

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
FOURTH EXHIBIT TO THE
DIRECT TESTIMONY OF JACOB A. DARRINGTON

March 29, 2024

Cascade Natural Gas Corp.
Washington Jurisdiction
Twelve-Months ended December 31, 2023
Multi-Year Rate Plan Revenue Requirement Calculation

Line No	Description	Rates Effective March 1, 2025			Rates Effective March 1, 2026
		Test Year ¹	Provisional Year 1 ²	Total	Provisional Year 2 ³
	A	B	C	D	E
1	Adjusted Rate Base	\$619,864,245	\$724,414,764		\$791,964,572
2	Rate of Return	7.89%	7.89%		7.89%
3	Required Return (ln 1 x ln 2)	\$48,932,084	\$57,185,301		\$62,517,683
4	Adjusted Net Income	\$26,054,777	\$47,142,083		\$53,752,901
5	Required Net Income Increase (ln 3 - ln 4)	\$22,877,306	\$10,043,218		\$8,764,783
6	Conversion Factor	0.75110	0.75110		0.75110
7	Revenue Increase Required (ln 5 / ln 6)	\$30,458,350	\$13,371,323	\$43,829,673	\$11,669,242
8					
9	Adjusted Base Revenue	\$145,629,250	\$147,200,727	\$147,200,727	\$193,077,478
10					
11	Base Revenue Change	20.91%	9.08%	29.78%	6.04%
12					
13	Overall Revenue Change	8.08%	3.53%	11.59%	2.75%

¹ Includes pro forma adjustments related to the 2024 provisional year.

² Only includes 2024 provisional plant adjustments. Provisional plant additions are subject to retrospective review.

³ Includes 2025 pro forma and provisional plant adjustments. Provisional plant additions are subject to retrospective review.