# BEFORE THE WASHINGTON UTILITIES & TRANSPORTATION COMMISSION

# WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Complainant,

v.

# CASCADE NATURAL GAS CORPORATION,

Respondent.

# **DOCKET UG-200568**

# WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL PUBLIC COUNSEL UNIT CROSS-EXAMINATION EXHIBIT FOR CASCADE WITNESS, ANN E. BULKLEY

# **EXHIBIT AEB-** X

Cascade's Response to Public Counsel Data Request No. 7, with Attachment "2018-2020 CNG-Regulated Returns"

February 18, 2021

# Washington Utilities and Transportation Commission

v.

# Cascade Natural Gas Corporation Public Counsel Data Request UG-200568

# Request No. 7

Date prepared: August 21, 2020

Preparer: Kevin Conwell

Contact: Pamela Archer

Telephone: 509-734-4591

# PC-7: Re: Cost of Capital – Rate of Return.

Please provide the authorized and earned return on common equity and common equity ratio for Cascade Natural Gas Corporation (Washington jurisdiction) and the other utility subsidiaries of MDU Resources over the past five years (2016-2020). Please provide copies of all associated work papers and source documents. Please provide copies of the source documents, work papers, and data in PDF and electronic (Microsoft Excel) formats, with all data and formulas intact.

# **Response:**

Please see the following attachments for Cascade and for MDU Utilities. The Company will file a supplemental response for Intermountain Gas Company, whose information was not received in time for this response.

See attachments with in the zip folder PC-7.

June 2020	Markinston	0	T-1-1 CNC				la contra de cabre de f	
	Washington	Oregon	Total CNG				Inputs to check for	or rounding
Utility Net Operating Income	\$22,658	\$8,204	\$30,862		OES & WA Files	f2		\$8,204.21 a2
Less: Interest Expense Less: Prior period adjustment	(11,501)	(3,857)	(15,358)		FERC Income Statement Adj.'s from OES & WA Files	b2	-\$11,500.77	-\$3,857.13 b2
Regulated Income	\$11,157	\$4,347	\$15,504		Adj. 3 Holli OL3 & WA Files		\$11,156.77	\$4,347.08
Add:								
Tax Reform Adjustment	-	-	-		Adj.'s Jurisdictional Returns	e4		e4
Promotional Advertising Adj.	(1)	-	(1)		Adj.'s from OES & WA Files	f3	-\$0.82	-\$0.09 a3
Removal of 25% Membership Fees Normalize Uncollectible Expense		(16) (15)	(16) (15)		Adj.'s from OES & WA Files Adj.'s from OES & WA Files			-\$16.18 a3 -\$14.40 a3
Interest Coordination Adj.	603	220	823	Added	Adj.'s from OES & WA Files		\$603.25	\$219.80 a3
Officer's Incentive Comp. Adj.		(79)	(79)		Adj.'s from OES & WA Files			-\$78.37 a3
Annualizing Wage Rate Adj.	55	21	76		Adj.'s from OES & WA Files	f3	\$54.99	\$20.85 a3
PGA Commodity Sharing Adj. Weather Normalization Adj.	_	(120)	(120)		Adj.'s from OES & WA Files Adj.'s from OES & WA Files			-\$120.03 a3
Other Income & Deductions	4,633	425	5,058		FERC Income Statement	b1	\$4,633.13	\$425.04 b1
Nonregulated Income Taxes	(867)	(13)	(880)		FERC Income Statement	b3	-\$867.49	-\$13.16 b3
Prior period adjustment		-	-		copied from above		\$0.00	\$0.00
Total Adjustments	4,423	423	4,846	b5			\$4,423.07	\$423.47
Book Utility Net Income	\$15,580	\$4,770	\$20,350	\$20,350 tie to	o 12-month IS for rounding issues		\$15,579.84	\$4,770.55
Common Equity - Ratemaking Add:	\$174,328	\$49,966	\$224,294					
CWIP	28,868	2,809	31,677			g1	\$28,867.81	\$2,808.57 g2
Nonutility Property Utility SERP/SISP	198	1 400	198 5,979			g1	\$197.96	\$0.00 g2 \$1.487.79
Intercompany A/R & A/P	4,491 (1,808)	1,488 (599)	(2,407)			g1 g1	\$4,490.91 -\$1,807.92	\$1,487.79 -\$599.34
Accum Deferred DIT's	765	368	1,133			g1	\$764.53	\$368.06 g2
PGA	80,625	4,466	85,091			g1	\$80,624.61	\$4,465.70 g2
Conservation	6,855	- 446	6,855			g1	\$6,854.75	\$0.00 g2
Intervener Funding OR Eugene MGP	-	116 1,330	116 1,330			g1 g1	\$0.00 \$0.00	\$115.76 \$1,330.46 g2
MAOP	-	437	437		- Working Capital File 13 month	g1	\$0.00	\$437.46 g2
Decoupling Mechanisms	(3,269)	(1,581)	(4,850)		average of averages	g1	-\$3,268.94	-\$1,580.62 g2
MDUR I/C Asset-Net Benefit Funding Customer Deposits	3,597 (653)	1,192 (125)	4,789 (778)			g1	\$3,597.27 -\$652.53	\$1,191.99 g2 -\$124.54 g2
FAS109	(41,381)	(13,708)	(55,089)			g1 g1	-\$41,381.08	-\$13,708.44 g2
EDIT's & Tax Credits	(1,353)	(1,289)	(2,642)			g1	-\$1,353.07	-\$1,289.13 g2
Accum DIT's	40,944	14,181	55,125			g1	\$40,944.26	\$14,180.63 g2
Non-Operating Working Capital Cash	3,144	242 313	3,386 313			g1	\$3,144.43	\$242.33 g2 \$312.61 g3
Pension		1,161	1,161					\$1,161.38 g4
Other	(60,262)	10,050	(50,212)				\$121,022.99	\$10,800.66
Total Difference in Method	60,761	20,851	81,612					
Common Equity - Book	\$235,089	\$70,817	\$305,906					
Return on Equity - Regulated	6.4%	8.7%	6.9%		= to a5 & f5 Check against OR 8	& WA files		
Return on Equity - Book	6.6%	6.7%	6.7%		= to e3			
Average Rate Base (May)	394,167	118,372	512,539		c1 - Rate Base File 13 month average	of averages		
Average Rate Base (June)	414,771	122,421	537,192		d1 - Rate Base File 13 month average	of averages		
Authorized Return on Equity	9.40%	9.40%			End of period			
Rate of Return - Regulated	F F9/	6 79/	E 70/		= to a4 & f4			
ū	5.5%	6.7%	5.7%		- to 64 tx 14			
Authorized Rate of Return	7.31%	7.28%						
Rate of Return - Book	5.9%	6.9%	6.1%		= to e2			
Investment Tax Credit Book Operating Income	32 \$23,283	10 \$8,205	42 \$31,488		b4 - FERC Income Statement  Check against Tony's File			
	7-0,-00	7-7	700,000		5			
Capital Ratios	Averages	Ratio \	Weighted Cost	Cost of				
Long-Term Debt	326,542	50.00%	4.68%	2.34%	a1 - OES & WA Files			
Common Stock	304,095	50.00%	9.40%	4.70% OR	a1 - OES & WA Files			
	630,637	100.00%	9.40%	4.70% WA	f1 - OES & WA Files			
Return required for common stock	3.1600%	49.10% V 4.3600%	VA		Per Rate Case			
Common Equity Dook			305.006		of Topula File 12			
Common Equity - Book Common Equity - Regulated			305,906 304,095		e1 - Tony's File 12 month average OES File 13 month average of average	es		
Date Dans Datins (Adam) for	70.00:	22.400/						
Rate Base Ratios (May) from above Rate Base Ratios (May)	76.90% 76.85%	23.10% 23.15%	394,365	118,820 513,18	5 c2 - Rate Base File 12 month average			
Rate Base Ratios (June) from above	77.21%	22.79%			_			
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#### Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended June 30, 2020

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$22,658	\$8,204	\$30,862
Less: Interest Expense	11,501	3,857	15,358
Regulated Income	\$11,157	\$4,347	\$15,504
Add:			
Tax Reform Adjustment	0	0	0
Promotional Advertising Adj.	(1)	0	(1)
Removal of 25% Membership Fees	0	(16)	(16)
Normalize Uncollectible Expense	0	(15)	(15)
Interest Coordination Adj.	603	220	823
Officer's Incentive Comp. Adj.	0	(79)	(79)
Annualizing Wage Rate Adj.	55	21	76
PGA Commodity Sharing Adj.	0	(120)	(120)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	4,633	425	5,058
Nonregulated Income Taxes	(867)	(13)	(880)
Prior period adjustment	0	0	0
Total Adjustments	4,423	423	4,846
Book Income	\$15,580	\$4,770	\$20,350
Common Equity - Ratemaking	\$174,328	\$49,966	\$224,294
Difference in method	60,761	20,851	81,612
Common Equity - Book	\$235,089	\$70,817	\$305,906
Return on Equity - Regulated*	6.4%	8.7%	6.9%
Return on Equity - Book	6.6%	6.7%	6.7%
Average Rate Base	414,771	122,421	537,192
Average nace base	121,772	111,111	337,132
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	414,771	122,421	537,192
CWIP (not included in rate base)	35,565	6,080	41,645

# Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended June 30, 2020

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$23,261	\$8,204	\$31,465
Less: Interest Expense	11,501	3,857	15,358
Regulated Income	\$11,760	\$4,347	\$16,107
Add:			
Tax Reform Adjustment	0	0	0
Promotional Advertising Adj.	(1)	0	(1)
Removal of 25% Membership Fees	0	(16)	(16)
Normalize Uncollectible Expense	0	(15)	(15)
Interest Coordination Adj.	0	220	220
Officer's Incentive Comp. Adj.	0	(79)	(79)
Annualizing Wage Rate Adj.	55	21	76
PGA Commodity Sharing Adj.	0	(120)	(120)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	4,633	425	5,058
Nonregulated Income Taxes	(867)	(13)	(880)
Prior period adjustment	0	0	0
Total Adjustments	3,820	423	4,243
Book Income	\$15,580	\$4,770	\$20,350
Common Equity - Ratemaking	\$163,333	\$46,742	\$210,075
Difference in method	71,756	24,075	95,831
Common Equity - Book	\$235,089	\$70,817	\$305,906
Return on Equity - Regulated*	7.2%	9.3%	7.7%
Return on Equity - Book	6.6%	6.7%	6.7%
Average Rate Base	397,119	119,151	516,270
Authorized Return on Equity	9.40%	9.40%	
<u> </u>			
End of Period:			
Rate Base	414,771	122,421	537,192
CWIP (not included in rate base)	35,565	6,080	41,645

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June 2020	Washington	Oregon	Total CNG		Inputs to check	for rounding
Utility Net Operating Income Less: Interest Expense	\$23,261 (11,501)	\$8,204 (3,857)	\$31,465 (15,358)	OES & WA Files FERC Income Statement	f2 \$23,260.80 b2 -\$11,500.7	
Less: Prior period adjustment		-	-	Adj.'s from OES & WA Files		
Regulated Income	\$11,760	\$4,347	\$16,107		\$11,760.0	2 \$4,347.08
Add:						
Tax Reform Adjustment	-	=	-	Adj.'s Jurisdictional Returns	e4	e4
Promotional Advertising Adj. Removal of 25% Membership Fees	(1)	- (16)	(1)	Adj.'s from OES & WA Files Adj.'s from OES & WA Files	f3 -\$0.83	2 -\$0.09 a3 -\$16.18 a3
Normalize Uncollectible Expense		(16) (15)	(16) (15)	Adj.'s from OES & WA Files		-\$16.16 as -\$14.40 a3
Interest Coordination Adj.		220	220	Adj.'s from OES & WA Files		\$219.80 a3
Officer's Incentive Comp. Adj.		(79)	(79)	Adj.'s from OES & WA Files	62 454.04	-\$78.37 a3
Annualizing Wage Rate Adj. PGA Commodity Sharing Adj.	55	21 (120)	76 (120)	Adj.'s from OES & WA Files Adj.'s from OES & WA Files	f3 \$54.99	9 \$20.85 a3 -\$120.03 a3
Weather Normalization Adj.	-	(/	-	Adj.'s from OES & WA Files		72233
Other Income & Deductions	4,633	425	5,058	FERC Income Statement	b1 \$4,633.13	
Nonregulated Income Taxes Prior period adjustment	(867)	(13)	(880)	FERC Income Statement copied from above	-\$867.49 \$0.00	
Total Adjustments	3,820	423	4,243	copied from above	\$3,819.8	
Book Utility Net Income	\$15,580	\$4,770	\$20,350	\$20,350 tie to 12-month IS for rounding issues	\$15,579.8	
	\$163,333	\$46,742	\$210,075	y20,330 the to 12-month is ion rounding issues	<del></del>	<del>+                                    </del>
Common Equity - Ratemaking Add:	\$105,555	\$40,742	\$210,075			
CWIP	28,868	2,809	31,677		g1 \$28,867.8	
Nonutility Property Utility SERP/SISP	198 4,491	1,488	198 5,979		g1 \$197.96 g1 \$4,490.93	
Intercompany A/R & A/P	(1,808)	(599)	(2,407)		g1 -\$1,807.93	
Accum Deferred DIT's	765	368	1,133		g1 \$764.53	
PGA	80,625	4,466	85,091		g1 \$80,624.63	
Conservation Intervener Funding	6,855	- 116	6,855 116		g1 \$6,854.75 g1 \$0.00	
OR Eugene MGP	-	1,330	1,330		g1 \$0.00	
MAOP	=	437	437	- Working Capital File 13 month average of averages	g1 \$0.00	
Decoupling Mechanisms	(3,269)	(1,581)	(4,850)	average of averages	g1 -\$3,268.9	
MDUR I/C Asset-Net Benefit Funding Customer Deposits	3,597 (653)	1,192 (125)	4,789 (778)		g1 \$3,597.2 g1 -\$652.5	
FAS109	(41,381)	(13,708)	(55,089)		g1 -\$41,381.0	
EDIT's & Tax Credits	(1,353)	(1,289)	(2,642)		g1 -\$1,353.0	
Accum DIT's	40,944	14,181	55,125		g1 \$40,944.20	
Non-Operating Working Capital Cash	3,144	242 313	3,386 313		g1 \$3,144.43	3 \$242.33 g2 \$312.61 g3
Pension		1,161	1,161			\$1,161.38 g4
Other	(49,267)	13,274	(35,993)		\$121,022.9	
Total Difference in Method Common Equity - Book	71,756 \$235,089	24,075 \$70,817	95,831 \$305,906			
Return on Equity - Regulated	7.2%	9.3%	7.7%	= to a5 & f5 Check against OR & WA files		
Return on Equity - Book	6.6%	6.7%	6.7%	= to e3		
	394,167			c1 - Rate Base File 13 month average of averages		
Average Rate Base (May)		118,372	512,539	d1 - Rate Base File 13 month average of averages		
Average Rate Base (June)	397,119	119,151	516,270	tate base the 13 month average of averages		
Authorized Return on Equity	9.40%	9.40%				
Rate of Return - Regulated	5.9%	6.9%	6.1%	= to a4 & f4		
Authorized Rate of Return	7.31%	7.28%				
Rate of Return - Book	5.9%	6.9%	6.1%	= to e2		
Investment Tax Credit	32	10	42	b4 - FERC Income Statement		
Book Operating Income	\$23,283	\$8,205	\$31,488	Check against Tony's File		
	Averages	Ratio	Weighted Cost	Cost of		
Capital Ratios Long-Term Debt	326,542	51.78%	4.68%	2.42% a1 - OES & WA Files		
Common Stock	326,542	48.22%	9.40%	4.53% <b>OR</b> a1 - OES & WA Files		
	630,637	100.00%	9.40%	4.53% WA f1 - OES & WA Files		
Return required for common stock	3.4800%	4.4800%				
Common Equity - Book			305,906	e1 - Tony's File 12 month average		
Common Equity - Regulated			304,095	OES File 13 month average of averages		
Rate Base Ratios (May) from above	76.90%	23.10%	204.255	110 020 E12 10E C2 - Rate Pare Eile 12 month sugress		
Rate Base Ratios (May)	76.85%	23.15%	394,365	118,820 513,185 c2 - Rate Base File 12 month average		
Rate Base Ratios (June) from above	76.92%	23.08%				

#### Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended June 30, 2020

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$23,261	\$8,204	\$31,465
Less: Interest Expense	11,501	3,857	15,358
Regulated Income	\$11,760	\$4,347	\$16,107
Add:			
Tax Reform Adjustment	0	0	0
Promotional Advertising Adj.	(1)	0	(1)
Removal of 25% Membership Fees	0	(16)	(16)
Normalize Uncollectible Expense	0	(15)	(15)
Interest Coordination Adj.	0	220	220
Officer's Incentive Comp. Adj.	0	(79)	(79)
Annualizing Wage Rate Adj.	55	21	76
PGA Commodity Sharing Adj.	0	(120)	(120)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	4,633	425	5,058
Nonregulated Income Taxes	(867)	(13)	(880)
Prior period adjustment	0	0	0
Total Adjustments	3,820	423	4,243
Book Income	\$15,580	\$4,770	\$20,350
Common Equity - Ratemaking	\$163,333	\$46,742	\$210,075
Difference in method	71,756	24,075	95,831
Common Equity - Book	\$235,089	\$70,817	\$305,906
Return on Equity - Regulated*	7.2%	9.3%	7.7%
Return on Equity - Book	6.6%	6.7%	6.7%
Average Rate Base	397,119	119,151	516,270
Average Nate base	397,119	113,131	310,270
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	414,771	122,421	537,192
CWIP (not included in rate base)	35,565	6,080	41,645

# Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended March 31, 2020

	Washington	Oregon	Total CNG
	404 540	40.00=	400.0==
Utility Net Operating Income	\$21,548	\$8,327	\$29,875
Less: Interest Expense	11,623	3,973	15,596
Regulated Income	\$9,925	\$4,354	\$14,279
Add:	_	_	_
Tax Reform Adjustment	0	0	0
Promotional Advertising Adj.	(2)	0	(2)
Removal of 25% Membership Fees	0	(14)	(14)
Normalize Uncollectible Expense	0	15	15
Interest Coordination Adj.	0	212	212
Officer's Incentive Comp. Adj.	0	(78)	(78)
Annualizing Wage Rate Adj.	55	21	76
PGA Commodity Sharing Adj.	0	(135)	(135)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	4,479	127	4,606
Nonregulated Income Taxes	(1,365)	(179)	(1,544)
Prior period adjustment	0	0	0
Total Adjustments	3,167	(31)	3,136
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Book Income	\$13,092	\$4,323	\$17,415
Common Equity - Ratemaking	\$152,692	\$44,429	\$197,121
Difference in method	73,260	23,559	96,819
Common Equity - Book	\$225,952	\$67,988	\$293,940
Return on Equity - Regulated*	6.5%	9.8%	7.2%
Return on Equity - Book	5.8%	6.4%	5.9%
Average Rate Base	387,555	116,324	503,879
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	411,266	121,680	532,946
CWIP (not included in rate base)	31,289	2,226	33,515

March 2020				
	Washington	Oregon	Total CNG	Inputs to check for rounding
Utility Net Operating Income	\$21,548	\$8,327	\$29,875	OES & WA Files f2 \$21,548.36 \$8,326.83 a2
Less: Interest Expense	(11,623)	(3,973)	(15,596)	FERC Income Statement b2 -\$11,622.81 -\$3,972.57 b2
Less: Prior period adjustment Regulated Income	\$9,925	\$4,354	\$14,279	Adj.'s from OES & WA Files \$9,925.55 \$4,354.26
	+-,	¥ 1,000 ·	*,	<del>+-1</del>
Add: Tax Reform Adjustment				Adj.'s Jurisdictional Returns e4 e4
Promotional Advertising Adj.	(2)	-	(2)	Adj.'s from OES & WA Files f3 -\$1.60 -\$0.13 a3
Removal of 25% Membership Fees	. ,	(14)	(14)	Adj.'s from OES & WA Files -\$14.10 a3
Normalize Uncollectible Expense		15	15	Adj.'s from OES & WA Files \$15.28
Interest Coordination Adj. Officer's Incentive Comp. Adj.		212 (78)	212	Adj.'s from OES & WA Files \$212.30 a3 Adj.'s from OES & WA Files -\$78.37 a3
Annualizing Wage Rate Adj.	55	21	(78) 76	Adj.'s from OES & WA Files
PGA Commodity Sharing Adj.		(135)	(135)	Adj.'s from OES & WA Files -\$135.40 a3
Weather Normalization Adj.	-		-	Adj.'s from OES & WA Files
Other Income & Deductions Nonregulated Income Taxes	4,479	127 (179)	4,606	FERC Income Statement b1 \$4,478.94 \$127.31 b1 FERC Income Statement b3 -\$1,365.33 -\$179.42 b3
Prior period adjustment	(1,365)	(179)	(1,544)	FERC Income Statement b3 -\$1,365.33 -\$179.42 b3 copied from above \$0.00 \$0.00
Total Adjustments	3,167	(31)	3,136	\$3,167.01 -\$31.68
Book Utility Net Income	\$13,092	\$4,323	\$17,415	b5
Common Equity - Ratemaking	\$152,692	\$44,429	\$197,121	
Add:				
CWIP Negotility Property	23,964	2,425	26,389	g1 \$23,964.42 \$2,425.15 g2
Nonutility Property Utility SERP/SISP	199 4,435	1,467	199 5,902	g1 \$198.81 \$0.00 g2 g1 \$4,435.29 \$1,467.02
Intercompany A/R & A/P	(1,717)	(568)	(2,285)	g1 -\$1,717.12 -\$568.44
Accum Deferred DIT's	798	384	1,182	g1 \$797.80 \$383.56 g2
PGA	85,923	4,676	90,599	g1 \$85,923.31 \$4,676.10 g2
Conservation Intervener Funding	6,642	114	6,642 114	g1 \$6,641.60 \$0.00 g2 g1 \$0.00 \$114.46
OR Eugene MGP	-	1,458	1,458	g1 \$0.00 \$1.457.63 g2
MAOP	-	462	462	- Working Capital File 13 month average of averages g1 \$0.00 \$461.76 g2
Decoupling Mechanisms	(3,454)	(1,836)	(5,290)	g1 -\$3,454.07 -\$1,836.25 g2
MDUR I/C Asset-Net Benefit Funding	3,466	1,146	4,612	g1 \$3,465.57 \$1,146.44 g2
Customer Deposits FAS109	(646) (42,108)	(149) (13,927)	(795) (56,035)	g1 -\$646.46 -\$148.84 g2 g1 -\$42,108.40 -\$13,927.28 g2
EDIT's & Tax Credits	(1,369)	(1,133)	(2,502)	g1 -\$1,368.92 -\$1,133.16 g2
Accum DIT's	41,682	14,403	56,085	g1 \$41,682.45 \$14,402.85 g2
Non-Operating Working Capital	3,194	242	3,436	g1 \$3,194.11 \$241.86 g2
Cash Pension		299 1,110	299 1,110	\$298.52 g3 \$1,110.39 g4
Other	(47,749)	12,986	(34,763)	\$121,008.37 \$10,571.77
Total Difference in Method	73,260	23,559	96,819	
Common Equity - Book	\$225,952	\$67,988	\$293,940	
Return on Equity - Regulated	6.5%	9.8%	7.2%	= to a5 & f5 Check against OR & WA files
Return on Equity - Book	5.8%	6.4%	5.9%	= to e3
Average Rate Base (February)	383,158	115,267	498,425	c1 - Rate Base File 13 month average of averages
Average Rate Base (March)	387,555	116,324	503,879	d1 - Rate Base File 13 month average of averages
Authorized Return on Equity	9.40%	9.40%		
Rate of Return - Regulated	5.6%	7.2%	5.9%	= to a4 & f4
Authorized Rate of Return	7.31%	7.28%	0.07	
Rate of Return - Book	5.6%	7.2%	6.0%	= to e2
				b4 - FERC Income Statement
Investment Tax Credit Book Operating Income	\$21,569	10 \$8,338	42 \$29,907	Check against Tony's File
	Averages	Ratio	Weighted Cost Co	ost of
Capital Ratios	200.047	E4 F00/	4.000/	2.47% a1 - OES & WA Files
Long-Term Debt Common Stock	309,847 291,820	51.50% 48.50%		2.47% a1 - OES & WA Files 4.56% <b>OR</b> a1 - OES & WA Files
	601,667	100.00%		4.56% WA f1 - OES & WA Files
Return required for common stock	3.1300%	4.7300%		<del></del> ,
Common Equity - Book			293,940	e1 - Tony's File 12 month average
Common Equity - Regulated			293,940	OES File 13 month average of averages
Pate Pace Paties (February) from above	76 070/	22 120/		
Rate Base Ratios (February) from above Rate Base Ratios (February)	76.87% 76.87%	23.13% 23.13%	384,843 11	5,789 500,632 c2 - Rate Base File 12 month average
Rate Base Ratios (March) from above	76.91%	23.09%		

#### Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended March 31, 2020

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$21,548	\$8,327	\$29,875
Less: Interest Expense	11,623	3,973	15,596
Regulated Income	\$9,925	\$4,354	\$14,279
Add:			
Tax Reform Adjustment	0	0	0
Promotional Advertising Adj.	(2)	0	(2)
Removal of 25% Membership Fees	0	(14)	(14)
Normalize Uncollectible Expense	0	15	15
Interest Coordination Adj.	0	212	212
Officer's Incentive Comp. Adj.	0	(78)	(78)
Annualizing Wage Rate Adj.	55	21	76
PGA Commodity Sharing Adj.	0	(135)	(135)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	4.479	127	4.606
Nonregulated Income Taxes	(1,365)	(179)	(1,544)
Prior period adjustment	0	0	0
Total Adjustments	3,167	(31)	3,136
Book Income	\$13,092	\$4,323	\$17,415
Common Equity - Ratemaking	\$152,692	\$44,429	\$197,121
Difference in method	73,260	23,559	96,819
Common Equity - Book	\$225,952	\$67,988	\$293,940
Return on Equity - Regulated*	6.5%	9.8%	7.2%
Return on Equity - Book	5.8%	6.4%	5.9%
Return on Equity - Book	5.6%	0.476	3.570
Average Rate Base	387,555	116,324	503,879
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	411,266	121,680	532,946
CWIP (not included in rate base)	31,289	2,226	33,515
	12,203	_,0	,515

# Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended December 31, 2019

Utility Net Operating Income         \$20,751         \$7,175         \$27,926           Less: Interest Expense         11,276         3,897         15,173           Regulated Income         \$9,475         \$3,278         \$12,753           Add:         Tax Reform Adjustment         0         0         0           Promotional Advertising Adj.         (1)         (1)         (2)           Removal of 25% Membership Fees         0         (16)         (16)           Normalize Uncollectible Expense         0         (1)         (1)           Interest Coordination Adj.         0         191         191           Officer's Incentive Comp. Adj.         0         (78)         (78)           Annualizing Wage Rate Adj.         55         21         76           PGA Commodity Sharing Adj.         0         0         0           Weather Normalization Adj.         0         0         0           Other Income & Deductions         4,857         393         5,250           Nonregulated Income Taxes         (1,103)         (99)         (1,202)           Prior period adjustment         0         0         0           Total Adjustments         3,808         (233)         3,575		Washington	Oregon	Total CNG
Less: Interest Expense         11,276         3,897         15,173           Regulated Income         \$9,475         \$3,278         \$12,753           Add:         Tax Reform Adjustment         0         0         0           Tax Reform Adjustment         0         0         0           Promotional Advertising Adj.         (1)         (1)         (2)           Removal of 25% Membership Fees         0         (16)         (16)           Normalize Uncollectible Expense         0         (1)         (1)           Interest Coordination Adj.         0         191         191           Officer's Incentive Comp. Adj.         0         (78)         (78)           Annualizing Wage Rate Adj.         55         21         78           PGA Commodity Sharing Adj.         0         (643)         (643)           Weather Normalization Adj.         0         0         0           Other Income & Deductions         4,857         393         5,250           Nonregulated Income Taxes         (1,103)         (99)         (1,202)           Prior period adjustment         0         0         0           Total Adjustments         3,808         (233)         3,575		400 == 4	4- 4	40= 000
Regulated Income         \$9,475         \$3,278         \$12,753           Add:         Tax Reform Adjustment         0         0         0           Promotional Advertising Adj.         (1)         (1)         (2)           Removal of 25% Membership Fees         0         (16)         (16)           Normalize Uncollectible Expense         0         (1)         (1)           Interest Coordination Adj.         0         191         191           Officer's Incentive Comp. Adj.         0         (78)         (78)           Annualizing Wage Rate Adj.         55         21         76           PGA Commodity Sharing Adj.         0         (643)         (643)           Weather Normalization Adj.         0         0         0         0           Other Income & Deductions         4,857         393         5,250           Nonregulated Income Taxes         (1,103)         (99)         (1,202)           Prior period adjustment         0         0         0           Total Adjustments         3,808         (233)         3,575           Book Income         \$13,283         \$3,045         \$16,328           Common Equity - Ratemaking         \$155,328         \$42,571         \$197,899<				
Add:         Tax Reform Adjustment       0       0       0         Promotional Advertising Adj.       (1)       (1)       (2)         Removal of 25% Membership Fees       0       (16)       (16)         Normalize Uncollectible Expense       0       (1)       (1)         Interest Coordination Adj.       0       191       191         Officer's Incentive Comp. Adj.       0       (78)       (78)         Annualizing Wage Rate Adj.       55       21       76         PGA Commodity Sharing Adj.       0       (643)       (643)         Weather Normalization Adj.       0       0       0       0         Other Income & Deductions       4,857       393       5,250         Nonregulated Income Taxes       (1,103)       (99)       (1,202)         Prior period adjustment       0       0       0         Total Adjustments       3,808       (233)       3,575         Book Income       \$13,283       \$3,045       \$16,328         Common Equity - Ratemaking       \$155,328       \$42,571       \$197,899         Difference in method       61,450       22,071       83,521         Common Equity - Book       \$216,778	·			
Tax Reform Adjustment         0         0         0           Promotional Advertising Adj.         (1)         (1)         (2)           Removal of 25% Membership Fees         0         (16)         (16)           Normalize Uncollectible Expense         0         (1)         (1)           Interest Coordination Adj.         0         191         191           Officer's Incentive Comp. Adj.         0         (78)         (78)           Annualizing Wage Rate Adj.         55         21         76           PGA Commodity Sharing Adj.         0         643         (643)           Weather Normalization Adj.         0         0         0           Other Income & Deductions         4,857         393         5,250           Nonregulated Income Taxes         (1,103)         (99)         (1,202)           Prior period adjustment         0         0         0           Total Adjustments         3,808         (233)         3,575           Book Income         \$13,283         \$3,045         \$16,328           Common Equity - Ratemaking         \$155,328         \$42,571         \$197,899           Difference in method         61,450         22,071         83,521           Comm	Regulated Income	\$9,475	\$3,278	\$12,753
Tax Reform Adjustment         0         0         0           Promotional Advertising Adj.         (1)         (1)         (2)           Removal of 25% Membership Fees         0         (16)         (16)           Normalize Uncollectible Expense         0         (1)         (1)           Interest Coordination Adj.         0         191         191           Officer's Incentive Comp. Adj.         0         (78)         (78)           Annualizing Wage Rate Adj.         55         21         76           PGA Commodity Sharing Adj.         0         643         (643)           Weather Normalization Adj.         0         0         0           Other Income & Deductions         4,857         393         5,250           Nonregulated Income Taxes         (1,103)         (99)         (1,202)           Prior period adjustment         0         0         0           Total Adjustments         3,808         (233)         3,575           Book Income         \$13,283         \$3,045         \$16,328           Common Equity - Ratemaking         \$155,328         \$42,571         \$197,899           Difference in method         61,450         22,071         83,521           Comm				
Promotional Advertising Adj.         (1)         (1)         (2)           Removal of 25% Membership Fees         0         (16)         (16)           Normalize Uncollectible Expense         0         (1)         (1)           Interest Coordination Adj.         0         191         191           Officer's Incentive Comp. Adj.         0         (78)         (78)           Annualizing Wage Rate Adj.         55         21         76           PGA Commodity Sharing Adj.         0         (643)         (643)           Weather Normalization Adj.         0         0         0           Other Income & Deductions         4,857         393         5,250           Nonregulated Income Taxes         (1,103)         (99)         (1,202)           Prior period adjustment         0         0         0           Total Adjustments         3,808         (233)         3,575           Book Income         \$13,283         \$3,045         \$16,328           Common Equity - Ratemaking         \$155,328         \$42,571         \$197,899           Difference in method         61,450         22,071         83,521           Common Equity - Regulated*         6.1%         7.7%         6.4%		0	0	0
Removal of 25% Membership Fees         0         (16)         (16)           Normalize Uncollectible Expense         0         (1)         (1)           Interest Coordination Adj.         0         191         191           Officer's Incentive Comp. Adj.         0         (78)         (78)           Annualizing Wage Rate Adj.         55         21         76           PGA Commodity Sharing Adj.         0         (643)         (643)           Weather Normalization Adj.         0         0         0           Other Income & Deductions         4,857         393         5,250           Nonregulated Income Taxes         (1,103)         (99)         (1,202)           Prior period adjustment         0         0         0           Total Adjustments         3,808         (233)         3,575           Book Income         \$13,283         \$3,045         \$16,328           Common Equity - Ratemaking         \$155,328         \$42,571         \$197,899           Difference in method         61,450         22,071         83,521           Common Equity - Book         \$216,778         \$64,642         \$281,420           Return on Equity - Regulated*         6.1%         7.7%         6.4%	-		_	
Normalize Uncollectible Expense         0         (1)         (1)           Interest Coordination Adj.         0         191         191           Officer's Incentive Comp. Adj.         0         (78)         (78)           Annualizing Wage Rate Adj.         55         21         76           PGA Commodity Sharing Adj.         0         (643)         (643)           Weather Normalization Adj.         0         0         0           Other Income & Deductions         4,857         393         5,250           Nonregulated Income Taxes         (1,103)         (99)         (1,202)           Prior period adjustment         0         0         0           Total Adjustments         3,808         (233)         3,575           Book Income         \$13,283         \$3,045         \$16,328           Common Equity - Ratemaking         \$155,328         \$42,571         \$197,899           Difference in method         61,450         22,071         83,521           Common Equity - Book         \$216,778         \$64,642         \$281,420           Return on Equity - Regulated*         6.1%         7.7%         6.4%           Average Rate Base         375,260         113,100         488,360				· ·
Interest Coordination Adj.         0         191         191           Officer's Incentive Comp. Adj.         0         (78)         (78)           Annualizing Wage Rate Adj.         55         21         76           PGA Commodity Sharing Adj.         0         (643)         (643)           Weather Normalization Adj.         0         0         0           Other Income & Deductions         4,857         393         5,250           Nonregulated Income Taxes         (1,103)         (99)         (1,202)           Prior period adjustment         0         0         0           Total Adjustments         3,808         (233)         3,575           Book Income         \$13,283         \$3,045         \$16,328           Common Equity - Ratemaking         \$155,328         \$42,571         \$197,899           Difference in method         61,450         22,071         83,521           Common Equity - Book         \$216,778         \$64,642         \$281,420           Return on Equity - Regulated*         6.1%         7.7%         6.4%           Average Rate Base         375,260         113,100         488,360           Authorized Return on Equity         9.40%         9.40%         9.40% <td>•</td> <td>_</td> <td></td> <td></td>	•	_		
Officer's Incentive Comp. Adj.         0         (78)         (78)           Annualizing Wage Rate Adj.         55         21         76           PGA Commodity Sharing Adj.         0         (643)         (643)           Weather Normalization Adj.         0         0         0           Other Income & Deductions         4,857         393         5,250           Nonregulated Income Taxes         (1,103)         (99)         (1,202)           Prior period adjustment         0         0         0           Total Adjustments         3,808         (233)         3,575           Book Income         \$13,283         \$3,045         \$16,328           Common Equity - Ratemaking         \$155,328         \$42,571         \$197,899           Difference in method         61,450         22,071         83,521           Common Equity - Book         \$216,778         \$64,642         \$281,420           Return on Equity - Regulated*         6.1%         7.7%         6.4%           Average Rate Base         375,260         113,100         488,360           Authorized Return on Equity         9.40%         9.40%           End of Period:         Rate Base         399,327         119,881         519,208	•	_		
Annualizing Wage Rate Adj.       55       21       76         PGA Commodity Sharing Adj.       0       (643)       (643)         Weather Normalization Adj.       0       0       0         Other Income & Deductions       4,857       393       5,250         Nonregulated Income Taxes       (1,103)       (99)       (1,202)         Prior period adjustment       0       0       0         Total Adjustments       3,808       (233)       3,575         Book Income       \$13,283       \$3,045       \$16,328         Common Equity - Ratemaking       \$155,328       \$42,571       \$197,899         Difference in method       61,450       22,071       83,521         Common Equity - Book       \$216,778       \$64,642       \$281,420         Return on Equity - Regulated*       6.1%       7.7%       6.4%         Average Rate Base       375,260       113,100       488,360         Authorized Return on Equity       9.40%       9.40%         End of Period:       Rate Base       399,327       119,881       519,208	•	0		
PGA Commodity Sharing Adj.       0       (643)       (643)         Weather Normalization Adj.       0       0       0         Other Income & Deductions       4,857       393       5,250         Nonregulated Income Taxes       (1,103)       (99)       (1,202)         Prior period adjustment       0       0       0         Total Adjustments       3,808       (233)       3,575         Book Income       \$13,283       \$3,045       \$16,328         Common Equity - Ratemaking       \$155,328       \$42,571       \$197,899         Difference in method       61,450       22,071       83,521         Common Equity - Book       \$216,778       \$64,642       \$281,420         Return on Equity - Regulated*       6.1%       7.7%       6.4%         Average Rate Base       375,260       113,100       488,360         Authorized Return on Equity       9.40%       9.40%         End of Period: Rate Base       399,327       119,881       519,208	Officer's Incentive Comp. Adj.	0	(78)	(78)
Weather Normalization Adj.       0       0       0         Other Income & Deductions       4,857       393       5,250         Nonregulated Income Taxes       (1,103)       (99)       (1,202)         Prior period adjustment       0       0       0         Total Adjustments       3,808       (233)       3,575         Book Income       \$13,283       \$3,045       \$16,328         Common Equity - Ratemaking       \$155,328       \$42,571       \$197,899         Difference in method       61,450       22,071       83,521         Common Equity - Book       \$216,778       \$64,642       \$281,420         Return on Equity - Regulated*       6.1%       7.7%       6.4%         Average Rate Base       375,260       113,100       488,360         Authorized Return on Equity       9.40%       9.40%         End of Period: Rate Base       399,327       119,881       519,208	Annualizing Wage Rate Adj.	55	21	76
Other Income & Deductions         4,857         393         5,250           Nonregulated Income Taxes         (1,103)         (99)         (1,202)           Prior period adjustment         0         0         0           Total Adjustments         3,808         (233)         3,575           Book Income         \$13,283         \$3,045         \$16,328           Common Equity - Ratemaking         \$155,328         \$42,571         \$197,899           Difference in method         61,450         22,071         83,521           Common Equity - Book         \$216,778         \$64,642         \$281,420           Return on Equity - Regulated*         6.1%         7.7%         6.4%           Average Rate Base         375,260         113,100         488,360           Authorized Return on Equity         9.40%         9.40%         End of Period:           Rate Base         399,327         119,881         519,208	PGA Commodity Sharing Adj.	0	(643)	(643)
Nonregulated Income Taxes         (1,103)         (99)         (1,202)           Prior period adjustment         0         0         0           Total Adjustments         3,808         (233)         3,575           Book Income         \$13,283         \$3,045         \$16,328           Common Equity - Ratemaking         \$155,328         \$42,571         \$197,899           Difference in method         61,450         22,071         83,521           Common Equity - Book         \$216,778         \$64,642         \$281,420           Return on Equity - Regulated*         6.1%         7.7%         6.4%           Average Rate Base         375,260         113,100         488,360           Authorized Return on Equity         9.40%         9.40%           End of Period: Rate Base         399,327         119,881         519,208	Weather Normalization Adj.	0	0	0
Prior period adjustment         0         0         0           Total Adjustments         3,808         (233)         3,575           Book Income         \$13,283         \$3,045         \$16,328           Common Equity - Ratemaking Difference in method         61,450         22,071         83,521           Common Equity - Book         \$216,778         \$64,642         \$281,420           Return on Equity - Regulated*         6.1%         7.7%         6.4%           Average Rate Base         375,260         113,100         488,360           Authorized Return on Equity         9.40%         9.40%           End of Period: Rate Base         399,327         119,881         519,208	Other Income & Deductions	4,857	393	5,250
Total Adjustments         3,808         (233)         3,575           Book Income         \$13,283         \$3,045         \$16,328           Common Equity - Ratemaking Difference in method 61,450         22,071         83,521           Common Equity - Book         \$216,778         \$64,642         \$281,420           Return on Equity - Regulated*         6.1%         7.7%         6.4%           Return on Equity - Book         6.1%         4.7%         5.8%           Average Rate Base         375,260         113,100         488,360           Authorized Return on Equity         9.40%         9.40%           End of Period: Rate Base         399,327         119,881         519,208	Nonregulated Income Taxes	(1,103)	(99)	(1,202)
Book Income       \$13,283       \$3,045       \$16,328         Common Equity - Ratemaking Difference in method 61,450       22,071       83,521         Common Equity - Book       \$216,778       \$64,642       \$281,420         Return on Equity - Regulated*       6.1%       7.7%       6.4%         Return on Equity - Book       6.1%       4.7%       5.8%         Average Rate Base       375,260       113,100       488,360         Authorized Return on Equity       9.40%       9.40%         End of Period: Rate Base       399,327       119,881       519,208	Prior period adjustment	0	0	0
Common Equity - Ratemaking       \$155,328       \$42,571       \$197,899         Difference in method       61,450       22,071       83,521         Common Equity - Book       \$216,778       \$64,642       \$281,420         Return on Equity - Regulated*       6.1%       7.7%       6.4%         Return on Equity - Book       6.1%       4.7%       5.8%         Average Rate Base       375,260       113,100       488,360         Authorized Return on Equity       9.40%       9.40%         End of Period:       80,327       119,881       519,208	Total Adjustments	3,808	(233)	3,575
Common Equity - Ratemaking       \$155,328       \$42,571       \$197,899         Difference in method       61,450       22,071       83,521         Common Equity - Book       \$216,778       \$64,642       \$281,420         Return on Equity - Regulated*       6.1%       7.7%       6.4%         Return on Equity - Book       6.1%       4.7%       5.8%         Average Rate Base       375,260       113,100       488,360         Authorized Return on Equity       9.40%       9.40%         End of Period:       80,327       119,881       519,208				
Difference in method       61,450       22,071       83,521         Common Equity - Book       \$216,778       \$64,642       \$281,420         Return on Equity - Regulated*       6.1%       7.7%       6.4%         Return on Equity - Book       6.1%       4.7%       5.8%         Average Rate Base       375,260       113,100       488,360         Authorized Return on Equity       9.40%       9.40%         End of Period:       399,327       119,881       519,208	Book Income	\$13,283	\$3,045	\$16,328
Difference in method       61,450       22,071       83,521         Common Equity - Book       \$216,778       \$64,642       \$281,420         Return on Equity - Regulated*       6.1%       7.7%       6.4%         Return on Equity - Book       6.1%       4.7%       5.8%         Average Rate Base       375,260       113,100       488,360         Authorized Return on Equity       9.40%       9.40%         End of Period:       399,327       119,881       519,208				
Common Equity - Book       \$216,778       \$64,642       \$281,420         Return on Equity - Regulated*       6.1%       7.7%       6.4%         Return on Equity - Book       6.1%       4.7%       5.8%         Average Rate Base       375,260       113,100       488,360         Authorized Return on Equity       9.40%       9.40%         End of Period:       399,327       119,881       519,208	Common Equity - Ratemaking	\$155,328	\$42,571	\$197,899
Return on Equity - Regulated*       6.1%       7.7%       6.4%         Return on Equity - Book       6.1%       4.7%       5.8%         Average Rate Base       375,260       113,100       488,360         Authorized Return on Equity       9.40%       9.40%         End of Period:       819,327       119,881       519,208	Difference in method	61,450	22,071	83,521
Return on Equity - Book       6.1%       4.7%       5.8%         Average Rate Base       375,260       113,100       488,360         Authorized Return on Equity       9.40%       9.40%         End of Period:       819,327       119,881       519,208	Common Equity - Book	\$216,778	\$64,642	\$281,420
Return on Equity - Book       6.1%       4.7%       5.8%         Average Rate Base       375,260       113,100       488,360         Authorized Return on Equity       9.40%       9.40%         End of Period:       819,327       119,881       519,208				
Average Rate Base 375,260 113,100 488,360  Authorized Return on Equity 9.40% 9.40%  End of Period: Rate Base 399,327 119,881 519,208	Return on Equity - Regulated*	6.1%	7.7%	6.4%
Average Rate Base 375,260 113,100 488,360  Authorized Return on Equity 9.40% 9.40%  End of Period: Rate Base 399,327 119,881 519,208				
Authorized Return on Equity 9.40% 9.40%  End of Period: Rate Base 399,327 119,881 519,208	Return on Equity - Book	6.1%	4.7%	5.8%
Authorized Return on Equity 9.40% 9.40%  End of Period: Rate Base 399,327 119,881 519,208				
End of Period: Rate Base 399,327 119,881 519,208	Average Rate Base	375,260	113,100	488,360
End of Period: Rate Base 399,327 119,881 519,208	Authorized Detuge on Faulty	0.400/	0.400/	
Rate Base 399,327 119,881 519,208	Authorized Return on Equity	9.40%	9.40%	
Rate Base 399,327 119,881 519,208	End of Period:			
, , , , , , , , , , , , , , , , , , , ,		399.327	119.881	519.208
CANIL THOS HIGHARD MILLIAGE MASE) 73.077 73.077 73.077 73.077	CWIP (not included in rate base)	29,021	2,085	31,106

December 2019	Washington	Oregon	Total CNG		Inputs to check fo	er rounding
	washington	Oregon	Total Cito		inputs to theth it	Touriding
Utility Net Operating Income	\$20,751	\$7,175	\$27,926	OES & WA Files f2		\$7,174.77 a2
Less: Interest Expense	(11,276)	(3,897)	(15,173)	FERC Income Statement b2	-\$11,276.37	-\$3,897.16 b2
Less: Prior period adjustment Regulated Income	\$9,475	\$3,278	\$12,753	Adj.'s from OES & WA Files	\$9,474.36	\$3,277.62
-						
Add: Tax Reform Adjustment				Adj.'s Jurisdictional Returns e4		e4
Promotional Advertising Adj.	(1)	(1)	(2)	Adj. 's from OES & WA Files f3		-\$0.75 a3
Removal of 25% Membership Fees	(-)	(16)	(16)	Adj.'s from OES & WA Files	7 - 1 - 1	-\$15.60 a3
Normalize Uncollectible Expense		(1)	(1)	Adj.'s from OES & WA Files		-\$0.85 a3
Interest Coordination Adj.		191	191	Adj.'s from OES & WA Files		\$191.57 a3
Officer's Incentive Comp. Adj.  Annualizing Wage Rate Adj.		(78)	(78)	Adj.'s from OES & WA Files	¢55.00	-\$77.99 a3
PGA Commodity Sharing Adj.	55	21 (643)	76 (643)	Adj.'s from OES & WA Files f3 Adj.'s from OES & WA Files	\$55.08	\$20.75 a3 -\$643.18 a3
Weather Normalization Adj.	_	(043)	- (043)	Adj.'s from OES & WA Files		Ç043.10 d3
Other Income & Deductions	4,857	393	5,250	FERC Income Statement b1	\$4,856.99	\$393.31 b1
Nonregulated Income Taxes	(1,103)	(99)	(1,202)	FERC Income Statement b3		-\$99.09 b3
Prior period adjustment		-		copied from above	\$0.00	\$0.00
Total Adjustments	3,808	(233)	3,575		\$3,807.91	-\$231.84
Book Utility Net Income	\$13,283	\$3,045	\$16,328	\$16,328 tie to 12-month IS for rounding issues	\$13,282.26	\$3,045.78
Common Equity - Ratemaking Add:	\$155,328	\$42,571	\$197,899			
CWIP	19,810	2,230	22,040	g1	\$19,810.06	\$2,229.96 g2
Nonutility Property	200	-	200	g1	\$199.83	\$0.00 g2
Utility SERP/SISP	4,549	1,504	6,053	g1	\$4,548.54	\$1,503.63
Intercompany A/R & A/P	(1,638)	(542)	(2,180)	g1		-\$541.55
Accum Deferred DIT's PGA	888 81,496	425 3,952	1,313 85,448	g1 g1		\$425.05 g2 \$3,952.12 g2
Conservation	6,572	- 3,332	6,572	g1 g1		\$0.00 g2
Intervener Funding	-	98	98	g1		\$98.41
OR Eugene MGP	-	1,625	1,625	- Working Capital File 13 month		\$1,624.77 g2
MAOP	-	358	358	average of averages		\$358.47 g2
Decoupling Mechanisms	(3,487)	(1,721)	(5,208)	g1	-\$3,487.46	-\$1,721.33 g2
MDUR I/C Asset-Net Benefit Funding Customer Deposits	3,333 (647)	1,102 (175)	4,435 (822)	g1 g1		\$1,101.74 g2 -\$174.98 g2
FAS109	(42,813)	(14,152)	(56,965)	g1 g1		-\$174.98 g2 -\$14,152.27 g2
EDIT's & Tax Credits	(1,503)	(718)	(2,221)	g1		-\$718.41 g2
Accum DIT's	42,369	14,618	56,987	g1		\$14,617.91 g2
Non-Operating Working Capital	2,236	176	2,412	g1	\$2,235.81	\$176.27 g2
Cash		222	222			\$221.71 g3
Pension Other	(49,915)	1,604 11,465	1,604 (38,450)		\$111,363.44	\$1,604.17 g4 \$10,605.67
Total Difference in Method	61,450	22,071	83,521		Ç111,303.44	\$10,005.07
Common Equity - Book	\$216,778	\$64,642	\$281,420			
Return on Equity - Regulated	6.1%	7.7%	6.4%	= to a5 & f5 Check against OR & WA files	]	
Return on Equity - Book	6.1%	4.7%	5.8%	= to e3		
Average Rate Base (November)	371,822	111,988	483,810	c1 - Rate Base File 13 month average of averages		
Average Rate Base (December)	375,260	113,100	488,360	d1 - Rate Base File 13 month average of averages		
Authorized Return on Equity	9.40%	9.40%				
Rate of Return - Regulated	5.5%	6.3%	5.7%	= to a4 & f4		
Authorized Rate of Return	7.31%	7.28%				
Rate of Return - Book	5.6%	5.9%	5.7%	= to e2		
Investment Tax Credit	32	10	42	b4 - FERC Income Statement		
Book Operating Income	\$20,773	\$6,638	\$27,411	Check against Tony's File		
Comited Debice	Averages	Ratio	Weighted Cost	Cost of		
Capital Ratios Long-Term Debt	287,679	50.73%	4.93%	2.50% a1 - OES & WA Files		
Common Stock	279,350	49.27%	9.40%	4.63% <b>OR</b> a1 - OES & WA Files		
	567,029	100.00%	9.40%	4.63% WA f1 - OES & WA Files		
Return required for common stock	3.0000%	3.8000%				
Common Equity - Book Common Equity - Regulated			281,420 279,350	e1 - Tony's File 12 month average OES File 13 month average of averages		
Rate Base Ratios (November) from above Rate Base Ratios (November)	76.85% 77.03%	23.15% 22.97%	377,545	112,594 490,139 c2 - Rate Base File 12 month average		
Rate Base Ratios (December) from above	76.84%	23.16%				

#### Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended December 31, 2019

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$20,751	\$7,175	\$27,926
Less: Interest Expense	11,276	3,897	15,173
Regulated Income	\$9,475	\$3,278	\$12,753
Add:			
Tax Reform Adjustment	0	0	0
Promotional Advertising Adj.	(1)	(1)	(2)
Removal of 25% Membership Fees	0	(16)	(16)
Normalize Uncollectible Expense	0	(1)	(1)
Interest Coordination Adj.	0	191	191
Officer's Incentive Comp. Adj.	0	(78)	(78)
Annualizing Wage Rate Adj.	55	21	76
PGA Commodity Sharing Adj.	0	(643)	(643)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	4,857	393	5,250
Nonregulated Income Taxes	(1,103)	(99)	(1,202)
Prior period adjustment	0	0	0
Total Adjustments	3,808	(233)	3,575
Book Income	\$13,283	\$3,045	\$16,328
Common Equity - Ratemaking	\$155,328	\$42,571	\$197,899
Difference in method	61,450	22,071	83,521
Common Equity - Book	\$216,778	\$64,642	\$281,420
Return on Equity - Regulated*	6.1%	7.7%	6.4%
Return on Equity - Book	6.1%	4.7%	5.8%
Average Rate Base	375,260	113,100	488,360
		<u> </u>	,
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	399,327	119,881	519,208
CWIP (not included in rate base)	29,021	2,085	31,106

