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September 16, 2022

CNG/W22-09-05

Ms. Amanda Maxwell
Executive Director and Secretary
Washington Utilities & Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Re: Washington Energy Assistance Fund (WEAF) Program True-Up & Tariff Revisions

Cascade Natural Gas Corporation ("Cascade" or "Company") files the following revisions to its Tariff, WN U-3, stated to become effective with service on and after November 1, 2022:

- **Sixth Revision of Sheet No. 593 Canceling Fifth Revision Sheet No. 593**
- **Fifth Revision of Sheet No. 303-A Canceling Fourth Revision of Sheet No. 303-A**

SCHEDULE 593 - WEAFF FUND PROGRAM COST RECOVERY

The purpose of the revisions to the Company's Schedule 593, Washington Energy Assistance Fund ("WEAF") Program Cost Recovery, is to true-up the rates to collect the budgeted amount for the 2022-2023 WEAF program year. Included in this filing are Attachments A, B, and C. Attachment A shows program revenues and expenditures for the current program year including projected revenues and expenses for the final month of the program year. Attachment B shows how the changes to the Schedule 593 surcharges are derived. Attachment C presents the proposed WEAF rate changes, bill impacts, and revenue impacts by rate schedule.

The proposed revisions to Schedule 593 will collect \$1,126,481 which, when coupled with the fund balance carryover, should provide \$1,611,685 for the 2022-2023 WEAF program year. The funding includes a "soft cap" funding budget limit provision of up to \$1,467,400. These budget provisions were authorized per Order No. 05 in Docket No UG-200568, in which the Commission allowed for the continuation of 2020-2021 program operations and spending levels into the foreseeable future. In addition, the Company has included \$73,000 in first year funding for community-based organizations ("CBO") outreach as ordered in Docket No. UG-210755.

The changes proposed to Schedule 593 will result in an annual revenue decrease of approximately \$190,123 or a decrease in annual funding of 14.52 percent which results in a revenue decrease of 0.06 percent. The average residential customer using 54 therms per month will see a bill decrease of about \$0.04 per month, a decrease of 0.06 percent. The average commercial customer using 271 therms per month will see a bill decrease of approximately \$0.15 per month, a decrease of 0.05 percent.

In the Community to Serve®

Below is a table of the proposed changes to Schedule 593 and revenue impacts by customer rate schedule:

Service	Sch. No.	Rate Change	Proposed Rate Per Therm	Percent Change
Residential	503	-0.00069	\$0.00406	-0.057%
Commercial	504	-0.00056	\$0.00328	-0.050%
Industrial	505	-0.00035	\$0.00203	-0.039%
Industrial Lg Vol	511	-0.00029	\$0.00172	-0.035%
Interruptible	570	-0.00010	\$0.00061	-0.014%
Transportation	663	-0.00006	\$0.00037	-0.163%

The Company has traditionally held advisory group meetings twice annually. In light of the proposed changes to the Company's program, Cascade is working with the advisory group to schedule more frequent meetings in the upcoming year.

SCHEDULE 303-A - WEAFF PROGRAM TARIFF REVISIONS

The proposed changes to the Company's Sheet No. 303-A add the creation of the CBO funding authorized per Order No. 09 in Docket No UG-210755. This filing submitted electronically includes the following files:

NEW-CNGC-Advice-No.-W22-09-05-CLtr-09.16.22.pdf
 NEW-CNGC-Advice-No.-W22-09-05-Attch A-09.16.22.xlsx
 NEW-CNGC-Advice-No.-W22-09-05-Attch B-09.16.22.xlsx
 NEW-CNGC-Advice-No.-W22-09-05-Attch C-09.16.22.xlsx
 NEW-CNGC-Advice-No.-W22-09-05-Trfs-09.16.22.pdf
 NEW-CNGC-Advice-No.-W22-09-05-Leg-Trfs-09.16.22.pdf

If you have any questions, please contact me at (208) 377-6015.

