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March 29, 2024

Jeff Killip
Executive Director and Secretary
Washington Utilities & Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

Re: UG-240008, Cascade Natural Gas General Rate Case, Advice No. W24-03-03

Dear Director Killip:

Purpose of Filing

Cascade Natural Gas Corporation (“Cascade” or “Company”) submits the attached general rate case filing wherein the Company seeks authorization from the Washington Utilities & Transportation Commission (“Commission”) to increase its rates and charges for natural gas services to its customers in the State of Washington. The Company is proposing an increase in base revenues which would begin with new rates effective March 1, 2025.

The Company is proposing a Two-Year Rate Plan, which would begin with new base rates effective March 2025 (Rate Year 1) and March 2026 (Rate Year 2). For Rate Year 1, the proposed increases reflect natural gas base rate relief of \$43.8 million, or 29.78%, effective March 1, 2025. For Rate Year 2 of the Two-Year Rate Plan, the proposed increases reflect natural gas base rate relief of approximately \$11.7 million, or 6.04%, effective March 1, 2026. The base rate impacts of this filing are explained in greater detail in the Summary Document, enclosed as Attachment C.

As discussed in the Direct Testimony of Zachary L Harris, Exhibit ZLH-1T, the Company is also proposing to establish new rate adjustment mechanisms related to its COVID-19 and WUTC Fee deferral balances, with rates effective March 1, 2025. The total revenue increases associated with the COVID-19 and UTC recovery mechanisms are approximately \$4.2 million, or 1.12% and \$0.9 million, or 0.23%, respectively. Combined with the proposed March 1, 2025 change to base rates, the change to billed revenues is \$48.9 million, or 13.18%.

The table below shows the bill impacts by rate schedule for each of the proposed March 1, 2025 rate changes as well as the total change. The March 1, 2026 bill impacts resulting from the proposed base rate changes are shown in Attachment C.

Service, Schedule No.	COVID-19		UTC Fees		Rate Case		Overall	
	Bill	Bill	Bill	Bill	Bill	Bill	Bill	Bill
	Difference	Percent Change	Difference	Percent Change	Difference	Percent Change	Difference	Percent Change
Residential, Schedule 503	\$1.40	1.88%	\$0.17	0.23%	\$9.40	12.62%	\$10.97	14.73%
Commercial, Schedule 504	\$1.69	0.48%	\$0.58	0.16%	\$15.69	4.42%	\$17.96	5.06%
Industrial Firm, Schedule 505	\$12.30	0.51%	\$2.93	0.12%	\$107.14	4.47%	\$122.37	5.11%
Large Volume, Schedule 511	\$7.59	0.05%	\$14.89	0.09%	\$624.96	3.93%	\$647.43	4.07%
Industrial Interruptible, Schedule 570	\$7.74	0.03%	\$14.48	0.06%	\$1,060.44	4.13%	\$1,082.67	4.22%
Transport, Schedule 663	\$7.38	0.05%	\$88.59	0.61%	\$6,061.67	32.98%	\$6,157.65	33.50%

In accordance with WAC 480-07-510, the Company includes an original and five (5) paper copies of its pre-filed direct testimony and exhibits supporting this rate case filing. Additionally, all documents have been electronically filed consistent with the requirements in WAC 480-07-140.

Electronic copies of several supporting workpapers will be filed and served on Commission Staff along with a copy to Public Counsel Unit with this filing and remaining workpapers will be filed and served on or before five business days of the date of this filing.

Proposed Tariff Sheets

Provided with this filing are electronic copies of the following proposed tariff sheets, Attachment A, formatted with the coding required by WAC 480-80-105, and electronic copies in legislative format, Attachment B, as required by WAC 480-07-510(2). These tariff sheets have issue dates of March 29, 2024, and effective dates of May 1, 2024. However, the Company requests that the tariffs be suspended with an effective date of March 1, 2025.

WN U-3 Tariff, Natural Gas Service:

Twelfth Revision	Sheet No. 25	Decoupling Mechanism
First Revision	Sheet No. 25-A	Decoupling Mechanism
Second Revision	Sheet No. 25-B	Decoupling Mechanism
Sixty-Ninth Revision	Sheet No. 503	Residential Service Rate
Fifty-Third Revision	Sheet No. 504	General Commercial Service Rate
Fifty-Second Revision	Sheet No. 505	General Industrial Service Rate
Seventieth Revision	Sheet No. 511	Large Volume General Service
Original	Sheet No. 555	Commission Fee Adjustment
Original	Sheet No. 556	COVID-19 Cost Recovery Adjustment
Sixty-Fourth	Sheet No. 570	Interruptible Service
Twenty-Second Revision	Sheet No. 663	Distribution System Transportation Service
Thirteenth Revision	Sheet No. 663-A	Distribution System Transportation Service

Pursuant to WAC 480-90-194, Cascade agrees to suspension of the proposed tariff filings and thus is not required to publish notice coincident with the date of this transmittal letter and filing. The Company agrees to waive a suspension hearing and requests that the Commission immediately issue an order suspending these proposed changes for investigation and schedule a prehearing conference as soon as possible.

Please note that the Original Sheet Nos. 555 and 556 are the result of the proposed rate adjustment mechanisms related to the Company's COVID-19 and WUTC Fee deferral balances, as discussed above. Additionally, the Company is proposing changes to the Company's decoupling mechanism on Sheet Nos. 25, 25-A, and 25-B in Rule 21, and proposing to update the lost and unaccounted for percentage in Sheet No. 663-A. These proposals are discussed in the Direct Testimony of Zachary L Harris, Exhibit ZLH-1T.

Public Notice

In compliance with WAC 480-90-197, the Company will provide public notice once the Commission has selected public hearing dates for this proceeding. In compliance with WAC 480-90-193(1) the Company will post the proposed changes to its tariffs for public inspection and review on its website (www.cngc.com) and will provide access via request by telephone or mail.

Pursuant to WAC 480-07-510(5), the Company is serving copies of the Summary Documents in Attachment C to all persons required by WAC 480-07-510(5). A copy of the form of the cover letter and Certificate of Service for such persons are provided in Attachment F.

Additional Materials Submitted with This Filing

Included with this cover letter are the following attachments:

- Attachment A – The proposed tariffs
- Attachment B – The legislative tariffs
- Attachment C – A summary document of the Company's proposed case as required per WAC 480-07-510(5)(a).
- Attachment D – The Rate Case Compliance Matrix, which provides Commission Staff's "Audit Guide – Initial Filing Assessment For Electric And Natural Gas Companies" requirements, and Cascade's explanation of how or where the requirements were met.
- Attachment E – Financial Documents required per WAC 480-07-510(7)
- Attachment F – Form cover letter required by WAC 480-07-510(5)
- Attachment G – Exhibit List

In compliance with WAC 480-07-510(3)(g), the Company states that there are no additional material affiliated transactions to report impacting the test year that otherwise were not already reported in the Company's annual "2023 Affiliated Interest and Subsidiary Transaction Report," which was filed on March 22, 2024 (see Docket UG-240192).

Confidential Information

Please note that the Company previously filed a Motion for a Protective Order Pursuant to WAC 480-07-420 and the Commission issued a protective order, Order 01, on February 15, 2024.

