

Exhibit No. ___ (DCP-10)
Docket No. UG-060256
Witness: David C. Parcell

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

**CASCADE NATURAL GAS
CORPORATION,**

Respondent.

DOCKET NO. UG-060256

**EXHIBIT TO TESTIMONY OF
DAVID C. PARCELL
(REVISED EXHIBIT NUMBER)
ON BEHALF OF
STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

*Comparison Companies
CAMP Cost Rates
Using Ibbotson Risk Premium*

August 22, 2006

**COMPARISON COMPANIES
 CAPM COST RATES
 USING IBBOTSON RISK PREMIUM**

COMPANY	RISK-FREE RATE	BETA	RISK PREMIUM	CAPM RATES
Value Line Natural Gas				
AGL Resources	5.29%	0.95	5.80%	10.8%
Atmos Energy	5.29%	0.75	5.80%	9.6%
Cascade Natural Gas	5.29%	0.85	5.80%	10.2%
Energen	5.29%	0.85	5.80%	10.2%
Keyspan	5.29%	0.90	5.80%	10.5%
Laclede Group	5.29%	0.85	5.80%	10.2%
New Jersey Resources	5.29%	0.80	5.80%	9.9%
NICOR	5.29%	1.20	5.80%	12.3%
Northwest Natural Gas	5.29%	0.75	5.80%	9.6%
Peoples Energy	5.29%	0.90	5.80%	10.5%
Piedmont Natural Gas	5.29%	0.85	5.80%	10.2%
South Jersey Industries	5.29%	0.70	5.80%	9.4%
Southwest Gas	5.29%	0.85	5.80%	10.2%
UGI	5.29%	0.90	5.80%	10.5%
WGL Holdings	5.29%	0.80	5.80%	9.9%
Mean	5.29%	0.86	5.80%	10.3%
Median				10.2%
Morin Electricity Distribution Companies				
American Electric Power	5.29%	1.25	5.80%	12.5%
Ameren Corp.	5.29%	0.75	5.80%	9.6%
CenterPoint Energy	5.29%	0.65	5.80%	9.1%
CH Energy Group	5.29%	0.85	5.80%	10.2%
Consolidated Edison	5.29%	0.70	5.80%	9.4%
Constellation Energy	5.29%	1.05	5.80%	11.4%
Duquesne Light Holdings	5.29%	0.90	5.80%	10.5%
Energy East Corp.	5.29%	0.90	5.80%	10.5%
Exelon	5.29%	0.85	5.80%	10.2%
FirstEnergy Corp.	5.29%	0.80	5.80%	9.9%
Northeast Utilities	5.29%	0.85	5.80%	10.2%
NSTAR	5.29%	0.80	5.80%	9.9%
PEPCO Holdings	5.29%	0.90	5.80%	10.5%
PPL Corp	5.29%	1.05	5.80%	11.4%
Public Service Enter. Group	5.29%	0.95	5.80%	10.8%
SCANA Corp.	5.29%	0.80	5.80%	9.9%
Sempra Energy	5.29%	1.05	5.80%	11.4%
TXU Corp.	5.29%	1.10	5.80%	11.7%
Vectren Corp.	5.29%	0.85	5.80%	10.2%
Wisconsin Energy	5.29%	0.80	5.80%	9.9%
Mean	5.29%	0.89	5.80%	10.5%
Median				10.2%
Morin Natural Gas Utilities				
AGL Resources	5.29%	0.95	5.80%	10.8%
Atmos Energy	5.29%	0.75	5.80%	9.6%
KeySpan Corp.	5.29%	0.90	5.80%	10.5%
Laclede Group	5.29%	0.85	5.80%	10.2%
New Jersey Resources	5.29%	0.80	5.80%	9.9%
Northwest Natural Gas	5.29%	0.75	5.80%	9.6%
Peoples Energy	5.29%	0.90	5.80%	10.5%
Piedmont Natural Gas	5.29%	0.85	5.80%	10.2%
South Jersey Industries	5.29%	0.70	5.80%	9.4%
Southwest Gas	5.29%	0.85	5.80%	10.2%
UGI Corp.	5.29%	0.90	5.80%	10.5%
WGL Corp.	5.29%	0.80	5.80%	9.9%
Mean	5.29%	0.83	5.80%	10.1%
Median				10.2%

Sources: Value Line Investment Survey, Standard & Poor's Analysts' Handbook, Federal Reserve.