

Exhibit No. \_\_ (MPP-3)  
Docket No. UG-15 \_\_\_\_  
Witness: Michael P. Parvinen

BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,  
Complainant,

v.

CASCADE NATURAL GAS  
CORPORATION,

Respondent.

DOCKET UG-15 \_\_\_\_

CASCADE NATURAL GAS CORPORATION

EXHIBIT OF MICHAEL P. PARVINEN

Revenue Requirement Calculation

December 1, 2015

**Cascade Natural Gas  
Revenue Requirement Calculation  
12 Months ended June 30, 2015**

1 Adjusted Rate Base	\$289,683,963
2 Rate of Return	<u>7.65%</u>
3 Required Return (ln 1 x ln 2)	\$22,155,030
4 Adjusted Net Income	<u>\$15,603,338</u>
5 Required Net Income Increase (ln 3 - ln 4)	\$6,551,691
6 Conversion Factor	<u>0.62311</u>
7 Revenue Increase Required (ln 5 / ln 6)	<u><b>\$10,514,548</b></u>
8 Test Year Adjusted Revenue	\$252,195,647
9 Overall Revenue Increase	<b>4.1692%</b>