Sincerely,

/s/ Lori A. Blattner

Lori A. Blattner
 Director, Regulatory Affairs
 Cascade Natural Gas Corporation
 8113 W Grandridge Blvd
 Kennewick, WA 99336-7166
 lori.blattner@intgas.com

Attachments

**WASHINGTON ENERGY ASSISTANCE FUND (WEAF) PROGRAM COST RECOVERY
SCHEDULE 593**

PURPOSE:

This adjustment schedule collects funding necessary for Cascade’s Washington Energy Assistance Fund (WEAF) Program as established in Schedule 303.

APPLICABILITY:

This adjustment applies to the following rate schedules:
503, 504, 505, 511, 570, and 663

ADJUSTMENT TO RATE:

The Company will file to change this adjustment schedule annually so that forecast collections under this Schedule are estimated to collect no more than the maximum program year budget less any carryover. The program year budget is established in Schedule 303.

The amount to be collected over a 12-month timeframe will be amortized to all rate schedules on an equal percent of margin basis.

ADJUSTMENT RATE:

This following adjustment rate will apply on a per therm basis for each rate schedule as listed in the table below:

RATE SCHEDULE	PER THERM RATE
503	\$0.00406
504	\$0.00328
505	\$0.00203
511	\$0.00172
570	\$0.00061
663	\$0.00037

(R)
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(R)

GENERAL TERMS:

Service under this adjustment schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this adjustment schedule apply to service under this schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

SCHEDULE 303
WASHINGTON ENERGY ASSISTANCE FUND (WEAF) PROGRAM

PROGRAM ADMINISTRATION (continued)

- 3) The Agency has executed a contract with the Company establishing roles and responsibilities consistent with this Schedule. Failure to comply with requirements in the contract may result in termination from the role of program administrator.

WEAF FUNDING

Eligible WEAF customers may receive a WEAF grant or grants totaling no more than \$500 WEAF per household per program year. In no instance will the Company accept a WEAF grant or grants when the customer’s account has an existing credit equal to or greater than \$300 where that credit is solely from a charitable grant or grants such as WEAF, LIHEAP, and Winter Help.

A qualifying customer who has received a WEAF grant who moves and re-establishes service within the Company’s Washington service territory within ten business days may have the credit balance from the grant(s) transferred to the account for the new service address.

In no instance shall WEAF grants or credits on an account attributed to a WEAF grant be paid in cash to a customer or any other household member.

ADMINISTRATION FEES

The Company will pay Agencies an administrative fee of \$75 per household qualified for a WEAF grant. One fee per household will be paid per program year.

COMMUNITY-BASED ORGANIZATIONS COSTS

The Company will fund community-based outreach programs and authorize a budget of \$73,000 in the first year and up to five percent of the annual WEAF program budget each year afterwards. This pilot will run for three years, which will allow the Company and its advisory group to collaborate, establish, and reevaluate the program.

(N)
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(N)

PROGRAM COSTS

Program costs will be collected through Schedule 593. The Schedule 593 rate will be set annually to ensure collections for the program year budget plus any unspent funding from the prior year are no more than \$1,467,400 annually with a soft cap of \$1,531,200.

(continued)

WASHINGTON ENERGY ASSISTANCE FUND (WEAF) PROGRAM COST RECOVERY
SCHEDULE 593

PURPOSE:

This adjustment schedule collects funding necessary for Cascade’s Washington Energy Assistance Fund (WEAF) Program as established in Schedule 303.

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The amount to be collected over a 12-month timeframe will be amortized to all rate schedules on an equal percent of margin basis.

ADJUSTMENT RATE:

This following adjustment rate will apply on a per therm basis for each rate schedule as listed in the table below:

RATE SCHEDULE	PER THERM RATE
503	\$0.004 0675
504	\$0.003 2884
505	\$0.002 0338
511	\$0.00 127201
570	\$0.000 671
663	\$0.000 3743

(R+)

(R+)

GENERAL TERMS:

Service under this adjustment schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this adjustment schedule apply to service under this schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

SCHEDULE 303
WASHINGTON ENERGY ASSISTANCE FUND (WEAF) PROGRAM

PROGRAM ADMINISTRATION (continued)

- 3) The Agency has executed a contract with the Company establishing roles and responsibilities consistent with this Schedule. Failure to comply with requirements in the contract may result in termination from the role of program administrator.