The Company therefore requests that the documents contained in the envelopes identified with the cover page marked “**SHADED INFORMATION IS DESIGNATED AS CONFIDENTIAL PER PROTECTIVE ORDER IN DOCKET UG-240008**” as well as the files marked “Shaded Information Is Designated as Confidential per **Protective Order in Docket UG-240008**” be treated as confidential under the provisions of WAC 480-07-160, as they each contain sensitive commercial information. In accordance with WAC 480-07-160(5)(c), the Company has enclosed redacted versions of the documents containing confidential information along with the non-confidential documents in its filing, and has placed unredacted versions of the documents containing confidential information in separate envelopes with corresponding “**SHADED INFORMATION IS DESIGNATED AS CONFIDENTIAL PER PROTECTIVE ORDER IN DOCKET UG-240008**” labels on the envelopes. Each page of the unredacted version containing confidential information has been printed on yellow paper.

Company Representatives

Service of documents, correspondence, or questions pertaining to this filing should be directed to the following Cascade Natural Gas Corporation representatives:

Lori Blattner
Director of Regulatory Affairs
Cascade Natural Gas Corporation
8113 West Grandridge Boulevard
Kennewick, WA 99336-7166
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Donna Barnett, WSBA #36794
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10885 N.E. Fourth Street Suite 700
Bellevue, WA 98004-5579
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MLin@perkinscoie.com

We look forward to working with the Commission, Commission Staff, Public Counsel, our customers, and other interested parties on this important matter.

Sincerely,

/s/ Lori Blattner

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

Enclosures

**RULE 21
DECOUPLING MECHANISM**

PURPOSE:

This Rule describes the revenue-per-Customer Decoupling Mechanism which annually applies a per therm credit or debit under Schedule 594, "Decoupling Mechanism Adjustment" to applicable Customers' bills for the purpose of truing up the annual difference between Margin Revenues and the Authorized Margin Revenues per Customer served as herein defined.

APPLICABILITY:

This Rule is applicable to all Customers served on Schedules 503, 504, 505, 511, and 570.

MARGIN REVENUES

Margin Revenue is the amount of Margin billed in a billing month, adjusted for unbilled margin revenues. Margin Revenue does not include amounts billed for the Basic Customer Charge, or adjustment schedules, such as Schedules 500, 581, 582, 590, 593, 594, 595, 596, 597, and 598.

AUTHORIZED MARGIN REVENUE PER CUSTOMER

The Authorized Margin per month per customer is established in the tables below.

Months	2025		2026	
	503 and 504	505, 511, and 570	503 and 504	505, 511, and 570
January	\$62.58	\$1,437.76	\$63.09	\$1,465.06
February	\$49.36	\$1,503.97	\$49.77	\$1,530.16
March	\$41.41	\$1,142.48	\$41.75	\$1,164.89
April	\$26.70	\$812.64	\$26.92	\$828.48
May	\$17.58	\$620.23	\$17.73	\$632.40
June	\$10.01	\$436.53	\$10.09	\$444.75
July	\$10.34	\$454.90	\$10.42	\$462.99
August	\$7.71	\$499.00	\$7.77	\$507.89
September	\$13.08	\$413.85	\$13.18	\$421.75
October	\$27.72	\$743.94	\$27.94	\$757.96
November	\$47.15	\$901.53	\$47.53	\$918.00
December	\$62.06	\$1,036.99	\$62.57	\$1,056.78

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CNG/W24-03-03
Issued March 29, 2024

Effective for Service on and after
May 1, 2024

Issued by **CASCADE NATURAL GAS CORPORATION**

By:  Lori A. Blattner

Director, Regulatory Affairs

**RULE 21
DECOUPLING MECHANISM**

DECOUPLING CALCULATION:

On a monthly basis the Company will perform the following steps separately for each customer class that is applicable to the rate adjustment in this Rule:

- 1) Record Number of Customers per Customer Class
- 2) Determine Actual Margin Revenues
- 3) Determined Authorized Revenue by multiplying the number of Customers per Customer class (No. 1 above) times the Authorized Revenue for the corresponding month per Customer class as established in Tables 1 & 2 above.
- 4) Determine then record the Deferral Amount by subtracting the Authorized Margin Revenue (No. 3 above) from Actual Margin Revenue (No. 2 above).
- 5) Annually determine the new rate to be applied in Schedule 594 by taking the annual sum of monthly Deferral Amounts and dividing the total by forecasted volumes per Customer class.

EARNINGS TEST:

This mechanism is subject to the following earnings test:

If the Company's annual commission basis report demonstrates that the reported rate of return on its rate base for the 12-month period ending at the end of the period for which the annual commission basis report is filed is more than 0.5 percent higher than the Company's authorized rate of return as granted by the Commission in UG-240008, the Company shall defer all revenues that are in excess of 0.5 percent higher than the Company's authorized rate of return to refund to customers or for another determination as authorized by the Commission in a subsequent adjudicative proceeding.

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CNG/W24-03-03
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By:  Lori A. Blattner

Director, Regulatory Affairs

RULE 21
DECOUPLING MECHANISM (Continued)

SPECIAL CONDITIONS:

- 1) Following the application of the Earnings Test, the amount of an incremental proposed rate increase under this Rule alone cannot impact the overall per therm rate charged for natural gas and transmission services more than 3%.
- 2) The Company shall apply interest on the deferred balance on a monthly basis using the interest rate published by FERC. This calculation will be consistent with the current deferred accounting procedures detailed in WAC 480-90-233.

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REPORTING:1) Annual Reporting

The Company's annual true-up filing to revise the rate herein will include a work paper detailing monthly amounts deferred, the monthly customer count, and a reconciliation of amounts amortized and recovered in the prior twelve months.

GENERAL TERMS:

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

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**RESIDENTIAL SERVICE RATE
SCHEDULE NO. 503**

AVAILABILITY

This schedule is available to residential customers throughout the territory served by the Company under the tariff of which this schedule is a part for natural gas supplied for all purposes provided adequate capacity and supply exist in the Company's system. Service under this schedule shall be through one or more meters, billed separately.

RATES

1) For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 BTUs.

	Effective March 1, 2025	Effective March 1, 2026
Basic Service Charge	\$10.00 per month	\$11.50 per month
Delivery Charge	\$0.44047 per therm	\$0.44502 per therm
Gas Costs	All therms per month multiplied by the WACOG rate per therm as shown on Supplemental Schedule 590.	

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2) The minimum bill per month shall be the basic service charge. The minimum bill for this service shall not be subject to cancellation or reduction for seasonal or temporary periods.

3) Service and rates under this schedule are subject to various adjustments as set forth in Schedule 500 and other supplemental schedules, when applicable.

TERMS OF PAYMENT

Above rates are net. Each monthly bill shall be due and payable within twenty-two (22) days from the date of rendition. Past due balances are subject to a late payment charge(s) per Rule 6.

OTHER CHARGES

Charges outline on Schedule 200 may be applied for restoration of service when service has been turned off for nonpayment of any bill due, seasonal turnoff, or for other reasons arising through the action of the Customer.

TERMS AND CONDITIONS

- 1) The application of this rate schedule is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.
- 2) Gas purchased under this schedule shall not be sub-metered or resold to others without special permission from the Company.

CNG/W24-03-03
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By:  Lori A. Blattner

Director, Regulatory Affairs

GENERAL COMMERCIAL SERVICE RATE
SCHEDULE NO. 504

AVAILABILITY

This schedule is available to commercial customers throughout the territory served by the Company under the tariff of which this schedule is a part for natural gas supplied for all purposes provided adequate capacity and supply exist in the Company's system. Service under this schedule may be through one or more meters, billed separately.

RATES

1) For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 BTUs.

