

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE NATURAL GAS CORPORATION,

Respondent.

DOCKET UG-210755

**ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT**

EXHIBIT MEG-14

Cost of Capital

April 25, 2022

Cascade Natural Gas Corp.
Public Counsel Unit Cost of Capital
Twelve Months Ended December 31, 2020; Docket No. UG-210755

Line No.	Description	Capital Structure	Cost	Weighted Cost of Capital	Revenue Conversion Factor ²	Pre-Tax Weighted Cost
	<u>Requested Amounts¹</u>					
1	Long-Term Debt	50.90%	4.541%	2.311%	1.04627286	2.418%
2	Common Equity	49.10%	9.400%	4.615%	1.32439602	6.112%
3	Totals	100.00%		6.926%		8.530%
	<u>PCU Recommended Capital Structure</u>					
4	Long-Term Debt	50.90%	4.541%	2.311%	1.04627286	2.418%
5	Common Equity	49.10%	9.40%	4.615%	1.32439602	6.112%
6	Totals	100.00%		6.926%		8.530%
7	PCU Capital Structure Adjustment			0.000%		0.000%
	<u>PCU Recommended Return on Equity</u>					
8	Long-Term Debt	50.90%	4.541%	2.311%	1.04627286	2.418%
9	Common Equity	49.10%	9.40%	4.615%	1.32439602	6.112%
10	Totals	100.00%		6.926%		8.530%
11	PCU ROE Adjustment			0.000%		0.000%

Note 1: CNGC requested capital structure from MCG WP-1.18.

Note 2: Revenue conversion factor for Exh MCG-4 - Conversion Factor.