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September 26, 2012

Mr. Dave Danner  
Secretary and Executive Director  
Washington Utilities & Transportation Commission  
1300 S. Evergreen Park Drive SW  
Olympia, WA 98504-7250

RECEIVED  
REGULATORY MANAGEMENT  
2012 SEP 28 AM 8:51  
STATE OF WASHINGTON  
UTILITY AND TRANSPORTATION  
COMMISSION

**Re: WAC 480-90-233 Monthly Reporting**

Dear Mr. Danner:

Enclosed is Cascade Natural Gas Corporation's documentation associated with its existing deferred gas cost accounting activity through August 2012. This information is being supplied in compliance with WAC 480-90-233.

This information consists of individual deferral account summaries, as well as information specifically addressing account accrual development, and account amortization terms.

If you have any questions, please contact me at (509) 734-4591.

Sincerely,

*Pamela J. Archer*

Pamela J. Archer  
Supervisor  
Regulatory Analysis

*We make warm neighbors*

|                      |  |
|----------------------|--|
| State:               | Washington   |
| Description:         | 11/01/2011 WA Consolidated Technical Adjustments - Gas Cost                                |
| Account number:      | 47WA.2530.01274  |
| Class of customers:  | Core   |
| Deferral period:     | N/A  |
| Amortization period: | 11/01/2010 - 10/31/2012  |
| Narrative:           | Consolidation of Core gas cost residual deferral balances per the 11/1/2011 tracker filing |

| Month/ Year | Rate     | Therms     | Deferral | Debit (Credit)<br>Amortization | Interest    | Adjustments     | Deferred Balance |
|-------------|----------|------------|----------|--------------------------------|-------------|-----------------|------------------|
|             |          |            |          | Balance transferred from DG152 |             | (748,203.89)    | (748,203.89)     |
|             |          |            |          | Balance transferred from DG253 |             | (20,407,551.01) | (21,155,754.90)  |
|             |          |            |          | Balance transferred from DG254 |             | 7,011,138.71    | (14,144,616.19)  |
|             |          |            |          | Balance transferred from DG255 |             | 20,505,197.09   | 6,360,580.90     |
|             |          |            |          | Balance transferred from DG256 |             | (16,988,774.58) | (10,628,193.68)  |
|             |          |            |          | Balance transferred from DG261 |             | (765,468.15)    | (11,393,661.83)  |
|             |          |            |          | Balance transferred from DG268 |             | (3,318,848.96)  | (14,712,510.79)  |
|             |          |            |          | Balance transferred from DG257 |             | 4,476,916.06    | (10,235,594.73)  |
|             |          |            |          | Balance transferred from DG270 |             | (34,773.06)     | (10,270,367.79)  |
|             |          |            |          | Balance transferred from DG258 |             | 83,248.58       | (10,187,119.21)  |
| Nov-10      | Prorated | 15,521,819 |          | 225,995.79                     | (27,212.17) |                 | (9,988,335.59)   |
| Dec-10      | 0.04413  | 33,254,389 |          | 1,467,516.19                   | (27,570.54) | -3.42           | (8,548,393.36)   |
| Jan-11      | 0.04413  | 36,882,085 |          | 1,627,606.41                   | (23,595.91) |                 | (6,944,382.86)   |
| Feb-11      | 0.04413  | 28,983,250 |          | 1,279,030.82                   | (17,313.39) |                 | (5,682,665.43)   |
| Mar-11      | 0.04413  | 34,049,898 |          | 1,502,622.01                   | (15,685.71) |                 | (4,195,729.13)   |
| Apr-11      | 0.04413  | 21,581,351 |          | 952,385.02                     | (11,207.77) |                 | (3,254,551.88)   |
| May-11      | 0.04413  | 17,013,662 |          | 750,812.90                     | (8,983.44)  |                 | (2,512,722.42)   |
| Jun-11      | 0.04413  | 11,115,184 |          | 490,513.07                     | (6,712.07)  |                 | (2,028,921.42)   |
| Jul-11      | 0.04413  | 6,928,247  |          | 305,743.54                     | (5,600.38)  |                 | (1,728,778.26)   |
| Aug-11      | 0.04413  | 6,785,641  |          | 299,450.34                     | (4,771.90)  |                 | (1,434,099.82)   |
| Sep-11      | 0.04413  | 6,325,509  |          | 279,144.71                     | (3,830.81)  |                 | (1,158,785.92)   |
| Oct-11      | 0.04413  | 9,229,580  |          | 407,301.37                     | (3,198.57)  |                 | (754,683.12)     |
| Nov-11      | Prorated | 18,271,583 |          | 477,157.78                     | (2,015.93)  |                 | (279,541.27)     |
| Dec-11      | 0.00185  | 32,293,178 |          | 59,742.38                      | (771.61)    |                 | (220,570.50)     |
| Jan-12      | 0.00185  | 35,480,775 |          | 65,639.43                      | (608.84)    |                 | (155,539.91)     |
| Feb-12      | 0.00185  | 31,881,959 |          | 58,981.62                      | (401.63)    |                 | (96,959.92)      |
| Mar-12      | 0.00185  | 30,505,322 |          | 56,434.85                      | (267.64)    |                 | (40,792.71)      |
| Apr-12      | 0.00185  | 22,209,857 |          | 41,088.24                      | (108.97)    |                 | 186.56           |
| May-12      | 0.00185  | 13,824,704 |          | 25,575.70                      | 0.51        |                 | 25,762.77        |
| Jun-12      | 0.00185  | 9,855,321  |          | 18,232.34                      | 68.82       |                 | 44,063.93        |
| Jul-12      | 0.00185  | 7,551,876  |          | 13,970.97                      | 121.63      |                 | 58,156.53        |
| Aug-12      | 0.00185  | 6,560,214  |          | 12,136.40                      | 160.53      |                 | 70,453.46        |

|                      |  |
|----------------------|--|
| State:               | Washington   |
| Description:         | Core Market Commodity Changes  |
| Account number:      | 47WA.2530.01253  |
| Class of customers:  | Core   |
| Deferral period:     | 11/1/2011 through 10/31/2012   |
| Amortization period: | N/A  |
| Narrative:           | This records the deferral of the differences between core commodity costs actually incurred and the embedded commodity costs collected in tariffs based on therms sales. |

| Month/ Year | Rate | Therms | Deferral       | Debit (Credit)               |             | Adjustments   | Deferred Balance |
|-------------|------|--------|----------------|------------------------------|-------------|---------------|------------------|
|             |      |        |                | Amortization                 | Interest    |               |                  |
|             |      |        |                | Balance transferred to DG276 |             | 19,894,790.95 | (3,457,111.50)   |
| Nov-11      |      |        | (4,250,328.46) |                              | (9,234.75)  |               | (7,716,674.71)   |
| Dec-11      |      |        | (2,300,636.87) |                              | (21,300.14) |               | (10,038,611.72)  |
| Jan-12      |      |        | (2,258,700.37) |                              | (27,709.32) |               | (12,325,021.41)  |
| Feb-12      |      |        | (2,308,106.66) |                              | (31,825.57) |               | (14,664,953.64)  |
| Mar-12      |      |        | (2,441,925.30) |                              | (40,479.29) |               | (17,147,358.23)  |
| Apr-12      |      |        | (2,077,657.92) |                              | (45,804.59) |               | (19,270,820.74)  |
| May-12      |      |        | (1,271,727.76) |                              | (53,192.74) |               | (20,595,741.24)  |
| Jun-12      |      |        | (1,095,334.73) |                              | (55,016.02) |               | (21,746,091.99)  |
| Jul-12      |      |        | (477,402.45)   |                              | (60,025.17) |               | (22,283,519.61)  |
| Aug-12      |      |        | (1,036,797.03) |                              | (61,508.62) |               | (23,381,825.26)  |

|                      |   |
|----------------------|---|
| State:               | Washington  |
| Description:         | Core Market Demand Cost Changes   |
| Account number:      | 47WA.2530.01254   |
| Class of customers:  | Core  |
| Deferral period:     | 11/1/2011 through 10/31/2012  |
| Amortization period: | N/A   |
| Narrative:           | This records the deferral of 1)the differences between core demand cost actually incurred and the embedded demand costs collected in tariffs, 2)Tenaska capacity reservation and gas storage mitigation costs, 3)pipeline capacity release credits and pipeline capacity sold to non-core customers through overrun and interruptible rates and 4)capacity held for release based on terms sales. |

