

**Exhibit No. \_\_\_ (DCP-5)  
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**

*Yield Differentials Between Baa and A Rated Securities*

**August 22, 2006**

YIELD DIFFERENTIALS BETWEEN Baa AND A RATED SECURITIES

	Bonds			Preferred Stocks		
	Baa	A	Difference	Baa	A	Difference
<b>2001</b>						
Jan	7.99%	7.80%	0.19%	7.53%	7.42%	0.11%
Feb	7.94%	7.74%	0.20%	7.48%	7.38%	0.10%
Mar	7.85%	7.68%	0.17%	7.48%	7.35%	0.13%
Apr	8.06%	7.94%	0.12%	7.59%	7.47%	0.12%
May	8.11%	7.99%	0.12%	7.57%	7.48%	0.09%
June	8.02%	7.85%	0.17%	7.60%	7.36%	0.24%
July	8.05%	7.78%	0.27%	7.42%	7.25%	0.17%
Aug	7.95%	7.59%	0.36%	7.40%	7.07%	0.33%
Sept	8.12%	7.75%	0.37%	7.41%	7.17%	0.24%
Oct	8.02%	7.63%	0.39%	7.40%	7.06%	0.34%
Nov	7.96%	7.57%	0.39%	7.53%	7.17%	0.36%
Dec	8.27%	7.83%	0.44%	7.66%	7.30%	0.36%
<b>2002</b>						
Jan	8.13%	7.66%	0.47%	7.62%	7.30%	0.32%
Feb	8.18%	7.54%	0.64%	7.51%	7.22%	0.29%
Mar	8.32%	7.76%	0.56%	7.83%	7.36%	0.47%
Apr	8.26%	7.57%	0.69%	7.62%	7.27%	0.35%
May	8.33%	7.52%	0.81%	7.62%	7.29%	0.33%
June	8.26%	7.42%	0.84%	7.74%	7.40%	0.34%
July	8.07%	7.31%	0.76%	7.64%	7.33%	0.31%
Aug	7.74%	7.17%	0.57%	7.42%	7.20%	0.22%
Sept	7.62%	7.08%	0.54%	7.48%	7.18%	0.30%
Oct	8.00%	7.23%	0.77%	7.59%	7.37%	0.22%
Nov	7.76%	7.14%	0.62%	7.56%	7.38%	0.18%
Dec	7.61%	7.07%	0.54%	7.57%	7.06%	0.51%
<b>2003</b>						
Jan	7.47%	7.06%	0.41%	7.61%	7.13%	0.48%
Feb	7.17%	6.93%	0.24%	7.62%	7.01%	0.61%
Mar	7.05%	6.79%	0.26%	7.66%	7.05%	0.61%
Apr	6.94%	6.64%	0.30%	7.51%	6.97%	0.54%
May	6.47%	6.36%	0.11%	7.42%	6.83%	0.59%
June	6.30%	6.21%	0.09%	7.41%	6.81%	0.60%
July	6.67%	6.57%	0.10%	7.24%	6.84%	0.40%
Aug	7.08%	6.78%	0.30%	7.29%	6.77%	0.52%
Sept	6.87%	6.56%	0.31%	7.28%	6.73%	0.55%
Oct	6.79%	6.43%	0.36%	7.26%	6.87%	0.39%
Nov	6.69%	6.37%	0.32%	7.29%	6.84%	0.45%
Dec	6.61%	6.27%	0.34%	7.28%	6.70%	0.58%
<b>2004</b>						
Jan	6.47%	6.15%	0.32%	7.20%	6.65%	0.55%
Feb	6.28%	6.15%	0.13%	7.20%	6.71%	0.49%
Mar	6.12%	5.97%	0.15%	7.20%	6.70%	0.50%
Apr	6.46%	6.35%	0.11%	7.27%	7.10%	0.17%
May	6.75%	6.62%	0.13%	7.64%	7.42%	0.22%
June	6.84%	6.46%	0.38%	7.17%	7.00%	0.17%
July	6.67%	6.27%	0.40%	6.89%	6.64%	0.25%
Aug	6.45%	6.14%	0.31%	6.74%	6.38%	0.36%
Sept	6.27%	5.98%	0.29%	6.61%	6.24%	0.37%
Oct	6.17%	5.94%	0.23%	6.53%	6.26%	0.27%
Nov	6.16%	5.97%	0.19%	6.23%	6.19%	0.04%
Dec	6.10%	5.92%	0.18%	6.42%	6.16%	0.26%
<b>2005</b>						
Jan	5.95%	5.78%	0.17%	6.35%	6.15%	0.20%
Feb	5.76%	5.61%	0.15%	6.36%	6.29%	0.07%
Mar	6.01%	5.83%	0.18%	6.42%	6.41%	0.01%
Apr	5.95%	5.64%	0.31%	6.41%	6.17%	0.24%
May	5.88%	5.53%	0.35%	6.39%	6.24%	0.15%
June	5.70%	5.40%	0.30%	6.37%	6.20%	0.17%
July	5.81%	5.51%	0.30%	6.35%	6.22%	0.13%
Aug	5.80%	5.50%	0.30%	6.36%	6.21%	0.15%
Sept	5.83%	5.52%	0.31%	6.38%	6.27%	0.11%
Oct	6.08%	5.79%	0.29%	6.40%	6.41%	-0.01%
Nov	6.19%	5.88%	0.31%	6.45%	6.31%	0.14%
Dec	6.14%	5.80%	0.34%	6.42%	6.19%	0.23%
<b>2006</b>						
Jan	6.06%	5.75%	0.31%	6.41%	6.14%	0.27%
Feb	6.11%	5.82%	0.29%	6.38%	6.10%	0.28%
Mar	6.26%	5.98%	0.28%	6.56%	6.22%	0.34%
Apr	6.54%	6.29%	0.25%	6.64%	6.31%	0.33%
May	6.59%	6.42%	0.17%	6.57%	6.32%	0.25%
June						
Average			0.33%			0.30%

Source: Mergent Bond Record.