

Cascade Natural Gas Corporation-CAG 2025 Q4

Meeting Minutes 10/15/2025

Meeting held: 9:00 am – 12:00 pm--Meeting Recording available to supplement notes

Microsoft Teams meeting

Audio only

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Phone Conference ID: 498 347 143#

Attendees:

<u>CNGC</u>	<u>CNGC – Continued</u>	<u>CNGC – Continued</u>	<u>WA Dept of Comm</u>
Desiree Bickmore	Stephanie Reed	Jesse LeGault	Nick Manning
Mike Parvinen	Mark Sellers-Vaughn		Allen Carbert
Kody Thompson	Joseph Lennan	<u>NEEA</u>	
Caleb Reimer	Jacinda Ashby	Peter Christeleit	<u>Guests</u>
Noemi Ortiz	Sheila McElhinney		Kai Hiatt-PCU
Sonya Wald	Brian Robertson	<u>TRC</u>	
Jodie Albert	Srishti Singh	Dave Beaulieu	

The meeting was recorded to capture all discussions and is distributed to CNGC/CAG members via the Company's website at: [Cascade Natural Gas Conservation Advisory Group Meetings - Cascade Natural Gas Corporation \(cngc.com\)](https://cngc.com)

** Time stamp for each agenda item is located beside the topic header below in this format HH:MM

The Agenda is embedded below:



Q4 2025 CNGC CAG
Meeting Agenda File

Safety Moment - led by Caleb Reimer –15 seconds

- Caleb shared ergonomic tips for sitting safely at work, emphasizing posture, foot support, and the importance of taking breaks to stretch or walk.

Roll Call & Review Q3 action items - led by Dez Bickmore & Caleb Reimer – 00:02

Action Items: None

Decisions Made: None

Noted Discussion:

- Completed roll call. Attendees introduced themselves, including representatives from Cascade Natural Gas, TRC, Washington State Department of Commerce, Public Counsel Unit, and other partner organizations.
- Caleb provided an update on the custom heat curtain measure for greenhouses, highlighting its energy-saving benefits and increasing adoption in commercial and industrial programs.

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Quarterly Portfolio update - led by Dave Beaulieu & Caleb Reimer

Commercial Highlights through Q3 2025– led by Dave Beaulieu - 00:07

Action Items: None

Decisions Made: None

Noted Discussion:

- Dave provided an update on the progress of C/I customers.
- Q3 Performance:
 - 191,000 therms saved
 - \$850,000 in incentives
 - 113 completed measures
- Marketing & Outreach:
 - Tri-City Journal ads, email campaigns, webinars, and contractor breakfasts
 - Focus on Clean Buildings Act and insulation/air sealing measures
- Forecast:
 - Projected to reach 382,000 therms by year-end (86% of 443,000 therm goal)
 - Strong Q4 expected with over 200,000 therms in the pipeline
- Challenges:
 - Economic slowdown, inflation, tariffs, electrification trends, and project cancellations
- Mitigation Efforts:
 - Increased advertising and outreach
 - Partnerships with Smart Building Center and Building Operator Certification Program
 - Use of construction permit database from Shovels.ai for lead generation

Residential Program Highlights and Activity through Q4 2024 - led by Caleb Reimer – 00:17

Action Items: None

Decisions Made: None

Noted Discussion:

- Performance Highlights:
 - Over 800,000 therms saved in the first 9 months (record-setting)
 - \$11 million in incentives distributed
 - High customer engagement and satisfaction
- Program Enhancements:
 - Expanded team and improved point-of-sale program
 - Anticipated to exceed biennial therm savings target
- Budget Note:
 - Expected to exceed 120% of annual budget due to high incentive payouts

Discussion: CCA Revenue – led by Mike Parvinen – 00:21

Action Items: None

Decisions Made: None

Noted Discussion:

- Mike Parvinen, CNGC Regulatory Manager, lead a discussion on revenue generated from the sale of free allowances in the Climate Commitment Act (CCA).
- Overview:
 - Discussion on the use of proceeds from the sale of free allowances under the CCA
 - Current use: reimburse low-income customers and return remaining funds to customers

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- Future Opportunities:
 - Exploring use of funds for carbon reduction measures, especially conservation
 - Need to define cost-effectiveness under CCA framework
 - Potential to fund non-cost-effective measures (e.g., gas furnace backup for heat pumps)
 - Cascade to consider increasing rebates for existing measures and evaluating new measures for inclusion
 - Pay for non-economic portion of a TENs pilot
- Next Steps:
 - Open call for ideas from CAG members for potential conservation projects
- Nick Manning requested clarification on what types of projects are considered conservation under this context.
 - Mike responded that conservation could include both existing measures with increased rebates and new measures excluded from the Conservation Potential Assessment (CPA) due to traditional cost-effectiveness constraints
 - He highlighted the possibility of reevaluating these measures using alternative avoided cost metrics aligned with CCA compliance costs

Low-Income Program Updates – led by Noemi Ortiz & Sheila McElhinney – 00:31

Action Items: None

Decisions Made: None

Noted Discussion:

- Q3 Summary:
 - 54 projects completed
 - 220 measures implemented
 - \$960,000 in WIP payments (excluding coordination and indirect costs)
 - Average cost per project: \$23,000
 - Average therm savings per project: 213 therms
- Third-Party Implementer Pilot:
 - Four (4) contractors engaged, each assigned five (5) projects; Twenty (20) projects underway
 - Projects located in Central and Eastern Washington
 - No completed projects yet; work expected to continue through February 2026
 - Agencies had first right of refusal before projects were assigned to contractors
 - CARES referrals used
- Leveraging Commerce Funds:
 - Most projects include Department of Commerce funds
 - Leveraging helps reduce cost per unit and ensures quality assurance

Biennial Conservation Plan (BCP) Update – led by Jodie Albert – 00:46

Action Items: None

Decisions Made: None

Noted Discussion:

- Program Enhancements:
 - Increased rebates for residential and commercial measures (some doubled)
 - Updated units of measure for improved therm savings accuracy
 - Lower forecasted UCT ratios: 3.49 (C&I) and 3.1 (Residential)

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- Targeting a UCT of 2.0 for 2026–2027 plan
- Timeline:
 - Draft program details sent to CAG on Sept 15
 - Full draft BCP to be sent out on Oct 15
 - Feedback requested by Oct 31
 - Final filing with Commission: Nov 15
 - Open meeting to be scheduled for January 2026

Wrap-up - Meeting Schedule & Invitation - led by Caleb Reimer - 00:52

Action Items: None

Decisions Made: None

Noted Discussion:

- Final Q4 meeting of 2025.
- Invitations and draft BCP documents to be sent soon.
- Participants encouraged to suggest topics and invite others in the industry or subject matter experts as special guests or regular guests.
- 2026 Meeting Cadence:
 - *The 2026 meeting invitations have been dispersed. The next meeting will be held on January 14, 2026*