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November 25, 2025

CNG/O25-11-01

Public Utility Commission of Oregon
P.O. Box 1088
201 High St. SE, Suite 100
Salem, OR 97308-1088

Attn: Filing Center

Re: UG 525, Cascade Natural Gas Corporation's Application for General Rate Revision

In accordance with Oregon Administrative Rule ("OAR") 860-001-0170 and OAR 860-022-0019, Cascade Natural Gas Corporation ("Cascade" or the "Company") files its Application for a General Rate Revision ("Application").

The Company filed a notice on November 12, 2025, stating its intent to use the Public Utility Commission of Oregon's General Protective Order No. 23-132 in its general rate case docketed as UG 525. Therefore, all confidential information which Cascade submits as a part of this general rate case will be provided in accordance with the provisions and under the protections established in Order No. 23-132.

As part of this Application, Cascade herewith files the following revision to its Tariff P.U.C. OR 10 stated to become effective with service on and after **December 26, 2025:**

Table 1: Revised Tariff Sheets

Tariff Sheet	Schedule or Rule	Title
Eighth Revision of Sheet No. ii	Index	Index
Thirteenth Revision of Sheet No. iii	Index	Index
First Revision of Sheet 9.1	Rule 9,	Line Extension Allowance Policy
Third Revision of Sheet No. 9.2	Rule 9	Line Extension Allowance Policy
Original Sheet No. 9.3	Rule 9	Line Extension Allowance Policy
Second Revision of Sheet No. 17.1	Rule 17	Order of Priority for Gas Service
First Revision of Sheet No. 18.1	Rule 18	Limitation of Firm Service
Third Revision of Sheet No. 19.1	Rule 19	Conservation Alliance Plan Mechanism
Original Sheet No. 22.1	Rule 22	General Transportation Service Terms and Conditions

Tariff Sheet	Schedule or Rule	Title
Original Sheet No. 22.2	Rule 22	General Transportation Service Terms and Conditions
Original Sheet No. 22.3	Rule 22	General Transportation Service Terms and Conditions
Original Sheet No. 22.4	Rule 22	General Transportation Service Terms and Conditions
Original Sheet No. 22.5	Rule 22	General Transportation Service Terms and Conditions
Original Sheet No. 22.6	Rule 22	General Transportation Service Terms and Conditions
Second Revision of Sheet No. 37.1	Schedule 37	Energy Discount Program Cost Recovery
Fifth Revision of Sheet No. 99.1	Schedule 99	Rate Summary Sheet
Fifth Revision of Sheet No. 99.2	Schedule 99	Rate Summary Sheet
Fifth Revision of Sheet No. 99.3	Schedule 99	Rate Summary Sheet
Fifth Revision of Sheet No. 99.4	Schedule 99	Rate Summary Sheet
Original Sheet No. 99.5	Schedule 99	Rate Summary Sheet
Thirteenth Revision of Sheet No. 101.1	Schedule 101	General Residential Service Rate
Thirteenth Revision of Sheet No. 104.1	Schedule 104	General Commercial Service Rate
Thirteenth Revision of Sheet No. 105.1	Schedule 105	General Industrial Service Rate
Fourteenth Revision of Sheet No. 111.1	Schedule 111	Large Volume General Service Rate
Original Sheet No. 161.1	Schedule 161	General Distribution System Firm Transportation Service -Non EITE
Original Sheet No. 161.2	Schedule 161	General Distribution System Firm Transportation Service -Non EITE
Original Sheet No. 162.1	Schedule 162	General Distribution System Firm Transportation Service -EITE
Original Sheet No. 162.2	Schedule 162	General Distribution System Firm Transportation Service -EITE
Fourteenth Revision of Sheet No. 163.1	Schedule 163	General Distribution System Interruptible Transportation Service - Non-EITE
Original Sheet No. 164.1	Schedule 164	General Distribution System Interruptible Transportation Service – EITE
Thirteenth Revision of Sheet No. 170.1	Schedule 170	Interruptible Service
Eleventh Revision of Sheet No. 192.1	Schedule 192	Intervenor Funding Adjustment

