

JUN 13 2007
PUC
Utility Program

CASCADE NATURAL GAS CORPORATION

RULES AND REGULATIONS

RULE 3 - DISCONTINUANCE OF SERVICE

Disconnection Rules - All Utility Service

A. Definitions

- 1. "Applicant" means a person who (1) applies for service or (2) reapplies for service at a new or existing location after service has been discontinued.
- 2. "Customer" means a person who has applied for, been accepted, and is currently receiving service. Notwithstanding Subsection (1) of this rule, a customer who voluntarily disconnects service and subsequently requests service with the same utility at a new or existing location within 20 days after disconnection retains customer status.
- 3. "Consumer" means applicants and customers.

B. Grounds for Disconnecting Gas Service

- 1. Gas service may be disconnected:
 - a. For failure to establish credit by
 - 1) Failing to pay a deposit or make payments in accordance with the terms of a deposit payment arrangement (Rule 2); or
 - 2) Providing false identification or verification of identity;
 - b. Where facilities provided are unsafe or do not comply with state and municipal codes governing service or the rules and regulations of Cascade Rule 3, Part H, or where the customer does not cooperate in providing access to the meter;
 - c. Where a customer requests Cascade to disconnect service or close an account (Rule 3, Part C),
 - d. Where dangerous or emergency conditions exist at the service premises (Rule 3, Part D),
 - e. For failure to pay Oregon tariff or price listed charges due for services rendered, or by meter tampering, diverting service, or other theft of service (Rule 3, Parts I and L),
 - f. For failure to abide by the terms of a time-payment agreement (Rule 3, Part J, Subsection 6 and Part K, Subsection 5); or
 - g. Where the Commission approves the disconnection of service.

C. Voluntary Disconnection

- 1. Every customer who is about to vacate any premises supplied with gas service, or who for any reason wishes to have such service discontinued, shall give five days notice in advance of specified date of discontinuance of service to the utility. Until Cascade shall have such notice, the customer shall be held responsible for all service rendered.

D. Emergency Disconnection

- 1. In emergencies endangering life or property, a utility may terminate service without following the procedures set forth in this rule. However, Cascade shall immediately thereafter notify the Commission. In such cases, where the necessity for emergency termination was through no fault of the customer, there will be no charge made for restoration of service.

E. Disconnection of Service on Weekends and Holidays


- 1. Gas service shall not be disconnected for nonpayment on or the day prior to a weekend or a state or utility-recognized holiday.

- Continued on Next Page -

CNG/O07-06-01

ISSUED June 8, 2007

EFFECTIVE June 15, 2007

BY 
Jon T. Stoltz

ISSUED BY **CASCADE NATURAL GAS CORPORATION**

TITLE Senior Vice President
Regulatory & Gas Supply

JUN 13 2007

PUC
Utility Program

CASCADE NATURAL GAS CORPORATION

RULES AND REGULATIONS
(Continued from Previous Page)**RULE 3 - DISCONTINUANCE OF SERVICE** (Continued)**F. Accounts Not Related to Residential Service**

1. Cascade may not deny or disconnect residential service due to the failure to pay for nonresidential service, or to meet obligations in connection with nonresidential service.

G. Reconnection Fee

1. Where gas service is disconnected for violation of rules or regulations, for fraudulent use of service, or nonpayment, Cascade may charge the reconnection fee set forth in its Rate Schedule No. 200.

