

EXHIBIT A

BEFORE THE
WASHINGTON UTILITIES & TRANSPORTATION COMMISSION

CASCADE NATURAL GAS CORPORATION

Excess Deferred Income Tax

CNGC WUTC Advice No. W19-09-04 / UG-_____

September 13, 2019

CASCADE NATURAL GAS CORPORATION

EXHIBIT A

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
2019 Protected Rate Allocation	1
Protected Amount of Change by Rate Schedule	2
Protected Proposed Typical Monthly Bill by Class	3
Protected Derivation of Proposed Rate Adjustment	4
2019 Unprotected Rate Allocation	5
Unprotected Amount of Change by Rate Schedule	6
Unprotected Proposed Typical Monthly Bill by Class	7
Unprotected Derivation of Proposed Rate Adjustment	8

CASCADE NATURAL GAS CORPORATION
2019 Protected Rate Allocation

W19-09-04
 Protected Exhibit A
 Page 1 of 8

	Current	Proposed
Protected	\$ (2,018,043)	\$ (2,069,021)

Rate Schedule	503	504	505	511	570	663	Total
Current Sch 581 Rates	(0.00717)	(0.00551)	(0.00349)	(0.00286)	(0.00106)	(0.00063)	
% change (same for each sch)	12.40575%	12.40575%	12.40575%	12.40575%	12.40575%	12.40575%	
Proposed Rate Increment	\$ (0.00806)	\$ (0.00619)	\$ (0.00392)	\$ (0.00321)	\$ (0.00119)	\$ (0.00071)	
Proposed Tax Costs Refunded	\$ (1,017,546)	\$ (566,291)	\$ (51,758)	\$ (47,955)	\$ (2,841)	\$ (382,631)	\$ (2,069,021)
Proposed Rate Adjustment	\$ (0.00089)	\$ (0.00068)	\$ (0.00043)	\$ (0.00035)	\$ (0.00013)	\$ (0.00008)	
Proposed Volumes	126,254,322	91,432,236	13,193,653	14,916,789	2,384,124	540,320,074	788,501,198

Cascade Natural Gas Corporation
Protected Amount of Change By Rate Schedule
Based Upon the Twelve Months Ended 7/31/19
State of Washington

Line No.	Description (a)	Rate Schedule (b)	Average # of Bills (c)	Forecasted Therms Sold (d)	Actual Revenue (e)	Per Therm Cost Change (f)	Amount of Change (g)	
CORE MARKET RATE SCHEDULES								
1	Residential	503	190,130	126,254,322	109,651,123	(0.00089)	(112,302.28)	-0.10%
2	Commercial	504	26,357	91,432,236	71,195,921	(0.00068)	(62,499.00)	-0.09%
3	Industrial Firm	505	477	13,193,653	8,775,211	(0.00043)	(5,712.33)	-0.07%
4	Large Volume	511	86	14,916,789	8,617,203	(0.00035)	(5,292.54)	-0.06%
5	Industrial Interruptible	570	8	2,384,124	1,223,950	(0.00013)	(313.51)	-0.03%
6	Subtotal Core		217,058	248,181,124	199,463,408		(186,120)	
NONCORE MARKET RATE SCHEDULES								
7	Distribution	663	193	540,320,074	19,318,813	\$ (0.00008)	(42,229)	
8	Special Contracts	9xx	7	192,416,786	3,825,626	\$ -		
9	Subtotal Non-core		200	732,736,860	23,144,439	\$ (0)	(42,229)	
10	CORE & NON-CORE		217,258	980,917,984	222,607,847	\$ -	(228,349)	-0.10%

Cascade Natural Gas Corporation
PROTECTED TYPICAL MONTHLY BILL BY CLASS
State of Washington

Line No.	Description (a)	Typical Monthly Therm Use (b)	Avg Bill @ 4/1/19 Rates (c)	Present Filing Changes (d)	Proposed Typical Bill (e)	Percent Change (f)
1	Residential (503)	55	\$ 48.06	\$ (0.05)	\$ 48.01	-0.10%
2	Commercial (504)	289	\$ 225.10	\$ (0.20)	\$ 224.90	-0.09%
3	Industrial (505)*	N/A	\$ 0.66511	\$ (0.00043)	\$ 0.66468	-0.07%
4	Large Vol Service (511)*	N/A	\$ 0.57768	\$ (0.00035)	\$ 0.57733	-0.06%
5	Interruptible (570)*	N/A	\$ 0.51338	\$ (0.00013)	\$ 0.51324	-0.03%
6	Distribution (663)*	N/A	\$ 0.03575	\$ (0.00008)	\$ 0.03568	-0.22%

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

Cascade Natural Gas Corporation
PROTECTED DERIVATION OF PROPOSED RATE ADJUSTMENT
State of Washington

