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**CNG/W09-07-01**

July 1, 2009

Mr. Dave Danner  
Secretary and Executive Director  
Washington Utilities & Transportation Commission  
1300 S. Evergreen Park Drive SW  
Olympia, WA 98504-9022

Dear Mr. Danner:

Cascade Natural Gas Corporation ("Cascade") encloses for filing the following tariff sheets:

**Forty-Fifth Rev. Sheet No. 502, Canceling Forty-Fourth Rev. Sheet No. 502**  
**Fiftieth Rev. Sheet No. 503, Canceling Forty-Ninth Rev. Sheet No. 503**  
**Thirty-Fourth Rev. Sheet No. 504, Canceling Thirty-Third Rev. Sheet No. 504**  
**Thirty-Third Rev. Sheet No. 505, Canceling Thirty-Second Rev. Sheet No. 505**  
**Forty-Ninth Rev. Sheet No. 511, Canceling Forty-Eighth Rev. Sheet No. 511**  
**Thirtieth Rev. Sheet No. 512, Canceling Twenty-Ninth Rev. Sheet No. 512**  
**Forty-Seventh Rev. Sheet No. 541, Canceling Forty-Sixth Rev. Sheet No. 541**  
**Forty-Fourth Sheet No. 570, Canceling Forty-Third Rev. Sheet No. 570**  
**Forty-First Rev. Sheet No. 577, Canceling Fortieth Rev. Sheet No. 577**

The proposed tariffs contain an August 1, 2009 effective date and will result in an estimated annual revenue decrease of approximately \$41.3 million.

Cascade Natural Gas typically files its Purchased Gas Adjustment (PGA) in the fall, but due to the sustained lower wholesale natural gas costs, the Company felt it is necessary to adjust rates earlier than usual. Included in this filing are changes to the Company's core rate schedules, which reflect the lower cost of gas. The Temporary Technical Adjustment (TTA) filing, which normally accompanies the PGA, will be submitted later this year.

The purpose of this filing is to pass on rate adjustments designed to reflect the cost of gas in the Company's current gas supply portfolio. The overall impact of this rate activity is to decrease Residential customer rates by \$0.17924 per therm, decrease Commercial customer rates by \$0.17922 per therm, decrease Firm Industrial customer rates by \$0.17910 per therm and decrease Interruptible customers by \$0.17899 per therm.

Exhibit 1 of the Purchased Gas Adjustment Application details the commodity and demand units and costs of Cascade's core market gas supply portfolio including company purchased supplies, pipeline transportation and peaking resources.

The effect of this filing on the monthly bill of a residential customer with consumption of 60 therms will be a net decrease of \$10.75 or 13.67%. For small commercial customers, the decrease in the monthly bill for

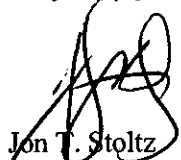
*"In The Community To Serve"*

consumption of 299 therms will be \$53.59 or 14.31%. Large volume customers will experience an average decrease of 15.70%, while large volume interruptible industrial customers will experience an average decrease of 16.67%, depending on monthly volumes consumed.

In accordance with WAC 480-90-198, the Company declares that notice to customers will be made in accordance with WAC 480-90-193. Cascade will issue a press release explaining the anticipated rate decreases as well as post all proposed tariff changes and complete copies of the tariffs on its website. Additionally, the Company will issue bill inserts to all of its customers following final disposition of this filing. A draft of the post-approval notification has been included with this filing. The proposed change will affect all of Cascade's Washington customers. Cascade serves approximately 166,465 residential, 23,904 commercial and 376 industrial customers in the state of Washington.

If you have any questions, please direct them to Paul Schmidt at 206-381-6825.