H. Refusal of Service

1. Except as provided in Subsection 2 of this rule, Cascade may refuse to provide service to an applicant until it receives full payment of any overdue amount and any other obligation related to an Oregon prior account.
2. Except for consumers who were disconnected for theft of service, Cascade shall provide service to an applicant upon receipt of payment equal to at least one-half of any overdue amount and any other obligation related to a prior account, except deposits which must be paid in full, provided that the person has made reasonable partial payment on the account during the time service has been discontinued. The balance of the amount owed to Cascade shall be paid within 30 days of the date service is initiated. Upon failure to pay, Cascade may disconnect service after providing a five-day notice. The notice shall contain the information set forth in Rule 3, Part I, Subsection 2, and shall be served in the manner set forth in Rule 3, Part I, Subsection 6. In the event a customer whose service was terminated applies for service within 20 days of the termination, provisions of this rule apply.
3. If gas service is disconnected for failure to comply with the payment terms set forth in Section 2 of this rule, Cascade may refuse to restore service until it receives full payment of any overdue obligation, including any reconnection charge, disconnect visit charge, late payment charge, returned check charge, and past due bill.
4. Cascade may refuse to provide service until payment is received when the following circumstances exist:
 - a. An overdue balance has been incurred by a person at a service address;
 - b. An applicant for service resided at the service address described in subsection (a) during the time the overdue balance was incurred; and
 - c. The person described in subsection (a) will reside at the location to be served under the new application.
5. Cascade shall refuse to provide service if a customer or applicant has not complied with state and municipal codes and regulations governing service and with the rules and regulations of the utility.
6. Cascade shall not accept an application for service or materially change service to a customer, if, in the best judgment of the Company, it does not have adequate facilities to render the service applied for, or if the desired service is of character that is likely to unfavorably affect service to other customers.
7. Cascade shall refuse to serve a customer or applicant, if, in the best judgment of the Company, the facilities of the customer or applicant are of such a character that safe and satisfactory service cannot be given.
8. In the event service is refused, Cascade shall notify the customer or applicant of the reasons for refusal and the Commission's complaint process.

- Continued on Next Page -

CNG/O07-06-01

ISSUED June 8, 2007EFFECTIVE June 15, 2007BY Jon T. StoltzISSUED BY **CASCADE NATURAL GAS CORPORATION**TITLE Senior Vice President
Regulatory & Gas Supply

JUN 13 2007

PUC
Utility Program

CASCADE NATURAL GAS CORPORATION

RULES AND REGULATIONS
(Continued from Previous Page)**RULE 3 - DISCONTINUANCE OF SERVICE** (Continued)**Disconnection Rules - Residential Service****I. Notice of Pending Disconnection of Residential Service****1. When a written notice is given under these rules:**

- a. The notice shall contain multilingual information as required by Commission rules and be served on the customer's designated representative, if any;
- b. If Cascade's records show that the billing address is different from the service address, and Cascade has reason to believe the address is occupied by someone other than the customer, Cascade shall provide a five-day notice to both the occupants of the service address and to the customer's mailing address. The notice may be addressed to "tenant" or "occupant." The envelope shall bear a bold notice stating, "Important notice regarding continuance of gas service," or similar words. The notice to occupants need not include the dollar amount owing.
- c. When Cascade's records show service is to a master-metered multi-family dwelling (including rooming houses), Cascade must notify the Consumer Services Division at least five business days prior to disconnecting the service. Cascade will use reasonable efforts to notify occupants of the impending disconnection and alternatives available to them.

2. The notice shall be printed in bold face type and shall state in easy to understand language:

- a. The reason for the proposed disconnection;
- b. The amount to be paid to avoid disconnection;
- c. The earliest date for disconnection;
- d. An explanation of the time-payment agreement provisions of Rule 3, Part K;
- e. An explanation of the medical certificate provisions of Rule 3, Part J;
- f. The name and telephone number of the appropriate unit of the Department of Human Resources or other agencies which may be able to provide financial aid; and
- g. An explanation of the Commission's complaint process and toll-free number.

3. At least 15 days before Cascade will disconnect a residential customer for nonpayment of services rendered, Cascade will provide written notice to the customer. A 15-day notice is not required when disconnection is for failure to establish credit or theft of service.

4. A notice of disconnection may not be sent prior to the due date for payment of a bill.

5. Cascade may serve the 15-day notice of disconnection in person or send it by first class mail to the last known address of the customer. Service is complete on the date of the mailing or personal delivery.

6. At least five business days before the proposed disconnection date, Cascade must mail or deliver a written disconnection notice to the customer.

