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September 15, 2025

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

RE: NEW, Cascade Advice No. W25-09-03, Decoupling

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 November 1, 2025:

Ninth Revision of Sheet No. 594

The purpose of this filing is to amortize the difference between authorized revenues and actual revenues for the timeframe of January 1, 2024, through December 31, 2024, which is consistent with the Company's Rule 21, Decoupling Mechanism, and the terms adopted in Order No. 04 in UG-152286.

Rule 21, Decoupling Mechanism, was approved in the Company's rate case in Docket UG-152286 and allows Cascade to defer the difference between billed revenue and the authorized margin per customer, which is a different amount per customer class, per month. Billed and authorized revenue differ for a number of reasons including the installation of conservation measures, weather variations, and different gas usage patterns. The deferred balance is then amortized through the Schedule 594 adjustment rate that becomes effective concurrently with the Purchased Gas Adjustment (PGA).

Service	Schedule No.	Incremental Rate Change	Proposed Rate per Therm	Percent Change
Residential	503	\$0.01297	\$0.02969	0.79%
Commercial	504	\$0.00694	\$(0.00318)	0.46%
Industrial	505	\$0.00251	\$(0.00240)	0.18%
Industrial Lrg Volume	511	\$0.01995	\$0.05498	1.58%
Interruptible	570	\$0.01685	\$0.01427	1.48%

For the average residential customer using 53 therms, the changes proposed in this filing will result in an average monthly bill of \$104.70 which is an increase of \$0.69 or 0.66% percent. For the average commercial customer using 277 therms per month, these changes result in an average monthly bill \$498.85 which is an increase of \$1.92 or 0.39% percent.

The proposed change will affect all of Cascade's Washington customers except transportation only customers. Cascade serves approximately 205,693 residential, 27,641 commercial and 492 industrial customers in the state of Washington.

In compliance with WAC 480-90-194(3), the Company will mail customers a bill insert notifying them of the proposed rate increase. The issuance of bill inserts to customers will begin on September 15. In addition, Cascade will publish on its webpage the anticipated rate increase, provide copies of the notice to Community Action agencies and organizations within its service territory, and provide notice to the news media. The Company has provided a copy of the bill insert in Advice No. W25-09-01.

The Rule 21, Decoupling Mechanism earnings test is defined as follows:

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 rate of return as authorized 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 Commission Basis Report, as filed on April 30, 2025, shows that the Company's rate of return was 5.25 percent. Since the rate of return as approved in Cascade's most recent multi-year rate plan (UG-24008) is 7.185 percent, no adjustment to the decoupling mechanism adjustment amount is required.

This electronically submitted advice filing is comprised of the following files:

- NEW-CNGC-Advice-W25-09-03-Decoupling-CLtr-09-15-2025.pdf
- NEW-CNGC-Advice-W25-09-03-Decoupling-Trf-09-15-2025.pdf
- NEW-CNGC-Advice-W25-09-03-Exh-A-09-15-2025.pdf
- NEW-CNGC-Advice-W25-09-03-DMA-WP-09-15-2025.xlsx
- NEW-CNGC-Advice-W25-09-03-Rule-21-Decoupling-WP-09-15-2025.xlsx

Please direct any questions regarding this filing to me at (208) 377-6015 or Zach Harris at (509) 734-4549.

Sincerely,

/s/ Lori A. Blattner

Lori A. Blattner
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**SCHEDULE 594
DECOUPLING MECHANISM ADJUSTMENT**

PURPOSE:

The purpose of this Decoupling Mechanism Adjustment is to collect or refund the decoupling deferral balance in accordance with the parameters established in Rule 21, Decoupling Mechanism.

APPLICABILITY:

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

RATES:

The following rates are effective with service as of November 1, 2025:

Rate Schedule	Rate per Therm
503	\$0.02969
504	\$(0.00318)
505	\$(0.00240)
511	\$0.05498
570	\$0.01427

(I)

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SPECIAL CONDITIONS:

The rates named herein are subject to increases as set forth in Schedule No. 500, Municipal Taxes.