Very truly yours,



Jon T. Stoltz  
Senior Vice President  
Regulatory & Gas Supply

JTS/ cl

Attachments

Forty-Fifth Rev. Sheet No. 502  
Canceling  
Forty-Fourth Rev. Sheet No. 502

WN U-3

CASCADE NATURAL GAS CORPORATION

BUILDING CONSTRUCTION TEMPORARY HEATING AND DRY-OUT SERVICE  
SCHEDULE NO. 502

AVAILABILITY:

This schedule is available upon written application throughout the territory served by the Company under the tariff of which this schedule is a part provided adequate capacity and supply exist in Company's system. Service under this schedule shall be for natural gas supplied at a permanent point of delivery for use in permanently installed gas heating equipment to be used for temporary heating and dry-out purposes during the period (maximum of six months) that building is under construction and prior to occupancy.

LIMITS OF AVAILABILITY:

Upon occupation or sale, whichever is first after completion of construction or, in any event, after a maximum period not to exceed six (6) months, service under this schedule shall immediately terminate and billings thereafter shall be made under the terms and conditions of the regular applicable rate schedule.

RATE:

Basic Service Charge \$14.00 per month

	Margin	WACOG	Total	(R)
All gas used per month at	\$0.07717	\$0.82618	\$0.90335 per therm	

RATE ADJUSTMENT:

Service under this schedule is subject to various adjustments as specified in Schedule 595, 596, 598, and 599 (when applicable) as well as any other applicable adjustments as approved by the Washington Utilities and Transportation Commission.

MINIMUM CHARGE:

Minimum monthly bill \$14.00

TERMS OF PAYMENT:

Above rates are net. Each monthly bill shall be due and payable within fifteen (15) days from the date of rendition. Past due balances will be subject to a late payment charge.

RECONNECTION CHARGE:

A reconnection charge of twenty-four dollars (\$24.00) during regular business hours or sixty dollars (\$60.00) during non-business hours may be made for restoration of service when service has been turned off for nonpayment of any bill due, or for other reasons arising through the action of the customer. In the event service has been turned off for nonpayment of any bill due under this schedule, a new service under this schedule at another location shall not be established in the name of the customer until all previous bills shall be paid in full.

TAX ADDITIONS:

The rates named herein are subject to increases as set forth in Schedule No. 500, entitled "Tax Additions".

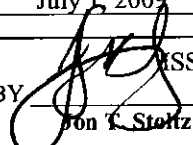
SPECIAL TERMS AND CONDITIONS:

1. The application of this rate schedule is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.
2. Gas purchased under this schedule shall not be resold to others.

CNG/W09-07-01

ISSUED July 1, 2009

EFFECTIVE August 1, 2009

BY   
Ron K. Stoltz

ISSUED BY CASCADE NATURAL GAS CORPORATION

TITLE Senior Vice President  
Regulatory & Gas Supply

Fiftieth Sheet No. 503  
Canceling  
Forty-Ninth Rev. Sheet No. 503

WN U-3

CASCADE NATURAL GAS CORPORATION

RESIDENTIAL SERVICE RATE  
SCHEDULE NO. 503

AVAILABILITY:

This schedule is available to residential customers throughout the territory served by the Company under the tariff of which this schedule is a part for natural gas supplied for all purposes provided adequate capacity and supply exist in the Company's system. Service under this schedule shall be through one or more meters, billed separately.

RATE:

	Margin	WACOG	Total	
Basic Service Charge			\$ 4.00	per month
All Gas Used Per Month	\$.26248	\$ 0.82800	\$1.09048	per therm (R)

RATE ADJUSTMENT:

Service under this schedule is subject to various adjustments as specified in Schedules 595, 596, 598 and 599 (when applicable) as well as any other applicable adjustments as approved by the Washington Utilities and Transportation Commission.

MINIMUM CHARGE:

Basic Service Charge: \$ 4.00 per month

TERMS OF PAYMENT:

Above rates are net. Each monthly bill shall be due and payable within fifteen (15) days from the date of rendition. Past due balances will be subject to a late payment charge.

RECONNECTION CHARGE:

A reconnection charge of twenty-four dollars (\$24.00) during regular business hours or sixty dollars (\$60.00) during non-business hours may be made for restoration of service when service has been turned off for nonpayment of any bill due, seasonal turnoff, or for other reasons arising through the action of the customer.

TAX ADDITIONS:

The rates named herein are subject to increases as set forth in Schedule No. 500, entitled "Tax Additions".