	Effective March 1, 2025	Effective March 1, 2026
Basic Service Charge	\$20.00 per month	\$25.50 per month
Delivery Charge	\$0.32666 per therm	\$0.32828 per therm
Gas Costs	All therms per month multiplied by the WACOG rate per therm as shown on Supplemental Schedule 590.	

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2) The minimum bill per month shall be the basic service charge. The minimum bill for this service shall not be subject to cancellation or reduction for seasonal or temporary periods.

3) Service and rates under this schedule are subject to various adjustments as set forth in Schedule 500 and other supplemental schedules, when applicable.

TERMS OF PAYMENT

Above rates are net. Each monthly bill shall be due and payable within twenty-two (22) days from the date of rendition. Past due balances are subject to a late payment charge(s) per Rule 6.

OTHER CHARGES

Charges outline on Schedule 200 may be applied for restoration of service when service has been turned off for nonpayment of any bill due, seasonal turnoff, or for other reasons arising through the action of the Customer.

TERMS AND CONDITIONS

1. The application of this rate schedule is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.
2. Gas purchased under this schedule shall not be sub-metered or resold to others without special permission from the Company.

**GENERAL INDUSTRIAL SERVICE RATE
SCHEDULE NO. 505**

AVAILABILITY

This schedule is available to industrial customers throughout the territory served by the Company under the tariff of which this schedule is a part for natural gas supplied for all purposes provided adequate capacity and supply exist in the Company's system. Service under this schedule shall be through one or more meters, billed separately.

RATES

For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 BTUs.

	Effective March 1, 2025	Effective March 1, 2026
Basic Service Charge	\$100.00 per month	\$130.00 per month
Delivery Charge		
i) The first 500 therms	\$0.26610 per therm	\$0.26741 per therm
ii) The next 3,500 therms	\$0.22031 per therm	\$0.22139 per therm
iii) Over 4,000 therms.	\$0.21339 per therm	\$0.21444 per therm
Gas Costs	All therms per month multiplied by the WACOG rate per therm as shown on Supplemental Schedule 590.	

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- 2) The minimum bill per month shall be the basic service charge. The minimum bill for this service shall not be subject to cancellation or reduction for seasonal or temporary periods.
- 3) Service and rates under this schedule are subject to various adjustments as set forth in Schedule 500 and other supplemental schedules, when applicable.

TERMS OF PAYMENT

Above rates are net. Each monthly bill shall be due and payable within twenty-two (22) days from the date of rendition. Past due balances are subject to a late payment charge(s) per Rule 6.

OTHER CHARGES

Charges outline on Schedule 200 may be applied for restoration of service when service has been turned off for nonpayment of any bill due, seasonal turnoff, or for other reasons arising through the action of the Customer.

TERMS AND CONDITIONS

- 1. The application of this rate schedule is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.
- 2. Gas purchased under this schedule shall not be sub-metered or resold to others without special permission from the Company.
- 3. Customers receiving service under this rate schedule shall execute a service agreement if the Company offers the customer the opportunity to pay line extension costs over time through a facility charge per Rule 8.

CNG/W24-03-03
Issued March 29, 2024

Effective for Service on and after
May 1, 2024

Issued by CASCADE NATURAL GAS CORPORATION

By: 

Lori A. Blattner

Director, Regulatory Affairs

**SCHEDULE 511
LARGE VOLUME GENERAL SERVICE**

AVAILABILITY

This schedule is available to customers throughout the territory served by the Company under the tariff of which this schedule is a part provided adequate capacity and supply exist in the Company's system. Service under this schedule shall be for natural gas supplied for all purposes to customers having an annual fuel requirement of not less than 50,000 therms.

RATES

1) For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 BTUs.

	Effective March 1, 2025	Effective March 1, 2026
Basic Service Charge	\$250.00 per month	\$350.00 per month
Delivery Charge		
i) The first 20,000 therms	\$0.21524 per therm	\$0.22357 per therm
ii) The next 80,000 therms	\$0.16884 per therm	\$0.17538 per therm
iii) Over 100,000 therms.	\$0.05405 per therm	\$0.05614 per therm
Gas Costs	All therms per month multiplied by the WACOG rate per therm as shown on Supplemental Schedule 590.	

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2) The minimum bill per month shall be the basic service charge. The minimum bill for this service shall not be subject to cancellation or reduction for seasonal or temporary periods.

3) Service and rates under this schedule are subject to various adjustments as set forth in Schedule 500 and other supplemental schedules, when applicable.

SERVICE AGREEMENT

Customers receiving service under this rate schedule shall execute a service agreement for an Annual Minimum Quantity of 50,000 therms a year.

ANNUAL DEFICIENCY BILL

In the event customer purchases less than the Annual Minimum Quantity, as stated in the service agreement, the customer shall be charged an Annual Deficiency Bill. The Annual Deficiency Bill shall be calculated as the difference between the Annual Minimum Quantity and the actual purchase or transport therms times per therm rates in this schedule, except Gas Costs (WACOG), plus all per therm rates for all adjustment schedules that would apply to service procured under this rate schedule.

TERMS OF PAYMENT

Each monthly bill shall be due and payable within twenty-two (22) days from the date of rendition. Past due balances are subject to a late payment charge(s) per Rule 6.

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**SCHEDULE 555
COMMISSION FEE ADJUSTMENT**

(N)

PURPOSE

This adjustment schedule collects the 0.02 percent increase in Commission Fee as adopted by Senate Bill 5634, which was signed into law on March 24, 2022, and became effective January 1, 2023 . These costs are deferred in accordance with Order 01 issued in UG-220912.

APPLICABILITY

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

TERM

This adjustment rate will expire after February 28, 2027.

ADJUSTMENT RATE

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

RATE SCHEDULE	ADJUSTMENT RATE (PER THERM)
503	\$0.00329
504	\$0.00208
505	\$0.00143
511	\$0.00106
570	\$0.00024
663	\$0.00058

GENERAL TERMS

Service under this adjustment schedule is governed by the terms and conditions outlined in this schedule, the Rules contained in this Tariff, any other applicable schedules, and all rules and regulations prescribed by regulatory authorities, subject to amendments from time to time.

(N)

CNG/W24-03-03
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Effective for Service on and after
May 1, 2024

Issued by CASCADE NATURAL GAS CORPORATION

By: 

Lori A. Blattner

Director, Regulatory Affairs

**SCHEDULE 556
COVID-19 COST RECOVERY ADJUSTMENT**

(N)

PURPOSE

This adjustment schedule collects the costs incurred due to the moratoriums on disconnections and late fees imposed by Governor Inslee’s Proclamation 20-23.2 and the Commissions COVID-19 Response Term Sheet, as approved and modified in Order 01 through Order 06 in U-200281. The costs collected in this schedule are deferred in accordance with Orders 01, 02, and 03 issued in UG-2000479.

APPLICABILITY

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

TERM

This adjustment rate will expire after February 28, 2027.

ADJUSTMENT RATE

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

RATE SCHEDULE	ADJUSTMENT RATE (PER THERM)
503	\$0.02644
504	\$0.00611
505	\$0.00600
511	\$0.00054
570	\$0.00002
663	\$0.00031

GENERAL TERMS

Service under this adjustment schedule is governed by the terms and conditions outlined in this schedule, the Rules contained in this Tariff, any other applicable schedules, and all rules and regulations prescribed by regulatory authorities, subject to amendments from time to time.