- a. The disconnection notice shall inform the person that service will be disconnected on or after a specific date and shall explain the alternatives and assistance that might be available as required in Subsection 2 of this rule.
- b. If notification is made by delivery to the residence, Cascade shall attempt personal contact. If personal contact cannot be made with the customer or an adult resident, Cascade shall leave the notice in a conspicuous place at the residence.

- Continued on Next Page -

CNG/O07-06-01

ISSUED June 8, 2007

EFFECTIVE June 15, 2007

BY 
Jon T. StoltzISSUED BY **CASCADE NATURAL GAS CORPORATION**TITLE **Senior Vice President**
Regulatory & Gas Supply

CASCADE NATURAL GAS CORPORATION

RULES AND REGULATIONS
(Continued from Previous Page)

RULE 3 - DISCONTINUANCE OF SERVICE (Continued)

- 7. On the day that Cascade expects to disconnect service and prior to disconnection, Cascade will make a good faith effort to personally contact the customer or an adult at the residence to be disconnected.
 - a. If the contact is made, Cascade shall advise the person of the proposed disconnection;
 - b. If contact is not made, Cascade must leave a notice in a conspicuous place at the residence informing the customer that service has been, or is about to be, disconnected.
- 8. Where personal contact is made by the Company under this rule, and the circumstances are such that a reasonable person would conclude that the customer does not understand the consequences of disconnection, the Company must:
 - a. Notify the Department of Human Resources and the Commission; and
 - b. Delay the proposed disconnection date for five additional business days.
- 9. Where personal contact is made under Rule 3, Part I, the representative of the Company making contact shall be empowered to accept reasonable partial payment of the overdue balance in accordance with the time payment provisions of Rule 3, Part K.
- 10. Cascade must document its effort to provide notice under Rule 3, Part I, and shall make the documentation available to the customer and the Commission upon request.

J. Emergency Medical Certificate for Residential Service


- 1. "Qualified medical professional" means a licensed physician, nurse-practitioner, or physician's assistant authorized to diagnose and treat the medical condition described without direct supervision by a physician.
- 2. Cascade shall not disconnect residential service if the customer submits certification from a qualified medical professional stating that disconnection would significantly endanger the physical health of the customer or a member of the customer's household.
- 3. An oral certification must be confirmed in writing within 14 days by the qualified medical professional prescribing medical care. Written certification must include:
 - a. The name of the person to whom the certificate applies and relationship to the customer;
 - b. A complete description of the health condition;
 - c. An explanation how the health of the person will be significantly endangered by the termination of service;
 - d. A statement indicating how long the health condition is expected to last;
 - e. A statement specifying the particular type of utility service required (e.g. gas for heating); and
 - f. The signature of the qualified medical professional prescribing medical care.
- 4. An emergency medical certificate shall be valid only for the length of time the health endangerment is certified to exist, but no longer than six months without renewal. At least 15 days before the certificate's expiration date, Cascade will give the customer written notice of the date the certificate expires unless it is renewed with Cascade before that day arrives.
- 5. A customer submitting a medical certificate is not excused from paying for gas service.
 - a. Customers are required to enter into a written time-payment agreement with Cascade where an overdue balance exists. Terms of the time-payment agreement shall be those set forth in Rule 3, Part K or such other terms as agreed upon in writing between the parties.

- Continued on Next Page -

CNG/O07-06-01

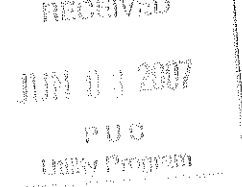
ISSUED June 8, 2007

EFFECTIVE June 15, 2007

BY 
John T. Stoltz

ISSUED BY **CASCADE NATURAL GAS CORPORATION**

TITLE Senior Vice President
Regulatory & Gas Supply



CASCADE NATURAL GAS CORPORATION

RULES AND REGULATIONS
(Continued from Previous Page)

RULE 3 - DISCONTINUANCE OF SERVICE (Continued)

