

**Exh. KMH-4  
Docket UG-200568  
Witness: Kristen M. Hillstead**

**BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**CASCADE NATURAL GAS  
CORPORATION,**

**Respondent.**

**DOCKET UG-200568**

**EXHIBIT TO  
TESTIMONY OF**

**Kristen M. Hillstead**

**STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

*Revenue Requirement Calculation (Rev Req Calc)*

**November 19, 2020**

**Cascade Natural Gas Corporation**  
**UG-200568**  
**Staff Revenue Requirement Calculaton**

1 Adjusted Rate Base	\$402,652,193
2 Rate of Return	<u>6.93%</u>
3 Required Return (ln 1 x ln 2)	\$27,899,770
4 Adjusted Net Income	<u>\$28,283,946</u>
5 Required Net Income (ln 3 - ln 4)	-\$384,176
6 Conversion Factor	<u>0.75481</u>
7 Revenue Increase Required (ln 5 / ln 6)	<u><b>-\$508,968</b></u>
8 Test Year Adjusted Revenue	\$260,257,796
9 Overall Revenue Increase	<b>-0.196%</b>