

**CASCADE NATURAL GAS CORPORATION**  
Washington Statement of Operations  
QUARTERLY STATISTICAL INFORMATION

**THERM SALES**

	<b>Monthly</b>			<b>12 Months Ending</b>		
	July 2020	August 2020	September 2020	July 2020	August 2020	September 2020
<b>Residential</b>	3,611,351	3,237,272	3,509,195	126,196,814	127,616,634	126,838,322
<b>Commercial</b>	3,752,046	3,819,745	4,017,226	109,601,166	111,168,279	110,430,914
<b>Industrial Firm</b>	897,742	796,082	962,564	16,894,866	16,775,732	16,775,700
<b>Core Interruptible</b>	106,383	100,500	94,559	2,183,759	2,190,633	2,173,339
<b>Noncore</b>	59,664,585	77,626,843	83,176,264	846,584,544	832,032,537	828,983,111
<b>TOTAL WASHINGTON</b>	68,032,107	85,580,442	91,759,808	1,101,461,149	1,089,783,815	1,085,201,386

	<b>AVERAGE CUSTOMERS</b>		
	July 2020	August 2020	September 2020
<b>Residential</b>	194,759	194,934	195,321
<b>Commercial</b>	26,700	26,688	26,692
<b>Industrial Firm</b>	495	498	499
<b>Core Interruptible</b>	8	8	8
<b>Noncore</b>	194	194	194
<b>TOTAL WASHINGTON</b>	222,156	222,322	222,714

**Cascade Natural Gas Corporation**  
**State of Washington**  
**Statement of Operations and Rate of Return**  
**Month and Twelve Months Ended 7/31/2020**

	Month	Twelve Months
<b>OPERATING REVENUES</b>		
Natural Gas Sales	8,607,715	239,457,546
Transportation Revenue	1,947,083	24,609,603
Other Operating Revenue	(69,996)	798,996
	<u>10,484,803</u>	<u>264,866,146</u>
Less: Natural Gas & Production Costs	4,562,420	137,339,123
Revenue Taxes	899,754	22,477,375
<b>OPERATING MARGIN</b>	<u>5,022,629</u>	<u>105,049,647</u>
<b>OPERATING EXPENSES</b>		
Production	34,236	369,228
Distribution	2,930,131	20,836,809
Customer Accounts	379,847	5,670,926
Customer Service & Informational	232,169	6,740,416
Sales	1,889	13,218
Administrative & General	1,482,786	18,548,163
Depreciation & Amortization	2,214,873	25,923,204
Property, Payroll & Misc. Taxes	283,746	4,316,069
Federal Income Taxes	(972,133)	(66,446)
Total Operating Expenses	<u>6,587,543</u>	<u>82,351,586</u>
<b>NET OPERATING INCOME</b>	<u>(1,564,915)</u>	<u>22,698,061</u>
<b>RATE BASE</b>	<u>417,108,356</u>	<u>400,404,038</u>
<b>RATE OF RETURN</b>	<u>-0.38%</u>	<u>5.67%</u>

**SCHEDULE OF RATE BASE**

Utility Plant In Service	891,411,048	867,201,840
Accumulated Depreciation	(404,992,253)	(396,741,041)
Net Utility Plant	<u>486,418,795</u>	<u>470,460,799</u>
<b>Other:</b>		
Contributions in Aid of Construction	-	-
Customer Advances for Construction	(3,051,322)	(3,613,580)
Accumulated Deferred Income Taxes	(77,106,291)	(76,855,948)
Deferred Debits	-	-
Subtotal	<u>406,261,182</u>	<u>389,991,271</u>
Working Capital	<u>10,847,174</u>	<u>10,412,767</u>
<b>TOTAL RATE BASE</b>	<u>417,108,356</u>	<u>400,404,038</u>

All rate base items in the "Twelve Months" column represent average of monthly average balances

**Cascade Natural Gas Corporation**  
**State of Washington**  
**Statement of Operations and Rate of Return**  
**Month and Twelve Months Ended 8/31/2020**

