

**BEFORE THE WASHINGTON  
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE NATURAL GAS COMPANY.

Respondent.

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DOCKET UG-240008

**JAMES A. LEYKO  
ON BEHALF OF THE  
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL  
PUBLIC COUNSEL UNIT**

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**EXHIBIT JAL-6**

Plant Additions Adjustment

**September 25, 2024**

## Cascade Natural Gas Corporation

### Plant Additions Adjustment

Line	Description	Company Proposed (1)	Adjustment (2)	Updated Forecast (3)
<b>Rate Year 1 (2024)</b>				
1	Provisional Plant Additions	140,193,438	(31,837,482) <sup>1</sup>	108,355,956
2	Less Estimated Retirements	<u>(4,065,610)</u>	<u>(4,602,866)</u>	<u>(8,668,476) <sup>2</sup></u>
3	Provisional Net Plant Additions	136,127,828	(36,440,348)	99,687,480
4	Estimated Increase to Accumulated Depreciation	(34,181,120)	303,328	(33,877,792)
5	Less Estimated Retirements	4,065,610	4,602,866	8,668,476
6	Less Estimated Removal Costs	<u>(1,530,561)</u>	<u>-</u> <sup>3</sup>	<u>(1,530,561)</u>
7	Net Estimated Increase to Accumulated Depreciation	(31,646,071)	4,906,194	(26,739,877)
8	Estimated Increase to Accumulated Deferred Income Taxes	68,762	(18,407)	50,355
9	<b>Rate Base Adjustment</b>	<b>104,550,518</b>	<b>(31,552,561)</b>	<b>72,997,958</b>
10	Estimated Depreciation Expense Increase	3,915,989	(465,808) <sup>4</sup>	3,450,181
11	Less Depreciation Impact of Estimated Retirements	<u>(124,408)</u>	<u>(140,848)</u>	<u>(265,255)</u>
12	<b>Net Estimated Depreciation Expense Increase</b>	<b>3,791,581</b>	<b>(606,656)</b>	<b>3,184,925</b>
<b>Rate Year 2 (2025)</b>				
13	Provisional Plant Additions	107,258,633	30,332,964 <sup>1</sup>	137,591,598
14	Less Estimated Retirements	<u>(3,110,500)</u>	<u>(7,896,828)</u>	<u>(11,007,328) <sup>2</sup></u>
15	Provisional Net Plant Additions	104,148,133	22,436,136	126,584,270
16	Estimated Increase to Accumulated Depreciation	(37,896,908)	496,947	(37,399,961)
17	Less Estimated Retirements	3,110,500	7,896,828	11,007,328
18	Less Estimated Removal Costs	<u>590,288</u>	<u>-</u> <sup>3</sup>	<u>590,288</u>
19	Net Estimated Increase to Accumulated Depreciation	(34,196,120)	8,393,775	(25,802,345)
20	Estimated Increase to Accumulated Deferred Income Taxes	(1,767,079)	(380,673)	(2,147,752)
21	<b>Rate Base Adjustment</b>	<b>68,184,935</b>	<b>30,449,238</b>	<b>98,634,173</b>
22	Estimated Depreciation Expense Increase	3,735,177	461,061 <sup>4</sup>	4,196,238
23	Less Depreciation Impact of Estimated Retirements	<u>(95,181)</u>	<u>(241,643)</u>	<u>(336,824)</u>
24	<b>Net Estimated Depreciation Expense Increase</b>	<b>3,639,995</b>	<b>219,418</b>	<b>3,859,413</b>

Sources and Notes:

Darrington Exh. JAD-2 to Exh. JAD-8 Workpapers.

<sup>1</sup> Cascade's response to WUTC data request 46, Attachment A. Provided as Exhibit JAL-3.

<sup>2</sup> Rate changed to 8.0% per Cascade's response to WUTC data request 86. Provided as Exhibit JAL-5.

<sup>3</sup> Darrington's workpapers show no removal costs associated with the delayed projects.

<sup>4</sup> Depreciation expense impact of the updated forecast calculated using the rates in Darrington's workpapers.