Tariff Sheet	Schedule or Rule	Title
First Revision of Sheet No. 196.1	Schedule 196	UM 903 Oregon Earnings Sharing
Fifth Revision of Sheet No. 197.1	Schedule 197	Environmental Remediation Cost Adjustment
Second Revision of Sheet 220.1	Schedule 220	Climate Protection Plan Cost Recovery
Original Sheet No. 225.1	Schedule 225	Renewable Cost Recovery Adjustment
Fifth Revision of Sheet No. 800.2	Schedule 800	Biomethane Receipt Service
First Revision of Sheet No. 805.1	Schedule 805	Voluntary Renewable Natural Gas Program

Cascade also seeks to **withdraw** the following sheets from its Tariff P.U.C. OR 10:

Tariff Sheet	Schedule or Rule	Title
Second Revision of Sheet No. 10.1	Rule 10	Main Installations
Original Sheet No. 10.2	Rule 10	Main Installations
First Revision of Sheet 163.2	Schedule 163	General Distribution System Interruptible Transportation Service
First Revision of Sheet 163.3	Schedule 163	General Distribution System Interruptible Transportation Service
Original Sheet No. 163.4	Schedule 163	General Distribution System Interruptible Transportation Service
Original Sheet No. 163.5	Schedule 163	General Distribution System Interruptible Transportation Service
First Revision of Sheet No.163.6	Schedule 163	General Distribution System Interruptible Transportation Service
Fourth Revision of Sheet No. 163.7	Schedule 163	General Distribution System Interruptible Transportation Service
Second Revision of Sheet No. 163.8	Schedule 163	General Distribution System Interruptible Transportation Service
Original Sheet No. 163.9	Schedule 163	General Distribution System Interruptible Transportation Service

The proposed tariff revisions are discussed in detail in the Direct Testimony of Zachary L. Harris, included as Exhibit CNGC/1100. Clean tariff sheets are provided as Exhibit CNGC/1104 and tariff sheets with the proposed changes in redline with strikeout text are provided in Exhibit CNGC/1105.

If approved as filed, this general rate case filing will increase the Company's Oregon revenues by \$16.4 million or 15.82 percent. This request is primarily driven by increased investment in the safety and reliability of Cascade's system to ensure that the Company can continue to provide safe, reliable, and low-cost service to customers. This includes a requested base rate increase of \$16.2 million, and a requested increase of \$228,803 associated with the amortization of previously deferred environmental remediation costs. The Executive Summary required per OAR 860-022-0019(1) is included with this filing. The Executive Summary includes a summary of the requested rate increase as Exhibit A, and the data required per House Bill 3179 is provided as Exhibit B.

If approved, this filing will impact customer bills as stated in Table 2 below:

Table 2: Customer Bill Impacts

Rate Schedule	Current Average Monthly Bill	Therms per Month	Proposed Average Monthly Bill	Change in Average Monthly Bill (\$)	Change in Average Annual Bills	Change in Average Monthly Bill (%)
RS 101 - Residential	\$63.63	59	\$74.70	\$11.07	\$132.89	17.40%
RS 104- General Commercial	\$228.99	265	\$263.13	\$34.14	\$409.65	14.91%
RS 105 – General Industrial	\$1,361.49	1,678	\$1,522.80	\$161.31	\$1,935.71	11.85%
RS 111 – Large Volume	\$10,188.48	14,209	\$11,402.40	\$1,213.91	\$14,566.97	11.91%
RS 163 – Transportation	\$5,448.64	31,808	\$6,647.32	\$1,198.68	\$14,384.16	22.00%
RS 164 – Transportation (prev 163)	(n/a)	588,921	\$50,989.51	(n/a)	(n/a)	(n/a)
RS 170 – Interruptible	\$36,540.11	54,220	\$40,490.24	\$3,950.14	\$47,401.67	10.81%

This filing will affect approximately 86,149 customers that Cascade serves in Oregon. Table 3 below provides the number of customers served per customer class.