	Month	Twelve Months
<b>OPERATING REVENUES</b>		
Natural Gas Sales	7,480,983	241,131,316
Transportation Revenue	2,142,324	24,602,431
Other Operating Revenue	(43,969)	760,577
	9,579,337	266,494,324
Less: Natural Gas & Production Costs	4,339,583	139,173,561
Revenue Taxes	806,902	22,617,556
<b>OPERATING MARGIN</b>	<b>4,432,852</b>	<b>104,703,207</b>
<b>OPERATING EXPENSES</b>		
Production	22,883	359,043
Distribution	1,715,986	20,854,019
Customer Accounts	363,133	5,544,747
Customer Service & Informational	220,234	6,799,631
Sales	2,134	15,251
Administrative & General	1,378,837	18,609,466
Depreciation & Amortization	2,225,525	26,061,059
Property, Payroll & Misc. Taxes	510,850	4,353,881
Federal Income Taxes	(849,746)	(209,632)
Total Operating Expenses	5,589,837	82,387,464
<b>NET OPERATING INCOME</b>	<b>(1,156,985)</b>	<b>22,315,743</b>
<b>RATE BASE</b>	<b>419,181,225</b>	<b>404,069,733</b>
<b>RATE OF RETURN</b>	<b>-0.28%</b>	<b>5.52%</b>

**SCHEDULE OF RATE BASE**

Utility Plant In Service	894,941,085	871,819,462
Accumulated Depreciation	(406,912,526)	(398,105,848)
Net Utility Plant	488,028,559	473,713,614
Other:		
Contributions in Aid of Construction	-	-
Customer Advances for Construction	(3,051,322)	(3,551,985)
Accumulated Deferred Income Taxes	(77,054,675)	(76,944,684)
Deferred Debits	-	-
Subtotal	407,922,562	393,216,945
Working Capital	11,258,663	10,852,788
<b>TOTAL RATE BASE</b>	<b>419,181,225</b>	<b>404,069,733</b>

All rate base items in the "Twelve Months" column represent average of monthly average balances.

**Cascade Natural Gas Corporation**  
**State of Washington**  
**Statement of Operations and Rate of Return**  
**Month and Twelve Months Ended 9/30/2020**

	Month	Twelve Months
<b>OPERATING REVENUES</b>		
Natural Gas Sales	9,337,782	241,342,649
Transportation Revenue	2,264,771	24,753,333
Other Operating Revenue	26,376	649,559
	<u>11,628,929</u>	<u>266,745,541</u>
Less: Natural Gas & Production Costs	4,683,639	138,846,424
Revenue Taxes	860,271	22,683,183
<b>OPERATING MARGIN</b>	<u>6,085,019</u>	<u>105,215,934</u>
<b>OPERATING EXPENSES</b>		
Production	21,568	365,033
Distribution	1,505,590	20,651,788
Customer Accounts	623,994	5,687,983
Customer Service & Informational	243,527	6,742,059
Sales	2,100	15,763
Administrative & General	1,749,572	18,814,545
Depreciation & Amortization	2,233,137	26,195,257
Property, Payroll & Misc. Taxes	410,031	4,390,906
Federal Income Taxes	(471,306)	(112,311)
Total Operating Expenses	<u>6,318,213</u>	<u>82,751,023</u>
<b>NET OPERATING INCOME</b>	<u>(233,193)</u>	<u>22,464,911</u>
<b>RATE BASE</b>	<u>423,763,420</u>	<u>407,574,928</u>
<b>RATE OF RETURN</b>	<u>-0.06%</u>	<u>5.51%</u>

**SCHEDULE OF RATE BASE**

Utility Plant In Service	901,194,380	876,448,005
Accumulated Depreciation	(408,972,760)	(399,486,783)
Net Utility Plant	492,221,620	476,961,222
Other:		
Contributions in Aid of Construction	-	-
Customer Advances for Construction	(3,035,374)	(3,492,608)
Accumulated Deferred Income Taxes	(77,005,116)	(77,033,512)
Deferred Debits	-	-
Subtotal	<u>412,181,130</u>	<u>396,435,102</u>
Working Capital	11,582,290	11,139,826
<b>TOTAL RATE BASE</b>	<u>423,763,420</u>	<u>407,574,928</u>

All rate base items in the "Twelve Months" column represent average of monthly average balances.

