

CASCADE NATURAL GAS CO.

TABLE 1. SUMMARY OF SERVICE LIFE AND NET SALVAGE ESTIMATES AND CALCULATED ANNUAL AND ACCRUED DEPRECIATION RELATED TO THE RECOVERY OF AVERAGE ORIGINAL COST IN GAS PLANT AS OF DECEMBER 31, 2018

		- TOTAL -							
ACCOUNT	DESCRIPTION	ESTIMATED	NET	SURVIVING	CALCULATED	BOOK	ANNUAL ACCRUAL	REMAINING	
		SURVIVOR	SALVAGE	ORIGINAL COST	ACCRUED				
		CURVE	PERCENT	AS OF 12/31/2018	DEPRECIATION	RESERVE	AMOUNT	RATE	
								LIFE	
TRANSMISSION PLANT									
365.2	RIGHTS OF WAY	85-S5	0	1,026,089	621,350	799,584	6,656	0.65	33.5
367.1	MAINS	70-S5	-20	22,171,657	13,712,219	14,757,046	332,040	1.50	33.9
369.1	MEAS & REG STATION EQUIPMENT	55-R5	-10	180,823	177,548	150,427	8,313	4.60	5.9
TOTAL TRANSMISSION PLANT				23,378,569	14,511,117	15,707,058	347,009	1.48	
DISTRIBUTION PLANT									
374.2	LAND RIGHTS	60-R3	0	2,157,343	700,339	718,975	35,446	1.64	40.5
375.1	STRUCTURES AND IMPROVEMENTS	45-R3.5	-5	1,465,897	1,103,659	1,350,500	10,505	0.72	12.7
376.1	MAINS - STEEL	75-R4	-110	155,217,590	115,054,967	107,167,551	4,586,467	2.95	48.5
376.2	MAINS - HIGH PRESSURE	85-R2.5	-25	169,538,277	33,255,150	41,072,416	2,361,896	1.39	71.7
376.3	MAINS - PLASTIC (POLYETHYLENE)	45-R4	-35	181,660,978	59,266,169	52,259,408	5,725,036	3.15	34.1
377.0	COMPRESSOR STATION EQUIP.	35-R3	-5	2,097,767	932,258	1,463,847	36,048	1.72	20.2
378.0	MEAS & REG STATION EQUIP-GENERAL	65-R1.5	-40	33,041,936	6,604,969	9,310,074	651,661	1.97	55.7
380.1	SERVICES - STEEL	60-R4	-160	75,145,608	97,314,326	112,918,721	2,609,846	3.47	30.1
380.3	SERVICES - PLASTIC (POLYETHYLENE)	35-S4	-40	174,291,651	73,258,064	65,649,703	7,428,198	4.26	24.5
381.0	METERS & METER INSTALLATIONS	40-S0.5	-5	98,675,779	25,806,156	23,701,282	2,688,094	2.72	30.0
383.0	REGULATORS	42-R2	0	11,160,435	3,898,780	3,817,600	269,856	2.42	27.3
385.0	INDUSTRIAL MEAS. & REG. STATION EQUIPMENT	43-R2	-5	11,641,826	3,216,819	4,748,136	217,398	1.87	31.7
TOTAL DISTRIBUTION PLANT				916,095,085	420,411,656	424,178,213	26,620,450	2.91	
GENERAL PLANT									
390.1	STRUCTURES & IMPROVEMENTS	37-S1	0	20,016,528	6,823,686	11,512,733	288,257	1.44	24.4