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(N)

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(N)

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Program costs will be collected through Schedule 593. The Schedule 593 rate will be set annually to ensure collections for the program year budget plus any unspent funding from the prior year are no more than \$1,467,400 annually with a soft cap of \$1,531,200.

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(continued)

Prepared By: Tony Durado
 Reconciliation Date: September 9, 2022

WA Energy Assistance Fund (Low Income Bill Assistance)

2021-2022 Program Year

47WA.2429.02

Per agreement effective 9-1-16 (Docket # UG-152286) in connection with settling the WA 2016 Rate Case CNGC will bill WA customers in rate schedules 502, 503, 504, 505, 511, 512, 570, 577, & 663 a rate (adjusted annually) to be used for WEAFF. Annual WA Dept of Revenue LIHEAP Tax Credits are to be added to collected amounts for program expense availability.

Collected funds will be used in 3 ways:

- 1) Payments made to assistance agencies, processed thru the AP system to be charged to accrual account 47WA.2429.02
- 2) Payments made directly to customer accounts as directed by the agencies. These payments will be processed in the customer accounting department and charged to 47WA.2429.02 thru the monthly Customer Billing Interface JE
- 3) Other Program Costs, such as conducting needs studies and targeted marketing costs, connecting customers with needs to appropriate resources: Payments to be made thru the AP system and charged to the accrual account 47WA.2429.02.

	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22 - EST	'21-'22 Program Yr *
Beg GL Balance	(235,645.04)	(247,856.20)	(219,220.61)	(279,943.37)	(392,789.24)	(495,649.86)	(528,264.27)	(519,796.43)	(536,969.22)	(500,866.56)	(451,628.45)	(439,889.43)	(430,203.63)	(247,856.20)
Customer Billings (WEAF Cost Recovery AJE +/- CI1573 Adj)	(37,259.29)	(49,045.77)	(75,607.89)	(143,704.20)	(211,212.78)	(166,241.38)	(161,766.73)	(113,152.23)	(101,107.28)	(68,359.05)	(44,554.92)	(82,144.37)	(90,000.00)	(1,306,896.60)
Payments to Customer Accounts (CC&B CI1573)	20,990.59	79,251.36	41,594.91	61,133.67	60,541.07	83,106.28	89,426.78	67,477.40	61,288.10	69,863.68	32,129.29	74,510.22	21,000.00	741,322.76
WEAF Accrual on Unbilled Revenues	(32,476.63)	(49,761.63)	(103,346.41)	(156,178.13)	(137,327.52)	(125,118.33)	(82,962.27)	(82,490.23)	(55,896.89)	(32,828.41)	(30,848.76)	-	-	(856,758.58)
Reversal of Prior month Accrual	27,009.17	32,476.63	49,761.63	103,346.41	156,178.13	137,327.52	125,118.33	82,962.27	82,490.23	55,896.89	32,828.41	30,848.76	-	889,235.21
Payments to agencies thru AP	8,205.00	7,480.00	14,875.00	15,675.00	15,410.00	15,555.00	19,155.00	20,090.00	15,475.00	13,625.00	16,185.00	8,470.00	8,000.00	169,995.00
Other Program Costs	1,320.00	8,235.00	12,000.00	6,881.38	13,550.48	22,756.50	19,496.73	7,940.00	33,853.50	11,040.00	6,000.00	6,000.00	6,000.00	153,753.59
WA Dept of Revenue (LIHEAP Tax Credit)												(27,998.81)		(27,998.81)
Ending Balance	(247,856.20)	(219,220.61)	(279,943.37)	(392,789.24)	(495,649.86)	(528,264.27)	(519,796.43)	(536,969.22)	(500,866.56)	(451,628.45)	(439,889.43)	(430,203.63)	(485,203.63)	(485,203.63)
GL Balance	(247,856.20)	(219,220.61)	(279,943.37)	(392,789.24)	(495,649.86)	(528,264.27)	(519,796.43)	(536,969.22)	(500,866.56)	(451,628.45)	(439,889.43)	(430,203.63)	(485,203.63)	
Difference	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	-	(0.00)	-	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	