STATE ALLOCATION OF INCOME & EXPENSES	Month Ended			12 MONTH Ended		
	July-20	August-20	September-20	August 1, 2019 THROUGH July 31, 2020	September 1, 2019 THROUGH August 31, 2020	October 1, 2019 THROUGH September 30, 2020
<b>GAS SALES</b>						
480 Residential Sales	4,268,419.62	3,525,156.06	4,543,756.25	128,920,845.74	129,668,038.31	129,774,743.37
481 Commercial - Interruptible Sales	4,339,295.53	3,955,826.76	4,794,025.67	110,536,700.48	111,463,277.41	111,567,905.98
<b>TOTAL GAS SALES</b>	<b>8,607,715.15</b>	<b>7,480,982.82</b>	<b>9,337,781.92</b>	<b>239,457,546.22</b>	<b>241,131,315.72</b>	<b>241,342,649.35</b>
<b>OTHER OPERATING REVENUE</b>						
4880 Miscellaneous Service Revenues	17,673.36	12,871.87	4,853.01	436,826.88	415,739.09	391,086.75
4890 Rev. From Transp. of Gas of Others	1,947,083.39	2,142,323.95	2,264,770.83	24,609,603.13	24,602,431.10	24,753,332.87
4930 Rent From Gas Property	-	-	-	-	-	-
4940 Interdepartmental Rents	7,502.75	7,502.75	7,502.75	105,829.80	102,670.44	99,511.08
4950 Other Gas Revenue	1,775.38	26,493.00	93,228.17	87,557.06	102,954.99	194,528.74
495.1 Overrun Penalty Income	-	-	-	-	-	-
4962 Provision for Rate Refund	(96,947.50)	(90,837.05)	(79,207.66)	168,782.58	139,212.67	(35,567.81)
<b>TOTAL OTHER OPERATING REVENUE</b>	<b>1,877,087.38</b>	<b>2,098,354.52</b>	<b>2,291,147.10</b>	<b>25,408,599.45</b>	<b>25,363,008.29</b>	<b>25,402,891.63</b>
<b>* TOTAL OPERATING REVENUE *</b>	<b>10,484,802.53</b>	<b>9,579,337.34</b>	<b>11,628,929.02</b>	<b>264,866,145.67</b>	<b>266,494,324.01</b>	<b>266,745,540.98</b>
<b>NATURAL GAS PURCHASED</b>						
804 Natural Gas City Gate Purchases	6,309,389.61	5,894,482.29	6,134,607.24	119,137,980.30	119,079,621.33	118,647,736.57
805 Other Gas Purchases	-	-	-	-	-	-
805.1 Purchased Gas Cost Adjustments	(753,642.08)	(977,024.29)	(926,351.38)	16,934,990.02	18,660,424.56	18,510,231.96
808.1 Gas Withdrawn From Storage	-	-	-	6,385,387.02	6,385,387.02	6,385,387.02
808.2 Gas Delivered To Storage	(989,333.15)	(570,236.67)	(516,653.76)	(5,037,063.78)	(4,864,738.60)	(4,606,744.16)
812 Gas Used For Other Utility Oper.	(3,994.61)	(7,638.13)	(7,962.72)	(82,170.22)	(87,133.33)	(90,187.00)
<b>TOTAL NATURAL GAS PURCHASED</b>	<b>4,562,419.77</b>	<b>4,339,583.20</b>	<b>4,683,639.38</b>	<b>137,339,123.34</b>	<b>139,173,560.98</b>	<b>138,846,424.39</b>
<b>MANUFACTURED GAS PRODUCTION</b>						
712 Other Power Expenses	-	-	-	-	-	-
717 Liquefied Petroleum Gas Expenses	-	-	-	-	-	-
718 Other Process Production Expenses	-	-	-	-	-	-
723 Fuel for Liq. Petrol. Gas Process	-	-	-	-	-	-
724 Other Gas Fuels	-	-	-	-	-	-
728 Liquefied Petroleum Gas	-	-	-	-	-	-
733 Gas Mixing Expenses	-	-	-	-	-	-
735 Miscellaneous Production Expenses	-	-	-	-	-	-
740 Maint. Supervision & Engineering	-	-	-	-	-	-
741 Maint. of Structures & Improvement	-	-	-	-	-	-