SPECIAL TERMS AND CONDITIONS:

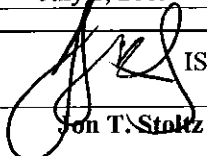
1. The application of this rate schedule is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.
2. Gas purchased under this schedule shall not be submetered or resold to others without special permission from the Company.

CNG/W09-07-01

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EFFECTIVE August 1, 2009

BY



Jon T. Stoltz

ISSUED BY CASCADE NATURAL GAS CORPORATION

TITLE Senior Vice President  
Regulatory & Gas Supply

Thirty-Fourth Rev. Sheet No. 504  
Canceling  
Thirty-Third Rev. Sheet No. 504

WN U-3

CASCADE NATURAL GAS CORPORATION

GENERAL COMMERCIAL SERVICE RATE  
SCHEDULE NO. 504

AVAILABILITY:

This schedule is available to commercial customers throughout the territory served by the Company under the tariff of which this schedule is a part for natural gas supplied for all purposes provided adequate capacity and supply exist in the Company's system. Service under this schedule may be through one or more meters, billed separately.

RATE:

		Margin	WACOG	Total	
Basic Service Charge	\$10.00				per month
All Therms Used		\$0.23179	\$0.82618	\$1.05797	per therm (R)

RATE ADJUSTMENT:

Service under this schedule is subject to various adjustments as specified in Schedules 595, 596, 598 and 599 (when applicable) as well as any other applicable adjustments as approved by the Washington Utilities and Transportation Commission.

MINIMUM CHARGE:

Basic Service Charge \$10.00

TERMS OF PAYMENT:

Above rates are net. Each monthly bill shall be due and payable within fifteen (15) days from the date of rendition. Past due balances will be subject to a late payment charge.

RECONNECTION CHARGE:

A reconnection charge of twenty-four dollars (\$24.00) during regular business hours or sixty dollars (\$60.00) during non-business hours may be made for restoration of service when service has been turned off for nonpayment of any bill due, seasonal turnoff, or for other reasons arising through the action of the customer.

TAX ADDITIONS:

The rates named herein are subject to increases as set forth in Schedule No. 500, entitled "Tax Additions".

SPECIAL TERMS AND CONDITIONS:

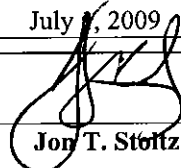
1. The application of this rate schedule is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.
2. Gas purchased under this schedule shall not be submetered or resold to others without special permission from the Company.

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ISSUED July 1, 2009

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BY

  
Jon T. Stoltz

ISSUED BY CASCADE NATURAL GAS CORPORATION

TITLE Senior Vice President  
Regulatory & Gas Supply

CASCADE NATURAL GAS CORPORATION

GENERAL INDUSTRIAL SERVICE RATE  
SCHEDULE NO. 505

AVAILABILITY:

This schedule is available to industrial customers throughout the territory served by the Company under the tariff of which this schedule is a part for natural gas supplied for all purposes provided adequate capacity and supply exist in the Company's system. Service under this schedule shall be through one or more meters, billed separately.

RATE:

		Margin	WACOG	Total	
Basic Service Charge	\$24.00				per month
First 500 therms/month		\$0.19000	\$0.81719	\$1.00719	per therm (R)
Next 3,500 therms/month		\$0.15179	\$0.81719	\$0.96898	per therm (R)
All over 4,000 therms/month		\$0.14601	\$0.81719	\$0.96320	per therm (R)

RATE ADJUSTMENT:

Service under this schedule is subject to various adjustments as specified in Schedules 595, 596, 598, and 599 (when applicable) as well as any other applicable adjustments as approved by the Washington Utilities and Transportation Commission.

MINIMUM CHARGE:

Basic Service Charge \$24.00

TERMS OF PAYMENT:

Above rates are net. Each monthly bill shall be due and payable within fifteen (15) days from the date of rendition. Past due balances will be subject to a late payment charge.

RECONNECTION CHARGE:

A reconnection charge of twenty-four dollars (\$24.00) during regular business hours or sixty dollars (\$60.00) during non-business hours may be made for restoration of service when service has been turned off for nonpayment of any bill due, seasonal turnoff, or for other reasons arising through the action of the customer.

