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May 31, 2019

Advice No. CNG/W19-05-02

Mr. Mark L. Johnson
Executive Director and Secretary
Washington Utilities & Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

Re: Pipeline Replacement Cost Recovery Mechanism in Accordance with Commission Policy Statement in Docket UG-120715.

Dear Mr. Johnson:

In accordance with the Commission's policy statement in Docket UG-120715 Cascade hereby submits its annual filing to the Cost Recovery Mechanism with actual costs as of April 30, 2019, and estimated costs through October 31, 2019. The proposed effective date is November 1, 2019.

This filing request increases revenues by \$1.6 million or 0.73%. The average impact to a residential customer using 54 therms per month is an increase of \$0.30 per month.

As Cascade's general rate case in Docket UG-190210 includes rate base through the end of 2018, this filing only includes new CRM investment from January 1, 2019 through October 31, 2019 plus a true-up of the October 2018 investment that was estimated in the 2018 CRM filing (Docket UG-180512). On the effective date of the general rate case and as part of the compliance filing of the general rate case, the CRM tariff, Schedule 597, will be adjusted to only include the January 1, 2019, through October 31, 2019, CRM investments as all other investments will be recovered in general rates.

Cascade considers a number of the worksheets to contain valuable commercial information and respectfully requests protection and confidential treatment of the attached information under Chapters 42.17 RCW, RCW 80.04.095 and WAC 480-07-160. Public disclosure of this information would result in private loss, including an unfair competitive disadvantage, which would negatively affect our shareholders.

The following files are electronically submitted as part of this filing:

- New, CNGC CRM Monthly details WP 05.31.19 (R).pdf
- New, CNGC CRM Monthly details WP 05.31.19 (C).xlsx

- New, CNGC CRM Replacement Projects WP 05.31.19.xlsx
- New, CNGC Advice No. W19-05-02, Trf, 05.31.19.pdf
- New, CNGC Advice No. W19-05-02, Leg Trf, 05.31.19.pdf

If there are any questions regarding this update please contact me at (509) 734-4593.

Sincerely,

/s/ Michael Parvinen

Michael Parvinen
Director, Regulatory Affairs
Cascade Natural Gas Corporation
8113 W. Grandridge Blvd.
Kennewick, WA 99336-7166
michael.parvinen@cngc.com

Attachments

**COST RECOVERY MCHANISM (CRM)
ELEVATED RISK PIPELINE FACILITY REPLACEMENTS
SCHEDULE NO. 597**

APPLICABLE:

This adjustment applies to gas service rendered by the Company under the tariff of which this schedule is a part for service on and after the effective date hereof and shall be in addition to all rates and charges specified in this tariff.

MONTHLY RATES AND MINIMUM BILLS:

Each of the charges, except Demand and Customer Service Charges, are to be increased as shown:

- Schedule 503 - \$0.01904 per therm
- Schedule 504 - \$0.01242 per therm
- Schedule 505 - \$0.01043 per therm
- Schedule 511 - \$0.00693 per therm
- Schedule 570 - \$0.00652 per therm
- Schedule 663 - \$0.00213 per therm

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SPECIAL TERMS AND CONDITIONS:

The rates named herein are subject to increases as set forth in Schedule 500, Municipal Taxes.

CNG/W19-05-02
Issued May 31, 2019

Effective for Service on and after
November 1, 2019

Issued by CASCADE NATURAL GAS CORPORATION

By:  Michael Parvinen

Director, Regulatory Affairs

CASCADE NATURAL GAS CORPORATION

~~Seventh~~Eighth Revision Sheet No. 597

Canceling

~~Sixth~~Seventh Revision Sheet No. 597

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COST RECOVERY MCHANISM (CRM)
ELEVATED RISK PIPELINE FACILITY REPLACEMENTS
SCHEDULE NO. 597

APPLICABLE:

This adjustment applies to gas service rendered by the Company under the tariff of which this schedule is a part for service on and after the effective date hereof and shall be in addition to all rates and charges specified in this tariff.

MONTHLY RATES AND MINIMUM BILLS:

Each of the charges, except Demand and Customer Service Charges, are to be increased as shown:

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- Schedule 503 - \$0.01~~341~~904 per therm
- Schedule 504 - \$0.00~~909~~1242 per therm
- Schedule 505 - \$0.00~~684~~1043 per therm
- Schedule 511 - \$0.00~~473~~693 per therm
- Schedule 570 - \$0.00~~340~~652 per therm
- Schedule 663 - \$0.00~~171~~213 per therm

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SPECIAL TERMS AND CONDITIONS:

The rates named herein are subject to increases as set forth in Schedule 500, Municipal Taxes.

CNG/W1~~89-065-012~~

Issued ~~June~~May 31, 201~~89~~

Effective for Service on and after

November 1, 201~~89~~

Issued by CASCADE NATURAL GAS CORPORATION

By: Michael Parvinen

Director, Regulatory Affairs