| Month/ Year | Rate | Therms | Deferral       | Debit (Credit)<br>Amortizatio | Interest                          | Adjustments    | Deferred Balance |
|-------------|------|--------|----------------|-------------------------------|-----------------------------------|----------------|------------------|
| Jan-10      |      |        | (1,039,842.40) |                               | 12,009.25                         |                | 3,263,314.43     |
| Feb-10      |      |        | (447,489.24)   |                               | 8,248.93                          |                | 2,824,074.12     |
| Mar-10      |      |        | (171,526.69)   |                               | 7,903.49                          |                | 2,660,450.92     |
| Apr-10      |      |        | 321,152.39     |                               | 7,205.39                          |                | 2,988,808.70     |
| May-10      |      |        | 933,253.13     |                               | 8,364.51                          |                | 3,930,426.34     |
| Jun-10      |      |        | 1,354,191.42   |                               | 10,644.90                         |                | 5,295,262.66     |
| Jul-10      |      |        | 1,643,146.24   |                               | 14,819.38                         |                | 6,953,228.28     |
| Aug-10      |      |        | 1,372,297.36   |                               | 19,459.38                         |                | 8,344,985.02     |
| Sep-10      |      |        | 1,278,338.55   |                               | 22,601.00                         |                | 9,645,924.57     |
| Oct-10      |      |        | 629,883.86     |                               | 26,995.19                         |                | 10,302,803.62    |
|             |      |        |                |                               | Balance transferred to DG274      | (7,011,138.71) | 3,291,664.91     |
|             |      |        |                |                               | Balance transferred in from DG255 | 2,040,130.24   | 5,331,795.15     |
|             |      |        |                |                               | Balance transferred in from DG256 | (1,134,692.55) | 4,197,102.60     |
|             |      |        |                |                               | Balance transferred in from DG268 | (1,088,156.98) | 3,108,945.62     |
| Nov-10      |      |        | (562,781.90)   |                               | 8,304.72                          |                | 2,554,468.44     |
| Dec-10      |      |        | (1,032,333.75) |                               | 7,051.03                          |                | 1,529,185.72     |
| Jan-11      |      |        | (866,609.59)   |                               | 4,220.97                          | 31,468.11      | 698,265.21       |
| Feb-11      |      |        | (623,432.44)   |                               | 1,740.88                          |                | 76,573.65        |
| Mar-11      |      |        | (240,229.15)   |                               | 211.36                            |                | (163,444.14)     |
| Apr-11      |      |        | 530,490.76     |                               | (436.60)                          |                | 366,610.02       |
| May-11      |      |        | 999,315.10     |                               | 1,011.94                          |                | 1,366,937.06     |
| Jun-11      |      |        | 1,510,026.45   |                               | 3,651.41                          |                | 2,880,614.92     |
| Jul-11      |      |        | 1,627,094.74   |                               | 7,951.29                          |                | 4,515,660.95     |
| Aug-11      |      |        | 1,667,901.51   |                               | 12,464.46                         |                | 6,196,026.92     |
| Sep-11      |      |        | 1,690,246.43   |                               | 16,551.03                         |                | 7,902,824.38     |
| Oct-11      |      |        | 758,639.09     |                               | 21,813.96                         |                | 8,683,277.43     |
|             |      |        |                |                               | Balance transferred to DG276      | (4,552,753.34) | 4,130,524.09     |
| Nov-11      |      |        | (373,132.44)   |                               | 11,033.59                         |                | 3,768,425.24     |
| Dec-11      |      |        | (1,761,781.52) |                               | 10,401.89                         |                | 2,017,045.61     |
| Jan-12      |      |        | (1,657,447.23) |                               | 5,567.60                          |                | 365,165.98       |
| Feb-12      |      |        | (994,797.45)   |                               | 942.93                            |                | (628,688.54)     |
| Mar-12      |      |        | (522,153.28)   |                               | (1,735.35)                        |                | (1,152,577.17)   |
| Apr-12      |      |        | 776,832.26     |                               | (3,078.80)                        |                | (378,823.71)     |
| May-12      |      |        | 1,459,867.89   |                               | (1,045.66)                        |                | 1,079,998.52     |
| Jun-12      |      |        | 1,560,382.97   |                               | 2,884.93                          |                | 2,643,266.42     |
| Jul-12      |      |        | 2,025,572.62   |                               | 7,296.14                          |                | 4,676,135.18     |
| Aug-12      |      |        | 1,792,838.32   |                               | 12,907.41                         |                | 6,481,880.91     |

Cascade Natural Gas Corporation  
 Washington PGA Deferral  
 Month

**August 2012**

|                               | <u>Commodity</u><br>692010    | <u>Demand</u><br>691010  | <u>Amortization</u><br>693010 | <u>Total</u>           |
|-------------------------------|-------------------------------|--------------------------|-------------------------------|------------------------|
| Gas Cost Recognized           |                               |                          |                               |                        |
| Total Gas Cost Recognized -   | \$ 3,686,908.75               | \$ 946,728.41            | \$ 12,136.41                  | \$ 4,645,773.57        |
| Actual gas cost incurred      | \$ 2,650,111.72               | \$ 3,096,883.39          | \$ -                          | \$ 5,746,995.11        |
| Deferred Gas Cost Journalized | \$ 1,036,797.03               | \$ (2,150,154.98)        | \$ 12,136.41                  | \$ (1,101,221.54)      |
| Gas Storage Mitigation        |                               | \$ 357,316.66            |                               | \$ 357,316.66          |
| <b>Deferral amount</b>        | <b>\$ 1,036,797.03</b>        | <b>\$ (1,792,838.32)</b> | <b>\$ 12,136.41</b>           | <b>\$ (743,904.88)</b> |
|                               | ( ____ ) = credit to gas cost |                          |                               |                        |
| JDE Gas Cost Account Code     | 47WA.6011.28051               | 47WA.6011.28051          |                               |                        |
|                               | \$ (1,036,797.03)             | \$ 1,792,838.32          | \$ (12,136.41)                | \$ 743,904.88          |
| JDE Deferred Gas Account Code | 47WA.2530.01253               | 47WA.2530.01254          |                               |                        |

|                      |  |
|----------------------|--|
| State:               | Washington   |
| Description:         | Commercial Conservation Program  |
| Account number:      | 47WA.1862.20430  |
| Class of customers:  | Core   |
| Deferral period:     | 11/01/2005 through 10/31/2012  |
| Amortization period: | n/a  |
| Narrative:           | To record deferral activity for the Washington commercial conservation program |