Table 3: Number of Customer per Customer Class

Customer Class	Number of Customers
RS 101 - Residential	75,260
RS 104- General Commercial	10,673
RS 105 – General Industrial	159
RS 111 – Large Volume	17
RS 163 – Transportation	34
RS 170 - Interruptible	4

In compliance with OAR 860-022-0017, Cascade is providing notice to customers in two ways: First Cascade is issuing a bill insert in customers' bills starting December 4, 2025, and finishing on January 5, 2026. The bill insert conforms to the requirements for content as established in OAR 860-022-0017(3). Cascade is also placing an ad regarding this general rate case in major newspapers generally circulated in the Oregon communities in which Cascade provides service. This information and copies of the notices will be provided in Cascade's Affidavit of Public Notice, which will be filed in compliance with OAR 860-022-0017(4), within twenty days of this filing.

Pursuant to OAR 860-022-0019(2)(a), the Company's responses to Standard Data Requests will be uploaded to Huddle. Customer notification of this filing will be published within fifteen (15) days in accordance with the requirements of OAR 860-022-0017(1).

The Company waives paper service in this proceeding and requests that all correspondence related to this filing be sent to me with copies to the following:

Travis Jacobson
Vice President, Regulatory Affairs
Montana-Dakota Utilities Co.
400 North Fourth Street
Bismarck, ND 58501
Telephone: (701) 222-7855
Email: travis.jacobson@mdu.com

Jocelyn C. Pease
McDowell Rackner Gibson PC
419 SW 11th Ave., Suite 400
Portland, OR 97205
Telephone: (503) 595-3922
Email: jocelyn@mrg-law.com

Matthew D. McVee
McDowell Rackner Gibson PC
419 SW 11th Ave., Suite 400
Portland, OR 97205
Telephone: (503) 595-3922
Email: matt@mrg-law.com

If you have any questions regarding this filing, please contact me at (509) 734-4593.

Sincerely,

/s/ Mike Parvinen

Michael Parvinen
Director, Regulatory Affairs
Email: michael.parvinen@cngc.com

Attachments

**BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON**

UG 525

In the Matter of

CASCADE NATURAL GAS CORPORATION,

Request for a General Rate Revision.

**CASCADE'S
EXECUTIVE SUMMARY**

I. INTRODUCTION

Cascade Natural Gas Corporation ("Cascade" or "Company") is filing a general rate revision with the Public Utility Commission of Oregon ("Commission"), pursuant to ORS 757.205, ORS 757.215, and ORS 757.220, to revise its schedules of rates and charges for natural gas service in Oregon to become effective with service provided on and after October 31, 2026. With this filing, the Company requests a revision to customer rates that will increase the Company's annual Oregon jurisdictional revenues by \$16.4 million for an approximate increase of 15.82 percent over current customer rates. This includes a requested base rate increase of \$16.2 million and a requested increase of \$228,803 associated with the amortization of previously deferred environmental remediation costs.

The revised rates produce revenues necessary to sustain the provision of safe, reliable, and low-cost natural gas service to customers in Oregon, while preserving the Company's ability to attract capital for future investments. The Company files this Executive Summary in accordance with OAR 860-022-0019(1). Exhibit A to the Executive Summary provides the required information in accordance with OAR 860-022-0019(1)(a)-(h). Exhibit B to the Executive Summary presents Cascade's Economic Impact Analysis in accordance with House Bill ("HB") 3179 (2025).

II. BACKGROUND

Cascade is a Washington corporation headquartered at 8113 West Grandridge Boulevard, Kennewick, Washington 99336-7166, that provides natural gas service to 321,275 customers in 97 communities in Washington and Oregon. Cascade is a public utility within the meaning set

1 forth in ORS 757.005 and is subject to the jurisdiction of this Commission, the Washington Utilities
2 and Transportation Commission, the Federal Energy Regulatory Commission, and the United
3 States Department of Transportation. As of October 31, 2025, Cascade has 321,275 customers,
4 of which 86,149 are in Oregon. Cascade serves 28 communities in Oregon, and the largest of
5 those communities are Bend, Baker City, and Pendleton. Cascade is a wholly owned subsidiary
6 of MDU Resources Group, Inc. (“MDU Resources”), a publicly traded company headquartered in
7 Bismarck, North Dakota.