(N)

CNG/W24-03-03
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Issued by CASCADE NATURAL GAS CORPORATION

By: 

Lori A. Blattner

Director, Regulatory Affairs

**SCHEDULE. 570
INTERRUPTIBLE SERVICE**

AVAILABILITY

This schedule is available throughout the territory served by the Company under the tariff of which this schedule is a part provided adequate capacity and supply exist in Company's system. Service under this schedule shall be for natural gas delivered for all purposes to customers having an annual fuel requirement of not less than 50,000 therms per year, which shall include all firm gas delivered, if any, and where customer agrees to maintain standby fuel burning facilities and an adequate supply of standby fuel to replace the entire supply of natural gas delivered hereunder. Service under this schedule shall be subject to curtailment by the Company when, in the judgment of the Company, such curtailment or interruption of service is necessary. Company shall not be liable for damages for, or because of, any curtailment of natural gas deliveries hereunder.

RATES

1) For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 BTUs.

	Effective March 1, 2025	Effective March 1, 2026
Basic Service Charge	\$300.00 per month	\$400.00 per month
Delivery Charge		
i) The first 30,000 therms	\$0.14149 per therm	\$0.14691 per therm
ii) Over 30,000 therms	\$0.05299 per therm	\$0.05502 per therm
Gas Costs	All therms per month multiplied by the WACOG rate per therm as shown on Supplemental Schedule 590.	

2) The minimum bill per month shall be the basic service charge. The minimum bill for this service shall not be subject to cancellation or reduction for seasonal or temporary periods.

3) Service and rates under this schedule are subject to various adjustments as set forth in Schedule 500 and other supplemental schedules, when applicable.

ANNUAL DEFICIENCY BILL

In the event customer purchases less than the Annual Minimum Quantity, as stated in the service agreement, the customer shall be charged an Annual Deficiency Bill. The Annual Deficiency Bill shall be calculated as the difference between the Annual Minimum Quantity and the actual purchase or transport therms times per therm rates in this schedule, except Gas Costs (WACOG), plus all per therm rates for all adjustment schedules that would apply to service procured under this rate schedule.

SERVICE AGREEMENT

Customers receiving service under this rate schedule shall execute a service agreement for an Annual Minimum Quantity of 50,000 therms a year.

TERMS OF PAYMENT

Each monthly bill shall be due and payable within twenty-two (22) days from the date of rendition. Past due balances are subject to a late payment charge(s) per Rule 6.

GENERAL TERMS

Service under this rate 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 rate schedule apply to service under this rate schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

CNG/W24-03-03

Effective for Service on and after

Issued March 29, 2024

May 1, 2024

Issued by **CASCADE NATURAL GAS CORPORATION**

By:  Lori A. Blattner

Director, Regulatory Affairs

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**SCHEDULE 663
DISTRIBUTION SYSTEM TRANSPORTATION SERVICE**

PURPOSE:

This schedule provides transportation service on the Company’s distribution system of customer-supplied natural gas. Service under this schedule requires Customer to secure both gas supply and pipeline transportation capacity services through third-party arrangements. Service under this schedule is subject to Entitlement and Curtailment.

APPLICABILITY:

To be served on this schedule, Customer must have a service agreement with Company. Customer must also have secured the purchase and delivery of gas supplies through use of Agent or on own behalf.

RATE:

The rates set forth below are exclusive of fuel use requirements designed to cover distribution system lost and unaccounted for gas.

	Effective March 1, 2025	Effective March 1, 2026
Basic Service Charge ¹	\$1,000.00 per month	\$1,200.00 per month
Contract Demand ²	\$0.40 per CD per day	\$0.45 per CD per day
System Balancing Charge	\$0.00110 per therm	\$0.00110 per therm
Delivery Charge		
i) First 100,00 therms	\$0.07487 per therm	\$0.07539 per therm
ii) Next 200,000 therms	\$0.03040 per therm	\$0.03061 per therm
iii) Next 200,000 therms	\$0.02039 per therm	\$0.02053 per therm
iv) Over 500,000 therms	\$0.01225 per therm	\$0.01234 per therm

1. **Basic Service Charge:** Customers receiving service under this schedule will be charged a monthly basic service charge for each single-metered facility.
- 2) **Contract Demand (CD) Charge:** Contract Demand is the number of therms per day of distribution capacity the customer reserves on the Company’s distribution system for delivery of the customer-supplied natural gas. The Company will determine each customer’s CD which will be stated in the service agreement. Each monthly bill will include a charge that will be no less than the CD times the CD charge. Customer may be forced to curtail more gas than its CD rate if a curtailment per Rule 17 or entitlement as defined in this schedule is necessary, or Force Majeure circumstances per Rule 15 are experienced.

(continued)

CNG/W24-03-03
Issued March 29, 2024

Effective for Service on and after
May 1, 2024

Issued by **CASCADE NATURAL GAS CORPORATION**

By:  Lori A. Blattner

Director, Regulatory Affairs

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**SCHEDULE 663
DISTRIBUTION SYSTEM TRANSPORTATION SERVICE**

(D)

Rates (continued):

(K)

Fuel Use Requirements:

Customers served on Schedule 663 shall provide Company with in-kind fuel for lost and unaccounted for gas on Company’s distribution system. The fuel use factor is 0.3237%.

(I)

All other terms and conditions of service shall be pursuant to the rules and regulations set forth in this Tariff.

RATE ADJUSTMENTS:

Service under this schedule is subject to various adjustments including Schedules 581, 582, 590, 593, 594, 595, 596 and 597.

TAX ADDITIONS:

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

(K) refers to language previously on this sheet that was moved to Sheet No. 663.
(continued)

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CNG/W24-03-03
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May 1, 2024

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By:  Lori A. Blattner

Director, Regulatory Affairs

**RULE 21
DECOUPLING MECHANISM**

DECOUPLING CALCULATION:

On a monthly basis the Company will perform the following steps separately for each customer class that is applicable to the rate adjustment in this Rule:

- 1) Record Number of Customers per Customer Class
- 2) Determine Actual Margin Revenues
- 3) Determined Authorized Revenue by multiplying the number of Customers per Customer class (No. 1 above) times the Authorized Revenue for the corresponding month per Customer class as established in Tables 1 & 2 above.
- 4) Determine then record the Deferral Amount by subtracting the Authorized Margin Revenue (No. 3 above) from Actual Margin Revenue (No. 2 above).
- 5) Annually determine the new rate to be applied in Schedule 594 by taking the annual sum of monthly Deferral Amounts and dividing the total by forecasted volumes per Customer class.

EARNINGS TEST:

This mechanism is subject to the following earnings test:

If the Company's annual commission basis report demonstrates that the reported rate of return on its rate base for the 12-month period ending at the end of the period for which the annual commission basis report is filed is more than 0.5 percent higher than the Company's authorized rate of return as granted by the Commission in UG-240008, the Company shall defer all revenues that are in excess of 0.5 percent higher than the Company's authorized rate of return to refund to customers or for another determination as authorized by the Commission in a subsequent adjudicative proceeding. The earnings test will be based on the Company's year-end Commission Basis Reports (CBR) stated on an average-of-monthly-averages basis, prepared in accordance with WAC 480-90-257. This report is prepared using actual recorded results of operations and rate base, adjusted for any material out-of-period, non-operating, nonrecurring, and extraordinary items or any other item that materially distorts reporting period earnings and rate base. These adjustments are consistent with the adjustments described in paragraph (2)(b) of WAC 480-90-257. The CBR includes normalizing adjustments, such as adjustments to reflect operations under normal conditions. For the earnings test, the decoupling accounting entries adjust revenues from a therm sales basis to a revenue per customer basis. The CBR will not include any annualizing or pro forma adjustments.