390.2	LEASEHOLD IMPROVEMENTS	15-L2	0	7,933	1,289	15,849	-	-	12.6
391.2	COMPUTER SOFTWARE	10-SQ	0	2,994,410	2,855,580	2,994,410	-	-	0.5
391.3	COMPUTER EQUIPMENT - SERVER & WORKSTATION	5-SQ	0	3,129,482	2,255,432	1,073,697	1,377,593	44.02	1.4
391.4	OFFICE EQUIPMENT	15-SQ	0	332,876	187,390	(118,388)	87,782	26.37	6.6
391.5	OFFICE FURNITURE & FIXTURES	15-SQ	0	1,830,810	930,934	214,356	347,894	19.00	7.4
392.1	TRANSPORTATION EQUIPMENT - TRAILERS	20-S3	10	321,766	129,354	181,562	8,665	2.69	11.1
392.2	TRANSPORTATION EQUIPMENT	11-L1.5	20	16,815,650	4,313,742	5,757,432	990,541	5.89	7.5
393.0	STORES EQUIPMENT	30-SQ	0	66,925	46,255	30,028	5,619	8.40	9.3
394.1	TOOLS, SHOP, & GARAGE EQUIPMENT	20-SQ	0	8,836,244	3,553,294	2,276,264	941,519	10.66	12.0
394.2	CNG EQUIPMENT	31-R4	0	131,231	112,484	120,288	1,994	1.52	4.4
395.0	LABORATORY EQUIPMENT	20-SQ	0	119,908	90,264	64,581	17,448	14.55	4.9
396.1	WORK EQUIPMENT - TRAILERS	20-L2	30	959,325	172,064	227,141	28,452	2.97	14.9
396.2	POWER OPERATED EQUIPMENT	15-L1.5	35	4,030,055	312,148	(889,290)	388,282	9.63	13.2
397.1	RADIO COMMUNICATION EQUIP. (FIXED)	15-SQ	0	385,135	243,338	236,357	20,618	5.35	5.5
397.2	SUPERVISORY & TELEMETERING EQUIP.	10-SQ	0	4,998,747	3,829,318	3,758,909	276,304	5.53	2.3
397.3	TELEPHONE & TELEX EQUIP.	10-SQ	0	535,710	388,624	243,942	115,816	21.62	2.7
397.4	RADIO COMMUNICATION EQUIP. (MOBILE)	15-SQ	0	1,240,360	423,996	386,097	86,712	6.99	9.9
398.0	MISCELLANEOUS EQUIPMENT	25-SQ	0	80,968	21,763	17,002	3,525	4.35	18.3
TOTAL GENERAL PLANT				66,834,063	26,690,955	28,102,970	4,987,022	7.46	
TOTAL GAS PLANT STUDIED				1,006,307,717	461,613,728	467,988,241	31,954,480	3.18	
PLANT NOT STUDIED									
301.0	ORGANIZATION			152,066					
302.0	FRANCHISES			211,825		211,825			
303.0	MISC. INTANGIBLE PLANT			44,171,295		17,326,335			
365.1	LAND & LAND RIGHTS			224,536					
372.0	TRANSMISSION ARO			87,720		31,955			
374.0	LAND (DISTRIBUTION)			506,464		184			
375.2	LEASEHOLD IMPROVEMENT			-		(655)			
386.0	CNG REFUELING			-		(562)			
388.0	ARO DISTRIBUTION PLANT			22,097,038		4,372,545			
389.0	LAND & LAND RIGHTS (GENERAL)			3,468,084		1,006,015			
TOTAL PLANT				1,077,226,744		490,935,882			

