



In the Community to Serve®

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September 27, 2013

Mr. Steven V. King
Acting Executive Director and Secretary
Washington Utilities & Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

Re: Pipeline Replacement Cost Recovery Mechanism **update** in Accordance with Commission Policy Statement in Docket UG-120715. Original filing under Advice No. CNG/WN13-05-01

Dear Mr. King:

In accordance with the Commission's policy statement in Docket UG-120715 Cascade hereby submits its update to the Cost Recovery Mechanism with actual costs as of July 31, 2013, and estimated costs through October 31, 2013.

Cascade will be providing its final update once September actual costs are known per the policy statement. Cascade will also replace the originally filed tariff based on the data in the final update.

If there are any questions regarding this update please contact me at (509) 734-4593.

Sincerely,

Michael Parvinen
Director, Regulatory Affairs

We make warm neighbors

Replacement Projects 11-1-12 to 10-31-13

Project	31-Jul-13		Schedule								
	Actual Cost	Estiminated Cost	503	502	504	512	511	505	570	577	663
1. Longview Bare Steel Replacement - Phase II	\$1,484,060	\$2,770,769	\$101,213,281	\$1,206,702	\$70,606,839	\$26,846	\$4,565,375	\$8,230,589	\$541,665	\$103,353	\$32,230,617
2. Anacortes Bare Steel Replacement - Phase II	\$0	\$1,794,144	46.27%	0.55%	32.28%	0.01%	2.09%	3.76%	0.25%	0.05%	14.74%
3. Shelton Bare Steel Replacement - Phase I	\$0	\$592,502									
4. Anacortes Bare Steel Replacement - Phase I	\$0	\$6,641,475									
5. Kelso Main Street Relocate	\$0										
6. Wenatchee Bridge Crossing	\$0										
7. Meyers Road Bridge	\$0										
8. Total Estimated Replacement Cost	\$1,484,060	\$6,641,475	\$3,000,685	\$3,000,685	\$3,000,685	\$3,000,685	\$3,000,685	\$3,000,685	\$3,000,685	\$3,000,685	\$3,000,685
9. Rate Base Allocation from UG-060256 Company COS	\$218,725,267										
10. Percentage	100.00%										
11. Total Investment	Ln 7	6,641,475									
12. Depreciation Expense - Rate 2.58%	Ln 11 * 2.58%	171,350									
13. Accumulated Depr. (Avg)	Ln 12 / 2	85,675									
14. Tax depreciation - Rate 5.00%	Ln 11 * 5%	332,074									
15. Deferred Tax	(Ln 14 - Ln 12) * .35	56,253									
16. Accum Def Tax (Avg)	Ln 15 / 2	28,127									
17. FIT	Ln 12 * .35	59,973									
18. Rate Base		6,527,673									
19. Authorized ROR from UG-060256		8.85%									
20. NOI	(Ln 18 * Ln 19) + (Ln 12 - Ln 17)	\$577,699									
21. Total NOI	(Ln 18 * Ln 19) + (Ln 12 - Ln 17)	\$689,077									
22. Conversion Factor from Company Testimony in UG-060256	Ln 21 / Ln 22	0.6218025									
23. Revenue Requirement	Ln 21 / Ln 22	\$1,108,192									
24. Allocation Rev Req to Schedules	Ln 23 * Ln 19	\$512,807									
25. Weather Normalized 2012 Volumes		126,640,144									
26. Rate Change	Ln 24 / Ln 25	\$0.00405									
27. 502 and 503 Combined Rev. Req.		\$518,920									
28. 502 and 503 Combined Weather Norm. Vol.		126,997,489									
29. Combined 502 and 503 Rate Schedule	Ln 27 / Ln 28	\$0.00409									
30. 2012 Commission Basis Total Revenue		\$210,121,191									
31. Percentage Increase in Revenue	Ln 23 / Ln 30	0.53%									

Project delayed due to budgetary reasons

Project delayed due to city permitting and timing

Project delayed due to city permitting and timing