One of the following will apply:

- If the CBR earned return exceeds the Company's authorized rate of return, the Deferral Amount that will be amortized as a surcharge will be decreased by 50%
- If the CBR earned return exceeds the Company's authorized rate of return, the Deferral Amount that will be amortized as a rebate will be increased by 50%.

CNG/W~~24-03-0316-08-01~~

Effective for Service on and after

Issued ~~August 1, 2016~~ March 29, 2024

~~September 1, 2016~~ May 1, 2024

Issued by CASCADE NATURAL GAS CORPORATION

By:  Lori A. Blattner

Director, Regulatory Affairs

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- ~~If the CBR earned return is less than the Company's authorized rate of return, no adjustment will be applied to the Deferral Amount whether it will be amortized as a surcharge or a rebate.~~

(continued)

**RULE 21
DECOUPLING MECHANISM (Continued)**

EARNINGS TEST (continued)

~~The September 1, 2016, through December 31, 2016, deferral amount will be subject to the CBR filed April 30, 2017, for the 2016 fiscal year. This amount will be amortized in a filing effective November 1, 2017, that will be submitted concurrently with the 2017 PGA and temporary technical adjustments;~~

~~The subsequent decoupling deferral period, January 1, 2017, through December 31, 2017, will be amortized for rebate or surcharge in a filing effective November 1, 2018, and will be subject to the CBR filed April 30, 2018, for the 2017 fiscal year. The 12-month cycle of deferring then collecting after 11 months will continue for the duration of the mechanism.~~

SPECIAL CONDITIONS:

- 1) Following the application of the Earnings Test, the amount of an incremental proposed rate increase under this Rule alone cannot impact the overall per therm rate charged for natural gas and transmission services more than 3%.
- 2) The Company shall apply interest on the deferred balance on a monthly basis using the interest rate published by FERC. This calculation will be consistent with the current deferred accounting procedures detailed in WAC 480-90-233.

REPORTING:

1) Annual Reporting

The Company's annual true-up filing to revise the rate herein will include a work paper detailing monthly amounts deferred, the monthly customer count, and a reconciliation of amounts amortized and recovered in the prior twelve months.

2) Independent Audit

~~Cascade will procure an independent audit of its decoupling program following three years of implementation. The scope of the independent audit may be informed by the independent audits conducted by PSE and Avista of their decoupling mechanisms. If Cascade does not file its next general rate case before March 31, 2023, then Cascade must update the third-party evaluation of its decoupling mechanism within six months prior to the date that Cascade files its next general rate case.~~

TERM:

~~This Adjustment Mechanism shall remain effective until the rate effective date in the Company's next general rate case or August 31, 2025, whichever date is earlier, with the final deferral amount being recorded. The final Schedule 594 charge or credit billing will occur sixteen months after the final deferral amount.~~

GENERAL TERMS:

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

CNG/W214-039-037

Issued ~~September 17, 2021~~ March 29, 2024

Effective for Service on and after

~~October 18, 2021~~ May 1, 2024

Issued by **CASCADE NATURAL GAS CORPORATION**

By: 

Lori A. Blattner

Director, Regulatory Affairs

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**RESIDENTIAL SERVICE RATE
SCHEDULE NO. 503**

AVAILABILITY

This schedule is available to residential customers throughout the territory served by the Company under the tariff of which this schedule is a part for natural gas supplied for all purposes provided adequate capacity and supply exist in the Company's system. Service under this schedule shall be through one or more meters, billed separately.

RATES

1) For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 BTUs.

~~a) Basic Service Charge per month: \$5.00.~~

~~b) Delivery Charge: \$0.33951 all therms per month.~~

~~c) Gas Costs: All therms per month multiplied by the WACOG rate per therm as shown on Supplemental Schedule 590.~~

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	<u>Effective March 1, 2025</u>	<u>Effective March 1, 2026</u>
<u>Basic Service Charge</u>	<u>\$10.00 per month</u>	<u>\$11.50 per month</u>
<u>Delivery Charge</u>	<u>\$0.44047 per therm</u>	<u>\$0.44502 per therm</u>
<u>Gas Costs</u>	<u>All therms per month multiplied by the WACOG rate per therm as shown on Supplemental Schedule 590.</u>	

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2) The minimum bill per month shall be the basic service charge. The minimum bill for this service shall not be subject to cancellation or reduction for seasonal or temporary periods.

3) Service and rates under this schedule are subject to various adjustments as set forth in Schedule 500 and other supplemental schedules, when applicable.

TERMS OF PAYMENT

Above rates are net. Each monthly bill shall be due and payable within twenty-two (22) days from the date of rendition. Past due balances are subject to a late payment charge(s) per Rule 6.

OTHER CHARGES

Charges outline on Schedule 200 may be applied for restoration of service when service has been turned off for nonpayment of any bill due, seasonal turnoff, or for other reasons arising through the action of the Customer.

TERMS AND CONDITIONS

1) The application of this rate schedule is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.

2) Gas purchased under this schedule shall not be sub-metered or resold to others without special permission from the Company

CNG/W2~~34-034-031~~

Issued ~~April 21, 2023~~ March 29, 2024

Effective for Service on and after

~~May 26, 2023~~ May 1, 2024

Issued by CASCADE NATURAL GAS CORPORATION

By: 

Lori A. Blattner

Director, Regulatory Affairs

**GENERAL COMMERCIAL SERVICE RATE
SCHEDULE NO. 504**

AVAILABILITY

This schedule is available to commercial customers throughout the territory served by the Company under the tariff of which this schedule is a part for natural gas supplied for all purposes provided adequate capacity and supply exist in the Company's system. Service under this schedule may be through one or more meters, billed separately.

RATES

1) For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 BTUs.

- a) ~~Basic Service Charge per month: \$13.00.~~
- b) ~~Delivery Charge: \$0.28432 all therms per month.~~
- c) ~~Gas Costs: All therms per month multiplied by the sum of the rates per therm as shown on Supplemental Schedule 590.~~

	<u>Effective March 1, 2025</u>	<u>Effective March 1, 2026</u>
<u>Basic Service Charge</u>	<u>\$20.00 per month</u>	<u>\$25.50 per month</u>
<u>Delivery Charge</u>	<u>\$0.32666 per therm</u>	<u>\$0.32828 per therm</u>
<u>Gas Costs</u>	<u>All therms per month multiplied by the WACOG rate per therm as shown on Supplemental Schedule 590.</u>	

2) The minimum bill per month shall be the basic service charge. The minimum bill for this service shall not be subject to cancellation or reduction for seasonal or temporary periods.

3) Service and rates under this schedule are subject to various adjustments as set forth in Schedule 500 and other supplemental schedules, when applicable.

TERMS OF PAYMENT

Above rates are net. Each monthly bill shall be due and payable within twenty-two (22) days from the date of rendition. Past due balances are subject to a late payment charge(s) per Rule 6.

OTHER CHARGES

Charges outline on Schedule 200 may be applied for restoration of service when service has been turned off for nonpayment of any bill due, seasonal turnoff, or for other reasons arising through the action of the Customer.

TERMS AND CONDITIONS

1. The application of this rate schedule is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.
2. Gas purchased under this schedule shall not be sub-metered or resold to others without special permission from the Company.

