656		30,869,533
41	Net Operating Income	\$ 14,318,924		\$ 11,916,119	1/	\$ 2,402,805

1/ Carried Forward to Exhibit _____ (JTS-1), Schedule 1, Page 1, Column (b), Line 20.

Allocation Formulas: _____

- (1) Three Factor Formula
- (2) Direct Assignment
- (3) Average Customers Formula
- (4) Income Tax Allocation Formula
- (5) Rate Base Ratio

Cascade Natural Gas Corporation						
Schedule of Rate Base						
State of Washington						
Line No.	Description	Total	Allocation Factor	Washington		Oregon
	(a)	(b)	(c)	(d)		(e)
1	Plant in Service Direct Plant	\$ 290,939,083		\$ 238,288,456		\$ 52,650,627
	Allocated Plant					
2	General Office, Central Warehouse and Telemetry Equipment	11,698,774	3-Factor	9,228,743		2,470,031
3	Meters and Regulators	19,041,565	Customers	15,087,550		3,954,015
4	Propane Plant	1,106,451	Direct Assignment	932,074		174,377
5	Total Plant in Service	322,785,873		263,536,823		59,249,050
	Accumulated Depreciation					
6	Direct Plant	(108,606,164)		(86,694,157)		(21,912,007)
	Allocated Plant					
7	General Office, Central Warehouse and Telemetry Equipment	(6,606,069)	3-Factor	(5,211,340)		(1,394,729)
8	Meters and Regulators	(6,979,801)	Customers	(5,530,433)		(1,449,368)
9	Propane Plant	(1,054,660)	Direct Assignment	(888,445)		(166,215)
10	Total Accumulated Depreciation	(123,246,694)		(98,324,375)		(24,922,319)
11	Net Plant in Service	199,539,179		165,212,448		34,326,731
12	Customer Advances for Construction	(1,026,707)		(850,576)		(176,131)
13	Contributions in Aid of Construction	(69,912)		(60,589)		(9,323)
14	Deferred Income Taxes - ACRS	(14,125,806)	Direct Plant	(11,602,200)		(2,523,606)
15	Deferred Income Taxes - Other	(2,891,906)		(1,855,163)		(1,036,743)
16	Deferred Debits	50,349		-		50,349
17	Working Capital Allowance	4,429,770		3,366,567		1,063,203
18	Total Rate Base	\$ 185,904,967		\$ 154,210,487	1/	\$ 31,694,480

1/ Carried Forward to Exhibit _____ (JTS-1), Schedule 1, Page 1, Column (b), Line 21.

Cascade Natural Gas Corporation Schedule of Investor-Supplied Working Capital State of Washington		
Line No.	Description	Total System
	(a)	(b)
1	Average Invested Capital	\$ 192,287,513
2	Average Operating Investments	178,789,289
3	Average Non-Operating Investments	9,228,707
4	Total Average Investments	188,017,996
5	Investor-Supplied Working Capital (Line 1 minus Line 4)	\$ 4,269,517
6	Ratio (Line 5 divided by Line 4)	2.27%

Cascade Natural Gas Corporation		
Schedule of Investor-Supplied Working Capital		
State of Washington		
Line No.	Description	Washington
	(a)	(b)
1	Utility Plant in Service	\$ 263,536,823
2	Accumulated Depreciation	(98,324,375)
3	Customer Advances for Construction	(850,576)
4	Other Deferred Credits	(7,659,597)
5	Deferred Income Taxes	(11,778,300)
6	Miscellaneous Deferred Debits	3,382,933
7	Total Average Operating Investments	148,306,908
8	Ratio	2.27%
9	Working Capital Allowance (Line 7 times Line 8)	\$ 3,366,567 1/

1/ Carried Forward to Exhibit _____ (LLC-1), Schedule 3, Page 1, Column (d), Line 37.

Cascade Natural Gas Corporation
Schedule of Allocation Formulas
 State of Washington

Line No.	Description	Washington	Oregon	Total
	(a)	(b)	(c)	(d)
1	Customers	99,790	26,144	125,934
2	percentage	79.24%	20.76%	100.00%
3	Employees	244.88	76.46	321.34
4	percentage	76.21%	23.79%	100.00%
5	Gross Plant	225,231,835	51,938,962	277,170,797
6	percentage	81.26%	18.74%	100.00%
7	3-Factor Formula	78.90%	21.10%	100.00%
8	Propane Plant Direct Assignment	84.24%	15.76%	100.00%
	<u>Federal Income Tax</u>			
9	Pre-tax Operating Income	\$ 15,156,389	\$ 3,160,123	\$ 18,316,512
10	less: Current Oregon State Tax	-	83,923	83,923
11	Interest	6,254,037	1,368,199	7,622,236
12	Taxable Income	\$ 8,902,352	\$ 1,708,001	\$ 10,610,353
13	Income Tax Allocation Formula	83.90%	16.10%	100.00%
14	Average Rate Base	\$ 155,635,953	\$ 31,218,786	\$ 186,854,739
15	Rate Base Ratio	83.29%	16.71%	100.00%