TAX ADDITIONS:

The rates names herein are subject to increases as set forth in Schedule No. 500 entitled "Tax Additions".

SPECIAL TERMS AND CONDITIONS:

1. The application of this rate schedule is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.
2. Gas purchased under this schedule shall not be submetered or resold to others without special permission from the Company.

CNG/W09-07-01

ISSUED July 1, 2009

EFFECTIVE August 1, 2009

BY  \_\_\_\_\_

Jon T. Stoltz

ISSUED BY CASCADE NATURAL GAS CORPORATION

TITLE Senior Vice President  
Regulatory & Gas Supply

WN U-3

CASCADE NATURAL GAS CORPORATION

LARGE VOLUME GENERAL SERVICE RATE  
SCHEDULE NO. 511

AVAILABILITY:

This schedule is available to customers throughout the territory served by the Company under the tariff of which this schedule is a part provided adequate capacity and supply exist in the Company's system. Service under this schedule shall be for natural gas supplied for all purposes to customers having an annual fuel requirement of not less than 50,000 therms.

RATE:

	Margin	WACOG	Total	
Basic Service Charge	\$44.00 per month			
First 20,000 therms/month	\$0.14600	\$0.81719	\$0.96319 per therm	(R)
Next 80,000 therms/month	\$0.11000	\$0.81719	\$0.92719 per therm	(R)
All over 100,000 therms/month	\$0.02095	\$0.81719	\$0.83814 per therm	(R)

RATE ADJUSTMENT:

Service under this schedule is subject to various adjustments as specified in Schedules 595, 596, 598, and 599 (when applicable) as well as any other applicable adjustments as approved by the Washington Utilities and Transportation Commission.

WEIGHTED AVERAGE COMMODITY GAS COST:

The per therm average commodity gas cost unit rate is \$0.70669 (R)

CONTRACT:

Customers receiving service under this rate schedule shall execute a contract for a minimum period of twelve (12) consecutive months' use. The Annual Minimum Quantity is to be negotiated and included as part of the contract but shall in no case be less than 50,000 therms. Said contract shall also state the Maximum Winter Daily Requirement of natural gas that Company agrees to deliver as well as the Maximum Non-Winter Daily Requirement if the Non-Winter requirement is greater than the Winter requirement.

ANNUAL DEFICIENCY BILL:

In the event customer purchases less than the Annual Minimum Quantity as stated in the contract, customer shall be charged an Annual Deficiency Bill. Annual Deficiency Bill shall be calculated as the difference between the Annual Minimum Quantity less actual purchase or transport therms times the difference between the per therm rates effective in this schedule and any modifying schedules less the weighted average commodity cost of gas rate as such rate is reflected in the Company's tariff.

TERMS OF PAYMENT:

Above rates are net. Each monthly bill shall be due and payable within fifteen (15) days from the date of rendition. Past due balances will be subject to a late payment charge.

TAX ADDITIONS:

The rates named herein are subject to increases as set forth in Schedule No. 500, entitled "Tax Additions".

SPECIAL TERMS AND CONDITIONS:

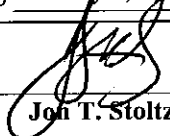
1. The application of this rate is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.

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CNG/W09-07-01

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BY   
Jon T. Stoltz

ISSUED BY CASCADE NATURAL GAS CORPORATION

TITLE Senior Vice President  
Regulatory & Gas Supply

Thirtieth Rev. Sheet No. 512  
Canceling  
Twenty-Ninth Rev. Sheet No. 512

WN U-3

CASCADE NATURAL GAS CORPORATION

COMPRESSED NATURAL GAS SERVICE  
RATE SCHEDULE NO. 512

AVAILABILITY:

This schedule is available to all customers throughout the territory served by the Company under the tariff of which this schedule is a part for natural gas supplied for the sole purpose of compressing natural gas for use as a fuel in vehicular internal combustion engines. Service under this schedule shall be through one or more meters, at the option of the Company, provided they are located on contiguous property not divided by streets, roads, alleys or other public thoroughfares. Service for any end use of natural gas other than the compression of natural gas for vehicle use, such as space heating, water heating, or any other direct processing or boiler fuel use, is not permitted under this rate schedule or through the meter through which service under this rate schedule is offered.