8 Communications regarding this filing, including data requests issued to the Company,
9 should be addressed to:

Travis Jacobson
Vice President, Regulatory Affairs
Montana-Dakota Utilities Co.
400 North Fourth Street
Bismarck, ND 58501
Telephone: (701) 222-7855
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Matthew D. McVee, OSB #020735
McDowell Rackner Gibson PC
419 SW 11th Ave., Suite 400
Portland, OR 97205
Telephone: (503) 595-3922
Email: matt@mrg-law.com

10 Additionally, the Company requests the following email addresses be added as interested
11 persons in this docket under OAR 860-001-0300(7) to receive notice of all filings and other
12 documents produced in this proceeding:

Cascade Natural Gas Corporation
cngcregulatory@cngc.com

McDowell Rackner Gibson PC
dockets@mrg-law.com

13 III. CASE SUMMARY

14 A. Test Year

15 The Company’s test year in this case is the twelve months ending October 31, 2027 (“Test
16 Year”). Cascade provides information for a historical base year of the twelve months ended

June 30, 2025 (“Base Year”) and adjusts that information to reflect the forecasted Test Year. In order to meet the legal requirement that rates be fair, just, reasonable, and sufficient, the Company has selected the Test Year to reflect the investment and expense levels that will exist during the time that the rates adopted in this case are expected to be in effect. The new rates are filed with a requested effective date of October 31, 2026. This assumes the addition of the full 10-month statutory suspension period to the 30-day effective date normally applicable to tariff revisions.

B. Return on Equity

The Company’s request is based on a capital structure of 50 percent common equity and 50 percent long-term debt, a requested 10.4 percent return on equity (“ROE”), 5.332 percent cost of debt, and a resulting overall rate of return (“ROR”) on rate base of 7.866 percent. The Company’s current authorized ROE is 9.40 percent.¹ As described in the Direct Testimony of Ann E. Bulkley, a reasonable ROE range for Cascade is 10.25 percent to 11.25 percent using a combination of models and alternative input assumptions.² Based on the results of the methods analyzed, Ms. Bulkley recommends that 10.40 percent ROE is a conservative estimate of the Company’s cost of equity.³

C. Factors Driving Rate Adjustment

As described in the Direct Testimony of Stephanie Sievert, the need for this rate increase is largely driven by increased investment in the safety and reliability of Cascade’s system to ensure that the Company can continue to provide safe, reliable, and low-cost service to customers.⁴ Although Cascade has not requested a rate increase for five years, the Company’s rate base has increased by \$98.3 million since the test year in the Company’s last general rate

¹ *In re Cascade Nat. Gas Corp., Request for a Gen. Rate Revision*, Docket No. UG 390, Order No. 21-001 at 3-4 (Jan. 6, 2021).

² CNGC/500, Bulkley/5.

³ CNGC/500, Bulkley/6.

⁴ CNGC/100, Sievert/9-11.

1 case. The increase that Cascade is requesting reflects rate base growth, growth in operations
2 and maintenance (“O&M”) expenses, and growth in depreciation expenses associated with new
3 investments in rate base.

4 Since its last Oregon general rate case, Cascade has invested in capital improvement
5 projects to maintain safe and reliable distribution systems year-round and especially during cold
6 winter days, to maintain regulatory compliance, and to support operational efficiency and
7 customer service. The Company has particularly emphasized investments in infrastructure,
8 technology, and system integrity to meet those objectives. In particular, Cascade has made the
9 following major investments since its last rate case:

- 10 • **Growth Projects:** In Bend and Hermiston, Cascade has completed multiple main and
11 service line extension projects to address growth within its service areas and to resolve
12 reliability issues for existing and new customers that were especially acute during cold
13 weather events due to high demand and insufficient distribution pressure. In Bend, the
14 Company constructed the Shevlin Park project, a high-pressure lateral line running
15 through Bend to serve a new regulator station. The Shevlin Park line was placed into
16 service in March 2024. In Hermiston, Cascade reinforced the existing gas distribution
17 system by installing additional lines to address distribution pressure deficits. That
18 project was placed into service in September 2024. Both projects facilitate connection
19 of new customers while increasing reliability for existing customers, especially during
20 cold weather peak demand events.
- 21 • **Replacement and Relocation Projects:** Cascade has completed system
22 reinforcement projects by replacing existing main and service lines throughout the
23 Company’s Oregon service territory to maintain and increase reliability of service for
24 customers. For example, in Umatilla and Pendleton, Cascade installed new river
25 crossings to replace old infrastructure that was attached to road structures, minimally
26 accessible to inspection, or out of compliance. The new crossing in Umatilla, placed