CNG/W25-09-03
Issued September 15, 2025

Effective for Service on and after
November 1, 2025

Issued by CASCADE NATURAL GAS CORPORATION

By: 

Lori A. Blattner

Director, Regulatory Affairs

EXHIBIT A

BEFORE THE
WASHINGTON UTILITIES & TRANSPORTATION COMMISSION

CASCADE NATURAL GAS CORPORATION

Decoupling Mechanism Adjustments

CNGC WUTC Advice No. W25-09-03

September 15, 2025

CASCADE NATURAL GAS CORPORATION

EXHIBIT A

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Notes

(1) See page 6 Exhibit A for earnings test and 3% test adjustment calculations.

Cascade Natural Gas Corporation
DERIVATION OF PROPOSED RATE LEVEL WITHIN
RATE ADDITION SCHEDULE NO. 594
State of Washington

Description (a)	Rate Schedule (b)	Reverse Prior Decoupling Rate Adj. (c)	Decoupling Related Temporary Rate Adj. (d)	Incremental R/S 594 Rate Change (e)	Posted R/S 594 Tariff Rate (f)
CORE MARKET RATE SCHEDULES					
Residential	503	\$ (0.01672)	\$ 0.02969	\$ 0.01297	\$ 0.02969
Commercial	504	\$ 0.01012	\$ (0.00318)	\$ 0.00694	\$ (0.00318)
Industrial Firm	505	\$ 0.00491	\$ (0.00240)	\$ 0.00251	\$ (0.00240)
Com-Ind Dual Service	511	\$ (0.03503)	\$ 0.05498	\$ 0.01995	\$ 0.05498
Industrial Interr.	570	\$ 0.00258	\$ 0.01427	\$ 0.01685	\$ 0.01427

Cascade Natural Gas Corporation
Decoupling AMOUNT OF CHANGE BY RATE SCHEDULE
Bills and Revenues Based Upon the Twelve Months Ended 7/31/25
State of Washington

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DMA Exhibit A
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Line No.	Description (a)	Rate Schedule (b)	Average # of Bills (c)	Forecasted Therms Sold (d)	Actual Revenue (e)	Per Therm Decoupling Change (f)	Amount of Change (g)	Percentage Change (h)
CORE MARKET RATE SCHEDULES								
1	Residential	503	205,693	136,078,782	\$ 224,624,299	\$ 0.01297	\$ 1,764,942	0.79%
2	Commercial	504	27,641	101,534,124	\$ 151,910,454	\$ 0.00694	\$ 704,647	0.46%
3	Industrial Firm	505	492	13,499,436	\$ 18,945,092	\$ 0.00251	\$ 33,884	0.18%
4	Large Volume	511	100	18,549,691	\$ 23,355,052	\$ 0.01995	\$ 370,066	1.58%
5	Industrial Interruptible	570	6	996,485	\$ 1,138,253	\$ 0.01685	\$ 16,791	1.48%
6			233,932	270,658,517	\$ 419,973,149		\$ 2,890,329	0.69%