RATE:

	Margin	WACOG	Total	
Basic Service Charge				\$14.00 per month
All gas used per month at	\$0.20456	\$0.82618	\$1.03074	per therm (R)

RATE ADJUSTMENT:

Service under this schedule is subject to various adjustments as specified in Schedules 595, 596, 598, and 599 (when applicable) as well as any other applicable adjustments as approved by the Washington Utilities and Transportation Commission.

MINIMUM CHARGE:

Basic Service Charge \$14.00

CONTRACT:

Customers receiving service under this rate schedule shall sign a contract of such term and containing such provisions regarding indemnification and insurance as the Company deems necessary or desirable with respect to a particular customer.

TERMS OF PAYMENT:

Above rates are net. Each monthly bill shall be due and payable within fifteen (15) days from the date of rendition. Past due balances will be subject to a late payment charge.

RECONNECTION CHARGE:

A reconnection charge of twenty-four dollars (\$24.00) during regular business hours or sixty dollars (\$60.00) during non-business hours may be made for restoration of service when service has been turned off for nonpayment of any bill due, seasonal turnoff, or for other reasons arising through the action of the customer.

TAX ADDITIONS:

The rates names herein are subject to increases as set forth in Schedule No. 500, entitled "Tax Additions".

SPECIAL TERMS AND CONDITIONS:

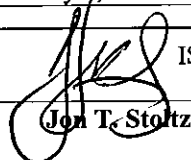
1. The application of this rate schedule is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.
2. Gas purchased under this schedule shall not be submetered or resold to others without special permission from the Company.

CNG/W09-07-01

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EFFECTIVE August 1, 2009

BY

  
Jon T. Stoltz

ISSUED BY CASCADE NATURAL GAS CORPORATION

TITLE Senior Vice President  
Regulatory & Gas Supply

Forty-Seventh Rev. Sheet No.541  
 Canceling  
 Forty-Sixth Rev. Sheet No. 541

WN U-3

CASCADE NATURAL GAS CORPORATION

GAS AIR CONDITIONING RATE  
 SCHEDULE NO. 541

AVAILABILITY:

This schedule is available throughout the territory served by the Company under the tariff of which this schedule is a part provided adequate capacity and supply exist in the Company's system. Service under this schedule shall be for natural gas supplied for air conditioning purposes where natural gas provides the principal energy source for cooling the entire premises served hereunder, and for all other gas-fired equipment used within the air conditioned space. Any major gas-fired equipment used in connection with customer's operation external to the air conditioned space, with the exception of swimming pool heaters, shall not be served under this schedule.

RATE:

	Margin	WACOG	Total		
(A) June-September cycle billing periods, inclusive:					
First 30 therms/month	\$ 7.53	\$24.79	\$ 32.32	per month	(R)
All over 30 therms/month	\$0.22482	\$0.82618	\$1.05100	per therm	(R)
(B) October-May cycle billing periods, inclusive:					
First 10 therms/month	\$4.99	\$8.26	\$13.25	per month	(R)
Next 40 therms/month	\$0.29310	\$0.82618	\$1.11928	per therm	(R)
All over 50 therms/month	\$0.25281	\$0.82618	\$1.07899	per therm	(R)

RATE ADJUSTMENT:

Service under this schedule is subject to various adjustments as specified in Schedules 595, 596, 598, and 599 (when applicable) as well as any other applicable adjustments as approved by the Washington Utilities and Transportation Commission.

MINIMUM CHARGE:

Minimum monthly bill per meter under Section (A)	\$32.32	(R)
Minimum monthly bill per meter under Section (B)	\$13.25	(R)

TERMS OF PAYMENT:

Above rates are net. Each monthly bill shall be due and payable within fifteen (15) days from the date of rendition. Past due balances will be subject to a late payment charge.

