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August 15, 2025

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

RE: Cascade Advice No. W25-08-01, Rule 20
Application of LIHEAP to CARES Bills

Director Killip

Cascade Natural Gas Corporation ("Cascade" or "Company") submits to the Washington Utilities and Transportation Commission ("Commission") the following revisions to its Tariff WN U-3, stated to become effective with service on and after October 1, 2025.

Second Revision of Sheet No. 20-C

This filing removes the condition in Rule 20, Cascade Arrearage Relief Energy Savings (CARES) Program that details how Cascade bills a customer who is participating in the Cascade Arrearage Relief Energy Savings ("CARES") program when that customer receives a Low-Income Home Energy Assistance Program ("LIHEAP") grant. Currently, when a LIHEAP-grant-created account credit balance is carried more than one billing month on a CARES customer's account, the CARES bill discount is paused until the LIHEAP credit is spent down. This provision was added to the program design at the CARES Advisory Group's request, in an effort to support the ongoing distribution of LIHEAP in Washington state and to prevent shifting the cost of assistance historically covered with Federal dollars to all of Cascade's customers. However, as the CARES program has matured, Cascade has learned this provision causes customer confusion, and it has resulted in a mismatch of LIHEAP grants and actual billed amounts.

Federal LIHEAP guidelines require LIHEAP administrators to determine grant amounts using the most recent 12-months of actual billed amounts. When the CARES program was initiated, customers' 12-month billing history did not contain discounts, so LIHEAP grants, sized for non-discounted bills, were then applied to non-discounted bills due to the discount pausing provision. Now that the CARES program has been in place for almost two years, the Community Action Agencies ("CAAs") are finding that most of their clients applying for LIHEAP have been enrolled in CARES for some time. This means that in most cases, the LIHEAP grant amount is sized for discounted bills, but then, due to the bill pausing provision, the LIHEAP grant is applied to a non-

discounted bill. The grant amount is mismatched to the bill. This filing removes the pausing of the discount for LIHEAP grants so that LIHEAP grants will be right sized for the bills on which they are applied.

This filing is made at the request of The Energy Project which consulted with the Department of Commerce on LIHEAP regulations as well as the CAAs within Cascade's service territory. Cascade's CARES Advisory Group has reviewed this filing and agrees that the proposed changes are in the best interest of customers and also reduce customer confusion.

This electronic filing is comprised of the following files:

- NEW-CNGC-Advice-No.-W25-08-01-CARES-Agency-Fees-CLtr-08-15-2025.pdf
- NEW-CNGC-Advice-No.-W25-08-01-CARES-Agency-Fees-Trf-08-15-2025.pdf

Please direct any questions regarding this filing to me at (208) 377-6015 or Jennifer Gross at (509)-975-9473.

Sincerely,

/s/ Lori Blattner

Lori Blattner
Director, Regulatory Affairs
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Attachment

RULE 20**CASCADE ARREARAGE RELIEF ENERGY SAVINGS (CARES) PROGRAM****ADVISORY GROUP**

An Advisory Group consisting of key stakeholders, including Public Counsel, Commission Staff, the Energy Project, NW Energy Coalition, Cascade, and representatives from each of the Agencies, will discuss and provide advice to the Company on program-related matters. This includes identifying and reviewing data necessary to design the program and meet the following goals: reduce customers' energy burden, keep customers connected to energy service, provide energy assistance to more customers than are currently served, collect data necessary to assess program effectiveness and inform ongoing policy discussions, and maximize the use of funding for energy assistance from government sources, e.g., LIHEAP. The advisory group will hold meetings at least twice a year via teleconference or in person. While the advisory group can offer guidance and suggestions, the Company is not bound to follow their recommendations when submitting proposals or tariff changes to the Commission.

ENERGY DISCOUNT TERMS AND CONDITIONS

1. The energy discount offered under CARES will not be prorated upon initiation of service but will begin at the start of the first full billing month after the customer has qualified for the program.
2. A customer receiving a bill discount may still be eligible to apply for other available financial assistance programs, such as LIHEAP and Winter Help.

(D)

ARREARAGE RELIEF TERMS AND CONDITIONS

1. The arrearage relief percentage is an upfront, irrevocable credit applied to the customer's bill within a few business days of qualifying for the program.
2. A customer who receives partial arrearage relief may be placed on a time payment arrangement (TPA) for up to 24 months to pay their remaining past due balance. The unpaid balance will be billed in equal amounts over the term of the TPA.
3. A customer may receive up to two arrearage relief grants within a program year, where the sum of the two grants does not exceed \$500. Exceptions may be allowed at the discretion of Cascade's management.

(continued)