| Month/ Year | Rate      | Therms                       | Debit (Credit) |                             | Interest | Adjustments  | Deferred Balance |
|-------------|-----------|------------------------------|----------------|-----------------------------|----------|--------------|------------------|
|             |           |                              | Deferral       | Amortization                |          |              |                  |
| Jan-10      | (0.00013) | 33,217,545                   | 3,750.00       | (4,318.28)                  | 1,551.60 |              | 555,402.31       |
| Feb-10      | (0.00013) | 24,331,990                   | 76,162.00      | (3,163.16)                  | 1,403.93 |              | 629,805.08       |
| Mar-10      | (0.00013) | 23,397,628                   | 81,731.00      | (3,041.69)                  | 1,762.58 |              | 710,256.96       |
| Apr-10      | (0.00013) | 20,329,637                   | 1,397.00       | (2,642.85)                  | 1,923.61 |              | 710,934.72       |
| May-10      | (0.00013) | 15,232,314                   | 7,485.30       | (1,980.20)                  | 1,989.63 |              | 718,429.45       |
| Jun-10      | (0.00013) | 10,018,979                   | 9,352.50       | (1,302.47)                  | 1,945.75 |              | 728,425.23       |
| Jul-10      | (0.00013) | 8,148,333                    | 6,768.90       | (1,059.28)                  | 2,038.58 |              | 736,173.43       |
| Aug-10      | (0.00013) | 6,127,032                    | 15,411.00      | (796.51)                    | 2,060.26 | 8,320.62     | 761,168.80       |
| Sep-10      | (0.00013) | 6,670,134                    | 27,105.00      | (867.12)                    | 2,061.50 |              | 789,468.18       |
| Oct-10      | (0.00013) | 9,086,970                    | 37,750.00      | (1,181.31)                  | 2,209.41 |              | 828,246.28       |
|             |           |                              |                | Balance Transferred to RA64 |          | (747,819.44) | 80,426.84        |
| Nov-10      |           |                              | 88,142.20      |                             | 214.84   |              | 168,783.88       |
| Dec-10      |           |                              | 104,456.52     |                             | 465.89   |              | 273,706.29       |
| Jan-11      |           |                              | 248,018.60     |                             | 755.50   |              | 522,480.39       |
| Feb-11      |           |                              | 87,856.56      |                             | 1,302.62 |              | 611,639.57       |
| Mar-11      |           |                              | 63,792.98      |                             | 1,688.29 | (304,121.58) | 372,999.26       |
| Apr-11      |           |                              | 2,750.00       |                             | 996.37   |              | 376,745.63       |
| May-11      |           |                              | 156,892.98     |                             | 1,039.92 |              | 534,678.53       |
| Jun-11      |           |                              | 7,674.60       |                             | 1,428.25 |              | 543,781.38       |
| Jul-11      |           |                              | 8,596.50       |                             | 1,500.99 |              | 553,878.87       |
| Aug-11      |           |                              | 111,160.15     |                             | 1,528.86 |              | 666,567.88       |
| Sep-11      |           |                              | 0.00           |                             | 1,780.56 |              | 668,348.44       |
| Oct-11      |           |                              | 28,127.75      |                             | 1,844.82 |              | 698,321.01       |
|             |           | BALANCE TRANSFERRED TO 20467 |                |                             |          | (558,428.52) | 139,892.49       |
| Nov-11      |           |                              | 98,800.90      |                             | 373.69   |              | 239,067.08       |
| Dec-11      |           |                              | 24,466.00      |                             | 659.89   |              | 264,192.97       |
| Jan-12      |           |                              | 118,331.00     |                             | 729.24   |              | 383,253.21       |
| Feb-12      |           |                              | 14,228.90      |                             | 989.63   |              | 398,471.74       |
| Mar-12      |           |                              | 373,844.30     |                             | 1,099.89 |              | 773,415.93       |
| Apr-12      |           |                              | 7,380.55       |                             | 2,065.97 |              | 782,862.45       |
| May-12      |           |                              | 18,092.98      |                             | 2,160.91 |              | 803,116.34       |
| Jun-12      |           |                              | 6,199.63       |                             | 2,145.31 |              | 811,461.28       |
| Jul-12      |           |                              | 55,911.00      |                             | 2,239.86 |              | 869,612.14       |
| Aug-12      |           |                              | 10,720.00      |                             | 2,400.37 |              | 882,732.51       |

|                      |  |
|----------------------|--|
| State:               | Washington   |
| Description:         | Low Income Weatherization Program  |
| Account number:      | 47WA.1862.20431  |
| Class of customers:  | Core   |
| Deferral period:     | 11/01/2005 through 10/31/2012  |
| Amortization period: | n/a  |
| Narrative:           | To record deferral activity for the Washington commercial conservation program |

| Month/ Year | Rate      | Therms     | Deferral  | Debit (Credit) |  | Interest | Adjustments                  | Deferred Balance |
|-------------|-----------|------------|-----------|----------------|--|----------|------------------------------|------------------|
|             |           |            |           | Amortization   |  |          |                              |                  |
| Jan-10      | (0.00017) | 33,217,545 | 18,362.20 | (5,646.98)     |  | 570.20   |                              | 217,029.95       |
| Feb-10      | (0.00017) | 24,331,990 | 33,388.19 | (4,136.44)     |  | 548.60   |                              | 246,830.30       |
| Mar-10      | (0.00017) | 23,397,628 | 3,865.80  | (3,977.60)     |  | 690.78   |                              | 247,409.28       |
| Apr-10      | (0.00017) | 20,329,637 | 16,563.02 | (3,456.04)     |  | 670.07   |                              | 261,186.33       |
| May-10      | (0.00017) | 15,232,314 | 15,263.47 | (2,589.49)     |  | 730.96   |                              | 274,591.27       |
| Jun-10      | (0.00017) | 10,018,979 | 32,005.21 | (1,703.23)     |  | 743.68   |                              | 305,636.93       |
| Jul-10      | (0.00017) | 8,148,333  | 70,264.62 | (1,385.22)     |  | 855.36   |                              | 375,371.70       |
| Aug-10      | (0.00017) | 6,127,032  | 36,996.19 | (1,041.60)     |  | 1,050.52 | (8,879.89)                   | 403,496.92       |
| Sep-10      | (0.00017) | 6,670,134  | 4,724.44  | (1,133.92)     |  | 1,092.80 |                              | 408,180.24       |
| Oct-10      | (0.00017) | 9,086,970  | 10,936.99 | (1,544.78)     |  | 1,142.34 |                              | 418,714.79       |
|             |           |            |           |                |  |          | Balance Transferred to RA64  |                  |
|             |           |            |           |                |  |          | (365,839.94)                 | 52,874.85        |
| Nov-10      |           |            | 57,895.51 |                |  | 141.24   |                              | 110,911.60       |
| Dec-10      |           |            | 26,551.40 |                |  | 306.15   |                              | 137,769.15       |
| Jan-11      |           |            | 0.00      |                |  | 380.28   |                              | 138,149.43       |
| Feb-11      |           |            | 58,468.39 |                |  | 344.43   |                              | 196,962.25       |
| Mar-11      |           |            | 75,400.12 |                |  | 543.67   |                              | 272,906.04       |
| Apr-11      |           |            | 0.00      |                |  | 729.00   |                              | 273,635.04       |
| May-11      |           |            | 45,228.41 |                |  | 755.31   |                              | 319,618.76       |
| Jun-11      |           |            | 18,552.10 |                |  | 853.78   |                              | 339,024.64       |
| Jul-11      |           |            | 20,543.76 |                |  | 935.80   |                              | 360,504.20       |
| Aug-11      |           |            | 15,107.74 |                |  | 995.09   |                              | 376,607.03       |
| Sep-11      |           |            |           |                |  | 1,006.01 | 9,197.99                     | 386,811.03       |
| Oct-11      |           |            | 11,116.36 |                |  | 1,067.70 |                              | 398,995.09       |
|             |           |            |           |                |  |          | BALANCE TRANSFERRED TO 20467 |                  |
|             |           |            |           |                |  |          | (363,465.44)                 | 35,529.65        |
| Nov-11      |           |            | 15,375.17 |                |  | 94.91    |                              | 50,999.73        |
| Dec-11      |           |            | 16,041.73 |                |  | 140.77   |                              | 67,182.23        |
| Jan-12      |           |            | 4,024.84  |                |  | 185.44   |                              | 71,392.51        |
| Feb-12      |           |            | 60,786.95 |                |  | 184.35   |                              | 132,363.81       |
| Mar-12      |           |            | 20,375.88 |                |  | 365.36   | 2,506.45                     | 155,611.50       |
| Apr-12      |           |            | 1,838.47  |                |  | 415.67   |                              | 157,865.64       |
| May-12      |           |            | 5,215.53  |                |  | 435.75   |                              | 163,516.92       |
| Jun-12      |           |            | 6,315.84  |                |  | 436.79   |                              | 170,269.55       |
| Jul-12      |           |            | 9,413.18  |                |  | 469.99   |                              | 180,152.72       |
| Aug-12      |           |            | 10,419.78 |                |  | 497.27   |                              | 191,069.77       |

|                      |   |
|----------------------|---|
| State:               | Washington  |
| Description:         | Washington Conservation Administration & Program Delivery Fees                  |
| Account number:      | 47WA.1862.20444   |
| Class of customers:  | Core  |
| Deferral period:     | 11/01/2007 through 10/31/2012   |
| Amortization period: | n/a   |
| Narrative:           | To record deferral activity for the Washington conservation administration fees |