RECONNECTION CHARGE:

A reconnection charge of twenty-four dollars (\$24.00) during regular business hours or sixty dollars (\$60.00) during non-business hours may be made for restoration of service when service has been turned off for nonpayment of any bills due, turnoff and reconnection during the same season service is available hereunder, or for other reasons arising through the action of the customer.

TAX ADDITIONS:

The rates names herein are subject to increases as set forth in Schedule No. 500, entitled "Tax Additions".

SPECIAL TERMS AND CONDITIONS:

1. The application of this rate schedule is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.
2. Gas purchased under this schedule shall not be submetered or resold by customers to others without special permission from the Company.

CNG/W09-07-01

ISSUED July 1, 2009

EFFECTIVE August 1, 2009

BY

John T. Stoltz

ISSUED BY CASCADE NATURAL GAS CORPORATION

TITLE Senior Vice President  
 Regulatory & Gas Supply

CASCADE NATURAL GAS CORPORATION

INTERRUPTIBLE SERVICE  
SCHEDULE NO. 570

AVAILABILITY:

This schedule is available throughout the territory served by the Company under the tariff of which this schedule is a part provided adequate capacity and supply exist in Company's system. Service under this schedule shall be for natural gas delivered for all purposes to customers having an annual fuel requirement of not less than 60,000 therms per year, which shall include all firm gas delivered, if any, and where customer agrees to maintain standby fuel burning facilities and an adequate supply of standby fuel to replace the entire supply of natural gas delivered hereunder. Service under this schedule shall be subject to curtailment by the Company when, in the judgment of the Company, such curtailment or interruption of service is necessary. Company shall not be liable for damages for or because of any curtailment of natural gas deliveries hereunder.

RATE:

Basic Service Charge	\$44.00				per month	
		Margin	WACOG	Total		
First 30,000 therms/month		\$0.08300	\$0.80821	\$0.89121	per therm	(R)
All over 30,000 therms/month		\$0.02197	\$0.80821	\$0.83018	per therm	(R)

RATE ADJUSTMENT:

Service under this schedule is subject to various adjustments as specified in Schedules 595, 596, 598, and 599 (when applicable) as well as any other applicable adjustments as approved by the Washington Utilities and Transportation Commission.

WEIGHTED AVERAGE COMMODITY GAS COST:

The per therm average commodity gas cost unit rate is \$0.70669 (R)

ANNUAL DEFICIENCY BILL:

In the event customer purchases less than the Annual Minimum Quantity as stated in the contract, customer shall be charged an Annual Deficiency Bill. Annual Deficiency Bill shall be calculated by multiplying the difference between the Annual Minimum Quantity and the therms actually taken ("Deficiency Therms") times the difference between the commodity rate in this Rate Schedule No. 570, as modified by any applicable rate adjustments and the weighted average commodity cost of gas rate as modified by any applicable modifying rate schedules or changes, as such rates are reflected in the Company's tariffs. If service is curtailed or interrupted by Company, the Annual Minimum Quantity shall be reduced by a fraction, the numerator of which is the actual number of days, or fraction thereof, service was curtailed and the denominator of which is 365.

CONTRACT:

Customers receiving service under this rate schedule shall execute a contract for a minimum period of twelve (12) consecutive months' use. The Annual Minimum Quantity is to be negotiated and included as part of the contract but in no case shall the Annual Minimum Quantity be less than 60,000 therms which shall include all firm therms, if any. Said contract shall state the maximum daily consumption of natural gas that Company agrees to deliver.

TERMS OF PAYMENT:

Above rates are net. Each monthly bill shall be due and payable within fifteen (15) days from the date of rendition. Past due balances will be subject to a late payment charge.

UNAUTHORIZED USE OF GAS:

Gas taken by customer under this schedule by reason of its failure to comply with Company's curtailment order shall be considered as any unauthorized overrun volume. Company shall bill and customer shall pay for such unauthorized overrun at the rate of \$0.25 per therm for all gas used between 103% and 105% of the customer's gas day allocation and \$0.50 per therm for all gas used in excess of 105%, in addition to the regular charges incurred in the RATE section of this schedule. The payment of an overrun penalty shall not under any circumstances be considered as giving customer the right to take unauthorized overrun gas or to exclude any other remedies which may be available to the Company to prevent such overrun.

