

**Cascade Natural Gas Corporation**  
**FAS 143/FIN 47 Implementation - REVISED**

<b>Transition Entries to record as of 9/30/2006</b>	<b>FERC Account Description</b>	<b>FERC Account</b>	<b>Dr.</b>	<b>Cr.</b>
To record the liabilities for asset retirement obligations with offsetting increase to carrying amount of related assets	ARO Assets	101	30,803	
	ARO Liabilities	230		30,803
To record the accretion of asset retirement obligation liabilities from 1970 - 2006	Cumulative Effect adjustment	Regulatory Asset	258,428	
	ARO Liabilities	230		258,428
To record the depreciation of asset retirement cost from 1970 - 2006	Cumulative Effect adjustment	Regulatory Asset	25,045	
	Accum Deprec - ARO assets	108		25,045
To record cumulative effect of implementation of FAS 143 as regulatory assets	Regulatory Assets	182.3	283,473	
	Cumulative Effect adjustment	Regulatory Asset		283,473
Net effect of above entries	ARO Assets	101	30,803	
	Accum Deprec - ARO assets	108		25,045
	Regulatory Assets	182.3	283,473	
	ARO Liabilities	230		289,231

Amounts shown are initial calculations and are subject to change prior to preparation of the 9/30/2006 FAS 143 journal entries