- b. Where financial hardship can be shown, a customer with a medical certificate shall be permitted to renegotiate the terms of a time-payment agreement with Cascade.
 - c. Time-payment arrangements in effect when a medical certificate terminates remain in effect for the balance then owing. If a customer fails to pay charges incurred after the certificate terminates, standard time-payment provisions (Rule 3, Part K) will apply to payment of the arrearage incurred after the medical certificate expires. The terms of the medical certificate time-payment plan continue to apply to the arrearage accrued during the disability.
6. If a medical certificate customer fails to enter into a written time-payment agreement within 20 days of filing the certificate or to abide by its terms, Cascade shall notify the Consumer Services Division of its intent to disconnect service and the reason for the disconnection. Cascade may disconnect service after providing a notice 15 days in advance of disconnection for nonpayment, or five days before disconnection for failure to enter into a written time-payment agreement. The notice shall comply with the requirements of Part I, Subsection 2, except that Subsection c. shall not apply. A hearing may thereafter be held to determine whether Cascade should be permitted to disconnect service to the customer.
 7. Cascade may verify the accuracy of a medical certificate. If Cascade believes a customer does not qualify, or no longer qualifies for a medical certificate, Cascade may apply to the Commission for permission to terminate the service of the customer.

K. Time-Payment Agreements for Residential Service (Non Medical Certificate Customers)

1. Cascade will not disconnect residential service for nonpayment if a customer enters into a written time-payment plan. Cascade will offer customers a choice of payment agreements. At a minimum, the customer may choose between a levelized payment plan and an equal payment arrearages plan.
2. A customer who selects a levelized-payment plan will pay a down payment equal to the average annual bill including the account balance, divided by 12, and a like payment each month for 11 months thereafter.
 - a. The monthly installment plan shall be reviewed by Cascade periodically. If necessary, due to changing rates or variations in the amount of service used by the customer, the installment amount may be adjusted in order to bring the account into balance within the time period specified in the original agreement.
 - b. If a customer changes service address at any time during the period of a time-payment agreement, provided that payments are then current and the customer pays other tariff charges associated with the change in residence, Cascade shall recalculate the customer's deposit and/or monthly installment. The recalculated amount shall reflect the balance of the account at the previous service address and the average annual bill at the new service address for the months remaining in the original time-payment agreement. When installments on a time-payment agreement have not been kept current, a customer shall be required to pay all past-due installments, together with any other applicable charges before service is provided at the new residence.
3. A customer who selects an equal payment arrearages plan will pay a down payment equal to one-twelfth the amount owed for past gas service (including the overdue amount and any amounts owed for a current bill or a bill being prepared but not yet delivered to the customer). Each month, for the next 11 months, an amount equal to the down payment will be added to, and payable with, the current charges due for service. If a customer changes service address at any time during the period of an arrearages payment plan, the plan continues. However, the customer must pay any past-due charges and all other applicable charges before Cascade provides service at the new address.

- Continued on Next Page -

CNG/O07-06-01

ISSUED June 8, 2007

EFFECTIVE June 15, 2007

BY


Jon T. Stoltz

ISSUED BY **CASCADE NATURAL GAS CORPORATION**

TITLE Senior Vice President
Regulatory & Gas Supply

JUN 03 2007

PUC
Utility Program

CASCADE NATURAL GAS CORPORATION

RULES AND REGULATIONS
(Continued from Previous Page)**RULE 3 - DISCONTINUANCE OF SERVICE** (Continued)

4. Cascade and the customer may agree in writing to an alternate payment arrangement, provided Cascade first informs the customer of the availability of the payment terms set forth in this rule.
5. If a customer fails to abide by the time-payment agreement, Cascade may disconnect service after serving 15 days' notice. The notice shall comply with Rule 3, Part I, except that Subsection 2.d. shall not apply. If a medical certificate is in effect, Part J, Subsection 6 shall apply.

