

EXHIBIT A

BEFORE THE  
WASHINGTON UTILITIES & TRANSPORTATION COMMISSION

CASCADE NATURAL GAS CORPORATION

Decoupling Mechanism Adjustments

CNGC WUTC Advice No. W20-09-03

September 15, 2020

# CASCADE NATURAL GAS CORPORATION

## EXHIBIT A

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

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Line No.	Consolidated Account (a)	Account Balance 12/31/2019 (b)	Interest Assignments & Amortization through 10/31/2020 (c)	Interest Accruals Through Am. (d)	Amount (e)	503 (g)	504 (h)	505 (i)	511 (j)	570 (l)	Proposed Period of Am. (n)	
						127,118,966	88,299,944	14,482,050	27,088,723	2,291,417		
1	503	\$ 292,818	\$ (1,434,431)	\$(15,710.68)	\$ (1,157,323)	(0.00910)					1 Year	<b>Decoupling Mechanism</b>
2	504	\$ (1,971,221)	\$ (129,745)	\$(30,128.30)	\$ (2,131,094)		\$ (0.02414)				1 Year	<b>Decoupling Mechanism</b>
3	505	\$ (268,071)	\$ 66,646	\$ (3,846.99)	\$ (205,272)			\$ (0.01417)			1 Year	<b>Decoupling Mechanism</b>
4	511	\$ (905,324)	\$ 395,679	\$ (7,292.53)	\$ (516,937)				\$ (0.01908)		1 Year	<b>Decoupling Mechanism</b>
5	570	\$ 60,470	\$ (33,452)	\$ 458.96	\$ 27,477					\$ 0.011991	1 Year	<b>Decoupling Mechanism</b>
6	<b>TOTAL</b>	<b>\$ (2,791,327)</b>	<b>\$ (1,135,303)</b>	<b>\$ (56,520)</b>	<b>\$ (3,983,150)</b>	<b>\$ (0.00910)</b>	<b>\$ (0.02414)</b>	<b>\$ (0.01417)</b>	<b>\$ (0.01908)</b>	<b>\$ 0.01199</b>		

**Cascade Natural Gas Corporation**  
**DERIVATION OF PROPOSED RATE LEVEL WITHIN**  
**RATE ADDITION SCHEDULE NO. 594**  
**State of Washington**

Description (a)	Rate Schedule (b)	Reverse Prior Decoupling Rate Adj. (c)	Decoupling Related Temporary Rate Adj. (d)	Incremental R/S 594 Rate Change (e)	Posted R/S 594 Tariff Rate (f)
<b>CORE MARKET RATE SCHEDULES</b>					
Residential	503	\$ (0.01390)	\$ (0.00910)	\$ (0.02300)	\$ (0.00910)
Commercial	504	\$ (0.00081)	\$ (0.02414)	\$ (0.02495)	\$ (0.02414)
Com-Ind Dual Service	511	\$ 0.01954	\$ (0.01908)	\$ 0.00046	\$ (0.01908)
Industrial Firm	505	\$ 0.00585	\$ (0.01417)	\$ (0.00832)	\$ (0.01417)
Industrial Interr.	570	\$ (0.01906)	\$ 0.01199	\$ (0.00707)	\$ 0.01199

**Cascade Natural Gas Corporation**  
**DMA AMOUNT OF CHANGE BY RATE SCHEDULE**  
**BASED UPON THE TWELVE MONTHS ENDED 12/31/2019**  
**State of Washington**