CNG/W2~~43-034-031~~

Issued ~~April 21, 2023~~ March 29, 2024

Effective fo Service on and after

~~May 16, 2023~~ May 1, 2024

Issued by CASCADE NATURAL GAS CORPORATION

By:  Lori A. Blattner

Director, Regulatory Affairs

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**GENERAL INDUSTRIAL SERVICE RATE
SCHEDULE NO. 505**

AVAILABILITY

This schedule is available to industrial customers throughout the territory served by the Company under the tariff of which this schedule is a part for natural gas supplied for all purposes provided adequate capacity and supply exist in the Company's system. Service under this schedule shall be through one or more meters, billed separately.

RATES

- 1) For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 BTUs.
 - a) ~~Basic Service Charge per month: \$60.00.~~
 - b) ~~Delivery Charge:~~
 - i) ~~\$0.21929 per month per therm for first 500 therms.~~
 - ii) ~~\$0.17998 per month per therm for next 3,500 therms.~~
 - iii) ~~\$0.17404 per month per therm all over 4,000 therms.~~
 - e) ~~Gas Costs: All therms per month multiplied by the sum of the rates per therm as shown on Supplemental Schedule 590.~~

	<u>Effective March 1, 2025</u>	<u>Effective March 1, 2026</u>
<u>Basic Service Charge</u>	<u>\$100.00 per month</u>	<u>\$130350.00 per month</u>
<u>Delivery Charge</u>		
<u>i) The first 500 therms</u>	<u>\$0.26610 per therm</u>	<u>\$0.2674122357 per therm</u>
<u>ii) The next 3,500 therms</u>	<u>\$0.22031 per therm</u>	<u>\$0.2213917538 per therm</u>
<u>iii) Over 4,000 therms.</u>	<u>\$0.21339 per therm</u>	<u>\$0.2144405614 per therm</u>
<u>Gas Costs</u>	<u>All therms per month multiplied by the WACOG rate per therm as shown on Supplemental Schedule 590.</u>	

- 2) The minimum bill per month shall be the basic service charge. The minimum bill for this service shall not be subject to cancellation or reduction for seasonal or temporary periods.
- 3) Service and rates under this schedule are subject to various adjustments as set forth in Schedule 500 and other supplemental schedules, when applicable.

TERMS OF PAYMENT

Above rates are net. Each monthly bill shall be due and payable within twenty-two (22) days from the date of rendition. Past due balances are subject to a late payment charge(s) per Rule 6.

OTHER CHARGES

Charges outline on Schedule 200 may be applied for restoration of service when service has been turned off for nonpayment of any bill due, seasonal turnoff, or for other reasons arising through the action of the Customer.

TERMS AND CONDITIONS

CNG/W234-043-013

Effective for Service on and after

Issued ~~April 21, 2023~~March 29, 2024

May ~~26, 2023~~1, 2024

Issued by **CASCADE NATURAL GAS CORPORATION**

By: 

Lori A. Blattner

Director, Regulatory Affairs

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1. The application of this rate schedule is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.
2. Gas purchased under this schedule shall not be sub-metered or resold to others without special permission from the Company.
3. Customers receiving service under this rate schedule shall execute a service agreement if the Company offers the customer the opportunity to pay line extension costs over time through a facility charge per Rule 8.

CNG/W~~234-043-013~~

Issued ~~April 21, 2023~~March 29, 2024

Effective for Service on and after

May ~~26, 2023~~1, 2024

Issued by CASCADE NATURAL GAS CORPORATION

By:



Lori A. Blattner

Director, Regulatory Affairs

**SCHEDULE -511
LARGE VOLUME GENERAL SERVICE**

AVAILABILITY

This schedule is available to customers throughout the territory served by the Company under the tariff of which this schedule is a part provided adequate capacity and supply exist in the Company's system. Service under this schedule shall be for natural gas supplied for all purposes to customers having an annual fuel requirement of not less than 50,000 therms.

RATES

1) For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 BTUs.

	<u>Effective March 1, 2025</u>	<u>Effective March 1, 2026</u>
<u>Basic Service Charge</u>	<u>\$250.00 per month</u>	<u>\$350.00 per month</u>
<u>Delivery Charge</u>		
<u>i) The first 20,000 therms</u>	<u>\$0.21524 per therm</u>	<u>\$0.22357 per therm</u>
<u>ii) The next 80,000 therms</u>	<u>\$0.16884 per therm</u>	<u>\$0.17538 per therm</u>
<u>iii) Over 100,000 therms.</u>	<u>\$0.05405 per therm</u>	<u>\$0.05614 per therm</u>
<u>Gas Costs</u>	<u>All therms per month multiplied by the WACOG rate per therm as shown on Supplemental Schedule 590.</u>	

- ~~a) Basic Service Charge per month: \$125.00.~~
- ~~b) Delivery Charge:

 - ~~i) \$0.17424 per month per therm for first 20,000 therms.~~
 - ~~ii) \$0.13551 per month per therm for next 80,000 therms.~~
 - ~~iii) \$0.03970 per month per therm all over 100,000 therms.~~~~
- ~~c) Gas Costs: All therms per month multiplied by the sum of the rates per therm as shown on Supplemental Schedule 590.~~

2) The minimum bill per month shall be the basic service charge. The minimum bill for this service shall not be subject to cancellation or reduction for seasonal or temporary periods.

3) Service and rates under this schedule are subject to various adjustments as set forth in Schedule 500 and other supplemental schedules, when applicable.

SERVICE AGREEMENT

Customers receiving service under this rate schedule shall execute a service agreement for an Annual Minimum Quantity of 50,000 therms a year.

ANNUAL DEFICIENCY BILL

In the event customer purchases less than the Annual Minimum Quantity, as stated in the service agreement, the customer shall be charged an Annual Deficiency Bill. The Annual Deficiency Bill shall be calculated as the difference between the Annual Minimum Quantity and the actual purchase or transport therms times per therm rates in this schedule, except Gas Costs (WACOG), plus all per therm rates for all adjustment schedules that would apply to service procured under this rate schedule.

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Director, Regulatory Affairs

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TERMS OF PAYMENT

Each monthly bill shall be due and payable within twenty-two (22) days from the date of rendition. Past due balances are subject to a late payment charge(s) per Rule 6.

(continued)

~~(K) refers to text that has been moved to Sheet No. 511-A.~~

SCHEDULE 555
COMMISSION FEE ADJUSTMENT

(N)

PURPOSE

This adjustment schedule collects the 0.02 percent increase in Commission Fee as adopted by Senate Bill 5634, which was signed into law on March 24, 2022, and became effective January 1, 2023 . These costs are deferred in accordance with Order 01 issued in UG-220912.

APPLICABILITY

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

TERM

This adjustment rate will expire after February 28, 2027.

ADJUSTMENT RATE

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

<u>RATE SCHEDULE</u>	<u>ADJUSTMENT RATE (PER THERM)</u>
<u>503</u>	<u>\$0.00329</u>
<u>504</u>	<u>\$0.00208</u>
<u>505</u>	<u>\$0.00143</u>
<u>511</u>	<u>\$0.00106</u>
<u>570</u>	<u>\$0.00024</u>
<u>663</u>	<u>\$0.00058</u>

GENERAL TERMS

Service under this adjustment schedule is governed by the terms and conditions outlined in this schedule, the Rules contained in this Tariff, any other applicable schedules, and all rules and regulations prescribed by regulatory authorities, subject to amendments from time to time.