L. Disconnect Visit Charge

1. A disconnect visit charge in the amount of ten dollars (\$10.00) may be charged, whenever Cascade is required to visit a residential service address for the purpose of disconnecting service, or reconnecting service, but due to the customers action, is unable to complete the reconnect or disconnect.

Disconnection Rules - Nonresidential Service**M. Disconnection Procedures**

1. Involuntary termination of gas service other than residential gas service shall be under the provisions of Rule 3, Part M.
2. At least five days before Cascade disconnects service for nonpayment for services rendered, written notice of disconnection must be provided to the customer.
3. The notice must be printed in bold face type and must state in easy to understand language:
 - a. The reasons for the proposed disconnection;
 - b. The earliest date for disconnection;
 - c. The amount paid to avoid disconnection; and
 - d. An explanation of the Commission's complaint process.
4. The notice may not be sent prior to the due date for payment for the services billed.
5. Cascade may serve the notice of disconnection in person or send it by first class mail to the last known addresses of the customer and the customer's designated representative. Service is complete on the date of mailing or personal delivery.
6. The notice requirements of Rule 3, Part M, Subsection 3 are waived where meter tampering, diverting service or other theft of service is detected.
7. Disconnect Visit Charge. A disconnect visit charge of ten dollars (\$10.00) may be charged whenever Cascade is required to visit a nonresidential service address for the purpose of disconnecting service or reconnecting service, but due to the customers action, is unable to complete the reconnect or disconnect.

N. Late Payment Charge - All Utility Service

1. A late-payment charge will be applied to overdue account balances, both residential and nonresidential, at the time of preparing the subsequent month's bill. The late-payment charge may not be applied to time-payment or equal-payment accounts that are current, and will be applied only to accounts that have an overdue balance greater than \$200. The late-payment rate will be determined by the Commission based on a survey of prevailing market rates for late-payment charges of commercial enterprises. The Commission will notify Cascade by November 15 of each year what rate may be used to determine late-payment charges on overdue customer accounts during the following calendar year. The current late-payment rate and the conditions for its application to customer accounts shall be specified on the gas bill.

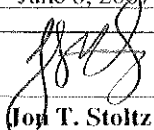
- Continued On Next Page

CNG/O07-06-01

ISSUED June 8, 2007

EFFECTIVE June 15, 2007

BY


 Jon T. Stoltz
ISSUED BY **CASCADE NATURAL GAS CORPORATION**TITLE Senior Vice President
Regulatory & Gas Supply

JUN 08 2007
PUC
Utility Program

CASCADE NATURAL GAS CORPORATION

RULES AND REGULATIONS
(Continued from Previous Page)

RULE 3 - DISCONTINUANCE OF SERVICE (Continued)

O. Gas Service for Decorative Torches

1. Effective June 15, 1975 gas service will not be available for decorative torches:
 - a. If the use of natural gas in a decorative torch is discovered, the Company shall immediately notify the customer to discontinue such use.
 - b. If the service is not permanently extinguished within 24 hours, further use of all gas by that customer shall be considered fraudulent and service discontinued immediately.
 - c. Service may be resumed only if natural gas is not used in said decorative torches.
 - d. The provisions of Rule 3, Part O shall not apply to gas lights.

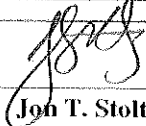
P. Gas Service for Outdoor Gas Lights

1. Effective May 8, 1979, pursuant to Public Law 95-620, gas service is not available to any residential, commercial or industrial outdoor gas light installed after November 9, 1978.
2. Effective November 5, 1979, pursuant to Public Law 95-620, gas service is not available to commercial and industrial outdoor gas lights which were in use on November 9, 1978, unless an exemption has been obtained by the customer for such use from the Commission.

CNG/O07-06-01

ISSUED June 8, 2007

EFFECTIVE June 15, 2007

BY 
Jon T. Stoltz

ISSUED BY **CASCADE NATURAL GAS CORPORATION**

TITLE Senior Vice President
Regulatory & Gas Supply