| Month/ Year | Rate        | Therms     | Deferral                     | Debit (Credit)<br>Amortization | Interest | Adjustments    | Deferred Balance |
|-------------|-------------|------------|------------------------------|--------------------------------|----------|----------------|------------------|
| Jan-10      | (\$0.00148) | 33,217,545 | 110,296.70                   | (49,161.97)                    | 6,278.29 |                | 2,310,772.24     |
| Feb-10      | (\$0.00148) | 24,331,990 | 118,810.52                   | (36,011.35)                    | 5,841.12 |                | 2,399,412.53     |
| Mar-10      | (\$0.00148) | 23,397,628 | 117,651.32                   | (34,628.49)                    | 6,715.02 |                | 2,489,150.38     |
| Apr-10      | (\$0.00148) | 20,329,637 | 184,696.32                   | (30,087.86)                    | 6,741.45 |                | 2,650,500.29     |
| May-10      | (\$0.00148) | 15,232,314 | 140,923.14                   | (22,543.82)                    | 7,417.72 |                | 2,776,297.32     |
| Jun-10      | (\$0.00148) | 10,018,979 | 133,083.11                   | (14,828.09)                    | 7,519.14 |                | 2,902,071.48     |
| Jul-10      | (\$0.00148) | 8,148,333  | 179,673.91                   | (12,059.53)                    | 8,121.77 |                | 3,077,807.63     |
| Aug-10      | (\$0.00148) | 6,127,032  | 141,863.49                   | (9,068.01)                     | 8,613.59 | (12,649.27)    | 3,206,567.43     |
| Sep-10      | (\$0.00148) | 6,670,134  | 302,444.73                   | (9,871.80)                     | 8,684.45 |                | 3,507,824.82     |
| Oct-10      | (\$0.00148) | 9,086,970  | 95,247.03                    | (13,448.72)                    | 9,817.04 |                | 3,599,440.17     |
|             |             |            |                              | Balance Transferred to RA64    |          | (3,058,256.19) | 541,183.98       |
| Nov-10      |             |            | 152,126.32                   |                                | 1,445.63 |                | 694,755.93       |
| Dec-10      |             |            | 190,507.03                   |                                | 1,917.72 |                | 887,180.68       |
| Jan-11      |             |            | 17,871.16                    |                                | 2,448.86 |                | 907,500.70       |
| Feb-11      |             |            | 181,585.38                   |                                | 2,262.54 |                | 1,091,348.62     |
| Mar-11      |             |            | 201,518.38                   |                                | 3,012.42 |                | 1,295,879.42     |
| Apr-11      |             |            | 17,754.41                    |                                | 3,461.60 |                | 1,317,095.43     |
| May-11      |             |            | 134,492.40                   |                                | 3,635.54 |                | 1,455,223.37     |
| Jun-11      |             |            | 228,500.00                   |                                | 3,887.24 |                | 1,687,610.61     |
| Jul-11      |             |            | 112,314.39                   |                                | 4,658.27 |                | 1,804,583.27     |
| Aug-11      |             |            | 87,863.56                    |                                | 4,981.14 |                | 1,897,427.97     |
| Sep-11      |             |            | 119,753.53                   |                                | 5,068.47 |                | 2,022,249.97     |
| Oct-11      |             |            | 99,821.37                    |                                | 5,581.96 |                | 2,127,653.30     |
|             |             |            | BALANCE TRANSFERRED TO 20467 |                                |          | (1,819,406.42) | 308,246.88       |
| Nov-11      |             |            | 14,100.61                    |                                | 823.40   |                | 323,170.89       |
| Dec-11      |             |            | 253,714.33                   |                                | 892.04   |                | 577,777.26       |
| Jan-12      |             |            | 144,675.90                   |                                | 1,594.82 |                | 724,047.98       |
| Feb-12      |             |            | 23,191.93                    |                                | 1,869.63 |                | 749,109.54       |
| Mar-12      |             |            | 284,673.40                   |                                | 2,067.75 |                | 1,035,850.69     |
| Apr-12      |             |            | 129,362.30                   |                                | 2,767.00 |                | 1,167,979.99     |
| May-12      |             |            | 106,552.32                   |                                | 3,223.94 |                | 1,277,756.25     |
| Jun-12      |             |            | 118,432.59                   |                                | 3,413.18 |                | 1,399,602.02     |
| Jul-12      |             |            | 142,550.64                   |                                | 3,863.29 |                | 1,546,015.95     |
| Aug-12      |             |            | 113,774.30                   |                                | 4,267.43 |                | 1,664,057.68     |



|                      |   |
|----------------------|---|
| State:               | Washington  |
| Description:         | Washington Residential Conservation Program                                     |
| Account number:      | 47WA.1862.20449   |
| Class of customers:  | Core  |
| Deferral period:     | 11/01/2007 through 10/31/2012   |
| Amortization period: | n/a   |
| Narrative:           | To record deferral activity for the Washington residential conservation program |

| Month/ Year | Rate        | Therms     | Deferral                     | Debit (Credit)<br>Amortization | Interest | Adjustments    | Deferred Balance |
|-------------|-------------|------------|------------------------------|--------------------------------|----------|----------------|------------------|
| Jan-10      | (\$0.00037) | 33,217,545 | 106,738.36                   | (12,290.49)                    | 3,562.71 |                | 1,371,037.90     |
| Feb-10      | (\$0.00037) | 24,331,990 | 106,829.75                   | (9,002.84)                     | 3,465.68 |                | 1,472,330.49     |
| Mar-10      | (\$0.00037) | 23,397,628 | 79,967.00                    | (8,657.12)                     | 4,120.48 |                | 1,547,760.85     |
| Apr-10      | (\$0.00037) | 20,329,637 | 50,833.00                    | (7,521.97)                     | 4,191.85 |                | 1,595,263.73     |
| May-10      | (\$0.00037) | 15,232,314 | 39,066.86                    | (5,635.96)                     | 4,464.52 |                | 1,633,159.16     |
| Jun-10      | (\$0.00037) | 10,018,979 | 15,231.25                    | (3,707.02)                     | 4,423.14 |                | 1,649,106.53     |
| Jul-10      | (\$0.00037) | 8,148,333  | 54,395.15                    | (3,014.88)                     | 4,615.21 |                | 1,705,102.00     |
| Aug-10      | (\$0.00037) | 6,127,032  | 0.00                         | (2,267.00)                     | 4,771.92 | 4,304.38       | 1,711,911.30     |
| Sep-10      | (\$0.00037) | 6,670,134  | 66,272.40                    | (2,467.95)                     | 4,636.43 |                | 1,780,352.18     |
| Oct-10      | (\$0.00037) | 9,086,970  | 0.00                         | (3,362.18)                     | 4,982.51 |                | 1,781,972.51     |
|             |             |            |                              | Balance Transferred to RA64    |          | (1,715,514.64) | 66,457.87        |
| Nov-10      |             |            | 0.00                         |                                | 177.52   |                | 66,635.39        |
| Dec-10      |             |            | 0.00                         |                                | 183.93   |                | 66,819.32        |
| Jan-11      |             |            | 0.00                         |                                | 184.44   |                | 67,003.76        |
| Feb-11      |             |            | 0.00                         |                                | 167.05   |                | 67,170.81        |
| Mar-11      |             |            | 5,037.35                     |                                | 185.41   | 304,121.60     | 376,515.17       |
| Apr-11      |             |            | 18,891.70                    |                                | 1,005.76 |                | 396,412.63       |
| May-11      |             |            | 88,448.73                    |                                | 1,094.21 |                | 485,955.57       |
| Jun-11      |             |            | 63,659.00                    |                                | 1,298.10 |                | 550,912.67       |
| Jul-11      |             |            | 33,096.25                    |                                | 1,520.67 |                | 585,529.59       |
| Aug-11      |             |            | 41,373.35                    |                                | 1,616.22 |                | 628,519.16       |
| Sep-11      |             |            | 67,696.60                    |                                | 1,678.92 |                | 697,894.68       |
| Oct-11      |             |            | 221,170.65                   |                                | 1,926.38 |                | 920,991.71       |
| Oct-11      |             |            | BALANCE TRANSFERRED TO 20467 |                                |          | (590,339.23)   | 330,652.48       |
| Nov-11      |             |            | 75,025.65                    |                                | 883.25   |                | 406,561.38       |
| Dec-11      |             |            | 88,059.40                    |                                | 1,122.22 |                | 495,743.00       |
| Jan-12      |             |            | 47,485.98                    |                                | 1,368.38 |                | 544,597.36       |
| Feb-12      |             |            | 34,590.15                    |                                | 1,406.25 |                | 580,593.76       |
| Mar-12      |             |            | 85,264.90                    |                                | 1,602.60 |                | 667,461.26       |
| Apr-12      |             |            | 47,196.80                    |                                | 1,782.94 |                | 716,441.00       |
| May-12      |             |            | 19,413.45                    |                                | 1,977.57 |                | 737,832.02       |
| Jun-12      |             |            | 16,158.30                    |                                | 1,970.92 |                | 755,961.24       |
| Jul-12      |             |            | 35,782.60                    |                                | 2,086.66 |                | 793,830.50       |
| Aug-12      |             |            | 14,892.80                    |                                | 2,191.19 |                | 810,914.49       |

