

Cascade Natural Gas Corp.
Replacement Projects 1-1-19 to 10-31-19

Project	Location	Actual costs thru September with Estimated Cost thru October	30-Sep-19 Actual Cost	TYPE OF PIPE TO BE REPLACED					
1 x CRM RPL ANACORTES BARE STEEL	MT. VERNON	1,272,510.96	668,459.23	BARE STEEL/PRE-CNG PIPE - IDENTIFIED HIGH (RED) RISK IN DIMP					
2 x CRM RPL LONGVIEW BARE STEEL	LONGVIEW	1,317,983.47	882,199.47	BARE STEEL/PRE-CNG PIPE - IDENTIFIED HIGH (RED) RISK IN DIMP					
3 x CRM RPL; 12" STL HP, LONG/KELSO PH3	LONGVIEW	2,742,222.49	1,398,302.78	PRE-CNG PIPE - HIGH (RED) IN DIMP					
4 x CRM SHELTON REPLACEMENT	ABERDEEN			PRE-CNG PIPE - IDENTIFIED HIGH (RED) RISK IN DIMP					
5 x CRM RP 2" LYNDEN	BELLINGHAM	60,438.53	60,438.53	PRE-CNG STEEL PIPE					
6 x CRM BELLINGHAM BRIDGE CROSSINGS RMV	BELLINGHAM	-	(7,627.71)	PRE-CNG PIPE - IDENTIFIED HIGH (RED) RISK IN DIMP					
7 x CRM KELSO GRADE ST BRIDGE RELOCATE	LONGVIEW	315,382.91	29,307.18	EXPOSED PIPE SUSCEPTIBLE TO CORROSION RISK - MODERATE (ORANGE)					
8 x CRM RPL 8" MARCH POINT - 11C1144-1	MT. VERNON	-	(173,286.05)	PRE-CODE TRANSMISSION MAIN, HISTORY OF CORROSION					
9 x CRM 6,8" HP; MOSES LAKE; 16,495'	WENATCHEE	-	(887,271.33)	PRE-CNG PIPE					
10 x ANACORTES CRM PHASE 2	MT VERNON			HIGH-MODERATE RISK IN DIMP					
11 x CRM KELSO REPLACEMENT	LONGVIEW	1,697,159.99	809,875.18	BARE STEEL/PRE-CNG PIPE IDENTIFIED HIGH (RED) RISK IN DIMP					
12 x CRM 2" STL BELLINGHAM	BELLINGHAM	279,770.44	60,289.40	EARLY VINTAGE STEEL PIPE PRE-1970					
13 x CRM RPL HP OTHELLO	WENATCHEE			EARLY VINTAGE STEEL PIPE PRE-1970					
14 x CRM RP 8" BRIDGE CROSSING WALLA WALLA	WALLA WALLA	196,263.52	58,647.52	EARLY VINTAGE STEEL PIPE (FISH)					
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16									
17	Note: Three projects shown on lines 4, 10, and 13 have costs attributable to the project but will not be in service by November 1. They are excluded from recovery in this year's mechanism.								
18									
19									
20	Total Estimated Replacement Cost	<u>\$7,881,732</u>	<u>\$2,899,334</u>						
				Schedule	Schedule	Schedule	Schedule	Schedule	Schedule
				503	504	505	511	570	663
38	Rate Base Allocation from UG-170929 Company COS	\$279,938,461	\$139,245,995						
39	Percentage	100.00%	49.74%	22.90%	2.51%	1.96%	0.29%	22.60%	
40	Total Investment	Ln 20	7,881,732						
41	Depreciation Expense - Rate 2.58%	Ln 40* 2.58%	203,349	203,349					
42	Accumulated Depr. (Avg)	Ln 41 / 2	101,674						
43	Accum Tax depreciation	Ln 40 *3.75%	295,565						
44	Deferred Tax	(Ln 43 - Ln 41) * .21	19,365						
45	Accum Def Tax (Avg)	Ln 44 / 2	9,683						
46	FIT	Ln 41* .21		42,703					
47	Interest Coordination Adj (Rate Base x Weighted Cost of Debt (2.70045%) x 21% FIT)			44,065					
48	Rate Base	Ln 20 - Ln 42 - Ln 45	7,770,375						
49	Authorized ROR from UG-170929		7.31%						
50	NOI	((Ln 48 * Ln 49) and (Ln 41 - Ln 46-Ln 47)	\$568,014	\$116,580					
51	Total NOI	Sum Ln 50	\$684,595						
52	Conversion Factor in UG-170929		0.75499						
53	Revenue Requirement (Current Year Investment) 2018 and 2017 Current Revenue Requirement	Ln 51 / Ln 52	\$906,760						
54	Total Revenue Requirement	Ln 53	\$906,760						
	Less UG-180512 Revenue Requirement			\$1,744,450	\$834,937	\$82,044	\$66,483	\$7,485	\$904,436
	Increase in Revenue Requirement		\$906,760						
55	Allocation Rev Req to Schedules	Ln 54 * Ln 39		\$451,037	\$207,639	\$22,774	\$17,730	\$2,613	\$204,967
56	Weather Normalized 2018 Volumes (From UG-190210, Current General Rate Case)			130,085,781	91,852,229	11,994,800	14,055,647	2,201,469	528,910,079
57	Rate Charge	Ln 55 / Ln 56		\$0.00347	\$0.00226	\$0.00190	\$0.00126	\$0.00119	\$0.00039
58	2018 Commission Basis Total Revenue			\$224,484,640					
59	Percentage Increase in Revenue	Ln 54 / Ln 58		0.40%					