1 into service in April 2024, added a second feed into town, increasing reliability for
2 customers in Umatilla, and was installed underground, decreasing inspection and
3 maintenance costs. The new crossing in Pendleton, also placed into service in 2024,
4 will be more reliable in the event of flooding or road damage. Cascade has also
5 completed main and service line replacement projects in response to forced relocation
6 requirements and safety assessments. In the period between 2021 and July 2025,
7 Cascade worked with cities and the state to accommodate various road construction
8 and improvement projects by relocating mains. These relocations are required but also
9 allow the Company to maintain reliable service to the Company's customers while
10 facilitating other areas of infrastructure development. The Company completed a
11 number of relocation projects in Bend, including the Nels Anderson Way, Jamison,
12 and Awbrey projects, which accommodated road and water system improvements and
13 were placed into service in 2023 and 2024. Cascade relocated gas mains as a part of
14 Oregon Department of Transportation Highway improvement projects on Highway
15 20/3rd Street and on Highway 126, which were placed into service in 2022 and 2024.
16 These relocations comply with state laws and regulations and allow Cascade to
17 continue to provide safe and reliable gas service while facilitating infrastructure
18 upgrades in other sectors that also benefit the Company's customers.

- 19 • **System Safety and Integrity Program ("SSIP"):** The SSIP is a pipe replacement
20 program for replacing early vintage plastic pipe and early vintage steel pipe and
21 satisfies the requirement for operators to implement a Distribution Integrity
22 Management Program. The SSIP identifies and implements measures to address risks
23 to Cascade's distribution system by replacing elevated risk pipe. Since the last rate
24 case, Cascade completed major SSIP pipe replacement projects in Bend in 2021 and
25 2022 and in Baker City in 2022, 2023, 2024, and 2025.

- **Software Upgrades and Implementation:** Cascade has planned and implemented multiple software upgrades since 2021. The Company has invested in a substantial Geographic Information System software upgrade to replace an outdated system with a package that is modernized and tailored to the utility industry. This software upgrade has enabled the Company to continue streamlining and modernizing its operations to improve safety and reliability of service for customers. In addition, the Company has also invested in ongoing upgrades to its work and asset management system, of which the Company is in the third of three phases. To add to the increased efficiency of its new work and asset management system, the Company has added an integrated electronic mobile construction solution to track installation of parts, materials, and components in the field. These concurrent and integrated upgrades involve moving away from a paper system, eliminating redundancy, and increasing efficiency to improve the overall quality of the data collected and maintained on all utility maintenance and construction activities.

In addition to major capital investments over \$1 million, Cascade has provided additional details in testimony and accompanying exhibits regarding minor capital investments that have contributed to growth in the Company's rate base.⁵ Minor capital investments are projects with costs greater than \$150,000 but less than \$1 million, and Cascade is providing support for those projects consistent with the Company's commitment as part of the stipulation resolving the Company's last general rate case.

D. Rate Mitigation

With the rate change that Cascade requests in this filing, the Company's average residential customer will see a bill increase of \$11.07 per month, or 17.4 percent from \$63.63 to \$74.70, calculated based on an average usage level of 59 therms per month.

⁵ See CNGC/900, Darras; CNGC/1000, Martuscelli.

1 **1. Rate Mitigation for Customers**

2 Cascade continues to work to address equity, energy justice, and affordability to study
3 and mitigate impacts of rate increases on the Company's customers, focusing on the needs of
4 income-constrained residential customers. The Company relies on insights from its Low-Income
5 Rate Analysis and, in 2025, conducted an Energy Burden Assessment to inform refinement of the
6 Company's customer assistance programs. Cascade has expanded those programs since its last
7 general rate case, revising practices for disconnections, deposits, and reporting, and launching
8 new assistance programs.