|                      |  |
|----------------------|--|
| State:               | Washington   |
| Description:         | Washington CAP Conservation Variance Deferral  |
| Account number:      | 47WA.1862.20447  |
| Class of customers:  | Core: rate schedules 503 & 504   |
| Deferral period:     | 10/01/2007 through 6/30/2011   |
| Amortization period: | 11/1/2011 through 10/31/2012   |
| Narrative:           | To record amortization of deferral activity for the Conservation Alliance Plan (CAP) conservation variances. |

| Month/ Year | Rate      | Therms     | Deferral | Amortization | Interest   | Adjustments | Deferred Balance |
|-------------|-----------|------------|----------|--------------|------------|-------------|------------------|
| Jan-10      |           |            | 0.00     |              | (1,395.79) |             | (500,139.44)     |
| Feb-10      |           |            | 0.00     |              | (1,264.24) |             | (501,403.68)     |
| Mar-10      |           |            | 0.00     |              | (1,403.23) |             | (502,806.91)     |
| Apr-10      |           |            | 0.00     |              | (1,361.77) |             | (504,168.68)     |
| May-10      |           |            | 0.00     |              | (1,410.97) |             | (505,579.65)     |
| Jun-10      |           |            | 0.00     |              | (1,369.28) |             | (506,948.93)     |
| Jul-10      |           |            | 0.00     |              | (1,418.75) |             | (508,367.68)     |
| Aug-10      |           |            | 0.00     |              | (1,422.72) |             | (509,790.40)     |
| Sep-10      |           |            | 0.00     |              | (1,380.68) |             | (511,171.08)     |
| Oct-10      |           |            | 0.00     |              | (1,430.57) |             | (512,601.65)     |
| Nov-10      | \$0.00235 | 5,280,387  |          | 12,408.91    | (1,369.28) |             | (501,562.02)     |
| Dec-10      | \$0.00235 | 30,062,566 |          | 70,647.03    | (1,384.45) |             | (432,299.44)     |
| Jan-11      | \$0.00235 | 33,531,552 |          | 78,799.15    | (1,193.26) |             | (354,693.55)     |
| Feb-11      | \$0.00235 | 26,225,461 |          | 61,629.83    | (884.30)   |             | (293,948.02)     |
| Mar-11      | \$0.00235 | 30,827,965 |          | 72,445.72    | (811.38)   |             | (222,313.68)     |
| Apr-11      | \$0.00235 | 19,467,213 |          | 45,747.95    | (593.85)   |             | (177,159.58)     |
| May-11      | \$0.00235 | 15,249,507 |          | 35,836.34    | (489.01)   |             | (141,812.25)     |
| Jun-11      | \$0.00235 | 9,830,394  |          | 23,101.43    | (378.81)   |             | (119,089.63)     |
| Jul-11      | \$0.00235 | 6,042,477  |          | 14,199.82    | (328.72)   |             | (105,218.53)     |
| Aug-11      | \$0.00235 | 5,843,688  |          | 13,732.67    | (290.43)   |             | (91,776.29)      |
| Sep-11      | \$0.00235 | 5,254,796  |          | 12,348.77    | (245.16)   |             | (79,672.68)      |
| Oct-11      | \$0.00235 | 7,547,381  |          | 17,736.35    | (219.92)   |             | (62,156.25)      |
| Nov-11      | Prorated  | 16,213,617 |          | 23,496.27    | (166.03)   |             | (38,826.01)      |
| Dec-11      | \$0.00017 | 29,068,910 |          | 4,941.71     | (107.17)   |             | (33,991.47)      |
| Jan-12      | \$0.00017 | 32,345,613 |          | 5,498.75     | (93.85)    |             | (28,586.57)      |
| Feb-12      | \$0.00017 | 29,127,914 |          | 4,951.75     | (73.82)    |             | (23,708.64)      |
| Mar-12      | \$0.00017 | 27,833,811 |          | 4,731.75     | (65.44)    |             | (19,042.33)      |
| Apr-12      | \$0.00017 | 20,242,025 |          | 3,441.14     | (50.87)    |             | (15,652.06)      |
| May-12      | \$0.00017 | 12,285,347 |          | 2,088.51     | (43.20)    |             | (13,606.75)      |
| Jun-12      | \$0.00017 | 8,727,193  |          | 1,483.62     | (36.35)    |             | (12,159.48)      |
| Jul-12      | \$0.00017 | 6,679,967  |          | 1,135.59     | (33.56)    |             | (11,057.45)      |
| Aug-12      | \$0.00017 | 5,631,747  |          | 957.40       | (30.52)    |             | (10,130.57)      |

|                      |  |
|----------------------|--|
| State:               | Washington   |
| Description:         | Regulatory Liabilities - WUTC imposed CNGC related/ Consolidated Noncore gas costs   |
| Account number:      | 47WA.1860.20458N   |
| Class of customers:  | Noncore  |
| Deferral period:     | 1 year   |
| Amortization period: | 11/1/2010 through 10/31/2013   |
| Narrative:           | To amortize the deferral of 50% of the gas management margins in agreement with the WA rate case settlement and Noncore Consolidated technical adjustments from prior periods. |

| Month/ Year | Rate      | Therms     | Deferral | Debit (Credit)<br>Amortization | Interest    | Adjustments | Deferred Balance |
|-------------|-----------|------------|----------|--------------------------------|-------------|-------------|------------------|
|             |           |            |          |                                |             |             | 0.00             |
|             |           |            |          | Balance transferred from 20458 |             | 837,358.88  | 837,358.88       |
| Nov-10      | Prorated  | 37,356,256 |          | \$ (70,898.17)                 | \$ 2,236.78 |             | 768,697.49       |
| Dec-10      | (0.00190) | 34,051,648 |          | (64,698.13)                    | 2,121.82    |             | 706,121.18       |
| Jan-11      | (0.00190) | 33,822,915 |          | (64,263.54)                    | 1,949.09    |             | 643,806.73       |
| Feb-11      | (0.00190) | 27,789,257 |          | (52,799.59)                    | 1,605.11    |             | 592,612.25       |
| Mar-11      | (0.00190) | 28,392,276 |          | (53,945.32)                    | 1,635.77    |             | 540,302.70       |
| Apr-11      | (0.00190) | 25,969,566 |          | (49,342.18)                    | 1,443.27    |             | 492,403.79       |
| May-11      | (0.00190) | 24,633,750 |          | (46,804.13)                    | 1,359.17    |             | 446,958.83       |
| Jun-11      | (0.00190) | 24,101,013 |          | (45,791.92)                    | 1,193.93    |             | 402,360.84       |
| Jul-11      | (0.00190) | 22,655,460 |          | (43,045.37)                    | 1,110.63    |             | 360,426.10       |
| Aug-11      | (0.00190) | 24,966,522 |          | (47,436.39)                    | 994.87      |             | 313,984.58       |
| Sep-11      | (0.00190) | 26,243,675 |          | (49,862.98)                    | 838.73      |             | 264,960.33       |
| Oct-11      | (0.00190) | 25,479,650 |          | (48,411.34)                    | 731.36      |             | 217,280.35       |
| Nov-11      | Prorated  | 29,797,770 |          | -                              | 580.41      |             | 217,860.76       |
| Dec-11      |           | 31,376,642 |          | -                              | 601.36      |             | 218,462.12       |
| Jan-12      |           | 30,669,712 |          | -                              | 603.02      |             | 219,065.14       |
| Feb-12      |           | 42,256,961 |          | -                              | 565.67      |             | 219,630.81       |
| Mar-12      |           | 38,273,540 |          | -                              | 606.24      |             | 220,237.05       |
| Apr-12      |           | 26,854,885 |          | -                              | 588.30      |             | 220,825.35       |
| May-12      |           | 26,961,073 |          | -                              | 609.54      |             | 221,434.89       |
| Jun-12      |           | 28,187,438 |          | -                              | 591.50      |             | 222,026.39       |
| Jul-12      |           | 28,213,293 |          | -                              | 612.85      |             | 222,639.24       |
| Aug-12      |           | 36,691,127 |          | -                              | 614.55      |             | 223,253.79       |