742 Maint. of Production Equipment	-	-	-	-	-	-
<b>TOTAL MANUFACTURED GAS PRODUCTION EXPENSE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
408.5 Revenue Taxes	899,754.17	806,902.11	860,270.61	22,477,375.40	22,617,556.07	22,683,183.01
<b>* OPERATING MARGIN *</b>	<b>5,022,628.59</b>	<b>4,432,852.03</b>	<b>6,085,019.03</b>	<b>105,049,646.93</b>	<b>104,703,206.96</b>	<b>105,215,933.58</b>
<b>PRODUCTION EXPENSES</b>						
813 Other Gas Supply Expenses	34,235.79	22,882.93	21,567.93	369,227.83	359,042.81	365,032.61
<b>DISTRIBUTION EXPENSES</b>						
<b>Operation</b>						
870 Oper., Supervision & Engineering	1,358,982.68	160,172.19	180,781.15	3,230,717.24	3,217,489.89	3,234,265.19
871 Distribution Load Dispatching	17,586.53	16,082.44	18,179.24	234,172.00	228,898.12	223,650.59
872 Compressor Station	5,646.40	8,578.28	8,120.49	58,743.38	64,699.21	67,793.33
874 Mains & Services Exp.	402,452.08	337,416.14	276,791.63	3,920,268.92	3,909,438.50	3,780,934.79
875 Meas. & Reg. Stat. Exp.-Gen.	57,959.94	49,218.06	45,959.89	539,518.02	563,407.98	583,655.42
876 Meas. & Reg. Stat. Exp.-Ind.	43,052.90	25,523.58	30,601.84	297,573.23	302,243.98	321,113.54
878 Meter & House Regulator Exp.	(168,041.87)	34,356.71	42,563.44	(97,867.14)	(157,522.42)	(208,860.47)
879 Customer Installations Exp.	41,905.55	30,081.63	39,699.54	587,604.76	567,903.28	554,553.29
880 Other Exp.	451,736.94	458,743.14	378,154.37	5,079,115.67	5,170,415.03	5,142,935.71
881 Rents	7,664.91	6,427.54	23,100.30	122,094.18	120,099.61	139,058.32
882 Transportation Exp.	-	-	-	-	-	-
<b>Subtotal Operations</b>	<b>2,218,946.06</b>	<b>1,126,599.71</b>	<b>1,043,951.89</b>	<b>13,971,940.26</b>	<b>13,987,073.18</b>	<b>13,839,099.71</b>
<b>Maintenance</b>						
885 Supervision & Engineering	100,405.16	89,795.13	94,293.68	1,157,302.48	1,160,578.73	1,170,319.71
886 Structures & Improvements	-	-	-	2,330.39	2,330.39	2,330.39
887 Mains	301,429.67	193,917.36	63,058.60	1,881,668.57	1,939,004.71	1,861,789.55
8880 Compressor Station	8,777.15	9,840.90	5,803.27	105,158.37	107,297.81	106,239.95
889 Meas. & Reg. Equip.-Gen.	19,465.85	19,290.60	16,527.10	282,711.66	268,298.06	252,393.33
890 Meas. & Reg. Equip.-Ind.	7,500.60	1,968.85	8,798.60	56,332.00	54,614.32	61,282.33
892 Services	114,028.70	78,379.37	92,146.46	1,329,279.46	1,247,243.08	1,239,488.95
893 Meters & House Regulators	41,946.84	50,440.84	52,815.28	789,345.87	757,140.15	730,577.72
894 Other Equipment	117,631.15	145,753.40	128,195.06	1,260,739.97	1,330,438.64	1,388,266.34
<b>Subtotal Maintenance</b>	<b>711,185.12</b>	<b>589,386.45</b>	<b>461,638.05</b>	<b>6,864,868.77</b>	<b>6,866,945.89</b>	<b>6,812,688.27</b>
<b>TOTAL DISTRIBUTION EXPENSES</b>	<b>2,930,131.18</b>	<b>1,715,986.16</b>	<b>1,505,589.94</b>	<b>20,836,809.03</b>	<b>20,854,019.07</b>	<b>20,651,787.98</b>