9 Most notably, Cascade has implemented an Energy Discount Program ("EDP") and
10 updated its Oregon Low-Income Bill Assistance ("OLIBA") program to reduce household energy
11 burdens and to assist customers during financial crises. As of 2022, income-eligible households
12 have access to EDP which provides monthly discounts ranging from 15 percent to 95 percent of
13 a household's bill depending on household income relative to state median income. And although
14 the Company offered OLIBA prior to implementing EDP, the Company revised OLIBA in 2022 to
15 complement the EDP by providing arrearage forgiveness grants for EDP households experiencing
16 financial hardship. In addition to EDP and OLIBA, Cascade also offers grants through its Winter
17 Help program to prevent disconnections, access to federal grants through the Low-Income Home
18 Energy Assistance Program, and energy efficiency measures in partnership with the Energy Trust
19 of Oregon and through the Oregon Low-Income Energy Conservation Program.

20 Cascade has increased participation in bill assistance programs for eligible customers by
21 5,967 percent from 2018 through November 2025. The Company has achieved that increase by
22 reducing barriers to entry and by investing in outreach. For instance, the Company identifies
23 customers eligible for auto-enrollment through data analytics and allows customers to self-attest
24 to their household income to qualify for EDP and OLIBA programs. And the Company has
25 enhanced program outreach by addressing language and literacy barriers while communicating
26 on multiple media channels.

2. ***Cascade's Cost Savings Efforts***

Cascade has also implemented cost savings initiatives to mitigate cost pressures over which it has minimal control, including economy-wide factors like inflation. As a subsidiary of MDU Resources, the Company is a part of synergistic savings resulting from consolidated and shared resources. Since the Company's last general rate case, Cascade has implemented a cost review initiative to mitigate impacts of inflationary pressures by reviewing existing processes to identify opportunities for increased efficiency. Implementing those opportunities has resulted in re-organizing work, restructuring teams, and deploying technological solutions where needed. Other process reviews have resulted in cost savings on telephones, excess equipment, materials, and outside services. A process review of building use resulted in consolidating the Company's Customer Experience Team into one facility and selling another, now unneeded building, reducing O&M expenses at Oregon-allocated facilities.

Cascade also has a history of mitigating increased cost pressures through its robust budgeting process, which allows the Company to scrutinize and prioritize capital projects and O&M expenditures. These cost savings and efficiency measures have allowed Cascade to aggressively manage its costs, thereby avoiding a general rate case filing since the Company's last filing in 2020 and mitigating the current requested rate increase.

IV. **TESTIMONY SUMMARY**

The Company's direct case consists of the testimony and exhibits of the following witnesses:

- In CNGC/100, **Stephanie Sievert**, Chief Accounting and Regulatory Affairs Officer for MDU Resources, provides a general overview of the Company, explains the primary drivers of the rate increase, and introduces the Company witnesses.
- In CNGC/200, **Noemi Ortiz**, Manager of Energy Efficiency Programs for Cascade, discusses the Company's adoption of an equity lens into the Company's daily operations.

- 1 • In CNGC/300, **Dan L. Tillis**, Director of Customer Services for MDU Resources,
2 presents an overview of the Company's customer service efforts and describes
3 Cascade's bill management programs and services.
- 4 • In CNGC/400, **Tammy J. Nygard**, Controller for MDU Resources, supports the
5 Company's capital structure and addresses the Company's cost of debt and the overall
6 ROR.
- 7 • In CNGC/500, **Ann E. Bulkley**, Principal at The Brattle Group, provides support for
8 the Company's requested ROE and the appropriateness of Cascade's proposed
9 capital structure.
- 10 • In CNGC/600, **Travis R. Jacobson**, Vice President of Regulatory Affairs of Montana-
11 Dakota Utilities Company, addresses customer affordability concerns, details
12 Cascade's rate plan using a fully forecasted test year approach, describes the
13 Company's proposal regarding its line extension allowance ("LEA"), and introduces
14 Cascade's proposed Renewable Natural Gas ("RNG") Cost Recovery Mechanism to
15 support decarbonization efforts.
- 16 • In CNGC/700, **Matthew Larkin**, Director in Regulatory Services at MCR Performance
17 Solutions, discusses the Company's proposed revenue requirement and supporting
18 calculations, as well as an analysis of the Company's class cost-of-service.
- 19 • In CNGC/800, **Cynthia A. Menhorn**, Vice President of Regulatory Services for MCR
20 Performance Solutions, presents the Company's proposed rate design and resulting
21 customer bill impacts.
- 22 • In CNGC/900, **Patrick C. Darras**, Vice President of Engineering, Operations Services,
23 and Compliance for Montana-Dakota Utilities Company, supports the Company's
24 major capital system investments since its last rate case, docket UG 390, as well as