State: Washington  
 Description: 11/01/07 & 11/01/08 WA Consolidated Technical Adjustments - Non Core Transportation  
 Account number: 47WA.2530.01241  
 Class of customers: Noncore  
 Deferral period:  
 Amortization period: 11/1/2007 through 10/31/2010, 11/1/2011 through 10/31/2012  
 Narrative: To record consolidation of noncore transportation residual deferral balances per the 11/1/2008 tracker filing.

| Month/ Year | Rate      | Therms     | Deferral | Debit (Credit) |          |             | Deferred Balance |
|-------------|-----------|------------|----------|----------------|----------|-------------|------------------|
|             |           |            |          | Amortization   | Interest | Adjustments |                  |
| Jan-10      | (0.00091) | 462,914    | 0.00     | (421.25)       | 4.41     |             | 1,160.28         |
| Feb-10      | (0.00091) | 412,964    | 0.00     | (375.80)       | 2.93     |             | 787.42           |
| Mar-10      | (0.00091) | 381,294    | 0.00     | (346.98)       | 2.20     |             | 442.64           |
| Apr-10      | (0.00091) | 309,107    | 0.00     | (281.29)       | 1.20     |             | 162.55           |
| May-10      | (0.00091) | 302,560    | 0.00     | (275.33)       | 0.45     |             | (112.33)         |
| Jun-10      | (0.00091) | 294,036    | 0.00     | (267.57)       | (0.30)   |             | (380.20)         |
| Jul-10      | (0.00091) | 292,254    | 0.00     | (265.95)       | (1.06)   |             | (647.21)         |
| Aug-10      | (0.00091) | 275,959    | 0.00     | (251.12)       | (1.81)   |             | (900.14)         |
| Sep-10      | (0.00091) | 272,090    | 0.00     | (247.60)       | (2.44)   |             | (1,150.19)       |
| Oct-10      | (0.00091) | 383,605    | 0.00     | (349.08)       | (3.22)   |             | (1,502.49)       |
| Nov-10      |           |            |          |                | (4.01)   |             | (1,506.50)       |
| Dec-10      |           |            |          |                | (4.16)   |             | (1,510.66)       |
| Jan-11      |           |            |          |                | (4.17)   |             | (1,514.83)       |
| Feb-11      |           |            |          |                | (3.78)   |             | (1,518.61)       |
| Mar-11      |           |            |          |                | (4.19)   |             | (1,522.80)       |
| Apr-11      |           |            |          |                | (4.07)   |             | (1,526.87)       |
| May-11      |           |            |          |                | (4.18)   |             | (1,531.05)       |
| Jun-11      |           |            |          |                | (4.09)   |             | (1,535.14)       |
| Jul-11      |           |            |          |                | (4.24)   |             | (1,539.38)       |
| Aug-11      |           |            |          |                | (4.25)   |             | (1,543.63)       |
| Sep-11      |           |            |          |                | (4.12)   |             | (1,547.75)       |
| Oct-11      |           |            |          |                | (4.27)   |             | (1,552.02)       |
| Nov-11      | 0.00016   | 29,797,770 |          | 4,767.63       | (4.15)   |             | 3,211.47         |
| Dec-11      | 0.00016   | 31,376,642 |          | 5,020.26       | 8.86     |             | 8,240.59         |
| Jan-12      | 0.00016   | 30,669,712 |          | 4,907.15       | 22.77    |             | 13,170.51        |
| Feb-12      | 0.00016   | 42,256,961 |          | 6,761.11       | 34.01    | 5,053.20    | 25,018.83        |
| Mar-12      | 0.00016   | 38,273,540 |          | 6,123.77       | 69.06    |             | 31,211.66        |
| Apr-12      | 0.00016   | 26,854,885 |          | 4,296.78       | 83.37    |             | 35,591.81        |
| May-12      | 0.00016   | 26,961,073 |          | 4,313.77       | 98.24    |             | 40,003.82        |
| Jun-12      | 0.00016   | 28,187,438 |          | 4,509.99       | 106.86   |             | 44,620.67        |
| Jul-12      | 0.00016   | 28,213,293 |          | 4,514.13       | 123.17   |             | 49,257.97        |
| Aug-12      | 0.00016   | 36,691,127 |          | 5,870.58       | 135.97   |             | 55,264.52        |

|                      |  |
|----------------------|--|
| State:               | Washington   |
| Description:         | 11/01/2011 WA Consolidated Technical Adjustments - Gas Cost                                |
| Account number:      | 47WA.2530.01276  |
| Class of customers:  | Core   |
| Deferral period:     | N/A  |
| Amortization period: | 11/01/2011 - 10/31/2012  |
| Narrative:           | Consolidation of Core gas cost residual deferral balances per the 11/1/2011 tracker filing |

| Month/ Year | Rate     | Therms     | Deferral | Debit (Credit)                  |             | Adjustments     | Deferred Balance |
|-------------|----------|------------|----------|---------------------------------|-------------|-----------------|------------------|
|             |          |            |          | Amortization                    | Interest    |                 |                  |
|             |          |            |          | Balance transferred from 20458C |             | 1,015,244.11    | 1,015,244.11     |
|             |          |            |          | Balance transferred from DG253  |             | (19,894,790.95) | (18,879,546.84)  |
|             |          |            |          | Balance transferred from DG254  |             | 4,552,753.34    | (14,326,793.50)  |
|             |          |            |          | Balance transferred from DG270  |             | (1,459.90)      | (14,328,253.40)  |
|             |          |            |          | Balance transferred from DG218  |             | (35,396.43)     | (14,363,649.83)  |
| Nov-11      | Prorated | 18,271,583 |          | 299,343.47                      | (38,368.65) |                 | (14,102,675.00)  |
| Dec-11      | 0.06334  | 32,293,178 |          | 2,045,449.89                    | (38,927.25) |                 | (12,096,152.36)  |
| Jan-12      | 0.06334  | 35,480,775 |          | 2,247,352.29                    | (33,388.70) |                 | (9,882,188.77)   |
| Feb-12      | 0.06334  | 31,881,959 |          | 2,019,403.28                    | (25,517.71) |                 | (7,888,303.20)   |
| Mar-12      | 0.06334  | 30,505,322 |          | 1,932,207.10                    | (21,773.88) |                 | (5,977,869.98)   |
| Apr-12      | 0.06334  | 22,209,857 |          | 1,406,772.34                    | (15,968.28) |                 | (4,587,065.92)   |
| May-12      | 0.06334  | 13,824,704 |          | 875,656.75                      | (12,661.56) |                 | (3,724,070.73)   |
| Jun-12      | 0.06334  | 9,855,321  |          | 624,236.03                      | (9,947.86)  |                 | (3,109,782.56)   |
| Jul-12      | 0.06334  | 7,551,876  |          | 478,335.83                      | (8,583.85)  |                 | (2,640,030.58)   |
| Aug-12      | 0.06334  | 6,560,214  |          | 415,523.95                      | (7,287.21)  |                 | (2,231,793.84)   |

|                      |   |
|----------------------|---|
| State:               | Washington  |
| Description:         | Consolidated Technical Adjustments - Conservation   |
| Account number:      | 47WA.1862.20467   |
| Class of customers:  | Core  |
| Deferral period:     | N/A   |
| Amortization period: | 11/01/2011 through 10/31/2012   |
| Narrative:           | Consolidated Core Conservaton residual deferral balances per the 11/1/2011 tracker filing |