Cascade Natural Gas Co.
 Depreciation Study Comparison (Includes Base, Salvage, COR)
 Based on January 2020

Depr Summary	1/1/2020 Beginning Plant Balance	Current Rates	January Actual Depr	Proposed Rates	January Using Proposed Rates	Monthly Difference	Annualized Difference		
301-G-Organization	152,066.08	0.00%	-	0.00%	-	-	-		
302-G-Franchises	211,824.67	0.00%	-	0.00%	-	-	-		
303-G-Misc. Intangible Plant	45,973,819.99	0.00%	296,017.63	0.00%	296,017.63	-	-		
365-G-Land and Land Rights	224,535.51	0.00%	-	0.00%	-	-	-		
365-G-Rights-of-Way	1,026,089.41	1.58%	1,351.02	0.65%	555.80	(795.22)	(9,542.66)		
367-G-Mains	22,103,530.42	1.82%	33,523.68	1.50%	27,629.41	(5,894.27)	(70,731.20)		
369-G-Measuring/Regulating Equipmen	180,822.80	0.41%	61.78	4.60%	693.15	631.37	7,576.49		
372-G-Aro Transmission Plant	86,636.74	0.00%	69.95	0.00%	69.95	-	-		
374-G-Land	553,725.71	0.00%	-	0.00%	-	-	-		
374-G-Land and Land Rights	2,157,342.92	1.88%	3,379.84	1.64%	2,948.37	(431.47)	(5,177.66)		
375-G-Structures & Improvements	1,488,339.22	1.22%	1,513.15	0.72%	893.00	(620.15)	(7,441.76)		
376-G-Mains-High Pressure Steel	180,898,692.60	1.25%	188,436.13	1.39%	209,540.99	21,104.86	253,258.27		
376-G-Mains-Plastic	201,372,503.12	4.13%	693,057.03	3.15%	528,602.82	(164,454.21)	(1,973,450.51)		
376-G-Mains-Steel	159,630,222.37	2.20%	292,655.40	2.95%	392,424.30	99,768.90	1,197,226.76		
377-G-Compressor Station	2,097,766.77	1.78%	3,111.69	1.72%	3,006.80	(104.89)	(1,258.69)		
378-G-Measure/Regulation	36,723,650.46	1.92%	58,757.84	1.97%	60,287.99	1,530.15	18,361.83		
380-G-Services-Plastc	194,497,922.54	3.88%	628,876.62	4.26%	690,467.63	61,591.01	739,092.06		
380-G-Services-Steel	75,017,240.43	3.33%	208,172.84	3.47%	216,924.85	8,752.01	105,024.16		
381-G-ERT Units	21,564,736.03	6.89%	123,817.53	2.72%	48,880.07	(74,937.46)	(899,249.54)	These three to be	
381-G-Meters	43,437,209.13	2.27%	82,168.72	2.72%	98,457.67	16,288.95	195,467.45	combined with under	
382-G-Meter Set Installation	33,847,282.32	1.86%	52,463.28	2.72%	76,720.51	24,257.23	291,086.72	new UG methodology	
383-G-Service Regulators	11,519,764.66	2.32%	22,271.55	2.42%	23,231.53	959.98	11,519.70		
385-G-Industrial Meas. & Reg Stn Eq	12,160,232.27	2.18%	22,091.09	1.87%	18,949.70	(3,141.39)	(37,696.74)		
388-G-Aro Distribution Plant	26,251,194.29	0.00%	30,309.45	0.00%	30,309.45	-	-		
389-G-Land & Land Rights	3,997,891.94	0.00%	-	0.00%	-	-	-	Current	Proposed
390-G-Leasehold Improvement	7,933.28	0.00%	-	0.00%	-	-	-	Auto-Retire	Auto-Retire
390-G-Structures & Improvements	22,961,296.80	1.24%	23,726.67	1.44%	27,553.56	3,826.89	45,922.63	Life (Years)	Life (Months)
391-G-Comp Equip-Server & Workstati	3,494,588.66	16.24%	47,293.43	44.02%	69,499.83	22,206.40	266,476.77	11	5
391-G-Office Equipment	345,319.84	17.37%	4,998.50	26.37%	7,588.40	2,589.90	31,078.84	15	15
391-G-Office Furniture & Fixtures	1,835,382.65	4.98%	7,616.84	19.00%	25,893.56	18,276.72	219,320.62	25	15
391-G-Software	2,994,409.61	0.00%	-	0.00%	-	-	-	Plan to move to 303 for UG Consistency	
392-G-Trailers	278,385.59	3.15%	730.77	2.69%	624.05	(106.72)	(1,280.67)		
392-G-Transportation Equipment	18,014,662.05	6.15%	92,325.14	5.89%	88,421.97	(3,903.17)	(46,838.09)		
393-G-Stores Equipment	76,201.89	5.34%	339.09	8.40%	533.41	194.32	2,331.88	33	30
394-G-Tools,Shop,Garage Equip	9,259,753.80	3.56%	27,470.60	10.66%	70,709.15	43,238.55	518,862.56	31	20
394-G-Vehicle CNG Equipment	131,231.02	1.84%	201.22	1.52%	166.23	(34.99)	(419.93)		
395-G-Laboratory Equipment	89,721.91	4.60%	343.93	14.55%	602.88	258.95	3,107.38	25	20
396-G-Power Operated Equipment	2,971,184.57	5.18%	12,825.62	9.63%	23,843.76	11,018.14	132,217.63		
396-G-Trailers-Work Equipment	895,011.90	3.12%	2,327.03	2.97%	2,215.15	(111.88)	(1,342.51)		
397-G-Radio Comm Equip-Fixed	385,135.06	4.56%	1,463.52	5.35%	1,075.06	(388.46)	(4,661.51)	N/A	15
397-G-Radio Comm Equip-Mobile	1,239,770.20	9.37%	9,680.54	6.99%	7,221.66	(2,458.88)	(29,506.54)	12	15
397-G-Supervisory & Telemeter Equip	5,445,112.37	0.13%	589.88	5.53%	14,032.89	13,443.01	161,316.15	N/A	15
397-G-Telephone & Telex Equip	534,990.71	9.18%	4,092.68	21.62%	9,638.75	5,546.07	66,552.83	N/A	15
398-G-Miscellaneous Equipment	80,967.67	10.51%	709.15	4.35%	293.51	(415.64)	(4,987.71)	20	25
389-N-Land & Land Rights	197,964.51	-	-	-	-	-	-		
Total CNG	1,148,414,066.49		2,978,840.83		3,076,525.42	97,684.59	1,172,215.04		
Depreciation Expensed			2,840,252.87		2,931,041.09	90,788.22	1,089,458.66		
Depreciation Reclassified to Reg Asset			30,379.40		30,379.40	-	-		
Depreciation Applied to Auto & Work Clearing			108,208.56		115,104.92	6,896.36	82,756.37		
			2,978,840.83		3,076,525.42	97,684.59	1,172,215.04		