(N)

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May 1, 2024

Issued by **CASCADE NATURAL GAS CORPORATION**

By: 

Lori A. Blattner

Director, Regulatory Affairs

SCHEDULE 556
COVID-19 COST RECOVERY ADJUSTMENT

(N)

PURPOSE

This adjustment schedule collects the costs incurred due to the moratoriums on disconnections and late fees imposed by Governor Inslee’s Proclamation 20-23.2 and the Commissions COVID-19 Response Term Sheet, as approved and modified in Order 01 through Order 06 in U-200281. The costs collected in this schedule are deferred in accordance with Orders 01, 02, and 03 issued in UG-2000479.

APPLICABILITY

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

TERM

This adjustment rate will expire after February 28, 2027.

ADJUSTMENT RATE

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

<u>RATE SCHEDULE</u>	<u>ADJUSTMENT RATE (PER THERM)</u>
<u>503</u>	<u>\$0.02644</u>
<u>504</u>	<u>\$0.00611</u>
<u>505</u>	<u>\$0.00600</u>
<u>511</u>	<u>\$0.00054</u>
<u>570</u>	<u>\$0.00002</u>
<u>663</u>	<u>\$0.00031</u>

GENERAL TERMS

Service under this adjustment schedule is governed by the terms and conditions outlined in this schedule, the Rules contained in this Tariff, any other applicable schedules, and all rules and regulations prescribed by regulatory authorities, subject to amendments from time to time.

(N)

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Lori A. Blattner

Director, Regulatory Affairs

**SCHEDULE. 570
INTERRUPTIBLE SERVICE**

AVAILABILITY

This schedule is available throughout the territory served by the Company under the tariff of which this schedule is a part provided adequate capacity and supply exist in Company's system. Service under this schedule shall be for natural gas delivered for all purposes to customers having an annual fuel requirement of not less than 50,000 therms per year, which shall include all firm gas delivered, if any, and where customer agrees to maintain standby fuel burning facilities and an adequate supply of standby fuel to replace the entire supply of natural gas delivered hereunder. Service under this schedule shall be subject to curtailment by the Company when, in the judgment of the Company, such curtailment or interruption of service is necessary. Company shall not be liable for damages for, or because of, any curtailment of natural gas deliveries hereunder.

RATES

1) For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 BTUs.

	<u>Effective March 1, 2025</u>	<u>Effective March 1, 2026</u>
<u>Basic Service Charge</u>	<u>\$300.00 per month</u>	<u>\$400.00 per month</u>
<u>Delivery Charge</u>		
<u>i) The first 30,000 therms</u>	<u>\$0.14149 per therm</u>	<u>\$0.14691 per therm</u>
<u>ii) Over 30,000 therms</u>	<u>\$0.05299 per therm</u>	<u>\$0.05502 per therm</u>
<u>Gas Costs</u>	<u>All therms per month multiplied by the WACOG rate per therm as shown on Supplemental Schedule 590.</u>	

~~a) Basic Service Charge per month: \$163.00.~~

~~b) Delivery Charge:~~

~~i) \$0.09838 per month per therm for first 30,000 therms.~~

~~ii) \$0.03301 per month per therm all over 30,000 therms.~~

~~c) Gas Costs: All therms per month multiplied by the sum of the rates per therm as shown on Supplemental Schedule 590.~~

2) The minimum bill per month shall be the basic service charge. The minimum bill for this service shall not be subject to cancellation or reduction for seasonal or temporary periods.

3) Service and rates under this schedule are subject to various adjustments as set forth in Schedule 500 and other supplemental schedules, when applicable.

ANNUAL DEFICIENCY BILL

In the event customer purchases less than the Annual Minimum Quantity, as stated in the service agreement, the customer shall be charged an Annual Deficiency Bill. The Annual Deficiency Bill shall be calculated as the difference between the Annual Minimum Quantity and the actual purchase or transport therms times per therm rates in this schedule, except Gas Costs (WACOG), plus all per therm rates for all adjustment schedules that would apply to service procured under this rate schedule.

SERVICE AGREEMENT

Customers receiving service under this rate schedule shall execute a service agreement for an Annual Minimum Quantity of 50,000 therms a year.

CNG/W2~~34-043-013~~

Issued ~~April 21, 2023~~ March 29, 2024

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May ~~26, 2023~~ 1, 2024

Issued by **CASCADE NATURAL GAS CORPORATION**

By:  Lori A. Blattner

Director, Regulatory Affairs

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TERMS OF PAYMENT

Each monthly bill shall be due and payable within twenty-two (22) days from the date of rendition. Past due balances are subject to a late payment charge(s) per Rule 6.

GENERAL TERMS

Service under this rate 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 rate schedule apply to service under this rate schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

CNG/W2~~34~~-0~~43~~-0~~13~~

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By:  Lori A. Blattner

Director, Regulatory Affairs

**SCHEDULE 663
DISTRIBUTION SYSTEM TRANSPORTATION SERVICE**

PURPOSE:

This schedule provides transportation service on the Company’s distribution system of customer-supplied natural gas. Service under this schedule requires Customer to secure both gas supply and pipeline transportation capacity services through third-party arrangements. Service under this schedule is subject to Entitlement and Curtailment.

APPLICABILITY:

To be served on this schedule, Customer must have a service agreement with Company. Customer must also have secured the purchase and delivery of gas supplies through use of Agent or on own behalf.

RATE:

The rates set forth below are exclusive of fuel use requirements designed to cover distribution system lost and unaccounted for gas.

	<u>Effective March 1, 2025</u>	<u>Effective March 1, 2026</u>
<u>Basic Service Charge¹</u>	<u>\$1,000.00 per month</u>	<u>\$1,200.00</u>
<u>Contract Demand²</u>	<u>\$0.40 per CD per day</u>	<u>\$0.45 per CD per day</u>
<u>System Balancing Charge</u>	<u>\$0.00110 per therm</u>	<u>\$0.00110 per therm</u>
<u>Delivery Charge</u>		
<u>i) First 100,00 therms</u>	<u>\$0.07487 per therm</u>	<u>\$0.07539 per therm</u>
<u>ii) Next 200,000 therms</u>	<u>\$0.03040 per therm</u>	<u>\$0.03061 per therm</u>
<u>iii) Next 200,000 therms</u>	<u>\$0.02039 per therm</u>	<u>\$0.02053 per therm</u>
<u>iv) Over 500,000 therms</u>	<u>\$0.01225 per therm</u>	<u>\$0.01234 per therm</u>

~~1. Basic Service Charge: _____ \$625.00 per month~~
 1. Customers receiving service under this schedule will be charged a monthly basic service charge for each single-metered facility.

~~2. Contract Demand (CD) Charge: _____ \$0.20 per CD therm per day~~
 2) Contract Demand is the number of therms per day of distribution capacity the customer reserves on the Company’s distribution system for delivery of the customer-supplied natural gas. -The Company will determine each customer’s CD which will be stated in the service agreement. Each monthly bill will include a charge that will be no less than the CD times the CD charge. Customer may be forced to curtail more gas than its CD rate if a curtailment per Rule 17 or entitlement as defined in this schedule is necessary, or Force Majeure circumstances per Rule 15 are experienced.