| Month/ Year | Rate      | Therms     | Deferral | Debit (Credit)<br>Amortization | Interest | Adjustments                    | Deferred Balance |              |
|-------------|-----------|------------|----------|--------------------------------|----------|--------------------------------|------------------|--------------|
|             |           |            |          |                                |          | Balance transferred from 20430 | 558,428.52       | 558,428.52   |
|             |           |            |          |                                |          | Balance transferred from 20431 | 363,465.44       | 921,893.96   |
|             |           |            |          |                                |          | Balance transferred from 20444 | 1,819,406.42     | 2,741,300.38 |
|             |           |            |          |                                |          | Balance transferred from 20449 | 590,339.23       | 3,331,639.61 |
|             |           |            |          |                                |          | Balance transferred from 20464 | 411,127.80       | 3,742,767.41 |
| Nov-11      | Prorated  | 18,271,583 |          | (383,795.76)                   | 9,997.80 |                                |                  | 3,368,969.44 |
| Dec-11      | (0.01553) | 32,293,178 |          | (501,513.05)                   | 9,299.28 |                                |                  | 2,876,755.67 |
| Jan-12      | (0.01553) | 35,480,775 |          | (551,016.44)                   | 7,940.64 |                                |                  | 2,333,679.87 |
| Feb-12      | (0.01553) | 31,881,959 |          | (495,126.82)                   | 6,026.01 |                                |                  | 1,844,579.06 |
| Mar-12      | (0.01553) | 30,505,322 |          | (473,747.65)                   | 5,091.54 |                                |                  | 1,375,922.95 |
| Apr-12      | (0.01553) | 22,209,857 |          | (344,919.08)                   | 3,675.41 |                                |                  | 1,034,679.28 |
| May-12      | (0.01553) | 13,824,704 |          | (214,697.65)                   | 2,856.00 |                                |                  | 822,837.63   |
| Jun-12      | (0.01553) | 9,855,321  |          | (153,053.14)                   | 2,197.99 |                                |                  | 671,982.48   |
| Jul-12      | (0.01553) | 7,551,876  |          | (117,280.63)                   | 1,854.86 |                                |                  | 556,556.71   |
| Aug-12      | (0.01553) | 6,560,214  |          | (101,880.12)                   | 1,536.25 |                                |                  | 456,212.84   |

|                      |   |
|----------------------|---|
| State:               | Washington  |
| Description:         | Temporary Revenue Credit Residual Balance from CY11   |
| Account number:      | 47WA.1860.20470   |
| Class of customers:  | All   |
| Deferral period:     | 11/1/2011 through 10/31/2012  |
| Amortization period: | n/a   |
| Narrative:           | To record the amortization of the balance remaining from the CY10 merger commitment of a refund of \$672 to Washington customers. |

| Month/ Year  | Rate | Therms | Deferral | Debit (Credit)<br>Amortization | Interest | Adjustments | Deferred Balance |
|--|------|--------|----------|--------------------------------|----------|-------------|------------------|
| Balance of over-refunded rate credit recorded at end of 11/12 PGA period |      |        |          |                                |          |             | 59,403.95        |
| Nov-11   |      |        |          |                                | 158.68   |             | 59,562.63        |
| Dec-11   |      |        |          | -                              | 164.41   |             | 59,727.04        |
| Jan-12   |      |        |          | -                              | 164.86   |             | 59,891.90        |
| Feb-12   |      |        |          | -                              | 154.65   |             | 60,046.55        |
| Mar-12   |      |        |          | -                              | 165.74   |             | 60,212.29        |
| Apr-12   |      |        |          | -                              | 160.84   |             | 60,373.13        |
| May-12   |      |        |          | -                              | 166.65   |             | 60,539.78        |
| Jun-12   |      |        |          | -                              | 161.72   |             | 60,701.50        |
| Jul-12   |      |        |          | -                              | 167.55   |             | 60,869.05        |
| Aug-12   |      |        |          | -                              | 168.02   |             | 61,037.07        |