Line No.	Revised Description	503 Residential Customers	504 Commercial Customers	505 Firm Indust Customers	511 Large Vol Customers	570 Interruptible Customers	663 Dist. Trans. Service Customers
1	Protected Rate Effective 11/1/2018	(\$0.00717)	(\$0.00551)	(\$0.00349)	(\$0.00286)	(\$0.00106)	(\$0.00063)
	<u>Proposed Incremental Change</u>						
2	Residential (503)	(\$0.00089)					
3	Commercial (504)		(\$0.00068)				
4	Firm Industrial (505)			(\$0.00043)			
5	Large Vol Service (511)				(\$0.00035)		
6	Interruptible (570)					(\$0.00013)	
7	Transpotration Service (663)						(\$0.00008)
	Total Proposed Rate	(\$0.00806)	(\$0.00619)	(\$0.00392)	(\$0.00321)	(\$0.00119)	(\$0.00071)
	Schedule 581 - Proposed Rate	(0.00806)	(0.00619)	(0.00392)	(0.00321)	(0.00119)	(0.00071)

CASCADE NATURAL GAS CORPORATION
2019 Unprotective Tax Cost Allocation

	Current	Proposed
Unprotected	\$ (869,314)	\$ (769,135)

Rate Schedule	503	504	505	511	570	663	Total
Current Unpro. Tax Rates	(0.00334)	(0.00256)	(0.00162)	(0.00133)	(0.00049)	(0.00029)	
% change (same for each sch)	-10.02481%	-10.02481%	-10.02481%	-10.02481%	-10.02481%	-10.02481%	
Proposed Tax Increment	\$ (0.00301)	\$ (0.00230)	\$ (0.00146)	\$ (0.00120)	\$ (0.00044)	\$ (0.00026)	
Proposed Tax Costs Collected	\$ (379,416)	\$ (210,602)	\$ (19,231)	\$ (17,850)	\$ (1,051)	\$ (140,985)	\$ (769,135)
Proposed Rate Adjustment	0.00033	0.00026	0.00016	0.00013	0.00005	0.00003	
Proposed Volumes	126,254,322	91,432,236	13,193,653	14,916,789	2,384,124	540,320,074	788,501,198

Cascade Natural Gas Corporation
UNPROTECTED TAX AMOUNT OF CHANGE BY RATE SCHEDULE
Based Upon the Twelve Months Ended 7/31/19
State of Washington

Line No.	Description (a)	Rate Schedule (b)	Average # of Bills (c)	Forecasted Therms Sold (d)	Actual Revenue (e)	Per Therm Tax Change (g)	Amount of Change (h)
CORE MARKET RATE SCHEDULES							
1	Residential	503	190,130	126,254,322	109,651,123	0.000335	42,273.55
2	Commercial	504	26,357	91,432,236	71,195,921	0.000257	23,465.00
3	Industrial Firm	505	477	13,193,653	8,775,211	0.000162	2,142.67
4	Large Volume	511	86	14,916,789	8,617,203	0.000133	1,988.85
5	Industrial Interruptible	570	8	2,384,124	1,223,950	0.000049	117.11
6	Subtotal Core		217,058	248,181,124	199,463,408		69,987
NONCORE MARKET RATE SCHEDULES							
7	Distribution	663	193	540,320,074	19,318,813	0.000029	15,708
8	Special Contracts	9xx	7	192,416,786	3,825,626	0.000000	
9	Subtotal Non-core		200	732,736,860	23,144,439		15,708
10	CORE & NON-CORE		217,258	980,917,984	222,607,847		85,695

Cascade Natural Gas Corporation
UNPROTECTED TAX PROPOSED TYPICAL MONTHLY BILL BY CLASS
State of Washington

Line No.	Description (a)	Typical Monthly Therm Use (b)	Avg Bill @ 4/1/19 Rates (c)	Present Filing Changes (d)	Proposed Typical Bill (e)	Percent Change (f)
1	Residential (503)	55	\$48.06	\$0.02	\$48.08	0.04%
2	Commercial (504)	289	\$225.10	\$0.07	\$225.18	0.03%
3	Industrial (505)	N/A	\$0.66511	\$0.00016	\$0.66527	0.02%
4	Industrial Lg Vol (511)	N/A	\$0.57768	\$0.00013	\$0.57782	0.02%
5	Interruptible (570)	N/A	\$0.51338	\$0.00005	\$0.51342	0.01%
6	Distribution (663)	N/A	\$0.03575	\$0.00003	\$0.03578	0.08%

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

Cascade Natural Gas Corporation
UNPROTECTED TAX DERIVATION OF PROPOSED RATE ADJUSTMENT
State of Washington

Line No.	Revised Description	503 Residential Customers	504 Commercial Customers	505 Firm Indust Customers	511 Lrg Volumes Customers	570 Interruptible Customers	663 Distribution Customers
1	Unprotected Rate Adjustment Effective 11/1/2018	(\$0.00334)	(\$0.00256)	(\$0.00162)	(\$0.00133)	(\$0.00049)	(\$0.00029)
	<u>Proposed Incremental Change</u>						
2	Residential	0.00033					
3	Commercial		\$0.000257				
4	Industrial Firm			\$0.000162			
5	Large Volume				\$0.000133		
6	Interruptible - CORE					\$0.000049	
7	Non-Core Customers						\$0.000029
8	Total Schedule 582 Proposed Rate	(\$0.003005)	(\$0.002303)	(\$0.001458)	(\$0.001197)	(\$0.000441)	(\$0.000261)