

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE NATURAL GAS COMPANY.

Respondent.

DOCKET UG-240008

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

EXHIBIT JAL-7

COVID-19 Rate Deferral Adjustment

September 25, 2024

Cascade Natural Gas Corporation

COVID-19 Rate Deferral Adjustment

<u>Line</u>	<u>Description</u>	<u>Company Proposed (1)</u>	<u>Adjusted (2)</u>
1	Bad Debt Expense	\$ 1,067,047	\$ 1,067,047
2	Past Due Interest	668,580	668,580
3	Other Direct Costs	124,102	124,102
4	Credit & Collections	<u>1,109,046</u>	<u>1,109,046</u>
5	Total 186	\$ 2,968,775	\$ 2,968,775
6	Add Reconnect Fees/Late Payment Fees	\$ 5,884,412	\$ -
7	Remove Past Due Interest	(668,580)	(668,580)
8	Remove Credit & Collections	<u>(1,109,046)</u>	<u>(1,109,046)</u>
9	Total Adjusted 186	\$ 4,106,786	\$ (1,777,626)
10	Other Direct Benefits	\$ (1,055,334)	\$ (1,055,334)
11	CARES Act Tax Benefit	<u>(158,488)</u>	<u>(158,488)</u>
12	Total 253	\$ (1,213,822)	\$ (1,213,822)
13	Total Ending Balance (January 31, 2024)	\$ 5,861,739	\$ (22,673)
14	Estimated Additional Costs Through February 2025	<u>2,062,982</u>	<u>2,062,982</u>
15	Total to be Amortized	\$ 7,924,722	\$ 2,040,310
16	Amortization Period (Years)	2	4
17	Amortization Expense	\$ 3,962,361	\$ 510,077
18	Grossed Up for Revenue Sensitive	\$ 4,167,572	\$ 536,494
19	Difference		\$ (3,631,078)

Source:
Harris Exh. ZLH-2.