

Cascade Natural Gas Corporation
CALCULATION OF PER THERM RATES TO AMORTIZE DEFERRED ACCOUNTS
 State of Washington

Line No.	Consolidated Account (a)	Account Balance 7/31/2014 (b)	Interest Assignments & Amortization through 10/31/2014 (c)	Revenue Sensitive costs (d)	Interest Accruals Through Am. (e)	Amount (f)	PROPOSED TECH. ADJUSTMENTS		Proposed Period of Am. (j)	Item (k)
							CORE	NONCORE		
1	CORE Gas Cost	\$ 9,767,629	\$ (446,870)	\$ 442,776	\$ 122,227	\$ 9,885,762			1 Year	Core Gas Deferrals
2					Divide by	227,248,973		\$ 0.04350		Core
3	ALL	\$ (15,841)	\$ (6,120)	\$ (1,043)	\$ (362)	\$ (23,366)			1 Year	Consolidation of accounts amortizing for all markets.
4					Divide by	777,893,825		\$ (0.00003)		All
5	Non-Core Transport	\$ (105,277)	\$ 1,427	\$ (4,933)	\$ (1,858)	\$ (110,641)			1 Year	Consolidated Tech Adjustments - Non Core Transport
6					Divide by	550,644,852		\$ (0.00020)		Non-Core
9	TOTAL	\$ 9,646,511	\$ (451,563)	\$ 436,800	\$ 120,006	\$ 9,751,754		\$ 0.04347		\$ (0.00023)

Cascade Natural Gas Corporation
DERIVATION OF PROPOSED RATE LEVEL WITHIN
RATE ADDITION SCHEDULE NO. 595
State of Washington

TTA Exhibit
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Description (a)	Rate Schedule (b)	Reverse Prior Temporary Rate Adj. (c)	Gas Cost Related Temporary Rate Adj. (d)	Incremental R/S 595 Rate Change (f)	Posted R/S 595 Tariff Rate (g)
CORE MARKET RATE SCHEDULES					
Dry Out	502	\$ (0.01871)	\$ 0.04347	\$ 0.02476	\$ 0.04347
Residential	503	\$ (0.01871)	\$ 0.04347	\$ 0.02476	\$ 0.04347
Commercial	504	\$ (0.01871)	\$ 0.04347	\$ 0.02476	\$ 0.04347
Compressed Nat. Gas	512	\$ (0.01871)	\$ 0.04347	\$ 0.02476	\$ 0.04347
Gas A/C	541	\$ (0.01871)	\$ 0.04347	\$ 0.02476	\$ 0.04347
Com-Ind Dual Service	511	\$ (0.01871)	\$ 0.04347	\$ 0.02476	\$ 0.04347
Industrial Firm	505	\$ (0.01871)	\$ 0.04347	\$ 0.02476	\$ 0.04347
Industrial Interr.	570	\$ (0.01871)	\$ 0.04347	\$ 0.02476	\$ 0.04347
Institutional Interr.	577	\$ (0.01871)	\$ 0.04347	\$ 0.02476	\$ 0.04347
NONCORE MARKET CUSTOMERS					
Distribution	663	\$ (0.00002)	\$ (0.00023)	\$ (0.00025)	\$ (0.00023)
Transportation	685/686	\$ -	\$ -	\$ -	\$ -
Special Contract	9xx	\$ -	\$ -	\$ -	\$ -

(c) from 2012 TTA Exhibit (KJB-1), Schedule 1, pg 3

(d) from TTA Exhibit, Schedule 1, pg 1

(e) from TTA Exhibit, Schedule 1, pg 2

Cascade Natural Gas Corporation
 WASHINGTON 2014 PURCHASED GAS ADJUSTMENT APPLICATION
 BASED UPON THE TWELVE MONTHS ENDED 7/31/2014
 State of Washington

