

**BEFORE THE**  
**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE NATURAL GAS  
CORPORATION,

Respondent.

DOCKET UG-240008

**CASCADE NATURAL GAS CORPORATION**

**NINTH EXHIBIT TO THE**  
**DIRECT TESTIMONY OF ANN E. BULKLEY**

**March 29, 2024**

**SIZE PREMIUM CALCULATION**

**Proxy Group Market Capitalization**

Company	Ticker	Market Capitalization (\$ billions)
Atmos Energy Corporation	ATO	17.28
NiSource Inc.	NI	10.88
Northwest Natural Gas Company	NWN	1.42
ONE Gas Inc.	OGS	3.46
Spire, Inc.	SR	3.25
Median		3.46

Cascade Natural Gas Corporation		
Test Year Rate Base (\$millions)	[2]	\$ 619.86
Company Proposed Common Equity Ratio	[3]	50.29%
Implied Common Equity (\$millions)	[4]	\$ 311.70
Market Capitalization of Proxy Group (median) (\$millions)	[5]	\$ 3,460.02

**Kroll Cost of Capital Navigator -- Size Premium**

Breakdown of Deciles 1-10	[6]	Market Capitalization of Largest Company (\$ millions)	[7]	Size Premium
1-Largest		2,662,326.05		-0.06%
2		36,391.11		0.46%
3		14,820.05		0.61%
4		7,461.28		0.64%
5		4,621.79		0.95%
6		3,010.81		1.21%
7		1,862.49		1.39%
8		1,046.04		1.14%
9		554.52		1.99%
10-Smallest		212.64		4.70%
Cascade Natural Gas Corporation Implied Common Equity	[4]	311.70		1.99%
Proxy Group Market Capitalization (median)	[5]	3,460.02		0.95%
Size Premium	[8]			1.04%

Notes:

[1] S&P Capital IQ Pro, equals 30-day average as of January 31, 2024

[2] Data provided by the Company

[3] Requested by the Company

[4] Equals [2] x [3]

[5] Equals median market capitalization of proxy group x 1000

[6]-[7] Kroll Cost of Capital Navigator - Size Premium: Annual Data as of 12/31/2023

[8] Size Premium of Cascade Natural Gas Corporation less Size Premium of Proxy Group