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Line No.	Description (a)	Rate Schedule (b)	Average # of Bills (c)	Forecasted Therms Sold (d)	Actual Revenue (e)	Per Therm Decoupling Change (f)	Amount of Change (g)	Percentage Change (h)
<b>CORE MARKET RATE SCHEDULES</b>								
1	Residential	503	193,657	127,118,966	129,784,520	\$ (0.02300)	\$ (2,924,245)	-2.25%
2	Commercial	504	26,658	88,299,944	79,262,367	\$ (0.02495)	\$ (2,202,642)	-2.78%
3	Industrial Firm	505	480	14,482,050	9,601,453	\$ (0.00832)	\$ (120,549)	-1.26%
4	Large Volume	511	98	27,088,723	18,277,286	\$ 0.00046	\$ 12,380	0.07%
5	Industrial Interruptible	570	8	2,291,417	1,421,635	\$ (0.00707)	\$ (16,198)	-1.14%
6			<b>220,901</b>	<b>259,281,100</b>	<b>238,347,261</b>		<b>\$ (5,251,254)</b>	<b>-2.20%</b>
7		685/686		-	-	\$ -	\$ -	
8	Distribution	663	188	629,818,145	20,168,203	\$ -	\$ -	0.00%
9	Special Contracts	9xx	7	216,766,399	4,441,400	\$ -	\$ -	
10	<b>Subtotal Non-core</b>		195	846,584,544	24,609,603		<b>\$ -</b>	
11	<b>CORE &amp; NON-CORE</b>		<b>221,096</b>	<b>1,105,865,644</b>	<b>262,956,864</b>		<b>\$ (5,251,254)</b>	<b>-2.00%</b>

**Cascade Natural Gas Corporation**  
**DMA TYPICAL MONTHLY THERM USAGE AND COST BY CLASS**  
**FOR TWELVE MONTHS ENDED 12/31/2019**  
**State of Washington**

Line No.	Description (a)	Therm Sales (b)	Revenue at 11/01/2019 Rates (c)	Per Therm Rate Change (d)	Amount of Change (e)	Percent Change (f)
1	Residential (503)	127,118,966	129,784,520	\$ (0.02300)	(2,924,245)	-2.25%
2	Commercial (504)	88,299,944	79,262,367	\$ (0.02495)	(2,202,642)	-2.78%
3	Industrial (505)	14,482,050	9,601,453	\$ (0.00832)	(120,549)	-1.26%
4	Industrial Lg Vol (511)	27,088,723	18,277,286	\$ 0.00046	12,380	0.07%
5	Interruptible (570)	2,291,417	1,421,635	\$ (0.00707)	(16,198)	-1.14%

**Cascade Natural Gas Corporation**  
**DMA PROPOSED TYPICAL MONTHLY BILL BY CLASS**  
**FOR TWELVE MONTHS ENDED 12/31/2019**  
**State of Washington**

Line No.	Description (a)	Typical Monthly Therm Use (b)	Avg Bill @ 11/01/2019 Rates (c)	Present Filing Changes (d)	Proposed Typical Bill (e)	Percent Change (f)
1	Residential (503)	56	\$ 55.85	\$ (1.29)	\$ 54.56	-2.31%
2	Commercial (504)	290	\$ 247.78	\$ (7.23)	\$ 240.54	-2.92%
3	Industrial (505)	N/A*	\$ 0.66299	\$ (0.00832)	\$0.65467	-1.26%
4	Industrial Lg Vol (511)	N/A*	\$ 0.67472	\$ 0.00046	\$0.67518	0.07%
5	Interruptible (570)	N/A*	\$ 0.62042	\$ (0.00707)	\$0.61335	-1.14%

**2019 Commission Basis Earnings Test for Decoupling**

Line No.		Natural Gas
1	Rate Base	\$ 398,870,079
2	Net Income	\$ 20,822,385
3	Calculated ROR	5.22%
4	Base ROR	7.24%
5	Excess ROR	-2.02%
6	Excess Earnings	\$ -
7	Conversion Factor	0.75554
8	Excess Revenue (Excess Earnings/CF)	\$ -
9	Sharing %	50%
10	2017 Total Earnings Test Sharing	\$ -
11	Adjusted Revenues from CBR	\$ 247,324,990
12	2018 Decoupling Deferral Balance	\$ (3,983,150)
13	Earnings Test	-1.61%

Line No.	<b>3% Incremental Surcharge Test</b>	
1	Revenue From 2019 Normalized Loads and Customers at Present Billing Rates	\$ 247,324,990
2	Forecasted Therms	259,281,100
3	Total Proposed Amortization	\$ (3,983,150)
4	Total Proposed Decoupling Recovery Rates	\$ (0.01536)
5	Incremental Surcharge %	-1.61%
6	3% Test Adjustment	\$ -
7	3% Test Rate Adjustment	\$0.00000
8	Adjusted Proposed Decoupling Recovery Rates	\$ (0.01536)
9	Adjusted Incremental Decoupling Recovery	(3,983,149.69)
10	Adjusted Incremental Surcharge %	-1.61%