

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE NATURAL GAS
CORPORATION,

Respondent.

DOCKET UG-240008

**EXHIBIT BGM-6
CAPITAL ASSET PRICING MODEL ANALYSIS**

<u>Risk Free Rate</u>		<u>Equity Risk Premium</u>		<u>Beta</u>	<u>Cost of</u>
<u>Source</u>	<u>Value</u>	<u>Source</u>	<u>Value</u>	<u>Range</u>	<u>Equity</u>
Actual	4.09	Kroll	5.00	0.560	6.90
Actual	4.09	Kroll	5.00	0.750	7.85
Actual	4.09	Kroll	5.00	0.900	8.60
Actual	4.09	NYU (Sep.)	3.86	0.560	6.25
Actual	4.09	NYU (Sep.)	3.86	0.750	7.00
Actual	4.09	NYU (Sep.)	3.86	0.900	7.55
Actual	4.09	NYU (TTM)	5.83	0.560	7.35
Actual	4.09	NYU (TTM)	5.83	0.750	8.45
Actual	4.09	NYU (TTM)	5.83	0.900	9.35
Forecast	2.91	Kroll	5.00	0.560	5.70
Forecast	2.91	Kroll	5.00	0.750	6.65
Forecast	2.91	Kroll	5.00	0.900	7.40
Forecast	2.91	NYU (Sep.)	3.86	0.560	5.05
Forecast	2.91	NYU (Sep.)	3.86	0.750	5.80
Forecast	2.91	NYU (Sep.)	3.86	0.900	6.40
Forecast	2.91	NYU (TTM)	5.83	0.560	6.15
Forecast	2.91	NYU (TTM)	5.83	0.750	7.30
Forecast	2.91	NYU (TTM)	5.83	0.900	8.15
Average	3.50		4.90	0.737	7.10
				Recommended	9.30