STATE ALLOCATION OF INCOME & EXPENSES	Month Ended			12 MONTH Ended		
	July-20	August-20	September-20	August 1, 2019 THROUGH July 31, 2020	September 1, 2019 THROUGH August 31, 2020	October 1, 2019 THROUGH September 30, 2020
	<b>CUSTOMER ACCOUNTS EXPENSES</b>					
901 Supervision	9,284.69	8,464.20	9,421.74	110,826.92	110,306.41	111,074.63
902 Meter Reading Exp.	47,882.72	60,132.68	43,500.61	583,995.41	600,928.56	594,577.09
903 Cust. Records & Collection Exp.	322,526.69	301,212.03	333,642.01	3,983,800.90	3,928,555.22	3,950,330.26
904 Uncollectible Accounts	152.45	(6,676.32)	237,429.66	893,221.41	805,875.13	932,919.75
905 Misc. Exp.	-	-	-	99,081.28	99,081.28	99,081.28
<b>TOTAL CUSTOMER ACCOUNTS EXP.</b>	<b>379,846.55</b>	<b>363,132.59</b>	<b>623,994.02</b>	<b>5,670,925.92</b>	<b>5,544,746.60</b>	<b>5,687,983.01</b>
<b>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>						
907 Supervision	-	-	-	-	-	-
908 Cust. Assistance Exp.	211,701.80	206,989.98	227,639.60	6,516,703.92	6,598,208.36	6,541,793.14
909 Info. & Instr. Advertising Exp.	7,562.45	1,609.53	3,026.67	71,972.13	50,565.78	48,630.12
910 Misc. Cust. Serv. & Info. Exp.	12,904.52	11,634.80	12,860.92	151,739.55	150,856.59	151,636.13
<b>TOTAL CUST. SRVC. &amp; INFO. EXPENSES</b>	<b>232,168.77</b>	<b>220,234.31</b>	<b>243,527.19</b>	<b>6,740,415.60</b>	<b>6,799,630.73</b>	<b>6,742,059.39</b>
<b>SALES EXPENSES</b>						
911 Supervision	-	-	-	-	-	-
912 Demonstrating & Selling	1,889.35	2,133.84	2,099.65	11,942.64	14,076.48	15,412.54
913 Advertising	-	-	-	1,275.00	1,175.00	350.00
916 Misc. Sales Exp.	-	-	-	-	-	-
<b>TOTAL SALES EXPENSES</b>	<b>1,889.35</b>	<b>2,133.84</b>	<b>2,099.65</b>	<b>13,217.64</b>	<b>15,251.48</b>	<b>15,762.54</b>
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>						
920 Admin. & General Salaries	625,743.97	555,603.80	805,066.72	6,772,799.17	6,794,300.61	7,027,801.07
921 Office Supplies & Exp.	218,765.83	215,371.28	223,790.46	3,778,085.00	3,880,976.09	3,893,551.27
923 Outside Services Employed	48,517.80	41,126.16	49,528.94	663,284.54	685,693.79	695,173.76
924 Property Insurance	5,804.80	5,804.80	5,804.80	75,195.28	74,085.30	72,975.32
925 Injuries & Damages	43,710.07	95,752.34	121,767.05	862,467.02	848,902.84	897,627.41
926 Employee Pensions & Benefits	395,984.05	341,665.78	399,760.62	4,948,716.09	4,886,785.80	4,823,897.64
928 Regulatory Commission Exp.	30,550.25	5,587.25	6,785.50	101,801.19	100,304.44	102,803.64
930.1 General Advertising Exp.	1,461.49	2,851.17	498.16	23,518.22	22,771.41	21,876.65