Santarahan 2010							1 48
September 2019	Washington	Oregon	Total CNG			Inputs to check fo	or rounding
Utility Net Operating Income	\$21,385	\$7,261	\$28,646	OES & WA Files	f2	\$21,385.49	\$7,260.83 a
Less: Interest Expense	(10,796)	(3,636)	(14,432)	FERC Income Statement	b2	-\$10,796.33	-\$3,635.87 b
Less: Prior period adjustment			<u> </u>	Adj.'s from OES & WA Files			
Regulated Income	\$10,589	\$3,625	\$14,214			\$10,589.16	\$3,624.96
Add:							
Tax Reform Adjustment	-	-	-	Adj.'s Jurisdictional Returns	e4		e
Promotional Advertising Adj.	(2)	(1)	(3)	Adj.'s from OES & WA Files	f3	-\$1.75	-\$1.16 a
Removal of 25% Membership Fees		(15)	(15)	Adj.'s from OES & WA Files			-\$14.58 a
Normalize Uncollectible Expense Interest Coordination Adj.		(3) 154	(3) 154	Adj.'s from OES & WA Files Adj.'s from OES & WA Files			-\$2.76 a \$153.71 a
Officer's Incentive Comp. Adj.		(98)	(98)	Adj.'s from OES & WA Files			-\$98.45 a
Annualizing Wage Rate Adj.	54	20	74	Adj.'s from OES & WA Files	f3	\$54.05	\$20.36
PGA Commodity Sharing Adj.		(406)	(406)	Adj.'s from OES & WA Files			-\$406.51
Weather Normalization Adj.	-		-	Adj.'s from OES & WA Files			
Other Income & Deductions	3,200	166	3,366	FERC Income Statement	b1	\$3,199.51	\$166.30 b -\$155.29 b
Nonregulated Income Taxes Prior period adjustment	(748)	(155)	(903)	FERC Income Statement copied from above	b3	-\$747.60 \$0.00	\$0.00
Total Adjustments	2,504	(338)	2,166	copied from above	_	\$2,504.21	-\$338.37
	\$13,093	\$3,287	\$16,380	\$16,380 tie to 12-month IS for rounding issues	_		
Book Utility Net Income	-			\$16,380 tie to 12-month IS for rounding issues	-	\$13,093.37	\$3,286.59
Common Equity - Ratemaking Add:	\$160,439	\$44,207	\$204,646				
CWIP	14,724	2,129	16,853		g1	\$14,724.34	\$2,128.69
Nonutility Property	201	-/	201		g1	\$200.84	\$0.00
Jtility SERP/SISP	4,152	1,377	5,529		g1	\$4,152.00	\$1,376.89
ntercompany A/R & A/P	(1,527)	(507)	(2,034)		g1	-\$1,527.37	-\$506.58
Accum Deferred DIT's	1,014	484	1,498		g1	\$1,013.51	\$484.08
PGA Conservation	64,003 6,583	2,336	66,339 6,583		g1 g1	\$64,002.67 \$6,583.22	\$2,335.62 \$0.00
ntervener Funding	-	83	83		g1	\$0.00	\$83.48
DR Eugene MGP	=	1,776	1,776		g1	\$0.00	\$1,776.10
MAOP	-	243	243	- Working Capital File 13 month average of averages	g1	\$0.00	\$243.03
Decoupling Mechanisms	(4,132)	(1,370)	(5,502)	average or averages	g1	-\$4,132.43	-\$1,369.91
MDUR I/C Asset-Net Benefit Funding	3,307	1,098	4,405		g1	\$3,307.29	\$1,097.93
Customer Deposits	(657)	(194)	(851)		g1	-\$657.01	-\$193.79
AS109 EDIT's & Tax Credits	(43,458) (1,818)	(14,428) (340)	(57,886) (2,158)		g1 g1	-\$43,457.64 -\$1,818.22	-\$14,428.36 -\$340.31
Accum DIT's	43,012	14,897	57,909		g1	\$43,012.49	\$14,896.90
Non-Operating Working Capital	1,836	163	1,999		g1	\$1,835.77	\$163.01
Cash		190	190				\$189.76
Pension		2,705	2,705				\$2,705.31
Other	(40,579)	6,838	(33,741)			\$87,239.47	\$10,641.86
Total Difference in Method Common Equity - Book	46,661 \$207,100	17,480 \$61,687	64,141 \$268,787				
Return on Equity - Regulated	6.6%	8.2%	6.9%	= to a5 & f5 Check against OR & WA	iles		
Return on Equity - Book	6.3%	5.3%	6.1%	= to e3			
Average Rate Base (August)	363,544	108,232	471,776	c1 - Rate Base File 13 month average of ave	rages		
Average Rate Base (September)	366,491	109,505	475,996	d1 - Rate Base File 13 month average of ave	rages		
Authorized Return on Equity	9.40%	9.40%					
Rate of Return - Regulated	5.8%	6.6%	6.0%	= to a4 & f4			
Authorized Rate of Return	7.31%	7.28%					
Rate of Return - Book	5.9%	6.4%	6.0%	= to e2			
Investment Tax Credit	32	10	42	b4 - FERC Income Statement			
Book Operating Income	\$21,405	\$6,902	\$28,307	Check against Tony's File			
	Averages	Ratio	Weighted Cost	Cost of			
Capital Ratios	370 555	50.33%	5.01%	2.52% a1 - OES & WA Files			
Long-Term Debt Common Stock	270,555 266,985	49.67%	9.40%	4.67% <b>OR</b> a1 - OES & WA Files			
	537,540	100.00%	9.40%	4.67% WA f1 - OES & WA Files			
Return required for common stock	3.2800%	4.0800%					
	3.2000/6	3000/6	200.707	of Tonulo 5th 42 month support			
Common Equity - Book Common Equity - Regulated			268,787 266,985	e1 - Tony's File 12 month average OES File 13 month average of averages			
Rate Base Ratios (August) from above	77.06%	22.94%					
Rate Base Ratios (August)	77.05%	22.95%	365,642	108,912 474,554 c2 - Rate Base File 12 month average			
Rate Base Ratios (September) from above	76.99%	23.01%					
and and the state of the state	70.5376	25.01/0					

#### Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended September 30, 2019

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$21,385	\$7,261	\$28,646
Less: Interest Expense	10,796	3.636	14,432
Regulated Income	\$10,589	\$3,625	\$14,214
Add:			
Tax Reform Adjustment	0	0	0
Promotional Advertising Adj.	(2)	(1)	(3)
Removal of 25% Membership Fees	0	(15)	(15)
Normalize Uncollectible Expense	0	(3)	(3)
Interest Coordination Adj.	0	154	154
Officer's Incentive Comp. Adj.	0	(98)	(98)
Annualizing Wage Rate Adj.	54	20	74
PGA Commodity Sharing Adj.	0	(406)	(406)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	3,200	166	3,366
Nonregulated Income Taxes	(748)	(155)	(903)
Prior period adjustment	0	0	0
Total Adjustments	2,504	(338)	2,166
Book Income	\$13,093	\$3,287	\$16,380
Common Equity - Ratemaking	\$160,439	\$44,207	\$204,646
Difference in method	46,661	17,480	64,141
Common Equity - Book	\$207,100	\$61,687	\$268,787
Return on Equity - Regulated*	6.6%	8.2%	6.9%
Return on Equity - Book	6.3%	5.3%	6.1%
			0.2,1
Average Rate Base	366,491	109,505	475,996
Authorized Determine Family	0.400/	9.40%	
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	377,595	116,192	493,787
CWIP (not included in rate base)	25,064	3,110	28,174
	_5,001	3,110	20,27

# Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended September 30, 2019

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$21,385	\$7,261	\$28,646
Less: Interest Expense	10,796	3,636	14,432
Regulated Income	\$10,589	\$3,625	\$14,214
	γ = 2/2 2 2	<del>+-/</del>	7 - 1/ 1
Add:			
Tax Reform Adjustment	0	0	0
Promotional Advertising Adj.	(2)	(1)	(3)
Removal of 25% Membership Fees	0	(15)	(15)
Normalize Uncollectible Expense	0	(3)	(3)
Interest Coordination Adj.	0	154	154
Officer's Incentive Comp. Adj.	0	(98)	(98)
Annualizing Wage Rate Adj.	54	20	74
PGA Commodity Sharing Adj.	0	(406)	(406)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	3,200	166	3,366
Nonregulated Income Taxes	(748)	(155)	(903)
Prior period adjustment	0	0	0
Total Adjustments	2,504	(338)	2,166
Book Income	\$13,093	\$3,287	\$16,380
200K IIICOTTIC	713,033	73,201	710,500
Common Equity - Ratemaking	\$203,635	\$44,207	\$247,842
Difference in method	6,153	14,792	20,945
Common Equity - Book	\$209,788	\$58,999	\$268,787
Return on Equity - Regulated*	5.2%	8.2%	5.7%
Detum on Fault.	C 20/	F C0/	C 10/
Return on Equity - Book	6.2%	5.6%	6.1%
Average Rate Base	422,209	109,505	531,714
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	439,867	116,192	556,059
CWIP (not included in rate base)	25,064	3,110	28,174

September 2019							
	Washington	Oregon	Total CNG			Inputs to check for	or rounding
Utility Net Operating Income	\$21,385	\$7,261	\$28,646	OES & WA Files	f2	\$21,385.49	\$7,260.83
Less: Interest Expense	(10,796)	(3,636)	(14,432)	FERC Income Statement	b2	-\$10,796.33	-\$3,635.8
Less: Prior period adjustment Regulated Income	\$10,589	\$3,625	\$14,214	Adj.'s from OES & WA Files		\$10,589.16	\$3,624.96
regulated income	\$10,569	\$3,023	\$14,214			\$10,569.10	\$5,024.90
Add:							
Tax Reform Adjustment	- (2)	- (4)	- (2)	Adj.'s Jurisdictional Returns	e4	A4 75	
Promotional Advertising Adj. Removal of 25% Membership Fees	(2)	(1) (15)	(3) (15)	Adj.'s from OES & WA Files Adj.'s from OES & WA Files	f3	-\$1.75	-\$1.1 -\$14.5
Normalize Uncollectible Expense		(3)	(3)	Adj.'s from OES & WA Files Adj.'s from OES & WA Files			-\$14.5 -\$2.7
Interest Coordination Adj.		154	154	Adj.'s from OES & WA Files			\$153.7
Officer's Incentive Comp. Adj.		(98)	(98)	Adj.'s from OES & WA Files			-\$98.4
Annualizing Wage Rate Adj.	54	20	74	Adj.'s from OES & WA Files	f3	\$54.05	\$20.3
PGA Commodity Sharing Adj.		(406)	(406)	Adj.'s from OES & WA Files			-\$406.5
Weather Normalization Adj.	- 2200	466	- 2.255	Adj.'s from OES & WA Files	h.4	Ć2 400 F4	¢166.3
Other Income & Deductions Nonregulated Income Taxes	3,200 (748)	166 (155)	3,366 (903)	FERC Income Statement FERC Income Statement	b1 b3	\$3,199.51 -\$747.60	\$166.3 -\$155.2
Prior period adjustment	(746)	(155)	(903)	copied from above	D2	\$0.00	\$0.0
otal Adjustments	2,504	(338)	2,166	copied from above	_	\$2,504.21	-\$338.3
	-				_		
ook Utility Net Income	\$13,093	\$3,287	\$16,380	\$16,380 tie to 12-month IS for rounding issues	=	\$13,093.37	\$3,286.5
ommon Equity - Ratemaking	\$203,635	\$44,207	\$247,842				
dd: WIP	14,724	2,129	16,853		g1	\$14,724.34	\$2,128.6
wir Ionutility Property	201	2,129	201		g1 g1	\$14,724.34	\$2,128.6
tility SERP/SISP	8,997	2,987	11,984		g1	\$8,996.60	\$2,987.1
ntercompany A/R & A/P	(1,527)	(507)	(2,034)	1	g1	-\$1,527.37	-\$506.5
ccum Deferred DIT's	1,763	772	2,535		g1	\$1,762.93	\$772.1
GA	64,003	2,336	66,339		g1	\$64,002.67	\$2,335.6
onservation	6,583	-	6,583	1	g1	\$6,583.22	\$0.0
ntervener Funding R Eugene MGP	-	1 776	83 1,776	1	g1	\$0.00 \$0.00	\$83.4
NAOP	-	1,776 243	243	- Working Capital File 13 month	g1 g1	\$0.00	\$1,776.1 \$243.0
ecoupling Mechanisms	(4,132)	(1,370)	(5,502)	average of averages	g1	-\$4,132.43	-\$1,369.9
IDUR I/C Asset-Net Benefit Funding	3,307	1,098	4,405		g1	\$3,307.29	\$1,097.9
ustomer Deposits	(657)	(194)	(851)		g1	-\$657.01	-\$193.7
AS109	(43,458)	(14,428)	(57,886)		g1	-\$43,457.64	-\$14,428.3
DIT's & Tax Credits	(1,818)	(340)	(2,158)		g1	-\$1,818.22	-\$340.3
ccum DIT's	42,979	14,388	57,367		g1	\$42,979.46	\$14,388.3
lon-Operating Working Capital	16,084	1,587	17,671		g1	\$16,083.85	\$1,586.6
ash ension		190 1,103	190 1,103				\$189.7 \$1,102.5
Other	(100,896)	2,939	(97,957)		-	\$107,048.54	\$1,102.5
otal Difference in Method	6,153	14,792	20,945			¥===,0	7,
Common Equity - Book	\$209,788	\$58,999	\$268,787				
Return on Equity - Regulated	5.2%	8.2%	5.7%	= to a5 & f5 Check against OR & W.	A files		
teturn on Equity - Book	6.2%	5.6%	6.1%	= to e3			
verage Rate Base (August)	413,748	108,232	521,980	c1 - Rate Base File 13 month average of a	erages/		
verage Rate Base (September)	422,209	109,505	531,714	d1 - Rate Base File 13 month average of a	verages		
	9.40%	9.40%		·	ů.		
Authorized Return on Equity	9.40%	9.40%					
tate of Return - Regulated	5.1%	6.6%	5.4%	= to a4 & f4			
Authorized Rate of Return	7.31%	7.28%					
ate of Return - Book	5.2%	6.4%	5.4%	= to e2			
Investment Tax Credit Book Operating Income	\$21,405	10 \$6,902	42 \$28,307	b4 - FERC Income Statement  Check against Tony's File			
	-						
apital Ratios	Averages	Ratio	Weighted Cost	Cost of			
Long-Term Debt	270,555	50.33%	5.01%	2.52% a1 - OES & WA Files			
Common Stock	266,985 537,540	49.67% 100.00%	9.40% 9.40%	4.67% <b>OR</b> a1 - OES & WA Files 4.67% <b>WA</b> f1 - OES & WA Files			
lature required for some		-	5.40%	12 OLD & WATTES			
eturn required for common stock	2.5800%	4.0800%					
ommon Equity - Book ommon Equity - Regulated			268,787 266,985	<ul><li>e1 - Tony's File 12 month average</li><li>OES File 13 month average of averages</li></ul>			
tate Base Ratios (August) from above	79.27%	20.73%					
late Base Ratios (August)	79.27% 78.05%	21.95%	387,293	108,912 496,205 c2 - Rate Base File 12 month average			
ate Base Ratios (September) from above	79.41%	20.59%					
manos (september) ironi above	, 5.41/0	20.55/6					

#### Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended September 30, 2019

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$21,385	\$7,261	\$28,646
Less: Interest Expense	10,796	3,636	14,432
Regulated Income	\$10,589	\$3,625	\$14,214
negulated meome	Ų10,50 <i>5</i>	Ų3,0 <u>2</u> 3	V2.1,221
Add:			
Tax Reform Adjustment	0	0	0
Promotional Advertising Adj.	(2)	(1)	(3)
Removal of 25% Membership Fees	0	(15)	(15)
Normalize Uncollectible Expense	0	(3)	(3)
Interest Coordination Adj.	0	154	154
Officer's Incentive Comp. Adj.	0	(98)	(98)
Annualizing Wage Rate Adj.	54	20	74
PGA Commodity Sharing Adj.	0	(406)	(406)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	3,200	166	3,366
Nonregulated Income Taxes	(748)	(155)	(903)
Prior period adjustment	0	0	0
Total Adjustments	2,504	(338)	2,166
Book Income	\$13,093	\$3,287	\$16,380
Common Facility Batanashina	¢202.625	644.207	6247.042
Common Equity - Ratemaking Difference in method	\$203,635	\$44,207	\$247,842
	6,153	14,792	20,945
Common Equity - Book	\$209,788	\$58,999	\$268,787
Return on Equity - Regulated*	5.2%	8.2%	5.7%
Return on Equity - Book	6.2%	5.6%	6.1%
Average Rate Base	422,209	109,505	531,714
		,	
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	439,867	116,192	556,059
CWIP (not included in rate base)	25,064	3,110	28,174

# Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended June 30, 2019

Utility Net Operating Income       \$22,675       \$6,620       \$29,295         Less: Interest Expense       10,170       3,373       13,543         Regulated Income       \$12,505       \$3,247       \$15,752         Add:         Tax Reform Adjustment       0       0       0         Promotional Advertising Adj.       (1)       (1)       (2)
Less: Interest Expense       10,170       3,373       13,543         Regulated Income       \$12,505       \$3,247       \$15,752         Add:       Tax Reform Adjustment       0       0       0
Regulated Income       \$12,505       \$3,247       \$15,752         Add:       Tax Reform Adjustment       0       0       0
Add: Tax Reform Adjustment  0 0 0
Tax Reform Adjustment 0 0 0
Tax Reform Adjustment 0 0 0
•
Promotional Advertising Adi (1) (1) (2)
1 Tolliotional Advertising Adj. (1) (1)
Removal of 25% Membership Fees 0 (14) (14)
Normalize Uncollectible Expense 0 24 24
Interest Coordination Adj. 0 84 84
Officer's Incentive Comp. Adj. 0 (98) (98)
Annualizing Wage Rate Adj. 54 20 74
PGA Commodity Sharing Adj. 0 (378)
Weather Normalization Adj. 0 0 0
Other Income & Deductions 2,285 117 2,402
Nonregulated Income Taxes (666) (205) (871)
Prior period adjustment 0 0 0
Total Adjustments 1,672 (451) 1,221
Book Income \$14,177 \$2,796 \$16,973
Common Equity - Ratemaking \$205,000 \$44,479 \$249,479
Difference in method (6,079) 12,876 6,797
Common Equity - Book \$198,921 \$57,355 \$256,276
Return on Equity - Regulated* 6.1% 7.3% 6.3%
Return on Equity - Book 7.1% 4.9% 6.6%
Average Rate Base 395,919 105,358 501,277
Authorized Return on Equity 9.40% 9.40%
1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1
End of Period:
Rate Base 416,768 114,499 531,267
CWIP (not included in rate base) 16,566 1,611 18,177

