



News Release

Contact: Frank Mansell
Director, Public Information
206-381-6838

Jon Stoltz
Sr. VP – Planning, Regulatory, & Consumer Affairs
206-381-6823

Cascade Natural Gas Receives Approval to Stabilize Rates

November 2, 2001 -- Seattle, WA – Cascade Natural Gas Corporation received Washington Utilities and Transportation Commission (WUTC) approval for its Purchased Gas Cost Adjustment (PGA) and amortization of under-recovered gas cost from last winter filings. As a result of these two filings, Cascade’s residential customers will see a net rate increase of 2.2%, 1.9% for the average commercial customer, and 2.1% for the average industrial customer, effective November 1, 2001. Cascade will recover last winter’s gas cost over the next three years.

Jon Stoltz, Senior Vice President of Regulatory and Consumer Affairs stated, “In order to shield our customers from the price spikes that can occur in a volatile wholesale market, Cascade developed a strategy of locking in the quantity and price of the natural gas requirements of our customers for the next three years. By locking in the price of the supply, we can assure our customers that our rates will not significantly change and by locking in the quantity of supply, we can assure our customers that there will be adequate natural gas available to meet their needs. The fixed priced contracts will help us avoid an under-recovery situation similar to what occurred last winter.”

Cascade Natural Gas Corporation is a local distribution company that provides natural gas service to more than 147,000 residential, commercial and industrial customers in Washington and more than 43,000 customers in Oregon. The company provides service to 65 Washington communities in Adams, Benton, Chelan, Cowlitz, Douglas, Franklin, Grant, Grays Harbor, Island, Kitsap, Mason, Skagit, Snohomish, Walla Walla, Whatcom, and Yakima counties. Cascade’s common stock is listed on the New York Stock Exchange (NYSE) with the symbol CGC.

###