**WASHINGTON DELIVERED VOLUMES**

**SOURCE(S): Gas sales summary, bill frequency report (through 6/30/10), CA1501 & CA1501A (beginning 7/1/10)**

| Date   | FIRM               |                   | INTERRUPTIBLE     |            | NONCORE [4861 & 4863] | TOTAL CORE | TOTAL ALL CLASSES | NONCORE EXCLUSIONS                  |                       |                     | NET ALL CLASSES | TRANSP VOLUMES R/S 685/686 |           |        |             |
|--------|--------------------|-------------------|-------------------|------------|-----------------------|------------|-------------------|-------------------------------------|-----------------------|---------------------|-----------------|----------------------------|-----------|--------|-------------|
|        | Residential [4800] | Commercial [4810] | Industrial [4809] | Total Firm |                       |            |                   | Industrial/ Small Commercial [4811] | Institutio nal [4813] | Total Interruptible |                 |                            | Schedules | Therms | NET NONCORE |
|        |                    |                   |                   |            |                       |            |                   |                                     |                       |                     |                 |                            |           |        |             |
| Jan-10 | 17,779,582         | 13,697,878        | 1,203,202         | 32,680,662 | 3,885                 | 532,998    | 536,883           | 33,217,545                          | 16,432,773            | 28,966,936          | 62,184,481      | 462,914                    |           |        |             |
| Feb-10 | 12,979,460         | 9,935,883         | 995,845           | 23,911,188 | 8,178                 | 412,624    | 420,802           | 24,331,990                          | 15,253,626            | 32,055,493          | 56,387,483      | 412,964                    |           |        |             |
| Mar-10 | 12,529,273         | 9,502,199         | 897,042           | 22,928,514 | 5,193                 | 463,921    | 469,114           | 23,397,628                          | 23,314,718            | 38,279,552          | 61,677,180      | 381,299                    |           |        |             |
| Apr-10 | 11,006,032         | 8,121,762         | 786,618           | 19,914,412 | 13,586                | 401,639    | 415,225           | 20,329,637                          | 25,180,073            | 34,126,211          | 54,455,848      | 309,107                    |           |        |             |
| May-10 | 7,944,999          | 6,285,670         | 637,492           | 14,868,161 | 10,564                | 353,589    | 364,153           | 15,232,314                          | 14,302,284            | 26,411,839          | 41,644,153      | 302,560                    |           |        |             |
| Jun-10 | 4,855,935          | 4,421,878         | 452,352           | 9,730,165  | 16,508                | 272,306    | 288,814           | 10,018,979                          | 12,567,474            | 21,282,821          | 31,301,800      | 294,036                    |           |        |             |
| Jul-10 | 3,776,210          | 3,699,395         | 416,090           | 7,891,695  | 4,484                 | 252,154    | 256,638           | 8,148,333                           | 21,216,830            | 28,452,198          | 36,600,531      | 292,254                    |           |        |             |
| Aug-10 | 2,711,631          | 2,821,988         | 374,204           | 5,907,823  | 5,651                 | 213,558    | 219,209           | 6,127,032                           | 36,095,244            | 33,137,154          | 39,264,186      | 275,959                    |           |        |             |
| Sep-10 | 2,947,178          | 3,044,758         | 407,948           | 6,399,884  | 3,491                 | 266,759    | 270,250           | 6,670,134                           | 30,691,490            | 36,044,489          | 42,714,623      | 272,090                    |           |        |             |
| Oct-10 | 4,052,824          | 3,679,267         | 981,287           | 8,713,378  | 6,464                 | 367,128    | 373,592           | 9,086,970                           | 24,361,997            | 39,160,380          | 48,247,350      | 383,605                    |           |        |             |
| Nov-10 | 8,152,072          | 6,147,279         | 721,227           | 15,020,578 | 3,421                 | 497,820    | 501,241           | 15,521,819                          | 20,514,199            | 37,356,256          | 52,878,075      | 428,291                    |           |        |             |
| Dec-10 | 17,951,540         | 13,299,008        | 1,457,792         | 32,708,340 | 8,257                 | 537,792    | 546,049           | 33,254,389                          | 19,049,127            | 34,051,648          | 67,306,037      | 528,180                    |           |        |             |
| Jan-11 | 19,769,683         | 15,180,037        | 1,378,193         | 36,327,913 | 14,132                | 540,040    | 554,172           | 36,882,085                          | 21,981,050            | 33,822,915          | 70,705,000      | 508,486                    |           |        |             |
| Feb-11 | 15,443,814         | 11,803,741        | 1,228,974         | 28,476,529 | 12,083                | 494,638    | 506,721           | 28,983,250                          | 20,634,484            | 27,789,257          | 56,772,507      | 497,922                    |           |        |             |
| Mar-11 | 18,403,340         | 13,775,499        | 1,380,559         | 33,559,398 | 14,372                | 476,128    | 490,500           | 34,049,898                          | 16,827,965            | 28,392,276          | 62,442,174      | 90,641                     |           |        |             |
| Apr-11 | 11,658,356         | 8,654,909         | 819,625           | 21,132,890 | 13,000                | 435,461    | 448,461           | 21,581,351                          | 17,925,441            | 25,969,566          | 47,550,917      | 905,163                    |           |        |             |
| May-11 | 9,019,174          | 6,923,933         | 703,075           | 16,646,182 | 7,829                 | 359,651    | 367,480           | 17,013,662                          | 13,974,838            | 24,633,750          | 41,647,412      | -                          |           |        |             |
| Jun-11 | 5,454,323          | 4,874,188         | 504,661           | 10,833,172 | 11,042                | 270,970    | 282,012           | 11,115,184                          | 11,396,707            | 24,101,013          | 35,216,197      | 843,086                    |           |        |             |
| Jul-11 | 3,203,507          | 3,089,388         | 376,384           | 6,669,279  | 11,666                | 247,302    | 258,968           | 6,928,247                           | 17,637,773            | 22,655,460          | 29,583,707      | 428,087                    |           |        |             |
| Aug-11 | 2,981,688          | 3,093,128         | 487,104           | 6,561,920  | 15,963                | 207,758    | 223,721           | 6,785,641                           | 22,225,328            | 24,966,522          | 31,752,163      | 391,353                    |           |        |             |
| Sep-11 | 2,747,065          | 2,728,560         | 581,669           | 6,057,294  | 11,167                | 257,048    | 268,215           | 6,325,509                           | 29,605,954            | 26,243,675          | 32,569,184      | 396,260                    |           |        |             |
| Oct-11 | 4,263,518          | 3,640,739         | 967,300           | 8,871,557  | 3,778                 | 354,245    | 358,023           | 9,229,580                           | 19,675,428            | 25,479,650          | 34,709,230      | 476,294                    |           |        |             |
| Nov-11 | 9,875,426          | 7,070,745         | 847,031           | 17,793,202 | 8,781                 | 469,600    | 478,381           | 18,271,583                          | 26,912,583            | 29,797,770          | 48,069,353      | 538,615                    |           |        |             |
| Dec-11 | 17,443,467         | 12,754,036        | 1,533,707         | 31,731,210 | 10,501                | 551,467    | 561,968           | 32,293,178                          | 31,919,305            | 31,376,642          | 63,669,820      | 647,013                    |           |        |             |
| Jan-12 | 19,187,485         | 14,367,288        | 1,357,643         | 34,912,416 | 11,743                | 556,616    | 568,359           | 35,480,775                          | 31,652,723            | 30,669,712          | 66,150,487      | 606,615                    |           |        |             |
| Feb-12 | 17,254,352         | 12,965,052        | 1,159,906         | 31,379,310 | 14,675                | 487,974    | 502,649           | 31,881,959                          | 15,939,123            | 42,256,961          | 74,138,920      | 515,287                    |           |        |             |
| Mar-12 | 16,673,941         | 12,226,046        | 1,126,946         | 30,026,933 | 12,686                | 465,703    | 478,389           | 30,505,322                          | 17,307,784            | 38,273,540          | 68,778,862      | 510,191                    |           |        |             |
| Apr-12 | 12,115,601         | 8,867,495         | 837,434           | 21,820,530 | 15,621                | 373,706    | 389,327           | 22,209,857                          | 14,214,169            | 26,854,885          | 49,064,742      | 468,384                    |           |        |             |
| May-12 | 7,141,925          | 5,770,936         | 591,079           | 13,503,940 | 12,370                | 308,394    | 320,764           | 13,824,704                          | 13,962,401            | 26,961,073          | 40,785,777      | 452,730                    |           |        |             |
| Jun-12 | 4,847,451          | 4,249,192         | 483,484           | 9,580,127  | 15,019                | 260,175    | 275,194           | 9,855,321                           | 11,744,720            | 28,187,438          | 38,042,759      | 394,486                    |           |        |             |
| Jul-12 | 3,553,823          | 3,394,529         | 363,701           | 7,312,053  | 10,375                | 229,448    | 239,823           | 7,551,876                           | 13,444,720            | 28,213,293          | 35,765,169      | 411,612                    |           |        |             |
| Aug-12 | 2,871,438          | 3,004,973         | 473,726           | 6,350,137  | 13,571                | 196,506    | 210,077           | 6,560,214                           | 16,596,977            | 36,691,127          | 43,251,341      | 399,836                    |           |        |             |
| Sep-12 | -                  | -                 | -                 | -          | -                     | -          | -                 | -                                   | -                     | -                   | -               | -                          |           |        |             |
| Oct-12 | -                  | -                 | -                 | -          | -                     | -          | -                 | -                                   | -                     | -                   | -               | -                          |           |        |             |
| Nov-12 | -                  | -                 | -                 | -          | -                     | -          | -                 | -                                   | -                     | -                   | -               | -                          |           |        |             |
| Dec-12 | -                  | -                 | -                 | -          | -                     | -          | -                 | -                                   | -                     | -                   | -               | -                          |           |        |             |



**CASCADE NATURAL GAS CORPORATION  
STATE OF WASHINGTON  
FERC Interest Rates**

Check for rate changes quarterly

Rates can be found at:

<http://www.ferc.gov/legal/acct-matts/interest-rates.asp#skipnavsub>

| Month/ Year | Interest Rate | # of Days in Month |           |
|-------------|---------------|--------------------|-----------|
| Jan-09      | 4.52%         | 31                 | FERCINT09 |
| Feb-09      | 4.52%         | 28                 |           |
| Mar-09      | 4.52%         | 31                 |           |
| Apr-09      | 3.37%         | 30                 |           |
| May-09      | 3.37%         | 31                 |           |
| Jun-09      | 3.37%         | 30                 |           |
| Jul-09      | 3.25%         | 31                 |           |
| Aug-09      | 3.25%         | 31                 |           |
| Sep-09      | 3.25%         | 30                 |           |
| Oct-09      | 3.25%         | 31                 |           |
| Nov-09      | 3.25%         | 30                 |           |
| Dec-09      | 3.25%         | 31                 |           |
| Jan-10      | 3.25%         | 31                 | FERCINT10 |
| Feb-10      | 3.25%         | 28                 |           |
| Mar-10      | 3.25%         | 31                 |           |
| Apr-10      | 3.25%         | 30                 |           |
| May-10      | 3.25%         | 31                 |           |
| Jun-10      | 3.25%         | 30                 |           |
| Jul-10      | 3.25%         | 31                 |           |
| Aug-10      | 3.25%         | 31                 |           |
| Sep-10      | 3.25%         | 30                 |           |
| Oct-10      | 3.25%         | 31                 |           |
| Nov-10      | 3.25%         | 30                 |           |
| Dec-10      | 3.25%         | 31                 |           |
| Jan-11      | 3.25%         | 31                 | FERCINT11 |
| Feb-11      | 3.25%         | 28                 |           |
| Mar-11      | 3.25%         | 31                 |           |
| Apr-11      | 3.25%         | 30                 |           |
| May-11      | 3.25%         | 31                 |           |
| Jun-11      | 3.25%         | 30                 |           |
| Jul-11      | 3.25%         | 31                 |           |
| Aug-11      | 3.25%         | 31                 |           |
| Sep-11      | 3.25%         | 30                 |           |
| Oct-11      | 3.25%         | 31                 |           |
| Nov-11      | 3.25%         | 30                 |           |
| Dec-11      | 3.25%         | 31                 |           |
| Jan-12      | 3.25%         | 31                 | FERCINT12 |
| Feb-12      | 3.25%         | 29                 |           |
| Mar-12      | 3.25%         | 31                 |           |
| Apr-12      | 3.25%         | 30                 |           |
| May-12      | 3.25%         | 31                 |           |
| Jun-12      | 3.25%         | 30                 |           |
| Jul-12      | 3.25%         | 31                 |           |
| Aug-12      | 3.25%         | 31                 |           |
| Sep-12      | 3.25%         | 30                 |           |
| Oct-12      |               | 31                 |           |
| Nov-12      | 0.00%         | 30                 |           |
| Dec-12      | 0.00%         | 31                 |           |