

**Exh. JH-4  
Docket UG-240008  
Witness: Joanna Huang**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**CASCADE NATURAL GAS  
CORPORATION,**

**Respondent**

**DOCKET UG-240008**

**EXHIBIT TO RESPONSE TESTIMONY OF**

**JOANNA HUANG**

**STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

***Multi-Year Rate Plan Revenue Requirement Calculation***

**September 25, 2024**

**Cascade Natural Gas Corp.  
Washington Jurisdiction**

**Twelve-Months ended December 31, 2023  
Multi-Year Rate Plan Revenue Requirement Calculation**

| Line No | Description                                | Rates Effective March 1, 2025 |                                 |                     | Rates Effective March 1, 2026   |
|---------|--|-------------------------------|---------------------------------|---------------------|---------------------------------|
|         |  | Test Year <sup>1</sup>        | Provisional Year 1 <sup>2</sup> | Total               | Provisional Year 2 <sup>3</sup> |
|         | A  | B                             | C                               | D                   | E                               |
| 1       | Adjusted Rate Base                         | \$605,405,534                 | \$708,682,827                   |                     | \$770,568,535                   |
| 2       | Rate of Return                             | 6.85%                         | 6.85%                           |                     | 6.85%                           |
| 3       | Required Return (In 1 x In 2)              | \$41,476,333                  | \$48,551,860                    |                     | \$52,791,650                    |
| 4       | Adjusted Net Income                        | \$28,515,767                  | \$39,716,755                    |                     | \$45,206,111                    |
| 5       | Required Net Income Increase (In 3 - In 4) | \$12,960,566                  | \$8,835,105                     |                     | \$7,585,539                     |
| 6       | Conversion Factor                          | 0.75110                       | 0.75110                         |                     | 0.75110                         |
| 7       | Revenue Increase Required (In 5 / In 6)    | \$17,255,417                  | \$11,762,868                    | <b>\$29,018,285</b> | <b>\$10,099,222</b>             |
| 8       |  |                               |                                 |                     |                                 |
| 9       | Adjusted Base Revenue                      | \$145,629,250                 | \$147,200,727                   | \$147,200,727       | \$178,266,090                   |
| 10      |  |                               |                                 |                     |                                 |
| 11      | Base Revenue Change                        | 11.85%                        | 7.99%                           | <b>19.71%</b>       | <b>5.67%</b>                    |
| 12      |  |                               |                                 |                     |                                 |
| 13      | Overall Revenue Change                     | 4.58%                         | 3.11%                           | <b>7.67%</b>        | <b>2.47%</b>                    |

<sup>1</sup> Includes pro forma adjustments related to the 2024 provisional year.

<sup>2</sup> Only includes 2024 provisional plant adjustments. Provisional plant additions are subject to retrospective review.

<sup>3</sup> Includes 2025 pro forma and provisional plant adjustments. Provisional plant additions are subject to retrospective review.