

Cascade Natural Gas Corp.
Docket UG-240008
Summary Document
Attachment C

WAC 480-07-510, SECTION (5)(a):

(i)

The date and amount of the last general rate change the commission authorized for the company and the revenue the company realized from that change during the test period based on the company's test period units of sale (e.g., kilowatthours, therms, etc.)

The last general rate increase authorized by the Commission: Docket UG-210755, effective September 1, 2022.

Resulting Increase (Decrease) in Revenue:	\$	7,188,900
Realized Total Revenue during the Test Period:		
		<u>2023</u>
	\$	7,311,279

(ii) *Total revenues the company is realizing at its present rates and the total revenues the company would realize at the requested rates*

		<u>Rate Effective Date - March 1, 2025</u>		<u>Rate Effective Date - March 1, 2026</u>
Present Rates - Total Adjusted Operating Revenues	\$	147,200,727	\$	193,077,478
Proposed Rates - Total Adjusted Operating Revenues	\$	191,030,400	\$	204,746,720

(iii) *Requested revenue change in percentage, in total and by major customer class*

		<u>Rate Effective Date - March 1, 2025</u>		<u>Rate Effective Date - March 1, 2026</u>
Residential Service (Sch. 503)		35.45%		6.15%
Commercial Service (Sch. 504)		14.72%		5.72%
Industrial Service (Sch. 505)		19.89%		5.80%
Large Volume Service (Sch. 511)		19.61%		5.92%
Interruptible Service (Sch. 570)		34.76%		6.42%
Transportation Service (Sch. 663)		42.81%		6.71%
Total requested revenue change		29.78%		6.04%

(iv) *Requested revenue change in dollars, in total and by major customer class*

		<u>Rate Effective Date - March 1, 2025</u>		<u>Rate Effective Date - March 1, 2026</u>
Residential Service (Sch. 503)	\$	24,518,947	\$	5,846,635
Commercial Service (Sch. 504)	\$	5,799,124	\$	2,618,319
Industrial Service (Sch. 505)	\$	671,148	\$	236,981
Large Volume Service (Sch. 511)	\$	661,922	\$	239,096
Interruptible Service (Sch. 570)	\$	65,696	\$	16,341
Transportation Service (Sch. 663)	\$	12,112,837	\$	2,711,871
Total requested revenue change	\$	43,829,673	\$	11,669,242

(v) *The representative effect of the request in dollars for the average monthly use per customer, by customer class or other similar meaningful representation, including, but not limited to, the effect of the proposed rate change in dollars per month on residential customers by usage categories*

	Base Rate Bill Impact Amount Changes		Base Rate Bill Impact Percentage Changes	
	<u>Rate Effective Date - March 1, 2025</u>	<u>Rate Effective Date - March 1, 2026</u>	<u>Rate Effective Date - March 1, 2025</u>	<u>Rate Effective Date - March 1, 2026</u>
	Residential Service (Sch. 503) (average 53 therms/mo)	\$ 9.40	\$ 1.74	12.62%
Commercial Service (Sch. 504)	\$ 15.69	\$ 5.95	4.42%	1.60%
Industrial Service (Sch. 505)	\$ 107.14	\$ 32.33	4.47%	1.29%
Large Volume Service (Sch. 511)	\$ 624.96	\$ 217.02	3.93%	1.31%
Interruptible Service (Sch. 570)	\$ 1,060.44	\$ 235.35	4.13%	0.88%
Transportation Service (Sch. 663)	\$ 6,061.67	\$ 1,218.34	32.98%	4.98%

(vi) Most current customer count, by major customer class

	<u>2023 Test Year</u>	<u>Rate Effective Date - March 1, 2025</u>	<u>Rate Effective Date - March 1, 2026</u>
Residential Service (Sch. 503)	204,516	208,092	211,659
Commercial Service (Sch. 504)	27,656	28,102	28,540
Industrial Service (Sch. 505)	495	502	508
Large Volume Service (Sch. 511)	99	99	99
Interruptible Service (Sch. 570)	7	7	7
Transportation Service (Sch. 663)	193	193	193
Special Contracts	7	7	7
Total Customers	232,973	237,002	241,013

(vii) Current authorized overall rate of return and authorized rate of return on common equity

Current authorized overall rate of return	6.85%
Current authorized rate of return on common equity	9.40%

(viii) Actual rate of return and actual rate of return on common equity for the test period

Actual Rate of Return	5.56%
Actual Return on Equity for the test period	4.55%

(ix) Requested overall rate of return and requested rate of return on common equity, and the method or methods used to calculate rate of return on common equity

	<u>Rate Effective Date - March 1, 2025</u>	<u>Rate Effective Date - March 1, 2026</u>
Requested authorized overall rate of return	7.89%	7.89%
Requested authorized rate of return on common equity	10.50%	10.50%

ROE was calculated using several methodologies including a constant growth DCF model, the CAPM, the ECAPM, and a BYRP approach.

(x) Requested capital structure

	<u>Rate Effective Date - March 1, 2025</u>	<u>Rate Effective Date - March 1, 2026</u>
Short & Long Term Debt	49.72%	49.72%
Common Equity	50.29%	50.29%

(xi) Requested net operating income

	<u>Rate Effective Date - March 1, 2025</u>	<u>Rate Effective Date - March 1, 2026</u>
Requested net operating income: \$	\$ 57,185,301	\$ 62,517,683

(xii) Requested rate base and method of calculation, or equivalent

	<u>Rate Effective Date - March 1, 2025</u>	<u>Rate Effective Date - March 1, 2026</u>
Requested rate base: \$	\$ 724,414,764	\$ 791,964,572

The requested rate base was calculated based on end of period balances.

(xiii) Revenue effect of any requested attrition allowance

N/A - no requested attrition allowance