

Public Counsel Adjustment P-1

Line No.	Description	Amount
1	Washington Unadjusted Federal Income Tax, per CNG Filing	4,154,374
2	FIT Rate Used In Original Filing	35%
3	Current FIT Rate	21%
4	Federal Income Tax Based on Unadjusted Results and Current FIT Rate (Line 1 / Line 2 * Line 3)	2,492,624
5	Reduction to Unadjusted Federal Income Tax to Reflect Current FIT Rate (Line 4 - Line 1)	(1,661,750)

Notes/References

Col. (A): Company Exhibit MMP-2

The amount on line 4 for the federal income tax expense based on unadjusted results as revised to reflect the 21% current federal income tax rate equals the amount presented by the Company in the attachments provided with its original and supplemental response to Bench Request No. 1.

Public Counsel Adjustment P-3

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Recommend Monthly Charges from MDU Included in Rent Expense	<u>63,105</u>
2	Recommended Annual Charges from MDU to Include in Rent Expense (Line 1 x 12)	757,260
3	Test Year Charges from MDU included in Rent Expense	<u>902,274</u>
4	Reduction to Test Year Rent Expense	<u><u>(145,014)</u></u>

Notes/Source:

Amounts are on a Washington Jurisdictional Basis.

Line 1: Monthly charges in effect for 2017 per the Company's response to Public Counsel Data Request 86, Attachment PC-86F (Exhibit DMR-32)

Line 2: Company's response to Public Counsel Data Request 86, Attachment PC-86F.

Public Counsel Adjustment P-4

Line No.	Description	Amount
<u>Incentive Plan Expense in 2016 Test Year, per Company:</u>		
1	Cascade Direct Charge to Washington Jurisdiction	196,587
2	Cascade Allocated to Washington Jurisdiction	432,549
3	Intermountain Gas Company Allocation to Washington	46,716
4	Montana Dakota Utility Allocated to Washington	512,889
5	MDU Resources Group Allocated to Washington	577,189
6	Total Incentive Plan Expense in Test Year, Washington Jurisdictional	<u>1,765,930</u>
<u>Public Counsel Recommended Allowable Expense:</u>		
7	Cascade Employees Based on O&M Goals	174,419
8	Cascade Employees Based on Customer Service Goals	174,419
9	Cascade Employees Based on Integrity Leadership Goals	28,839
10	Public Counsel Recommended Incentive Compensation Expense	<u>377,677</u>
11	Reduction to Test Year Incentive Compensation Expense (Line 10 - Line 6)	<u><u>(1,388,253)</u></u>

Source/Notes:

Lines 1 - 5: Company response to UTC Staff Data Request 110 (Exhibit DMR-38).

Lines 7 - 9: Company response to UTC Staff Data Request 109 (Exhibit DMR-21).