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

Line No.	Type of Service	UG-240008 Typical Monthly Therm Used	Basic Service Charge	Current 6/1/2025 Billing Rates	Current 6/1/2025 Average Bill $e=c+(b*d)$ (e)	Proposed 11/1/2025 DMA Effects	Proposed 11/1/2025 DMA Effect Average Bill $g=c+(b*f)$ (g)	Bill Difference	Proposed 11/1/2025 DMA Effects % Bill Change
	(a)	(b)	(c)	(d)	(e)	(f)	(g)		
1	Residential, Schedule 503	53	\$5.50	\$1.85869	\$104.01	\$1.87166	\$104.70	\$0.69	0.66%
2	Commercial, Schedule 504	277	\$20	\$1.72176	\$496.93	\$1.72870	\$498.85	\$1.92	0.39%
3	Industrial Firm, Schedule 505		\$100						
4	First 500 therms			\$1.62940	\$914.70	\$1.63191	\$915.96		
5	Next 3,500 therms			\$1.58453	\$2,456.02	\$1.58704	\$2,459.91		
6	Over 4,000 therms			\$1.57775		\$1.58026			
7	Total 505	2,050			\$3,370.72		\$3,375.87	\$5.15	0.15%
8	Large Volume, Schedule 511		\$250						
9	First 20,000 therms			\$1.61460	\$22,931.90	\$1.63455	\$23,212.16		
11	Next 80,000 therms			\$1.56945		\$1.58940			
12	Over 100,000 therms			\$1.45779		\$1.47774			
13	Total 511	14,048			\$22,931.90		\$23,212.16	\$280.26	1.22%
14	Industrial Interruptible, Schedule 570		\$300						
15	First 30,000 therms			\$1.47330	\$37,089.77	\$1.49015	\$37,510.54		
16	Over 30,000 therms			\$1.39783		\$1.41468			
17	Total 570	24,971			\$37,089.77		\$37,510.54	\$420.76	1.13%

2024 Commission Basis Earnings Test for Decoupling

Line No.		Natural Gas
1	Rate Base	\$ 622,317,317
2	Net Income	\$ 30,317,317
3	Calculated ROR	4.87%
4	Base ROR UG-210755	6.85%
5	Excess ROR	-1.98%
6	Excess Earnings	\$ -
7	Conversion Factor	0.75110
8	Excess Revenue (Excess Earnings/CF)	\$ -
9	Sharing %	50%
10	2023 Total Earnings Test Sharing	\$ -
11	Adjusted Revenues from CBR	\$ 147,246,714
12	2024 Decoupling Deferral Balance	\$ 4,718,393
13	Earnings Test	3.20%

3% Incremental Surcharge Test

		Residential 503	Commerical 504	Industrial 505	Large Volume 511	Indust. Interr. 570	Total WA
1	Revenue From 2024 Normalized Loads and Customers at Present Billing Rates (1)	\$ 224,624,299	\$ 151,910,454	\$ 18,945,092	\$ 23,355,052	\$ 1,138,253	\$ 419,973,149
2	August 2025 - July 2026 Usage	136,078,782	101,534,124	13,499,436	18,549,691	996,485	270,658,517
3	Proposed Decoupling Recovery Rates	\$0.02969	(\$0.00318)	(\$0.00240)	\$0.05498	\$0.01427	
4	Present Decoupling Surcharge Recovery Rates	0.01672	(0.01012)	(0.00491)	0.03503	(0.00258)	
5	Incremental Decoupling Recovery Rates	\$0.01297	\$0.00694	\$0.00251	\$0.01995	\$0.01685	
6	Incremental Decoupling Recovery	\$ 1,764,942	\$ 704,647	\$ 33,884	\$ 370,066	\$ 16,791	\$ 2,890,329
7	Incremental Surcharge %	0.79%	0.46%	0.18%	1.58%	1.48%	
8	3% Test Adjustment (2)	\$0	\$0	\$0	\$0	\$0	
9	3% Test Rate Adjustment	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	
10	Adjusted Proposed Decoupling Recovery Rates	\$0.02969	(\$0.00318)	(\$0.00240)	\$0.05498	\$0.01427	
11	Adjusted Incremental Decoupling Recovery	\$ 1,764,942	\$ 704,647	\$ 33,884	\$ 370,066	\$ 16,791	\$ 2,890,329
12	Adjusted Incremental Surcharge %	0.79%	0.46%	0.18%	1.58%	1.48%	

Notes:

(1) Revenue from 2024 normalized loads and customers at present billing rates effective since November 1, 2024.
(2) The carryover balances will differ from the 3% adjustment amounts due to the revenue related expense gross up partially offset by additional interest on the outstanding balance during the amortization period.