

**Exh. BAE-9r  
Docket UG-170929  
Witness: Betty A. Erdahl**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**CASCADE NATURAL GAS  
CORPORATION,**

**Respondent.**

**DOCKET UG-170929**

**EXHIBIT TO  
TESTIMONY OF**

**Betty A. Erdahl**

**ON BEHALF OF STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

*Estimated Tax Adjustment UTC-4*

**February 15, 2018**

*Revised February 22, 2018*

**Cascade Natural Gas  
Results of Operations Summary Sheet  
Twelve Months Ended December 31, 2016**

<b>SUMMARY SHEET</b>	12/31/2016 Results Per Company Filing	Summary of Restating Adjustments	Summary of Pro Forma Adjustments	Test Year Adjusted Total	Staff Proposed Revenue Impact	Adjusted Results After Proposed Revenues and Before Tax Adjustment	Staff Estimated Tax Adjustment  UTC-4
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Operating Revenues</b>							
1 Natural Gas Sales	182,902,833	6,986,321	5,181,808	195,070,962	(7,388,194)	187,682,768	(3,551,287)
2 Gas Transportation Revenue	21,216,454	(346,009)	2,133,461	23,003,907	1,200,000	24,203,907	
3 Other Operating Revenues	1,011,375	0	87,366	1,098,741		1,098,741	
<b>4 REVENUES</b>	<b>205,130,662</b>	<b>6,640,312</b>	<b>7,402,635</b>	<b>219,173,609</b>	<b>(6,188,194)</b>	<b>212,985,415</b>	<b>(3,551,287)</b>
<b>Operating Expenses</b>							
5 Nat. Gas/Production Costs	103,593,865	4,981,076	0	108,574,941		108,574,941	
6 Revenue Taxes	16,946,341	269,065	299,955	17,515,361	(250,746)	17,264,615	(143,898)
7 Production	518,989	0	7,924	526,913		526,913	
8 Distribution	16,326,277	67,687	914,845	17,308,809		17,308,809	
9 Customer Accounts	6,383,108	28,990	68,969	6,481,068	(23,472)	6,457,596	(13,470)
10 Customer Service	824,096	(533,333)	0	290,762		290,762	
11 Sales	4,917	(4,917)	0	0		0	
12 Administrative and General	16,459,958	(1,805,094)	402,629	15,057,493		15,057,493	
13 Depreciation & Amortization	19,218,442	0	301,251	19,519,693		19,519,693	
14 Regulatory Debits		0	0	0		0	
15 Taxes Other Than Income	4,095,634	5,474	200,185	4,301,293		4,301,293	
16 State & Federal Income Taxes	2,477,672	762,587	1,273,365	4,513,623	(1,241,935)	3,271,688	(3,393,919)
<b>17 Total Operating Expenses</b>	<b>186,849,297</b>	<b>3,771,536</b>	<b>3,469,123</b>	<b>194,089,956</b>	<b>(1,516,153)</b>	<b>192,573,803</b>	<b>(3,551,287)</b>
<b>18 Net Operating Income</b>	<b>18,281,365</b>	<b>2,868,777</b>	<b>3,933,511</b>	<b>25,083,653</b>	<b>(4,672,041)</b>	<b>20,411,612</b>	<b>(0)</b>
<b>Rate Base</b>							
19 Total Plant in Service	677,314,165	0	16,047,517	693,361,682		693,361,682	
20 Total Accumulated Depreciation	(345,424,355)	0	(150,626)	(345,574,981)		(345,574,981)	
21 Customer Adv. For Construction	(3,771,590)	0	0	(3,771,590)		(3,771,590)	
22 Deferred Accumulated Income Taxes	(73,667,038)	0	(52,593)	(73,719,631)		(73,719,631)	
23 Working Capital Allowance	25,610,870	(12,922,679)	0	12,688,191		12,688,191	
<b>24 TOTAL RATE BASE</b>	<b>280,062,051</b>	<b>(12,922,679)</b>	<b>15,844,298</b>	<b>282,983,670</b>	<b>0</b>	<b>282,983,670</b>	<b>0</b>
<b>25 Rate of Return</b>	6.53%			8.86%		7.21%	