930.2 Misc. General Exp.	21,710.74	24,328.35	35,773.41	350,932.27	317,256.05	252,265.51
931 Rents	88,036.57	86,693.84	89,175.34	1,059,844.21	1,056,677.43	1,056,143.08
932 Maintenance of General Plant	2,500.26	4,052.68	11,620.80	40,643.88	43,362.48	53,891.64
922 Capitalized Exp.	-	-	-	(129,123.90)	(101,650.58)	(83,461.98)
<b>TOTAL ADM. &amp; GEN. EXPENSES</b>	<b>1,482,785.83</b>	<b>1,378,837.45</b>	<b>1,749,571.80</b>	<b>18,548,162.97</b>	<b>18,609,465.66</b>	<b>18,814,545.01</b>
<b>TOTAL O&amp;M EXPENSES (Excluding Gas Cost and</b>	<b>5,061,057.47</b>	<b>3,703,207.28</b>	<b>4,146,350.53</b>	<b>52,178,758.99</b>	<b>52,182,156.35</b>	<b>52,277,170.54</b>
<b>DEPRECIATION AND AMORTIZATION</b>						
403 Depreciation Expense	2,214,872.75	2,225,525.21	2,233,137.06	25,923,203.90	26,061,058.52	26,195,257.02
Propane Air Plant	0.00	-	-	-	-	-
Telemetry	0.00	-	-	-	-	-
Meters & Regulators	-	-	-	-	-	-
Central Stores Warehouse	0.00	-	-	-	-	-
General Office	0.00	-	-	-	-	-
407.1 Amortization of Property Losses	0.00	-	-	-	-	-
<b>TOTAL DEPRECIATION AND AMORTIZATION</b>	<b>2,214,872.75</b>	<b>2,225,525.21</b>	<b>2,233,137.06</b>	<b>25,923,203.90</b>	<b>26,061,058.52</b>	<b>26,195,257.02</b>
407.3 Regulatory Debits	-	-	-	-	-	-
<b>TAXES OTHER THAN INCOME TAXES</b>						
408.1 Property, Payroll and Misc. Taxes	283,746.27	510,849.82	410,030.52	4,316,068.76	4,353,881.10	4,390,906.48
<b>INCOME TAXES - OPERATING</b>						
409.1 Federal Inc Taxes, Util Oper Inc	(1,935,813.80)	(1,126,357.69)	(394,208.11)	2,551,839.11	2,581,594.95	1,544,543.17
409.1 State Income Taxes, Util Oper Inc	-	-	-	-	-	-
410.1 Provision For Defer'd Fed Inc Tax	1,159,192.72	484,936.32	2,783,838.85	8,555,176.14	8,272,927.62	10,796,454.91
410.1 Provis'n For Defer'd State Inc Tax	-	-	-	-	-	-
411.1 Prov For Deferred Inc Tax - Credit	(192,821.44)	(205,633.77)	(2,858,245.73)	(11,141,401.53)	(11,032,048.98)	(12,421,158.68)
411.4 Investment Tax Credit Adjustments	(2,690.61)	(2,690.61)	(2,690.61)	(32,059.72)	(32,105.24)	(32,150.76)
<b>TOTAL INCOME TAXES - OPERATING</b>	<b>(972,133.13)</b>	<b>(849,745.75)</b>	<b>(471,305.60)</b>	<b>(66,446.00)</b>	<b>(209,631.65)</b>	<b>(112,311.36)</b>
<b>* TOTAL OPERATING EXPENSES *</b>	<b>6,587,543.36</b>	<b>5,589,836.56</b>	<b>6,318,212.51</b>	<b>82,351,585.65</b>	<b>82,387,464.32</b>	<b>82,751,022.68</b>
<b>* TOTAL OPERATING INCOME *</b>	<b>(1,564,914.77)</b>	<b>(1,156,984.53)</b>	<b>(233,193.48)</b>	<b>22,698,061.28</b>	<b>22,315,742.64</b>	<b>22,464,910.90</b>