June 2019								1 age
June 2019	Washington	Oregon	Total CNG				Inputs to check for	or rounding
Utility Net Operating Income	\$22,675	\$6,620	\$29,295		OES & WA Files	f2	\$22,675.17	\$6,620.35 a2
Less: Interest Expense	(10,170)	(3,373)	(13,543)		FERC Income Statement	b2	-\$10,170.49	-\$3,373.25 b2
Less: Prior period adjustment		-	-		Adj.'s from OES & WA Files			
Regulated Income	\$12,505	\$3,247	\$15,752				\$12,504.68	\$3,247.11
Add:								
Tax Reform Adjustment Promotional Advertising Adj.	(1)	(1)	(2)		Adj.'s Jurisdictional Returns Adj.'s from OES & WA Files	e4 f3	-\$0.97	e4 -\$1.34 a3
Removal of 25% Membership Fees	(1)	(14)	(14)		Adj.'s from OES & WA Files	13	-30.97	-\$13.79 a3
Normalize Uncollectible Expense		24	24		Adj.'s from OES & WA Files			\$23.91 a3
Interest Coordination Adj.		84	84		Adj.'s from OES & WA Files			\$84.20 a3
Officer's Incentive Comp. Adj.		(98)	(98)		Adj.'s from OES & WA Files	(2)	454.05	-\$98.45 a3
Annualizing Wage Rate Adj. PGA Commodity Sharing Adj.	54	20 (378)	74 (378)		Adj.'s from OES & WA Files Adj.'s from OES & WA Files	f3	\$54.05	\$20.36 a3 -\$378.58 a3
Weather Normalization Adj.	-	(370)	(376)		Adj.'s from OES & WA Files			Ç370.30 d3
Other Income & Deductions	2,285	117	2,402		FERC Income Statement	b1	\$2,285.24	\$117.39 b1
Nonregulated Income Taxes	(666)	(205)	(871)		FERC Income Statement	b3		-\$204.63 b3
Prior period adjustment	- 4 572	- (454)			copied from above		\$0.00	\$0.00
Total Adjustments	1,672	(451)	1,221				\$1,672.35	-\$450.93
Book Utility Net Income	\$14,177	\$2,796	\$16,973	\$16,973 tie to 12	2-month IS for rounding issues		\$14,177.03	\$2,796.17
Common Equity - Ratemaking	\$205,000	\$44,479	\$249,479					
Add: CWIP	11,899	1,964	13,863	r	1	-1	\$11,899.29	\$1,964.49 g2
Nonutility Property	11,899	- 1,904	202			g1 g1	\$11,899.29	\$1,964.49 g2 \$0.00 g2
Utility SERP/SISP	9,140	3,048	12,188			g1	\$9,139.84	\$3,047.83
Intercompany A/R & A/P	(1,465)	(487)	(1,952)			g1	-\$1,464.88	-\$487.32
Accum Deferred DIT's	1,900	839	2,739			g1	\$1,899.52	\$839.22 g2
PGA	42,123	357	42,480			g1	\$42,123.06	\$356.65 g2
Conservation Intervener Funding	6,470	- 68	6,470 68			g1 g1	\$6,469.89 \$0.00	\$0.00 g2 \$68.39
OR Eugene MGP	-	1,917	1,917			g1	\$0.00	\$1,917.26 g2
MAOP	-	115	115		- Working Capital File 13 month average of averages	g1	\$0.00	\$115.44 g2
Decoupling Mechanisms	(5,057)	(1,320)	(6,377)		average or averages	g1	-\$5,057.49	-\$1,320.46 g2
MDUR I/C Asset-Net Benefit Funding	3,304	1,101	4,405			g1	\$3,303.76	\$1,101.45 g2
Customer Deposits FAS109	(669) (44,111)	(206) (14,708)	(875) (58,819)			g1 g1	-\$668.67 -\$44,111.09	-\$206.37 g2 -\$14,708.34 g2
EDIT's & Tax Credits	(1,810)	(141)	(1,951)			g1	-\$1,810.10	-\$141.25 g2
Accum DIT's	43,676	14,679	58,355			g1	\$43,675.50	\$14,679.07 g2
Non-Operating Working Capital	9,145	1,007	10,152			g1	\$9,144.77	\$1,007.32 g2
Cash		182	182					\$181.85 g3
Pension Other	(80,826)	2,213 2,248	2,213	L			\$74,745.26	\$2,213.40 g4
Total Difference in Method	(6,079)	12,876	(78,578) 6,797				\$74,745.26	\$10,628.63
Common Equity - Book	\$198,921	\$57,355	\$256,276					
Return on Equity - Regulated	6.1%	7.3%	6.3%		= to a5 & f5 Check against Ol	R & WA files		
Return on Equity - Book	7.1%	4.9%	6.6%		= to e3			
Average Rate Base (May)	386,963	103,961	490,924		c1 - Rate Base File 13 month averag	e of averages		
Average Rate Base (June)	395,919	105,358	501,277		d1 - Rate Base File 13 month averag	e of averages		
			301,277			,		
Authorized Return on Equity	9.40%	9.40%						
Rate of Return - Regulated	5.7%	6.3%	5.8%		= to a4 & f4			
Authorized Rate of Return	7.31%	7.28%						
Rate of Return - Book	5.9%	6.0%	5.9%		= to e2			
Investment Tax Credit Book Operating Income	32 \$22,696	10 \$6,247	42 \$28,943	ſ	b4 - FERC Income Statement  Check against Tony's File			
					<u> </u>			
Canital Paties	Averages	Ratio	Weighted Cost	Cost of				
Capital Ratios Long-Term Debt	251,158	49.69%	5.33%	2.65%	a1 - OES & WA Files			
Common Stock	254,328	50.31%	9.40%		a1 - OES & WA Files			
	505,486	100.00%	9.40%		f1 - OES & WA Files			
Return required for common stock	3.0500%	3.6500%						
Common Equity - Book			256,276		e1 - Tony's File 12 month average			
Common Equity - BOOK  Common Equity - Regulated			254,328		e1 - Tony's File 12 month average OES File 13 month average of avera	ges		
			- ,			-		
Rate Base Ratios (May) from above	78.82%	21.18%	252.047	104 624 467 555	c2 Pata Paca File 12 month corre-	0		
Rate Base Ratios (May)	77.62%	22.38%	362,912	104,621 467,533	c2 - Rate Base File 12 month averag	,c		
Rate Base Ratios (June) from above	78.98%	21.02%						

#### Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended June 30, 2019

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$22,675	\$6,620	\$29,295
Less: Interest Expense	10,170	3,373	13,543
Regulated Income	\$12,505	\$3,247	\$15,752
Add:			
Tax Reform Adjustment	0	0	0
Promotional Advertising Adj.	(1)	(1)	(2)
Removal of 25% Membership Fees	0	(14)	(14)
Normalize Uncollectible Expense	0	24	24
Interest Coordination Adj.	0	84	84
Officer's Incentive Comp. Adj.	0	(98)	(98)
Annualizing Wage Rate Adj.	54	20	74
PGA Commodity Sharing Adj.	0	(378)	(378)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	2,285	117	2,402
Nonregulated Income Taxes	(666)	(205)	(871)
Prior period adjustment	0	0	0
Total Adjustments	1,672	(451)	1,221
Book Income	\$14,177	\$2,796	\$16,973
Common Equity - Ratemaking	\$205,000	\$44,479	\$249,479
Difference in method	(6,079)	12,876	6,797
Common Equity - Book	\$198,921	\$57,355	\$256,276
Return on Equity - Regulated*	6.1%	7.3%	6.3%
Return on Equity - Book	7.1%	4.9%	6.6%
Average Rate Base	395,919	105,358	501,277
		,	
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	416,768	114,499	531,267
CWIP (not included in rate base)	16,566	1,611	18,177

# Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended March 31, 2019

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$21,303	\$5,573	\$26,876
Less: Interest Expense	9,384	3,068	12,452
Regulated Income	\$11,919	\$2,505	\$14,424
Add:			
Tax Reform Adjustment	0	0	0
Promotional Advertising Adj.	(1)	(2)	(3)
Removal of 25% Membership Fees	0	(15)	(15)
Normalize Uncollectible Expense	0	10	10
Interest Coordination Adj.	0	82	82
Officer's Incentive Comp. Adj.	0	(98)	(98)
Annualizing Wage Rate Adj.	54	20	74
PGA Commodity Sharing Adj.	0	(339)	(339)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	(23)	(10)	(33)
Nonregulated Income Taxes	330	165	495
Prior period adjustment	0	0	0
Total Adjustments	360	(187)	173
Book Income	\$12,279	\$2,318	\$14,597
Common Equity - Ratemaking	\$186,234	\$43,190	\$229,424
Difference in method	3,751	12,919	16,670
Common Equity - Book	\$189,985	\$56,109	\$246,094
Return on Equity - Regulated*	6.4%	5.8%	6.3%
Return on Equity - Book	6.5%	4.1%	5.9%
Average Rate Base	368,331	101,501	469,832
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	395,111	108,836	503,947
CWIP (not included in rate base)	14,271	831	15,102

						Page
March 2019	Washington	Oregon	Total CNG		Inputs to check f	or rounding
Utility Net Operating Income Less: Interest Expense	\$21,303 (9,384)	\$5,573 (3,068)	\$26,876 (12,452)	OES & WA Files FERC Income Statement	f2 \$21,302.78 b2 -\$9,384.06	\$5,573.24 a2 -\$3,068.33 b2
Less: Prior period adjustment	(5,564)	-	(12,432)	Adj.'s from OES & WA Files	\$5,504.00	\$5,000.33 <b>0</b> 2
Regulated Income	\$11,919	\$2,505	\$14,424		\$11,918.72	\$2,504.91
Add:						
Tax Reform Adjustment	-	-	-		e4	e4
Promotional Advertising Adj.	(1)	(2)	(3)	Adj.'s from OES & WA Files	f3 -\$1.03	-\$1.55 a3
Removal of 25% Membership Fees Normalize Uncollectible Expense		(15) 10	(15) 10	Adj.'s from OES & WA Files Adj.'s from OES & WA Files		-\$14.56 a3 \$10.27 a3
Interest Coordination Adj.		82	82	Adj.'s from OES & WA Files		\$81.54 a3
Officer's Incentive Comp. Adj.		(98)	(98)	Adj.'s from OES & WA Files		-\$98.45 a3
Annualizing Wage Rate Adj. PGA Commodity Sharing Adj.	54	20 (339)	74 (339)	Adj.'s from OES & WA Files Adj.'s from OES & WA Files	f3 \$54.05	\$20.36 a3 -\$339.14 a3
Weather Normalization Adj.	-	(555)	-	Adj.'s from OES & WA Files		<b>\$333.11</b>
Other Income & Deductions	(23)	(10)	(33)		b1 -\$23.13	-\$9.55 <b>b1</b>
Nonregulated Income Taxes Prior period adjustment	330	165	495	FERC Income Statement copied from above	b3 \$329.84 \$0.00	\$165.20 b3 \$0.00
Total Adjustments	360	(187)	173	соріви потп'явоче	\$359.72	-\$185.88
Book Utility Net Income	\$12,279	\$2,318	\$14,597	\$14,597 tie to 12-month IS for rounding issues	\$12,278.44	\$2,319.03
				yearson are to 22 month to 10 rounding issues	\$12,270.11	Ų2,313.03
Common Equity - Ratemaking Add:	\$186,234	\$43,190	\$229,424			
CWIP	10,501	2,029	12,530		g1 \$10,500.74	\$2,029.30 g2
Nonutility Property	202	- 2 110	202 12,399		g1 \$202.03	\$0.00 g2
Utility SERP/SISP Intercompany A/R & A/P	9,289 (1,440)	3,110 (481)	(1,921)		g1 \$9,289.04 g1 -\$1,439.57	\$3,110.25 -\$480.71
Accum Deferred DIT's	1,973	878	2,851		g1 \$1,973.03	\$877.52 g2
PGA	20,154	(1,372)	18,782		g1 \$20,153.52	-\$1,372.34 g2
Conservation Intervener Funding	6,282	- 57	6,282 57		g1 \$6,281.67 g1 \$0.00	\$0.00 g2 \$57.35
OR Eugene MGP	-	1,942	1,942		g1 \$0.00	\$1,942.40 g2
Decoupling Mechanisms	(5,899)	(1,372)	(7,271)	average of averages	g1 -\$5,899.03	-\$1,371.52 g2
MDUR I/C Asset-Net Benefit Funding Customer Deposits	3,289 (689)	1,101 (216)	4,390 (905)		g1 \$3,289.12 g1 -\$689.04	\$1,101.24 g2 -\$215.59 g2
FAS109	(44,782)	(14,995)	(59,777)		g1 -\$44,781.80	-\$14,995.07 g2
WA EDIT's & Tax Credits	(1,488)	-	(1,488)		g1 -\$1,487.60	\$0.00 g2
Accum DIT's Non-Operating Working Capital	44,386 4,123	14,979 559	59,365 4,682		g1 \$44,385.99 g1 \$4,123.21	\$14,978.77 g2 \$558.76 g2
Cash	-,	197	197		8- + 1,	\$197.49 g3
Pension		3,298	3,298			\$3,297.59 g4
Other Total Difference in Method	(42,150) 3,751	3,205 12,919	(38,945) 16,670		\$45,901.33	\$9,715.44
Common Equity - Book	\$189,985	\$56,109	\$246,094			
Return on Equity - Regulated	6.4%	5.8%	6.3%	= to a5 & f5 Check against OR & WA files		
Return on Equity - Book	6.5%	4.1%	5.9%	= to e3		
Average Rate Base (February)	359,497	100,314	459,811	c1 - Rate Base File 13 month average of averages		
Average Rate Base (March)	368,331	101,501	469,832	d1 - Rate Base File 13 month average of averages		
Authorized Return on Equity	9.40%	9.40%				
Rate of Return - Regulated	5.8%	5.5%	5.7%	= to a4 & f4		
Authorized Rate of Return	7.31%	7.28%	51.72			
Rate of Return - Book	5.9%	5.2%	5.8%	= to e2		
	3.5%	3.2/6				
Investment Tax Credit Book Operating Income	32 \$21,324	10 \$5,221	42 \$26,545	b4 - FERC Income Statement  Check against Tony's File		
	A	D-4i-	Weighted Cook	Control		
Capital Ratios	Averages		Weighted Cost	Cost of		
Long-Term Debt Common Stock	237,926 244,665	49.30% 50.70%	5.16% 9.40%	2.54% a1 - OES & WA Files 4.77% <b>OR</b> a1 - OES & WA Files		
Common Stock	482,591	100.00%	9.40%	4.77% WA f1 - OES & WA Files		
Return required for common stock	3.2600%	2.9600%				
Common Equity - Book Common Equity - Regulated			246,094 244,665	e1 - Tony's File 12 month average OES File 13 month average of averages		
Rate Base Ratios (February) from above Rate Base Ratios (February)	78.18% 77.20%	21.82% 22.80%	341,641	100,902 442,543 c2 - Rate Base File 12 month average		
Rate Base Ratios (March) from above	78.40%	21.60%				

#### Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended March 31, 2019

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$21,303	\$5,573	\$26,876
Less: Interest Expense	9,384	3,068	12,452
Regulated Income	\$11,919	\$2,505	\$14,424
Add:			
Tax Reform Adjustment	0	0	0
Promotional Advertising Adj.	(1)	(2)	(3)
Removal of 25% Membership Fees	0	(15)	(15)
Normalize Uncollectible Expense	0	10	10
Interest Coordination Adj.	0	82	82
Officer's Incentive Comp. Adj.	0	(98)	(98)
Annualizing Wage Rate Adj.	54	20	74
PGA Commodity Sharing Adj.	0	(339)	(339)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	(23)	(10)	(33)
Nonregulated Income Taxes	330	165	495
Prior period adjustment	0	0	0
Total Adjustments	360	(187)	173
Book Income	\$12,279	\$2,318	\$14,597
Common Equity - Ratemaking	\$186,234	\$43,190	\$229,424
Difference in method	3,751	12,919	16,670
Common Equity - Book	\$189,985	\$56,109	\$246,094
Return on Equity - Regulated*	6.4%	5.8%	6.3%
Return on Equity - Book	6.5%	4.1%	5.9%
Average Rate Base	368,331	101,501	469,832
Authorized Deturn on Equity	9.40%	9.40%	
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	395,111	108,836	503,947
CWIP (not included in rate base)	14,271	831	15,102

# Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended December 31, 2018

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$21,562	\$5,870	\$27,432
Less: Interest Expense	9,083	2,914	11,997
Regulated Income	\$12,479	\$2,956	\$15,435
negarated meeting	Ψ==,σ	<b>+ - , . - , . - , . - , . - , . - , . . . . . . . . . .</b>	¥ = 5) 1.00
Add:			
Tax Reform Adjustment	0	0	0
Promotional Advertising Adj.	(1)	(1)	(2)
Removal of 25% Membership Fees	0	(14)	(14)
Normalize Uncollectible Expense	0	18	18
Interest Coordination Adj.	0	62	62
Officer's Incentive Comp. Adj.	0	(100)	(100)
Annualizing Wage Rate Adj.	54	21	75
PGA Commodity Sharing Adj.	0	(265)	(265)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	(693)	(94)	(787)
Nonregulated Income Taxes	176	57	233
Prior period adjustment	0	0	0
Total Adjustments	(464)	(316)	(780)
Book Income	\$12,015	\$2,640	\$14,655
	4440.040	4.0	4.00.004
Common Equity - Ratemaking	\$140,213	\$43,471	\$183,684
Difference in method	43,388	11,867	55,255
Common Equity - Book	\$183,601	\$55,338	\$238,939
Return on Equity - Regulated*	8.9%	6.8%	8.4%
Return on Equity - Regulated	8.970	0.670	0.470
Return on Equity - Book	6.6%	4.8%	6.2%
Average Rate Base	302,980	98,079	401,059
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	333,938	107,743	441,681
CWIP (not included in rate base)	10,813	2,041	12,854