Distribution List:	
Mike Parvinen	} Email Monthly
Chris Mickelson	
Dan Tillis	
Shannon Steed	
Byron Pfordte	
Pam Archer	
Jacqueline Schaible	
Alyn Spector	

* '21-'22 Program Year does not include September 2021.

Sep 2021-May 2022	564,810.16
Jun-Aug 2021	98,208.94
Total	663,019.10

Advice No. W22-09-05 Attachment B - page 1 of 2

WEAF 2022-2023 Program Year

CBO 1st year funding	\$73,000.00
WEAF funding budget	<u>\$1,467,400.00</u>
WEAF Budget subtotal	<u>\$1,540,400.00</u>
- plus revenue sensitive costs	\$1,611,684.82
Minus carryover	
- Est. 2021-2022 PY Ending Balance	<u>(485,203.63)</u>
Amount to Collect	<u>\$1,126,481.19</u>

Notes

UG-210755 Order 09
 2022-23 Current Budget per Order No. 05 in UG-200568
 4.423% added to cover WUTC fees, uncollectibles, and state utility tax

Weather Normalized Forecast Volumes as used in 2022 PGA

Rate Schedules	503	504	505	511	570	663
Nov-22	16,107,112	10,521,219	1,506,550	2,015,445	349,323	56,917,199
Dec-22	22,649,647	14,880,838	1,894,821	2,367,874	374,539	53,394,617
Jan-23	22,265,482	15,090,002	1,474,300	2,107,460	222,555	47,833,503
Feb-23	17,863,868	12,686,065	1,248,694	1,660,920	208,124	48,208,931
Mar-23	15,012,436	10,633,175	1,229,520	1,507,403	175,831	48,839,796
Apr-23	9,662,089	6,721,448	805,110	1,061,056	164,480	50,333,357
May-23	5,762,669	4,163,715	553,947	649,786	98,737	43,018,269
Jun-23	3,887,130	3,047,599	464,963	598,416	70,694	34,496,191
Jul-23	3,258,711	2,867,870	466,149	677,572	81,140	50,251,600
Aug-23	3,111,094	3,012,158	544,815	725,942	120,566	64,342,416
Sep-23	3,756,120	3,460,148	726,811	765,443	158,335	64,724,071
Oct-23	8,657,453	6,483,360	1,990,888	1,412,183	307,397	60,792,241
Total	131,993,811	93,567,597	12,906,568	15,549,500	2,331,721	623,152,191

Advice No. W22-09-05 Attachment B - page 2 of 2

Rate Schedule	Current WEAFF Rate	Amount that would be collected	Proforma WEAFF Rate	Est. 2022-23 Collections	Est. Changes in Surcharges	Est. Changes in Revenue
503	\$0.00475	\$626,970.60	\$0.00406	\$535,925.06	-\$0.00069	-\$91,075.73
504	\$0.00384	\$359,299.57	\$0.00328	\$307,123.88	-\$0.00056	-\$52,397.85
505	\$0.00238	\$30,717.63	\$0.00203	\$26,256.97	-\$0.00035	-\$4,517.30
511	\$0.00201	\$31,254.50	\$0.00172	\$26,715.87	-\$0.00029	-\$4,509.36
570	\$0.00071	\$1,655.52	\$0.00061	\$1,415.12	-\$0.00010	-\$233.17
663	\$0.00043	\$267,955.44	\$0.00037	\$229,044.29	-\$0.00006	-\$37,389.13
Total		\$1,317,853.27		\$1,126,481.19		-\$190,122.54
% increase/decrease in Annual Funding		-14.5%				