~~C. System Balancing Charge: _____~~
~~_____ All Therms Delivered _____ \$0.0004 per therm~~

CNG/W~~214-083-013~~ Effective for Service on and after
 Issued ~~August 20, 2021~~March 29, 2024 ~~September 21, 2021~~May 1, 2024

Issued by **CASCADE NATURAL GAS CORPORATION**

By:  Lori A. Blattner

Director, Regulatory Affairs

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CNG/W2~~14~~083-0~~13~~

Issued ~~August 20, 2021~~March 29, 2024

Effective for Service on and after

~~September 21, 2021~~May 1, 2024

Issued by CASCADE NATURAL GAS CORPORATION

By: 

Lori A. Blattner

Director, Regulatory Affairs

SCHEDULE 663
DISTRIBUTION SYSTEM TRANSPORTATION SERVICE
 (Continued from Previous Page)

Rates (continued):

~~D. Delivery Charge for all therms delivered per month~~

	Margin
First 100,000	\$0.06463
Next 200,000	\$0.02542
Next 200,000	\$0.01659
Over 500,000	\$0.00941

~~E. Gross Revenue Fee:~~

~~The total of all charges shall be subject to a Gross Revenue Fee of 4.423% to cover state utility tax and other governmental levies imposed upon Company.~~

~~F. Fuel Use Requirements:~~

~~Customers served on Schedule 663 shall provide Company with in-kind fuel for lost and unaccounted for gas on Company's distribution system. The fuel use factor is 0.3237%. 0.2479%.~~

All other terms and conditions of service shall be pursuant to the rules and regulations set forth in this Tariff.

RATE ADJUSTMENTS:

Service under this schedule is subject to various adjustments including Schedules 581, 582, 590, 593, 594, 595, 596 and 597.

TAX ADDITIONS:

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

(continued)

CNG/W2~~43-023-013~~

Issued ~~February 24, 2023~~ March 29, 2024

Effective for Service on and after

~~March 1, 2023~~ May 1, 2024

Issued by **CASCADE NATURAL GAS CORPORATION**

By: 

Lori A. Blattner

Director, Regulatory Affairs

Cascade Natural Gas Corp.
Docket UG-240008
Summary Document
Attachment C

WAC 480-07-510, SECTION (5)(a):

(i)

The date and amount of the last general rate change the commission authorized for the company and the revenue the company realized from that change during the test period based on the company's test period units of sale (e.g., kilowatthours, therms, etc.)

The last general rate increase authorized by the Commission: Docket UG-210755, effective September 1, 2022.

Resulting Increase (Decrease) in Revenue:	\$	7,188,900
<u>2023</u>		
Realized Total Revenue during the Test Period:	\$	7,311,279

(ii) *Total revenues the company is realizing at its present rates and the total revenues the company would realize at the requested rates*

		<u>Rate Effective Date - March 1, 2025</u>		<u>Rate Effective Date - March 1, 2026</u>
Present Rates - Total Adjusted Operating Revenues	\$	147,200,727	\$	193,077,478
Proposed Rates - Total Adjusted Operating Revenues	\$	191,030,400	\$	204,746,720

(iii) *Requested revenue change in percentage, in total and by major customer class*

		<u>Rate Effective Date - March 1, 2025</u>		<u>Rate Effective Date - March 1, 2026</u>
Residential Service (Sch. 503)		35.45%		6.15%
Commercial Service (Sch. 504)		14.72%		5.72%
Industrial Service (Sch. 505)		19.89%		5.80%
Large Volume Service (Sch. 511)		19.61%		5.92%
Interruptible Service (Sch. 570)		34.76%		6.42%
Transportation Service (Sch. 663)		42.81%		6.71%
Total requested revenue change		29.78%		6.04%

(iv) *Requested revenue change in dollars, in total and by major customer class*

		<u>Rate Effective Date - March 1, 2025</u>		<u>Rate Effective Date - March 1, 2026</u>
Residential Service (Sch. 503)	\$	24,518,947	\$	5,846,635
Commercial Service (Sch. 504)	\$	5,799,124	\$	2,618,319
Industrial Service (Sch. 505)	\$	671,148	\$	236,981
Large Volume Service (Sch. 511)	\$	661,922	\$	239,096
Interruptible Service (Sch. 570)	\$	65,696	\$	16,341
Transportation Service (Sch. 663)	\$	12,112,837	\$	2,711,871
Total requested revenue change	\$	43,829,673	\$	11,669,242

(v) *The representative effect of the request in dollars for the average monthly use per customer, by customer class or other similar meaningful representation, including, but not limited to, the effect of the proposed rate change in dollars per month on residential customers by usage categories*

	Base Rate Bill Impact Amount Changes		Base Rate Bill Impact Percentage Changes	
	<u>Rate Effective Date - March 1, 2025</u>	<u>Rate Effective Date - March 1, 2026</u>	<u>Rate Effective Date - March 1, 2025</u>	<u>Rate Effective Date - March 1, 2026</u>
	Residential Service (Sch. 503) (average 53 therms/mo)	\$ 9.40	\$ 1.74	12.62%
Commercial Service (Sch. 504)	\$ 15.69	\$ 5.95	4.42%	1.60%
Industrial Service (Sch. 505)	\$ 107.14	\$ 32.33	4.47%	1.29%
Large Volume Service (Sch. 511)	\$ 624.96	\$ 217.02	3.93%	1.31%
Interruptible Service (Sch. 570)	\$ 1,060.44	\$ 235.35	4.13%	0.88%
Transportation Service (Sch. 663)	\$ 6,061.67	\$ 1,218.34	32.98%	4.98%

(vi) Most current customer count, by major customer class

	<u>2023 Test Year</u>	<u>Rate Effective Date - March 1, 2025</u>	<u>Rate Effective Date - March 1, 2026</u>
Residential Service (Sch. 503)	204,516	208,092	211,659
Commercial Service (Sch. 504)	27,656	28,102	28,540
Industrial Service (Sch. 505)	495	502	508
Large Volume Service (Sch. 511)	99	99	99
Interruptible Service (Sch. 570)	7	7	7
Transportation Service (Sch. 663)	193	193	193
Special Contracts	7	7	7
Total Customers	232,973	237,002	241,013

(vii) Current authorized overall rate of return and authorized rate of return on common equity

Current authorized overall rate of return	6.85%
Current authorized rate of return on common equity	9.40%

(viii) Actual rate of return and actual rate of return on common equity for the test period

Actual Rate of Return	5.56%
Actual Return on Equity for the test period	4.55%

(ix) Requested overall rate of return and requested rate of return on common equity, and the method or methods used to calculate rate of return on common equity

	<u>Rate Effective Date - March 1, 2025</u>	<u>Rate Effective Date - March 1, 2026</u>
Requested authorized overall rate of return	7.89%	7.89%
Requested authorized rate of return on common equity	10.50%	10.50%

ROE was calculated using several methodologies including a constant growth DCF model, the CAPM, the ECAPM, and a BYRP approach.

(x) Requested capital structure

	<u>Rate Effective Date - March 1, 2025</u>	<u>Rate Effective Date - March 1, 2026</u>
Short & Long Term Debt	49.72%	49.72%
Common Equity	50.29%	50.29%

(xi) Requested net operating income

	<u>Rate Effective Date - March 1, 2025</u>	<u>Rate Effective Date - March 1, 2026</u>
Requested net operating income: \$	\$ 57,185,301	\$ 62,517,683

(xii) Requested rate base and method of calculation, or equivalent

	<u>Rate Effective Date - March 1, 2025</u>	<u>Rate Effective Date - March 1, 2026</u>
Requested rate base: \$	\$ 724,414,764	\$ 791,964,572

The requested rate base was calculated based on end of period balances.

(xiii) Revenue effect of any requested attrition allowance

N/A - no requested attrition allowance