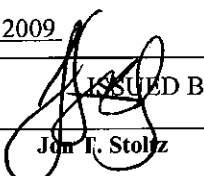
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CNG/W09-07-01

ISSUED July 1, 2009

EFFECTIVE August 1, 2009

BY

  
Jim T. Stoltz

ISSUED BY CASCADE NATURAL GAS CORPORATION

TITLE Senior Vice President  
Regulatory & Gas Supply

WN U-3

CASCADE NATURAL GAS CORPORATION

LIMITED INTERRUPTIBLE SERVICE RATE (OPTIONAL)  
SCHEDULE NO. 577

AVAILABILITY:

This schedule is available throughout the territory served by the company under the tariff of which this schedule is a part, provided in the sole judgment of the Company, there is adequate gas supply and facilities over and above gas requirements of customers receiving firm service. Service under this schedule shall be limited to natural gas delivered for institutional service such as schools, colleges, hospitals, nursing homes, public buildings, governmental facilities, etc., who will consume in excess of 50,000 therms of natural gas per year. Customers served under this schedule agree to maintain standby fuel burning facilities and have an adequate supply of standby fuel to replace the entire supply of gas to be delivered hereunder. Service under this schedule shall be subject to curtailment by the Company when in the judgment of the Company such curtailment or interruption of service is necessary. Company shall not be liable for damages for or because of any curtailment of natural gas deliveries hereunder.

RATE:

	Margin	WACOG	Total		
Basic Service Charge	\$44.00				per month
First 4,000 therms/month	\$.11000	\$0.80821	\$0.91821		per therm (R)
All over 4,000 therms/month	\$.08896	\$0.80821	\$0.89717		per therm (R)

RATE ADJUSTMENT:

Service under this schedule is subject to various adjustments as specified in Schedules 595, 596, 598 and 599 (when applicable) as well as any other applicable adjustments as approved by the Washington Utilities and Transportation Commission.

WEIGHTED AVERAGE COMMODITY GAS COST:

The per therm average commodity gas cost unit rate is \$0.70669 (R)

CONTRACT:

Customers receiving service under this rate schedule shall execute a contract for a minimum period of twelve (12) consecutive months' use. The Annual Minimum Quantity or a Monthly Minimum Bill is to be negotiated and included as part of the contract but in no case shall the Annual Minimum Quantity be less than 50,000 therms nor shall the sum of 12 Monthly Minimum Bills be less than the margin associated with 50,000 therms. Said contract shall state the maximum daily consumption of natural gas that Company agrees to deliver.

ANNUAL DEFICIENCY BILL:

In the event customer purchases less than the Annual Minimum Quantity as stated in the contract, customer shall be charged an Annual Deficiency Bill unless contract states a monthly minimum bill and customer has satisfied such monthly minimum bill. Annual Deficiency Bill shall be calculated by multiplying the difference between the Annual Minimum Quantity and the therms actually taken ("Deficiency Therms") times the difference between the commodity rate in this Rate Schedule No. 577, as modified by any applicable rate adjustments and the weighted average commodity cost of gas rate as modified by any applicable modifying rate schedules or changes, as such rates are reflected in the Company's tariffs. If service is curtailed or interrupted by Company, the Annual Minimum Quantity shall be reduced by a fraction, the numerator of which is the actual number of days, or fraction thereof, service was curtailed and the denominator of which is 365.

TERMS OF PAYMENT:

Above rates are net. Each monthly bill shall be due and payable within fifteen (15) days from the date of rendition. Past due balances will be subject to a late payment charge.

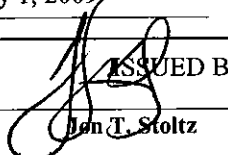
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CNG/W09-07-01

ISSUED July 1, 2009

EFFECTIVE August 1, 2009

BY

  
Jon T. Stoltz

ISSUED BY CASCADE NATURAL GAS CORPORATION

TITLE Senior Vice President  
Regulatory & Gas Supply