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Line No.	Description (a)	Rate Schedule (b)	Average # of Bills (c)	Actual Therms Sold (d)	Actual Revenue (e)	Per Therm TTA Change (g)	Amount of Change (h)	
CORE MARKET RATE SCHEDULES								
1	Dry Out	502	579	411,467	417,001	\$ 0.02476	\$ 10,188	2.44%
2	Residential	503	175,146	118,476,427	121,197,050	\$ 0.02476	\$ 2,933,476	2.42%
3	Commercial	504	24,894	80,983,340	77,628,809	\$ 0.02476	\$ 2,005,147	2.58%
4	Industrial Firm	505	387	13,450,676	10,594,609	\$ 0.02476	\$ 333,039	3.14%
5	Large Volume	511	81	8,608,384	6,795,588	\$ 0.02476	\$ 213,144	3.14%
6	Compressed Natural Gas	512	1	46,067	40,035	\$ 0.02476	\$ 1,141	2.85%
7	Gas A/C	541	1	555	583	\$ 0.02476	\$ 14	2.36%
8	Industrial Interruptible	570	10	4,238,887	2,870,316	\$ 0.02476	\$ 104,955	3.66%
9	Institutional	577	3	412,711	307,005	\$ 0.02476	\$ 10,219	3.33%
10	Subtotal Core		201,102	226,628,514	219,850,996		\$ 5,611,322	
NONCORE MARKET RATE SCHEDULES								
11	Pipeline Transportation	685/686		-	-	\$ -	\$ -	
	Distribution	663	181	448,282,732	14,405,303	\$ (0.00025)	\$ (112,071)	-0.78%
12	Special Contracts	9xx	13	307,148,738	5,894,906	\$ -	\$ -	
13	Subtotal Non-core		194	755,431,470	20,300,209		\$ (112,071)	
14	CORE & NON-CORE		201,296	982,059,984	240,151,205		\$ 5,499,251	2.29%

Cascade Natural Gas Corporation
TYPICAL MONTHLY THERM USAGE AND COST BY CLASS
FOR TWELVE MONTHS ENDED 7/31/2014
State of Washington

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Line No.	Description (a)	Therm Sales (b)	Revenue at 11/01/2013 Rates (c)	Per Therm Rate Change (d)	Amount of Change (e)	Percent Change (f)
1	Residential (503)	118,476,427	121,197,050	\$ 0.02476	2,933,476	2.42%
2	Commercial (504)	80,983,340	77,628,809	\$ 0.02476	2,005,147	2.58%
3	Industrial (505)	13,450,676	10,594,609	\$ 0.02476	333,039	3.14%
4	Industrial Lg Vol (511)	8,608,384	6,795,588	\$ 0.02476	213,144	3.14%
5	Interruptible (570)	4,238,887	2,870,316	\$ 0.02476	104,955	3.66%
6	Interruptible Inst. (577)	412,711	307,005	\$ 0.02476	10,219	3.33%
7	Noncore Dist (663)	448,282,732	14,405,303	\$ (0.00025)	(112,071)	-0.78%
8	Noncore Trans (685, 686) *	-	-	\$ -	-	-

* 685 Therm Sales represent true-up between Williams Pipeline and Cascade; remainder of sales are transportation under 901 contract.

Cascade Natural Gas Corporation
TYPICAL MONTHLY THERM USAGE AND COST BY CLASS
FOR TWELVE MONTHS ENDED 7/31/2014
State of Washington

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Line No.	Description (a)	Typical Monthly Therm Use (b)	Avg Bill @ 11/01/2014 Rates (c)	Present Filing Changes (d)	Proposed Typical Bill (e)	Percent Change (f)
1	Residential (503)	56	\$ 57.66	\$ 1.40	\$ 59.06	2.42%
2	Commercial (504)	271	\$ 259.86	\$ 6.71	\$ 266.58	2.58%
3	Industrial (505)	N/A*	\$ 0.78766	\$ 0.02476	\$ 0.81242	3.14%
4	Industrial Lg Vol (511)	N/A*	\$ 0.78942	\$ 0.02476	\$ 0.81418	3.14%
5	Interruptible (570)	N/A*	\$ 0.67714	\$ 0.02476	\$ 0.70190	3.66%
6	Interruptible Inst. (577)	N/A*	\$ 0.74387	\$ 0.02476	\$ 0.76863	3.33%
7	Noncore Dist (663)	N/A*	\$ 0.03213	\$ (0.00025)	\$ 0.03188	-0.78%
8	Noncore Trans (685, 686)	N/A*	N/A	\$ -	N/A	N/A

**The large variation among customers in the Industrial, Interruptible, and Noncore customer classes renders average consumption numbers meaningless, therefore only per-therm figures have been listed*

What is a PGA?

In the natural gas industry, PGA means Purchased Gas Adjustment. Simply stated, a PGA is a method designed to pass the actual costs of gas supplies to customers.

Each year, Cascade Natural Gas Corporation makes the best possible projection of the cost of gas supplies for the coming year. Any differences between the gas costs included in the company's overall rates and the actual cost of supplies are calculated and passed back to customers in the next PGA filing.

If actual gas costs are lower than originally projected, customers will see lower rates. If gas costs are higher, rates will go up. Whether the change in rates is an increase or a decrease, a PGA filing does not affect the company's profits.

Based on 2014-15 projected gas cost, Cascade Natural Gas is anticipating an increase to rates in its PGA filing. Cascade Natural Gas encourages you to use energy wisely and continue your conservation efforts.



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