

Exhibit No. __ (MPP-4)
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

Conversion Factor Calculation

December 1, 2015

**Cascade Natural Gas
 Conversion Factor Calculation
 Twelve Months Ended June 30, 2015**

| REVENUE SENSITIVE COSTS | |
|--------------------------------------|----------------|
| Revenues | 1.00000 |
| Operating Revenue Deductions | |
| Uncollectible Accounts | 0.00417 |
| State B&O Tax | 0.03520 |
| UTC Fees | 0.00200 |
| Interest expense | |
| State Taxable Income | 0.95863 |
| State Income Tax | 0.00000 |
| Federal Taxable Income | 0.95863 |
| Federal Income Tax @ 35% | 0.33552 |
| Total Income Taxes | 0.33552 |
| Total Revenue Sensitive Costs | 0.37689 |
| Net-to-Gross Factor | 0.62311 |
| | |
| Combo-State & Federal Income Tax | |
| State | 0.00000 |
| Federal | 0.35000 |
| State and Federal Effective Tax Rate | 0.35 |

0.04137