

**Exhibit No. \_\_ (MCP-4)**  
**Conversion Factor Calculation**  
**Witness: Maryalice C. Peters**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,  
Complainant,

v.

CASCADE NATURAL GAS  
CORPORATION,  
Respondent.

**CASCADE NATURAL GAS CORPORATION**

**EXHIBIT OF MARYALICE C. PETERS**

**CONVERSION FACTOR CALCULATION**

**3/29/2019**

<b>Cascade Natural Gas</b>		
<b>Results of Operations Summary Sheet</b>		
<b>Twelve Months Ended December 31, 2018</b>		
<b>REVENUE SENSITIVE COSTS</b>		
Revenues		1.00000
Operating Revenue Deductions		
Uncollectible Accounts		0.00310
State B&O Tax		0.03852
UTC Fees		0.00200
Interest expense		
State Taxable Income		0.95638
State Income Tax		0.00000
Federal Taxable Income		0.95638
Federal Income Tax @ 21%		0.20084
Total Income Taxes		0.20084
Total Revenue Sensitive Costs		0.24446
<b>RESULTS OF OPERATIONS SUMMARY SHEET</b>		
Net-to-Gross Factor		<b>0.75554</b>
Combo-State & Federal Income Tax		
State		0.00000
Federal		0.21000
State and Federal Effective Tax Rate		0.21

0.04362