December 2018				
	Washington	Oregon	Total CNG	Inputs to check for rounding
Hailite Net Occuption Income	¢24 F62	ĆE 070	627.422	OES & WA Files f2 \$21,562.23 \$5,870.36 a2
Utility Net Operating Income Less: Interest Expense	\$21,562 (9,083)	\$5,870 (2,914)	\$27,432 (11,997)	OES & WA Files f2 \$21,562.23 \$5,870.36 a2 FERC Income Statement b2 -\$9,083.27 -\$2,914.00 b2
Less: Prior period adjustment	(9,065)	(2,914)	(11,997)	Adj.'s from OES & WA Files
Regulated Income	\$12,479	\$2,956	\$15,435	\$12,478.96 \$2,956.36
Add:				
Tax Reform Adjustment	- (4)	- (4)	- (2)	Adj.'s Jurisdictional Returns e4 e4
Promotional Advertising Adj.	(1)	(1)	(2)	Adj.'s from OES & WA Files f3 -\$0.99 -\$0.94 a3
Removal of 25% Membership Fees		(14)	(14)	Adj.'s from OES & WA Files -\$13.86 a3
Normalize Uncollectible Expense		18	18	Adj.'s from OES & WA Files \$17.38 a3
Interest Coordination Adj.		(100)	62	Adj.'s from OES & WA Files \$61.88 a3
Officer's Incentive Comp. Adj.	54	(100)	(100)	Adj.'s from OES & WA Files -\$99.72 a3
Annualizing Wage Rate Adj.	54	(2005)	75	Adj.'s from OES & WA Files f3 \$53.82 \$20.62 a3 Adj.'s from OES & WA Files -\$265.22 a3
PGA Commodity Sharing Adj.		(265)	(265)	
Weather Normalization Adj. Other Income & Deductions	(602)	(94)	(787)	Adj.'s from OES & WA Files  FERC Income Statement b1 -\$693.22 -\$93.77 b1
Nonregulated Income Taxes	(693) 176	57	233	
•	1/0	37	255	
Prior period adjustment	(454)	(24.6)		copied from above \$0.00 \$0.00
Total Adjustments	(464)	(316)	(780)	<u>-\$464.04</u> - <u>\$316.60</u>
Book Utility Net Income	\$12,015	\$2,640	\$14,655	\$14,655 tie to 12-month IS for rounding issues \$12,014.92 \$2,639.76
Common Equity - Ratemaking	\$140,213	\$43,471	\$183,684	
Add:				
CWIP	9,207	2,096	11,303	g1 \$9,206.78 \$2,096.15 g2
Intercompany	(1,361)	(457)	(1,818)	g1 -\$1,360.91 -\$457.27 g2
PGA	6,744		6,744	g1 \$6,743.57 \$24.72
OR Eugene MGP		1,841	1,841	g1 \$1,841.05
Conservation	5,662	-	5,662	g1 \$5,662.33 g2
Customer Deposits	(693)	(221)	(914)	- Working Capital File 13 month g1 -\$692.72 -\$220.85 g2
Non-Operating Working Capital	(1,974)	(457)	(2,431)	average of averages g1 -\$1,973.61 -\$457.19 g2
Nonutility Property	202		202	g1 \$202.03
Utility SERP/SISP	9,195	3,088	12,283	g1 \$9,194.85 \$3,088.28 g2
MDUR I/C Asset-Net Benefit Funding	3,220	1,081	4,301	g1 \$3,219.82 \$1,081.45 g2
Cash		268	268	\$267.83 g3
Pension		5,142	5,142	\$5,141.95 g4
Other	13,186	(514)	12,672	\$30,202.15 \$12,406.11
Total Difference in Method	43,388	11,867	55,255	
Common Equity - Book	\$183,601	\$55,338	\$238,939	
Return on Equity - Regulated	8.9%	6.8%	8.4%	= to a5 & f5 Check against OR & WA files
Return on Equity - Book	6.6%	4.8%	6.2%	= to e3
Average Rate Base (November)	301,209	96,903	398,112	c1 - Rate Base File 13 month average of averages
Average Rate Base (December)	302,980	98,079	401,059	d1 - Rate Base File 13 month average of averages
Authorized Return on Equity	9.40%	9.40%		
Rate of Return - Regulated	7.1%	6.0%	6.8%	= to a4 & f4
Authorized Rate of Return	7.31%	7.28%		
Rate of Return - Book	7.2%	5.8%	6.8%	= to e2
	32			b4 - FERC Income Statement
Investment Tax Credit Book Operating Income	\$21,583	10 \$5,581	42 \$27,164	Check against Tony's File
	Averages	Ratio	Weighted Cost	Cost of
Capital Ratios		<del>-</del>	- 0	
Long-Term Debt	228,995	49.25%	5.19%	2.56% a1 - OES & WA Files
Common Stock	236,004	50.75%	9.40%	4.77% OR a1 - OES & WA Files
	464,999	100.00%	9.40%	4.77% <b>WA</b> f1 - OES & WA Files
Return required for common stock	4.5400%	3.4400%		
		,		
Common Equity - Book			238,939	e1 - Tony's File 12 month average
Common Equity - Regulated			236,004	OES File 13 month average of averages
Rate Base Ratios (November) from above	75.66%	24.34%		
Rate Base Ratios (November)	76.84%	23.16%	323,379	97,492 420,871 c2 - Rate Base File 12 month average
		_		
Rate Base Ratios (December) from above	75.54%	24.46%		

#### Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended December 31, 2018

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$21,562	\$5.870	\$27,432
Less: Interest Expense	9,083	2.914	11,997
Regulated Income	\$12,479	\$2,956	\$15,435
Add:			
Tax Reform Adjustment	0	0	0
Promotional Advertising Adj.	(1)	(1)	(2)
Removal of 25% Membership Fees	0	(14)	(14)
Normalize Uncollectible Expense	0	18	18
Interest Coordination Adj.	0	62	62
Officer's Incentive Comp. Adj.	0	(100)	(100)
Annualizing Wage Rate Adj.	54	21	75
PGA Commodity Sharing Adj.	0	(265)	(265)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	(693)	(94)	(787)
Nonregulated Income Taxes	176	57	233
Prior period adjustment	0	0	0
Total Adjustments	(464)	(316)	(780)
Book Income	\$12,015	\$2,640	\$14,655
Common Equity - Ratemaking	\$140,213	\$43,471	\$183,684
Difference in method	43,388	11,867	55,255
Common Equity - Book	\$183,601	\$55,338	\$238,939
Return on Equity - Regulated*	8.9%	6.8%	8.4%
Return on Equity - Regulated	6.9%	0.676	0.470
Return on Equity - Book	6.6%	4.8%	6.2%
Average Rate Base	302,980	98,079	401,059
Authorized Return on Equity	9.40%	9.40%	
. ,			
End of Period: Rate Base	333,938	107,743	441,681
CWIP (not included in rate base)		2,041	
CWIP (Hot included in rate base)	10,813	2,041	12,854

September 2018	Washington	Oregon	Total CNG			Inputs to check for	or rounding
Utility Net Operating Income	\$18,816	\$4,500	\$23,316	OES & WA Files	f2	\$18,816.07	\$4,499.95
Less: Interest Expense	(9,224)	(2,952)	(12,176)	FERC Income Statement	b2		-\$2,951.96
Less: Prior period adjustment		(_,,	(,,	Adj.'s from OES & WA Files		70,220100	72,002.00
legulated Income	\$9,592	\$1,548	\$11,140			\$9,592.18	\$1,547.99
dd:							
Fax Reform Adjustment	1,430	74	1,504	Adj.'s Jurisdictional Returns	e4	\$1,429.63	\$74.23
Promotional Advertising Adj.	(1)	(1)	(2)	Adj.'s from OES & WA Files	f3		-\$0.44
Removal of 25% Membership Fees	( )	(11)	(11)	Adj.'s from OES & WA Files			-\$10.97
Normalize Uncollectible Expense		2	2	Adj.'s from OES & WA Files			\$2.46
nterest Coordination Adj.		104	104	Adj.'s from OES & WA Files			\$103.56
Officer's Incentive Comp. Adj.	(222)	(70)	(292)	Adj.'s from OES & WA Files	f3	-\$222.46	-\$70.15
Annualizing Wage Rate Adj.	57	18	75	Adj.'s from OES & WA Files	f3	\$56.68	\$17.8
PGA Commodity Sharing Adj.		49	49	Adj.'s from OES & WA Files			\$49.50
Weather Normalization Adj.				Adj.'s from OES & WA Files		4	
Other Income & Deductions	2	164	166	FERC Income Statement	b1		\$163.70
Nonregulated Income Taxes	(47)	(19)	(66)	FERC Income Statement	b3		-\$19.4
Prior period adjustment		-	-	copied from above		\$0.00	\$0.00
otal Adjustments	1,219	310	1,529			\$1,218.22	\$310.36
ook Utility Net Income	\$10,811	\$1,858	\$12,669	\$11,165 tie to 12-month IS for rounding issues		\$10,810.40	\$1,858.35
ommon Equity - Ratemaking	\$139,014	\$36,000	\$175,014				
dd: WIP	0 000	2,434	12,273		~1	\$9,839.12	\$2,434.26
	9,839				g1		
ntercompany	(1,332)	(448)	(1,780)		g1		-\$447.6
GA	6,600		6,600		g1		
R Eugene MGP		1,821	1,821		g1		\$1,820.6
onservation	3,806	51	3,857		g1		\$50.9
ustomer Deposits	(682)	(227)	(909)	- Working Capital File 13 month	g1	-\$681.70	-\$226.6
on-Operating Working Capital	(1,102)	(277)	(1,379)	average of averages	g1	-\$1,102.36	-\$277.09
onutility Property	202		202		g1	\$202.03	
tility SERP/SISP	8,814	2,953	11,767		g1	\$8,813.89	\$2,953.15
1DUR I/C Asset-Net Benefit Funding	3,155	1,057	4,212		g1		\$1,057.12
ash		373	373		_		\$373.18
ension		4,539	4,539				\$4,539.10
ther	7,759	4,704	12,463			\$29,299.36	\$12,276.98
otal Difference in Method	37,059	16,980	54,039			,	, ,
ommon Equity - Book	\$176,073	\$52,980	\$229,053				
Return on Equity - Regulated	6.9%	4.3%	6.4%	= to a5 & f5 Check against OF	& WA files	]	
teturn on Equity - Book	6.1%	3.5%	5.5%	= to e3			
Average Rate Base (August)	310,458	93,588	404,046	c1 - Rate Base File 13 month averag	e of averages		
Average Rate Base (September)	306,361	94,600	400,961	d1 - Rate Base File 13 month averag	e of averages		
Authorized Return on Equity	9.40%	9.40%					
late of Return - Regulated	6.1%	4.8%	5.8%	= to a4 & f4			
-			3.6%	- 10 84 & 14			
Authorized Rate of Return	7.31%	7.28%	6.4	42			
ate of Return - Book	6.4%	5.0%	6.1%	= to e2			
Investment Tax Credit	30	9	39	b4 - FERC Income Statement			
Tax Reform Adjustment (Regulated Difference)	45	19	64	e - Tony's File 12 month average			
ook Operating Income	\$20,005	\$4,637	\$24,642	Check against Tony's File			
	Averages	Ratio	Weighted Cost	Cost of			
apital Ratios							
Long-Term Debt	227,809	50.18%	5.28%	2.65% a1 - OES & WA Files			
Common Stock	226,143 453,952	49.82% 100.00%	9.40% 9.40%	4.68% <b>OR</b> a1 - OES & WA Files 4.68% <b>WA</b> f1 - OES & WA Files			
eturn required for common stock	3.4500%	2.1500%	3.40/6	WALLES OF STREET			
	3.4300/6	2.2300/6	g	and Table 1 and 11			
Common Equity - Book Common Equity - Regulated			229,053 226,143	e1 - Tony's File 12 month average OES File 13 month average of avera	ges		
ate Base Ratios (August) from above	76.84%	23.16%					
ate Base Ratios (August)	76.87%	23.13%	312,476	94,045 406,521 c2 - Rate Base File 12 month averag	2		
ate Base Ratios (Jun) from above	76.41%	23.59%					

#### Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended September 30, 2018

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$18,816	\$4,500	\$23,316
Less: Interest Expense	9,224	2,952	12,176
Regulated Income	\$9,592	\$1,548	\$11,140
Add:			
Tax Reform Adjustment	1,430	74	1,504
Promotional Advertising Adj.	(1)	(1)	(2)
Removal of 25% Membership Fees	0	(11)	(11)
Normalize Uncollectible Expense	0	2	2
Interest Coordination Adj.	0	104	104
Officer's Incentive Comp. Adj.	(222)	(70)	(292)
Annualizing Wage Rate Adj.	57	18	75
PGA Commodity Sharing Adj.	0	49	49
Weather Normalization Adj.	0	0	0
Other Income & Deductions	2	164	166
Nonregulated Income Taxes	(47)	(19)	(66)
Prior period adjustment	0	0	0
Total Adjustments	1,219	310	1,529
Book Income	\$10,811	\$1,858	\$12,669
Common Equity - Ratemaking	\$139,014	\$36,000	\$175,014
Difference in method	37,059	16,980	54,039
Common Equity - Book	\$176,073	\$52,980	\$229,053
Return on Equity - Regulated*	6.9%	4.3%	6.4%
Return on Equity - Book	6.1%	3.5%	5.5%
Average Rate Base	306,361	94,600	400,961
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	321,837	101,975	423,812
CWIP (not included in rate base)	8,045	1,319	9,364

# Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended September 30, 2018

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$18,594	\$4,500	\$23,094
Less: Interest Expense	9,224	2,952	12,176
Regulated Income	\$9,370	\$1,548	\$10,918
Add:			
Tax Reform Adjustment	1,430	74	1,504
Promotional Advertising Adj.	(1)	(1)	(2)
Removal of 25% Membership Fees	0	(11)	(11)
Normalize Uncollectible Expense	0	2	2
Interest Coordination Adj.	0	104	104
Officer's Incentive Comp. Adj.	0	(70)	(70)
Annualizing Wage Rate Adj.	57	18	75
PGA Commodity Sharing Adj.	0	49	49
Weather Normalization Adj.	0	0	0
Other Income & Deductions	2	164	166
Nonregulated Income Taxes	(47)	(19)	(66)
Prior period adjustment	0	0	0
Total Adjustments	1,441	310	1,751
Book Income	\$10,811	\$1,858	\$12,669
Common Equity - Ratemaking	\$135,797	\$36,000	\$171,797
Difference in method	40,276	16,980	57,256
Common Equity - Book	\$176,073	\$52,980	\$229,053
Return on Equity - Regulated*	6.9%	4.3%	6.4%
Return on Equity - Book	6.1%	3.5%	5.5%
Average Rate Base	306,361	94,600	400,961
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	321,837	101,975	423,812
CWIP (not included in rate base)	8,045	1,319	9,364

September 2018							
	Washington	Oregon	Total CNG			Inputs to check for	r rounding
Utility Net Operating Income	\$18,594	\$4,500	\$23.094	OES & WA Files	f2	\$18,593.60	\$4,499.95 a2
Less: Interest Expense	(9,224)	(2,952)	(12,176)	FERC Income Statement	b2		-\$2,951.96 b2
Less: Prior period adjustment	-	-	-	Adj.'s from OES & WA Files		70,220.00	+=/
Regulated Income	\$9,370	\$1,548	\$10,918			\$9,369.71	\$1,547.99
Add:							
Tax Reform Adjustment	1,430	74	1,504	Adj.'s Jurisdictional Returns	e4		\$74.23 <b>e4</b>
Promotional Advertising Adj.	(1)	(1)	(2)	Adj.'s from OES & WA Files	f3	-\$0.69	-\$0.44 a3
Removal of 25% Membership Fees Normalize Uncollectible Expense		(11) 2	(11) 2	Adj.'s from OES & WA Files Adj.'s from OES & WA Files			-\$10.97 a3 \$2.46 a3
Interest Coordination Adj.		104	104	Adj.'s from OES & WA Files			\$2.46 as \$103.56 a3
Officer's Incentive Comp. Adj.		(70)	(70)	Adj.'s from OES & WA Files			-\$70.15 a3
Annualizing Wage Rate Adj.	57	18	75	Adj.'s from OES & WA Files	f3	\$56.68	\$17.87 a3
PGA Commodity Sharing Adj.		49	49	Adj.'s from OES & WA Files			\$49.50 a3
Weather Normalization Adj.	-		-	Adj.'s from OES & WA Files			
Other Income & Deductions	2	164	166	FERC Income Statement	b1		\$163.76 b1
Nonregulated Income Taxes	(47)	(19)	(66)	FERC Income Statement	b3		-\$19.46 b3
Prior period adjustment Total Adjustments	1,441	310	1,751	copied from above		\$0.00	\$0.00 \$310.36
Total Adjustificitis		310	1,731			\$1,440.00	<b></b>
Book Utility Net Income	\$10,811	\$1,858	\$12,669	\$11,165 tie to 12-month IS for rounding issues		\$10,810.40	\$1,858.35
Common Equity - Ratemaking Add:	\$135,797	\$36,000	\$171,797				
CWIP	9,839	2,434	12,273		g1		\$2,434.26 g2
Intercompany	(1,332)	(448)	(1,780)		g1		-\$447.65 <b>g2</b>
PGA	6,600	4 024	6,600 1,821		g1		ć4 020 C2
OR Eugene MGP Conservation	(16)	1,821 51	35		g1 g1		\$1,820.63 \$50.96 g2
Customer Deposits	(682)	(227)	(909)	- Working Capital File 13 month	g1		-\$226.67 g2
Non-Operating Working Capital	(346)	(97)	(443)	average of averages	g1	-\$346.48	-\$97.09 g2
Nonutility Property	202		202		g1	\$202.03	
Utility SERP/SISP	8,814	2,953	11,767		g1		\$2,953.15 g2
MDUR I/C Asset-Net Benefit Funding	3,155	1,057	4,212		g1	\$3,155.06	\$1,057.12 g2
Cash Pension		373 4,539	373 4,539				\$373.18 g3
Other	14,042	4,539	18,566			\$26,234.18	\$4,539.10 g4 \$12,456.98
Total Difference in Method	40,276	16,980	57,256			Q20,25 1.10	Ç12,130.30
Common Equity - Book	\$176,073	\$52,980	\$229,053				
Return on Equity - Regulated	6.9%	4.3%	6.4%	= to a5 & f5 Check against OR & WA	files	]	
Return on Equity - Book	6.1%	3.5%	5.5%	= to e3			
Average Rate Base (August)	310,458	93,588	404,046	c1 - Rate Base File 13 month average of av	erages		
Average Rate Base (September)	306,361	94,600	400,961	d1 - Rate Base File 13 month average of av	erages		
Authorized Return on Equity	9.40%	9.40%	_				
Rate of Return - Regulated	6.1%	4.8%	5.8%	= to a4 & f4			
Authorized Rate of Return	7.31%	7.28%					
Rate of Return - Book	6.4%	5.0%	6.1%	= to e2			
Investment Tax Credit	30	9	39	b4 - FERC Income Statement			
Tax Reform Adjustment (Regulated Difference)	45	19	64	e - Tony's File 12 month average			
Book Operating Income	\$20,005	\$4,637	\$24,642	Check against Tony's File			
				•			
Capital Ratios	Averages	Ratio	Weighted Cost	Cost of			
Long-Term Debt	227,809	50.18%	5.28%	2.65% a1 - OES & WA Files			
Common Stock	226,143	49.82%	9.40%	4.68% OR a1 - OES & WA Files			
	453,952	100.00%	9.40%	4.68% WA f1 - OES & WA Files			
Return required for common stock	3.4500%	2.1500%					
Common Equity   Dook			220.052	of Tony's File 12 month suggest			
Common Equity - Book Common Equity - Regulated			229,053 226,143	e1 - Tony's File 12 month average OES File 13 month average of averages			
Rate Base Ratios (August) from above	76.84%	23.16%					
Rate Base Ratios (August)	76.87%	23.13%	312,476	94,045 406,521 c2 - Rate Base File 12 month average			
· · ·		=	-				
Rate Base Ratios (Jun) from above	76.41%	23.59%					

#### Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended September 30, 2018

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$18,594	\$4,500	\$23,094
Less: Interest Expense	9,224	2,952	12,176
Regulated Income	\$9,370	\$1,548	\$10,918
Add:			
Tax Reform Adjustment	1,430	74	1,504
Promotional Advertising Adj.	(1)	(1)	(2)
Removal of 25% Membership Fees	0	(11)	(11)
Normalize Uncollectible Expense	Ö	2	2
Interest Coordination Adi.	Ö	104	104
Officer's Incentive Comp. Adj.	0	(70)	(70)
Annualizing Wage Rate Adj.	57	18	75
PGA Commodity Sharing Adj.	0	49	49
Weather Normalization Adj.	0	0	0
Other Income & Deductions	2	164	166
Nonregulated Income Taxes	(47)	(19)	(66)
Prior period adjustment	0	0	0
Total Adjustments	1,441	310	1,751
Book Income	\$10,811	\$1,858	\$12,669
Common Equity - Ratemaking	\$135,797	\$36,000	\$171,797
Difference in method	40,276	16,980	57,256
Common Equity - Book	\$176,073	\$52,980	\$229,053
Return on Equity - Regulated*	6.9%	4.3%	6.4%
. , ,			
Return on Equity - Book	6.1%	3.5%	5.5%
Average Rate Base	306,361	94,600	400,961
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	321,837	101,975	423,812
CWIP (not included in rate base)	8,045	1.319	9,364
cirii (ilot iliciaded ili fate base)	0,045	2,313	3,304

# Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended June 30, 2018

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$18,405	\$5,308	\$23,713
Less: Interest Expense	9,196	2,977	12,173
Regulated Income	\$9,209	\$2,331	\$11,540
Add:			
Tax Reform Adjustment	1,430	74	1,504
Promotional Advertising Adj.	(2)	(1)	(3)
Removal of 25% Membership Fees	0	(10)	(10)
Normalize Uncollectible Expense	0	1	1
Interest Coordination Adj.	0	116	116
Officer's Incentive Comp. Adj.	0	(70)	(70)
Annualizing Wage Rate Adj.	57	18	75
PGA Commodity Sharing Adj.	0	23	23
Weather Normalization Adj.	0	0	0
Other Income & Deductions	(251)	126	(125)
Nonregulated Income Taxes	210	93	303
Prior period adjustment	0	0	0
Total Adjustments	1,444	370	1,814
Book Income	\$10,653	\$2,701	\$13,354
Common Equity - Ratemaking	\$127,903	\$36,422	\$164,325
Difference in method	41,413	14,668	56,081
Common Equity - Book	\$169,316	\$51,090	\$220,406
Return on Equity - Regulated*	7.2%	6.4%	7.0%
Return on Equity - Book	6.3%	5.3%	6.1%
Average Rate Base	295,626	91,648	387,274
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	314,808	96,821	411,629
CWIP (not included in rate base)	10,110	1,785	11,895

March   Marc	June 2018	Washington	Oregon	Total CNG	Inputs to check for rounding
Table   Tabl	Litility Net Operating Income	\$18.405	\$5.308	\$22.712	OFS & WA Files f2 \$18,405,48 \$5,307,89 a2
Care Prince price deglament   1,00   2,00   1,00					
March   Marc		-	-	- '	
Tame Netherm Applicament   1,490   24   1,20	Regulated Income	\$9,209	\$2,331	\$11,540	\$9,209.08 \$2,330.46
Tame Netherm Applicament   1,490   24   1,20	Add				
Promotion Afferthing Add   C    C    C    C    C    C    C		1.430	74	1.504	Adi.'s Jurisdictional Returns e4 \$1,429.63 \$74.23 e4
1   1   1   2   24/3   5 mm 07 5 k WA Files   5 mm 07 s WA Files   5 m	The state of the s				
Interest Comparison					Adj.'s from OES & WA Files -\$9.75 a3
Officer Forentive Comp Adj					
Armablining Wage Ratia Agi.  40 23 23 24 Agi; 1 from Cls & WA Files  50 23 23 Agi; 1 from Cls & WA Files  50 23 23 Agi; 1 from Cls & WA Files  50 23 23 Agi; 1 from Cls & WA Files  50 23 23 Agi; 1 from Cls & WA Files  50 23 23 Agi; 1 from Cls & WA Files  50 23 23 Agi; 1 from Cls & WA Files  50 23 29 Agi; 1 from Cls & WA Files  50 25 29 Agi; 1 from Cls & WA Files  50 25 29 Agi; 1 from Cls & WA Files  50 25 29 Agi; 1 from Cls & WA Files  50 25 29 Agi; 1 from Cls & WA Files  50 25 29 Agi; 1 from Cls & WA Files  50 25 29 Agi; 1 from Cls & WA Files  50 25 29 Agi; 1 from Cls & WA Files  50 25 29 Agi; 1 from Cls & WA Files  50 25 29 Agi; 1 from Cls & WA Files  50 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  60 25 29 Agi; 1 from Cls & WA Files  61 25 29 Agi; 1 from Cls & WA Files  62 25 29 Agi; 1 from Cls & WA Files  62 25 29 Agi; 1 from Cls & WA Files  63 29 Agi; 1 from Cls & WA Files  64 26 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Files  65 29 Agi; 1 from Cls & WA Fil					
## ACCOMMENDING NAME   1.0   1		57			
Weather Monitaristics Agi:		37			
Nonregulated income Taxes   20   93   303   FERC Income Statement   20   300,000   3		-		-	
Prior perior alignament   1.44	Other Income & Deductions	(251)	126	(125)	FERC Income Statement b1 -\$251.08 \$125.57 b1
Total Adjustments    1,444   370		210	93	303	
South Utility Net Income   S10,653   S2,701   S13,354   S11,859   Net to 12-month (5 for rounding Sauses   S10,652,81   S2,701,22		1 444	270	1 914	
Common Equity - Ratemaking Adds:  Add					
Add:  (CMP)  10,031	Book Utility Net Income	\$10,653	\$2,701	\$13,354	\$11,850 tie to 12-month IS for rounding issues \$10,652.81 \$2,701.23
CMP	Common Equity - Ratemaking Add:	\$127,903	\$36,422	\$164,325	
Intercompany   11,377   45.56   18,137   5.77   5.77   1.57   5.77   5	CWIP	10,031	2,924	12,955	g1 \$10,031.22 \$2,923.55 g2
1.805   1.80	Intercompany		(456)		g1 -\$1,357.40 -\$456.10 g2
Conservation (16) 61 45 45 45 45 45 45 45 45 45 45 45 45 45	PGA	8,707			
Customer Deposits (664) (229) (894) (197) (443) (197)	_	(46)			
Non-Operating Working Capitals   346   197					
Nountility Property   202   202   202   203					
MOUB If C. Asset-Net Benefit Funding 3,090 1,033 4,123 5,1032.79 (3.1032.79 1.033 1.031 1.	Nonutility Property		(- /		
Same	Utility SERP/SISP	8,648	2,890	11,538	
A   350	MDUR I/C Asset-Net Benefit Funding	3,090			
Other 13.118 1.997 15.115					
Total Difference in Method Common Equity - Book S169.316 S51.0990 \$220.406 Return on Equity - Regulated 7.2% 6.4% 7.0% = to a5 & f5 Check against OR & WA files Return on Equity - Book Return on Equity - Book Average Rate Base (May) 300.641 90.677 391.318 c1 - Rate Base File 13 month average of averages Average Rate Base (Jun) 295.626 91.648 387.274 d1 - Rate Base File 13 month average of averages Authorized Return on Equity 9.40% 9.40% Authorized Rate of Return 7.35% 7.28% Rate of Return - Regulated 6.2% 5.8% 6.1% = to a4 & f4  Authorized Rate of Return 7.35% 7.28% Rate of Return - Book 6.6% 6.0% 6.5% = to e2  investment Tax Credit 30 9 39 b4 - FERC Income Statement Check against OR & WA Files Capital Ratios Long-Term Debt 227,128 50.99% 5.26% 2.68% a1 - OES & WA Files Common Stock 218,291 49.01% 9.40% 6.61% OR 11 - OES & WA Files Return required for common stock 3.5200% 3.1200% Common Equity - Book Common Equity - Book Common Equity - Book Common Stock 76.83% 23.17% Rate Base Ratios (May) from above Rate Base Ratios (May) from above 76.83% 23.17% Rate Base Ratios (May) from above 76.83% 23.17% Rate Base Ratios (May) from above 76.83% 23.17% Rate Base Ratios (May) from above 76.83% 23.18% 302.144 91.163 393.307 22 - Rate Base File 12 month average		13 118			
Signate   Sign					\$20,233.30 \$12,070.13
Return on Equity - Book 6.3% 5.3% 6.1% = to e3  Average Rate Base (May) 300.641 90.677 391.318	Common Equity - Book				
Return on Equity - Book 6.3% 5.3% 6.1% = to e3  Average Rate Base (May) 300.641 90.677 391.318	Return on Equity - Regulated	7.2%	6.4%	7.0%	= to a5 & f5 Check against OR & WA files
Average Rate Base (May)  300,641  90,677  391,318  C1 - Rate Base File 13 month average of averages  Average Rate Base (Jun)  295,626  91,648  387,274  d1 - Rate Base File 13 month average of averages  Authorized Return on Equity  9,40%  9,40%  Authorized Return - Regulated  6,2%  5,8%  6,1%  = to a4 & (4   Authorized Rate of Return  7,35%  7,28%  Rate of Return - Book  6,6%  6,6%  6,0%  6,5%  = to e2  Investment Tax Credit  80ok Operating Income  519,860  55,450  525,310  Averages  Ratio  Weighted Cost  Cost of  Capital Ratios  Long-Term Debt  222,128  223,128  445,419  100,00%  9,40%  4,61%  OR  3 - OES & WA Files  1 - OES & WA Files  220,406  2218,291  OES File 13 month average  OES File 12 month average  OES File 13 month average  OES File 12 month average					
Average Rate Base (Jun)  295,626  91,648  387,274  d1 - Rate Base File 13 month average of averages  Authorized Return on Equity  9,40%  9,40%  8ate of Return - Regulated  6,62%  5,83%  6,13%  = to a4 & f4  Authorized Rate of Return  7,35%  7,28%  8ate of Return - Book  6,65%  6,0%  6,55%  = to e2  Investment Tax Credit  800 9 39  b4 - FERC Income Statement  800 Operating Income  519,860  55,450  525,310  Check against Tony's File  Averages  8atio  Weighted Cost  Cost of  Capital Ratios  Long-Term Debt  227,128  50,99%  1,268%  218,291  4,61%  Authorized Rate of Return  Averages  8atio Weighted Cost  Cost of  445,419  100,00%  9,40%  4,61%  Authorized Rate File 13 month average of averages  1 - OES & WA Files  2 - Tony's File 12 month average  OES File 13 month average of averages  Rate Base Ratios (May) from above  Rate Base Ratios (May) from above  76.83%  2 - Rate Base File 12 month average					
Authorized Return on Equity  9.40%  9.40%  9.40%  9.40%  1.	Average Rate Base (May)			391,318	
Rate of Return - Regulated  6.2% 5.8% 6.1% = to a4 & f4  Authorized Rate of Return  7.35% 7.28%  Rate of Return - Book  6.6% 6.0% 6.5% = to e2  Investment Tax Credit  800 9 39  100	Average Rate Base (Jun)	295,626	91,648	387,274	d1 - Rate Base File 13 month average of averages
Authorized Rate of Return 7.35% 7.28%  Rate of Return - Book 6.6% 6.0% 6.5% = to e2  Investment Tax Credit 30 9 39 b4 - FERC Income Statement Book Operating Income \$19,860 \$5,450 \$25,310 Check against Tony's File  Averages Ratio Weighted Cost Cost of Check against Tony's File  Averages Ratio Weighted Cost Cost of Check against Tony's File  Averages Ratio Weighted Cost Cost of Check against Tony's File  Averages Ratio Weighted Cost Cost of Check against Tony's File  Averages Ratio Weighted Cost Cost of Check against Tony's File  Averages Ratio Weighted Cost Cost of Check against Tony's File  Averages Ratio Ratios Common Stock 227,128 50.99% 5.26% 2.68% a1 - OES & WA Files Common Stock 218,291 100.00% 9.40% 4.61% WA files Tony's File 12 month average Common Equity - Book Common Equity - Book Common Equity - Regulated 218,291 OES File 13 month average of averages  Rate Base Ratios (May) from above 76.83% 23.17% Rate Base Ratios (May) from above 76.83% 23.18% 302,144 91,163 393,307 c2 - Rate Base File 12 month average	Authorized Return on Equity	9.40%	9.40%		
Authorized Rate of Return 7.35% 7.28%  Rate of Return - Book 6.6% 6.0% 6.5% = to e2  Investment Tax Credit 30 9 39 b4 - FERC Income Statement Book Operating Income \$19,860 \$5,450 \$25,310 Check against Tony's File  Averages Ratio Weighted Cost Cost of Check against Tony's File  Averages Ratio Weighted Cost Cost of Check against Tony's File  Averages Ratio Weighted Cost Cost of Check against Tony's File  Averages Ratio Weighted Cost Cost of Check against Tony's File  Averages Ratio Weighted Cost Cost of Check against Tony's File  Averages Ratio Weighted Cost Cost of Check against Tony's File  Averages Ratios (May) Ton Stock 227,128 50.99% 5.26% 2.68% a1 - OES & WA Files Ad5,419 100.00% 9.40% 4.61% OR a1 - OES & WA Files Ad5,419 100.00% 9.40% 4.61% WA files Grant Common Stock 3.5200% 3.1200%  Common Equity - Book Common Equity - Book Common Equity - Regulated 218,291 OES File 13 month average OES File 13 month average of averages Rate Base Ratios (May) from above 76.83% 23.17% Rate Base Ratios (May) 76.82% 23.18% 302,144 91,163 393,307 c2 - Rate Base File 12 month average	Rate of Return - Regulated	6.2%	5.8%	6.1%	= to a4 & f4
Rate of Return - Book	Authorized Rate of Return	7 35%	7 28%		
New things   Section   S				6 5%	- to 23
Averages   Ratio   Weighted Cost   Cost of					
Capital Ratios           Long-Term Debt         227,128         50.99%         5.26%         2.68%         a1 - OES & WA Files           Common Stock         218,291         49.01%         9.40%         4.61% OR         a1 - OES & WA Files           Return required for common stock         3.5200%         3.1200%           Common Equity - Book         220,406         e1 - Tony's File 12 month average           Common Equity - Regulated         218,291         OES File 13 month average of averages           Rate Base Ratios (May) from above Rate Base Ratios (May)         76.83%         23.17%           Rate Base Ratios (May)         76.82%         23.18%         302,144         91,163         393,307         c2 - Rate Base File 12 month average	Investment Tax Credit Book Operating Income				
Capital Ratios           Long-Term Debt         227,128         50.99%         5.26%         2.68%         a1 - OES & WA Files           Common Stock         218,291         49.01%         9.40%         4.61% OR         a1 - OES & WA Files           Return required for common stock         3.5200%         3.1200%           Common Equity - Book         220,406         e1 - Tony's File 12 month average           Common Equity - Regulated         218,291         OES File 13 month average of averages           Rate Base Ratios (May) from above Rate Base Ratios (May)         76.83%         23.17%           Rate Base Ratios (May)         76.82%         23.18%         302,144         91,163         393,307         c2 - Rate Base File 12 month average					
Capital Ratios           Long-Term Debt         227,128         50.99%         5.26%         2.68%         a1 - OES & WA Files           Common Stock         218,291         49.01%         9.40%         4.61% OR         a1 - OES & WA Files           Return required for common stock         3.5200%         3.1200%           Common Equity - Book         220,406         e1 - Tony's File 12 month average           Common Equity - Regulated         218,291         OES File 13 month average of averages           Rate Base Ratios (May) from above Rate Base Ratios (May)         76.83%         23.17%           Rate Base Ratios (May)         76.82%         23.18%         302,144         91,163         393,307         c2 - Rate Base File 12 month average		Averager	Ratio	Weighted Cost	Cost of
Long-Term Debt Common Stock  227,128 218,291 49.01% 9.40% 4.61% OR a1 - OES & WA Files	Capital Ratios	Averages	nado	cignicu cost	
A45,419   100.00%   9.40%   4.61% WA   f1 - OES & WA Files	Long-Term Debt				
Return required for common stock  3.5200%  3.1200%  Common Equity - Book Common Equity - Regulated  220,406 218,291  OES File 12 month average OES File 13 month average of averages  Rate Base Ratios (May) from above Rate Base Ratios (May)  76.83% 23.17% Rate Base Ratios (May)  76.82% 23.18%  302,144  91,163  393,307  C2 - Rate Base File 12 month average	Common Stock				
Common Equity - Book Common Equity - Regulated Common Equity - Regulated  Common Equity - Regulated  Common Equity - Regulated  Common Equity - Regulated  Common Equity - Regulated  Common Equity - Regulated  Common Equity - Regulated  Common Equity - Regulated  Common Equity - Book  Common Equity - Regulated  Common Equity		445,419	100.00%	9.40%	4.61% WA f1 - OES & WA Files
Common Equity - Regulated  218,291  OES File 13 month average of averages  Rate Base Ratios (May) from above Rate Base Ratios (May)  76.82%  23.17%  Rate Base Ratios (May)  23.18%  302,144  91,163  393,307  22 - Rate Base File 12 month average	Return required for common stock	3.5200%	3.1200%		
Common Equity - Regulated  218,291  OES File 13 month average of averages  Rate Base Ratios (May) from above Rate Base Ratios (May)  76.82%  23.17%  Rate Base Ratios (May)  23.18%  302,144  91,163  393,307  22 - Rate Base File 12 month average	Common Equity Book			220.405	of Tony's File 12 month average
Rate Base Ratios (May) 76.82% 23.18% 302,144 91,163 393,307 c2 - Rate Base File 12 month average	Common Equity - Book Common Equity - Regulated				
Rate Base Ratios (May) 76.82% 23.18% 302,144 91,163 393,307 c2 - Rate Base File 12 month average	Rate Race Ratios (May) from above	76 020/	22 170/		
Rate Base Ratios (Jun) from above 76.34% 23.66%	Rate Base Ratios (May)			302,144	91,163 393,307 c2 - Rate Base File 12 month average
	Rate Base Ratios (Jun) from above	76.34%	23.66%		

#### Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended June 30, 2018

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$18,405	\$5,308	\$23,713
Less: Interest Expense	9,196	2,977	12,173
Regulated Income	\$9,209	\$2,331	\$11,540
Add:			
Tax Reform Adjustment	1,430	74	1,504
Promotional Advertising Adj.	(2)	(1)	(3)
Removal of 25% Membership Fees	0	(10)	(10)
Normalize Uncollectible Expense	0	1	1
Interest Coordination Adj.	0	116	116
Officer's Incentive Comp. Adj.	0	(70)	(70)
Annualizing Wage Rate Adj.	57	18	75
PGA Commodity Sharing Adj.	0	23	23
Weather Normalization Adj.	0	0	0
Other Income & Deductions	(251)	126	(125)
Nonregulated Income Taxes	210	93	303
Prior period adjustment	0	0	0
Total Adjustments	1,444	370	1,814
Book Income	\$10,653	\$2,701	\$13,354
Common Equity - Ratemaking	\$127,903	\$36,422	\$164,325
Difference in method	41,413	14,668	56,081
Common Equity - Book	\$169,316	\$51,090	\$220,406
Return on Equity - Regulated*	7.2%	6.4%	7.0%
Return on Equity - Book	6.3%	5.3%	6.1%
Average Rate Base	295,626	91,648	387,274
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	314,808	96,821	411,629
CWIP (not included in rate base)	10,110	1,785	11,895

March 2018				
	Washington	Oregon	Total CNG	Inputs to check for rounding
Utility Net Operating Income	\$20,469	\$5,699	\$26,168	OES & WA Files f2 \$20,468.62 \$5,699.23 a2
Less: Interest Expense	(9,192)	(3,031)	(12,223)	FERC Income Statement b2 -\$9,191.97 -\$3,030.83 b2
Less: Prior period adjustment		-	-	Adj.'s from OES & WA Files
Regulated Income	\$11,277	\$2,668	\$13,945	\$11,276.65 \$2,668.40
Add:				
Tax Reform Adjustment	1,430	74	1,504	Adj.'s Jurisdictional Returns \$1,429.63 \$74.23
Promotional Advertising Adj.	(2)	1	(1)	Adj.'s from OES & WA Files f3 -\$1.51 -\$0.37 a3
Removal of 25% Membership Fees		(10)	(10)	Adj.'s from OES & WA Files -\$9.79 a3
Normalize Uncollectible Expense Interest Coordination Adj.		5 122	5 122	Adj.'s from OES & WA Files \$5.11 a3 Adj.'s from OES & WA Files \$122.29 a3
Officer's Incentive Comp. Adj.		(70)	(70)	Adj.'s from OES & WA Files -\$70.15 a3
Annualizing Wage Rate Adj.	57	18	75	Adj.'s from OES & WA Files f3 \$56.68 \$17.87 a3
PGA Commodity Sharing Adj.		(26)	(26)	Adj.'s from OES & WA Files -\$25.87 a3
Weather Normalization Adj.	-		-	Adj.'s from OES & WA Files
Other Income & Deductions	828	151	979	FERC Income Statement b1 \$828.21 \$151.33 b1
Nonregulated Income Taxes	(88)	(42)	(130)	FERC Income Statement b3 -\$88.14 -\$41.85 b3
Prior period adjustment Total Adjustments	2,225	223	2,448	copied from above         \$0.00         \$0.00           \$2,224.86         \$222.80
Book Utility Net Income	\$13,502	\$2,891	\$16,393	\$14,889 tie to 12-month IS for rounding issues \$13,501.51 \$2,891.21
Common Equity - Ratemaking	\$128,148	\$35,105	\$163,253	
Add:				
CWIP	9,969	3,246	13,215	g1 \$9,968.99 \$3,245.76 g2
Intercompany PGA	(1,308) 9,853	(440)	(1,748) 9,853	g1 -\$1,308.37 -\$439.62 g2 g1 \$9,853.26
OR Eugene MGP	3,633	1,789	1,789	g1 \$1,789.38
Conservation	(16)	16	-	g1 -\$15.51 \$16.00 g2
Customer Deposits	(641)	(235)	(876)	- Working Capital File 13 month g1 -\$640.72 -\$234.85 g2
Non-Operating Working Capital	424	118	542	average of averages g1 \$424.24 \$117.84 g2
Nonutility Property	202		202	g1 \$202.03
Utility SERP/SISP	8,474	2,825	11,299	g1 \$8,473.56 \$2,824.72 g2
MDUR I/C Asset-Net Benefit Funding	3,037	1,012	4,049	g1 \$3,036.64 \$1,012.19 g2
Cash Pension		907 4,381	907 4,381	\$906.67 g3 \$4,380.91 g4
Other	4,981	332	5,313	\$29,994.13 \$13,618.99
Total Difference in Method	34,975	13,951	48,926	\$25,55 H.15 \$15,010.55
Common Equity - Book	\$163,123	\$49,056	\$212,179	
Return on Equity - Regulated	8.8%	7.6%	8.5%	= to a5 & f5 Check against OR & WA files
				<del></del>
Return on Equity - Book	8.3%	5.9%	7.7%	= to e3
Average Rate Base (Feb)	290,879	87,902	378,781	c1 - Rate Base File 13 month average of averages
Average Rate Base (Mar)	293,759	88,800	382,559	d1 - Rate Base File 13 month average of averages
Authorized Datum on Faults	0.40%	0.400/		
Authorized Return on Equity	9.40%	9.40%		
Rate of Return - Regulated	7.0%	6.4%	6.8%	= to a4 & f4
-			5.57.	
Authorized Rate of Return	7.35%	7.28%		
Rate of Return - Book	7.5%	6.6%	7.3%	= to e2
Investment Tax Credit	29	9	38	b4 - FERC Income Statement
Book Operating Income	\$21,925	\$5,804	\$27,729	Check against Tony's File
				(
Capital Ratios	Averages	Ratio	Weighted Cost	Cost of
Long-Term Debt	226,188	51.82%	5.28%	2.74% a1 - OES & WA Files
Common Stock	210,261	48.18%	9.40%	4.53% <b>OR</b> a1 - OES & WA Files
	436,449	100.00%	9.40%	4.53% WA f1 - OES & WA Files
Return required for common stock	4.2600%	3.6600%		
Common Equity - Book			212,179	e1 - Tony's File 12 month average
Common Equity - Regulated			210,261	OES File 13 month average of averages
Rate Base Ratios (Feb) from above	76.79%	23.21%		
Rate Base Ratios (Feb)	76.88%	23.21%	293,734	88,345 382,079 c2 - Rate Base File 12 month average
• ,		-		
Rate Base Ratios (Mar) from above	76.79%	23.21%		

#### Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended March 31, 2018

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$20,469	\$5,699	\$26,168
Less: Interest Expense	9,192	3,031	12,223
Regulated Income	\$11,277	\$2,668	\$13,945
Add:			
Tax Reform Adjustment	1,430	74	1,504
Promotional Advertising Adj.	(2)	1	(1)
Removal of 25% Membership Fees	0	(10)	(10)
Normalize Uncollectible Expense	0	5	5
Interest Coordination Adj.	0	122	122
Officer's Incentive Comp. Adj.	0	(70)	(70)
Annualizing Wage Rate Adj.	57	18	75
PGA Commodity Sharing Adj.	0	(26)	(26)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	828	151	979
Nonregulated Income Taxes	(88)	(42)	(130)
Prior period adjustment	0	0	0
Total Adjustments	2,225	223	2,448
Book Income	\$13,502	\$2,891	\$16,393
Common Equity - Ratemaking	\$128,148	\$35,105	\$163,253
Difference in method	34,975	13,951	48,926
Common Equity - Book	\$163,123	\$49,056	\$212,179
Return on Equity - Regulated*	8.8%	7.6%	8.5%
Return on Equity - Book	8.3%	5.9%	7.7%
	202 750	00.000	202.550
Average Rate Base	293,759	88,800	382,559
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	314,100	94,438	408,538
CWIP (not included in rate base)	8,195	1,768	9,963

# Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended March 31, 2018

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$20,469	\$5,699	\$26,168
Less: Interest Expense	9,192	3,031	12,223
Regulated Income	\$11,277	\$2,668	\$13,945
Add:			
Tax Reform Adjustment	1,430	74	1,504
Promotional Advertising Adj.	(2)	1	(1)
Removal of 25% Membership Fees	0	(10)	(10)
Normalize Uncollectible Expense	0	5	5
Interest Coordination Adj.	0	122	122
Officer's Incentive Comp. Adj.	0	(70)	(70)
Annualizing Wage Rate Adj.	57	18	75
PGA Commodity Sharing Adj.	0	(26)	(26)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	828	151	979
Nonregulated Income Taxes	(88)	(42)	(130)
Prior period adjustment	0	0	0
Total Adjustments	2,225	223	2,448
Book Income	\$13,502	\$2,891	\$16,393
Common Equity - Ratemaking	\$134,250	\$35,105	\$169,355
Difference in method	28,873	13,951	42,824
Common Equity - Book	\$163,123	\$49,056	\$212,179
Return on Equity - Regulated*	8.4%	7.6%	8.2%
Return on Equity - Book	8.3%	5.9%	7.7%
	204 0=2		
Average Rate Base	301,072	88,800	389,872
Authorized Return on Equity	9.40%	9.40%	
Authorized Netarn on Equity	J. <del>4</del> 070	J. <del>40</del> /0	
End of Period:			
Rate Base	314,100	94,438	408,538
CWIP (not included in rate base)	8,195	1,768	9,963
CVVII (HOLINGIAGE HITALE DASE)	0,193	1,700	2,303

						ruge.
March 2018	Washington	Oregon	Total CNG		Inputs to check for	or rounding
	420.450	45.500	425.450	055.0 1114.571	(2) 420 450 52	A5 500 00 0
Utility Net Operating Income Less: Interest Expense	\$20,469 (9,192)	\$5,699 (3,031)	\$26,168 (12,223)		f2 \$20,468.62 o2 -\$9,191.97	\$5,699.23 a2 -\$3,030.83 b2
Less: Prior period adjustment	(5,152)	(3,031)	(12,223)	Adj.'s from OES & WA Files	-33,131.37	-33,030.83 02
Regulated Income	\$11,277	\$2,668	\$13,945	•	\$11,276.65	\$2,668.40
Add:						
Tax Reform Adjustment	1,430	74	1,504	Adj.'s Jurisdictional Returns	\$1,429.63	\$74.23
Promotional Advertising Adj.	(2)	1	(1)		f3 -\$1.51	-\$0.37 a3
Removal of 25% Membership Fees		(10)	(10)	Adj.'s from OES & WA Files		-\$9.79 a3
Normalize Uncollectible Expense		5	5	Adj. 's from OES & WA Files		\$5.11 a3
Interest Coordination Adj. Officer's Incentive Comp. Adj.		122 (70)	122 (70)	Adj.'s from OES & WA Files Adj.'s from OES & WA Files		\$122.29 a3 -\$70.15 a3
Annualizing Wage Rate Adj.	57	18	75	· ·	f3 \$56.68	\$17.87 a3
PGA Commodity Sharing Adj.		(26)	(26)	Adj.'s from OES & WA Files		-\$25.87 a3
Weather Normalization Adj.	-		-	Adj.'s from OES & WA Files		
Other Income & Deductions	828	151	979		\$828.21	\$151.33 b1
Nonregulated Income Taxes Prior period adjustment	(88)	(42)	(130)	FERC Income Statement copied from above	-\$88.14 \$0.00	-\$41.85 b3 \$0.00
Total Adjustments	2,225	223	2,448	copied from above	\$2,224.86	\$222.80
Book Utility Net Income	\$13,502	\$2,891	\$16,393	tie to 12-month IS for rounding issues	\$13,501.51	\$2,891.21
Common Equity - Ratemaking	\$134,250	\$35,105	\$169,355			
Add: CWIP	9,969	3,246	13,215		\$9,968.99	\$3 245 76 72
Intercompany	(1,308)	3,246	(1,748)		\$9,968.99 \$1 -\$1,308.37	\$3,245.76 g2 -\$439.62 g2
PGA	9,853	(440)	9,853		\$1 \$9,853.26	-3435.02 gz
OR Eugene MGP	-		-		1	\$1,789.38
Conservation	(16)	16	-		-\$15.51	\$16.00 g2
Customer Deposits	(641)	(235)	(876)		-\$640.72	-\$234.85 <b>g2</b>
Non-Operating Working Capital	424	118	542		\$424.24	\$117.84 g2
Nonutility Property	202		202		\$202.03	40.004.70.0
SERP/SISP I/C Asset-Net Benefit Funding		1,012	1,012		\$1 \$8,473.56 \$1 \$3,036.64	\$2,824.72 g2 \$1,012.19 g2
Cash		907	907	'	\$5,050.04	\$906.67 g3
Pension		4,381	4,381			\$4,380.91 g4
Other	10,390	4,946	15,336		\$29,994.13	\$13,618.99
Total Difference in Method	28,873	13,951	42,824			
Common Equity - Book	\$163,123	\$49,056	\$212,179			
Return on Equity - Regulated	8.4%	7.6%	8.2%	= to a5 & f5 Check against OR & WA files		
Return on Equity - Book	8.3%	5.9%	7.7%	= to e3		
Average Rate Base (Feb)	290,879	87,902	378,781	c1 - Rate Base File 13 month average of averages		
Average Rate Base (Mar)	301,072	88,800	389,872	d1 - Rate Base File 13 month average of averages		
Authorized Return on Equity	9.40%	9.40%				
Rate of Return - Regulated	6.8%	6.4%	6.7%	= to a4 & f4		
Authorized Rate of Return	7.35%	7.28%				
Rate of Return - Book	7.5%	6.6%	7.3%	= to e2		
Investment Tax Credit	29	9	38	b4 - FERC Income Statement		
Book Operating Income	\$21,925	\$5,804	\$27,729	Check against Tony's File		
	Averages	Ratio	Weighted Cost	Cost of		
Capital Ratios	Averages	Natio	weighted Cost	Cost of		
Long-Term Debt	226,188	51.82%	5.28%	2.74% a1 - OES & WA Files		
Common Stock	210,261	48.18%	9.40%	4.53% OR a1 - OES & WA Files		
	436,449	100.00%	9.40%	4.53% WA f1 - OES & WA Files		
Return required for common stock	4.0600%	3.6600%				
Common Equity - Book			212,179	e1 - Tony's File 12 month average		
Common Equity - Regulated			210,261	OES File 13 month average of averages		
Data Data Datica (Fals) for	20.200	22.244				
Rate Base Ratios (Feb) from above Rate Base Ratios (Feb)	76.79% 76.88%	23.21% 23.12%	293,734	88.345 382,079 c2 - Rate Base File 12 month average		
	, 5.55/6	_5.12.70				
Rate Base Ratios (Mar) from above	77.22%	22.78%				

#### Cascade Natural Gas Corporation Regulated and Book Returns For the Twelve Months Ended March 31, 2018

	Washington	Oregon	Total CNG
Utility Net Operating Income	\$20,469	\$5,699	\$26,168
Less: Interest Expense	9,192	3,031	12,223
Regulated Income	\$11,277	\$2,668	\$13,945
Add:	4 400		
Tax Reform Adjustment	1,430	74	1,504
Promotional Advertising Adj.	(2)	1	(1)
Removal of 25% Membership Fees	0	(10)	(10)
Normalize Uncollectible Expense	0	5	5
Interest Coordination Adj.	0	122	122
Officer's Incentive Comp. Adj.	0	(70)	(70)
Annualizing Wage Rate Adj.	57	18	75
PGA Commodity Sharing Adj.	0	(26)	(26)
Weather Normalization Adj.	0	0	0
Other Income & Deductions	828	151	979
Nonregulated Income Taxes	(88)	(42)	(130)
Prior period adjustment	0	0	0
Total Adjustments	2,225	223	2,448
Book Income	\$13,502	\$2,891	\$16,393
Common Equity - Ratemaking	\$134,250	\$35,105	\$169,355
Difference in method	28,873	13,951	42,824
Common Equity - Book	\$163,123	\$49,056	\$212,179
Return on Equity - Regulated*	8.4%	7.6%	8.2%
Return on Equity - Book	8.3%	5.9%	7.7%
Average Rate Base	301,072	88,800	389,872
Authorized Return on Equity	9.40%	9.40%	
End of Period:			
Rate Base	314,100	94,438	408,538
CWIP (not included in rate base)	8,195	1,768	9,963