

# NOTICE OF PROPOSED RATE DECREASE

## *Cascade Natural Gas Corporation proposes an 8.50 percent decrease in natural gas rates.*

On June 1, 2018, Cascade Natural Gas Corporation (Cascade) filed the following request with the Washington Utilities and Transportation Commission (WUTC) proposing an overall average 0.08 percent increase for all customer groups with natural gas service, effective November 1, 2018:

- **Cost Recovery Mechanism for Pipeline Replacement (CRM):** Cascade asked for an overall average increase to rates of 0.08 percent to recover costs incurred from November 1, 2017, through October 31, 2018, for the replacement of aging natural gas pipes. The CRM helps Cascade continue to provide customers with safe and dependable gas service. For the CRM costs alone, the average residential customer using 54 therms per month will see a bill increase of \$0.08 cents more per month or 0.15 percent.

On September 17, 2018, Cascade filed the following three separate requests with the WUTC proposing an overall average 8.59 percent decrease for all customer groups with natural gas service, effective November 1, 2018:

- **Purchased Gas Adjustment (PGA):** Cascade requested a decrease to rates to recover the cost of natural gas. Gas costs are a straight pass through of costs. Cascade does not earn a profit on the cost of gas. For gas costs alone, the average residential customer using 54 therms per month will see a bill decrease of \$3.91 less per month or 2.49 percent.
- **Conservation Program Adjustment (CPA):** Cascade requested an increase to the conservation program cost recovery adjustment. For conservation costs alone, the average residential customer using 54 therms per month will see a bill increase of \$0.75 cents per month or 1.45%.
- **Decoupling Mechanism Adjustment:** Cascade requested to credit customers the difference between authorized revenue and actual billed revenue consistent with Rule 21, Decoupling Mechanism. For the decoupling mechanism adjustment, the average residential customer using 54 therms per month will see a bill decrease of \$1.32 less per month or 2.55 percent.

The WUTC will review each of these filings and has the authority to set final rates that may vary from Cascade's requests, either higher or lower, depending on the results of its investigation.

**If the WUTC approves all proposals, the total decrease for a residential customer using 54 therms per month will be 8.51 percent or \$4.40 less per month, bringing the total average monthly Cascade bill from \$51.69 to \$47.29.**

The combined proposed rate changes for residential, commercial, and industrial customers are:

Type of Service	Current Rate	Proposed Rate	Percent Change
Residential, Schedule 503	\$0.79247	\$0.70461	(8.51%)
Commercial, Schedule 504	\$0.75368	\$0.66934	(10.42%)
Industrial Firm, Schedule 505	\$0.69763	\$0.63759	(9.34%)
Com-Ind Dual Service, Schedule 511	\$0.63638	\$0.54742	(14.27%)
Industrial Interruptible, Schedule 570	\$0.57538	\$0.52937	(8.23%)
Transportation Service, Schedule 663	\$0.05289	\$0.05401	0.12%

**For additional information on the proposed rate decrease, conservation tips, energy efficiency programs, energy assistance programs and bill payment plans, visit the Cascade Natural Gas website at [www.cngc.com](http://www.cngc.com); call 1-888-522-1130; or write to c/o Cascade Regulatory Department, 8113 W Grandridge Blvd, Kennewick WA 99336-7166.**

**You can contact the WUTC to submit questions or to be notified of the scheduled open meeting, at which time the proposal will be considered by the commission:**

- On the WUTC website at [www.utc.wa.gov](http://www.utc.wa.gov), and click on Submit a Comment
- By email to [comments@utc.wa.gov](mailto:comments@utc.wa.gov)
- By phone at 1-888-333-9882
- In writing: WUTC  
P.O. BOX 47250  
Olympia, WA 98504-7250

*Please include your name and mailing address, reference the name of company (Cascade Natural Gas Corporation) and Advice Nos. CNG/W18-06-01, CNG/W18-09-01, CNG/W18-09-02, and CNG/ W18-09-03.*

The WUTC is committed to providing reasonable accommodations to participants with disabilities: Contact WUTC at 360-664-1132, 306-664-1243 or email [humanresources@utc.wa.gov](mailto:humanresources@utc.wa.gov).