W22-09-05 WEA F Bill & Revenue Impacts - Attachment C

	Rate Sch	WEAF Rate Change*	Revenue Impact*
Residential	503	-0.00069	(\$91,076)
Commercial	504	-0.00056	(\$52,398)
Industrial Firm	505	-0.00035	(\$4,517)
Large Volume	511	-0.00029	(\$4,509)
Industrial Interruptible	570	-0.00010	(\$233)
Transportation	663	-0.00006	(\$37,389)
Total			-\$190,123

* W22-09-05, Attch B, Pg 2

Revenue Impact		Actual Revenue per PGA	Total WEA F Change Impact	Ratio
Residential	503	160,697,460	(\$91,076)	-0.057%
Commercial	504	103,915,277	(\$52,398)	-0.050%
Industrial Firm	505	11,638,460	(\$4,517)	-0.039%
Large Volume	511	12,937,587	(\$4,509)	-0.035%
Industrial Interruptible	570	1,682,022	(\$233)	-0.014%
Transportation	663	22,879,392	(\$37,389)	-0.163%
Special Contract	9xx	4,265,483		0.000%
Total		318,015,680	(\$190,123)	-0.060%

Cascade Natural Gas Corporation
TTA PROPOSED TYPICAL MONTHLY BILL BY CLASS
State of Washington

Line No.	Type of Service	UG-210755 Typical Monthly Therm Used	Basic Service Charge	Current 10/1/2022* Billing Rates	Current 10/1/2022* Average Bill	Proposed 11/1/2022 WEAF Effects	Proposed 11/1/2022 TTA Effect Average Bill	Bill Difference	Proposed 11/1/2022 WEAF Effects % Bill Change
	(a)	(b)	(c)	(d)	e=c+(b*d)	(f)	g=c+(b*f)	(h)	(i)
					(e)		(g)		
1	Residential, Schedule 503	54	\$5	\$1.03712	\$61.00	\$1.03643	\$60.97	-\$0.04	-0.06%
2	Commercial, Schedule 504	271	\$13	\$0.97066	\$276.05	\$0.97010	\$275.90	-\$0.15	-0.05%
3	Industrial Firm, Schedule 505		\$60						
4	First 500 therms			\$0.89552	\$507.76	\$0.89517	\$507.59		
5	Next 3,500 therms			\$0.85544	\$1,276.32	\$0.85509	\$1,275.79		
6	Over 4,000 therms			\$0.84938		\$0.84903			
7	Total 505	1,992			\$1,784.08		\$1,783.38	-\$0.70	-0.04%
8	Com-Ind Dual Service, Schedule 511		\$125						
9	First 500 therms			\$0.78754	\$518.77	\$0.78725	\$518.63		
10	Next 3,500 therms			\$0.74804	\$2,618.14	\$0.74775	\$2,617.13		
11	Over 4,000 therms			\$0.65034	\$8,219.65	\$0.65005	\$8,215.98		
12	Total 511	16,639			\$11,356.56		\$11,351.73	-\$4.83	-0.04%
13	Industrial Interruptible, Schedule 570		\$163						
14	First 30,000 therms			\$0.75482	\$17,699.73	\$0.75472	\$17,697.41		
15	Over 30,000 therms			\$0.68815		\$0.68805			
16	Total 570	23,233			\$17,699.73		\$17,697.41	-\$2.32	-0.01%
17	Transport, Schedule 663		\$625						
18	First 100,000 therms			\$0.06583	\$7,208.00	\$0.06577	\$7,202.00		
19	Next 200,000 therms			\$0.02584	\$4,803.17	\$0.02578	\$4,792.01		
20	Next 200,000 therms			\$0.01684		\$0.01678			
21	Over 500,000 therms			\$0.00952		\$0.00946			
22	663 Total	285,881			\$12,011.17		\$11,994.01	-\$17.15	-0.14%

23 *Includes rates from CRM filing made on September 1, 2022, UG-220664