1 the proposed system investment additions scheduled to be completed before the end
2 of the forecasted Test Year.

- 3 • In CNGC/1000, **Eric P. Martuscelli**, Vice President of Field Operations and Customer
4 Experience for Montana-Dakota Utilities Company, discusses the Company's capital
5 investments related to growth and replacement and relocation projects.
- 6 • In CNGC/1100, **Zachary L. Harris**, Manager of Regulatory Affairs for Cascade,
7 presents the Company's proposed tariff revisions, presents tariff and rate-design
8 proposals that include creation of a new Schedule to recover RNG costs, a new firm
9 transportation service option, and changes to the LEA policy.
- 10 • In CNGC/1200, **Hart Gilchrist**, Vice President of Business Development and External
11 Affairs for Cascade, discusses the Company's strategy to comply with Oregon's
12 Climate Protection Program and emphasizes Cascade's commitment to supporting
13 statewide greenhouse gas goals through initiatives such as RNG development and
14 hybrid heating systems, while maintaining reliable and equitable service to customers.
- 15 • In CNGC/1300, **Roxanne Roerick**, Director of Human Resources for MDU
16 Resources, provides the Company's current labor costs; strategies for addressing
17 recruitment, retention, and engagement in the current Oregon labor market; and
18 compensation philosophy, including employee benefit plans.
- 19 • In CNGC/1400, **Brian L. Robertson**, Manager of Supply Resource Planning for
20 Cascade, presents and discusses the results of the demand forecast model approach
21 which ensures Cascade's test year volumes used for this rate case accurately reflect
22 anticipated conditions.

23 V. CONCLUSION

24 For the reasons described herein and in the testimony and exhibits of the witnesses
25 offered in this proceeding, Cascade requests that the Commission issue an order approving the
26 proposed rate changes and tariff sheets.

Respectfully submitted this 25th day of November 2025.

McDOWELL RACKNER GIBSON PC



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Attorneys for Cascade Natural Gas Corporation

UG 525
Cascade Natural Gas Corporation

EXECUTIVE SUMMARY

EXHIBIT A
SUMMARY OF REQUESTED
GENERAL RATE INCREASE

Exhibit A to Cascade's Executive Summary
Summary of Requested General Rate Increase
Filed November 25, 2025

Total Revenues Collected Under Proposed Rates: \$120,053,548
Revenue Change Requested: \$16,396,711
Revenues Net of any Credits from Federal Agencies: \$120,053,548
Percentage Change in Revenues Requested: 15.82%
Percentage Change in Revenues
Net of any Credits from Federal Agencies: 15.82%

Test Period: November 1, 2026 – October 31, 2027

Requested Overall Rate of Return 7.866%

Requested Rate of Return on Equity: 10.40%

Proposed Rate Base: \$230,883,766

Results of Operation¹

Before Proposed Rate Change

Utility Operating Income: \$7,365,308
Total Rate Base: \$195,581,514
Rate of Return on Capital: 3.77%
Authorized Rate of Return on Equity: 9.40%

After Proposed Rate Change²

Utility Operating Income: \$18,161,317
Total Rate Base: \$230,883,766
Rate of Return on Capital: 7.866%
Rate of Return on Equity: 10.40%

Effect of Rate Change on Each Customer Class's Margin

Customer Class	% Change
Residential - 101	37.47%
Commercial - 104	40.00%
Industrial - 105	35.96%
Large Volume - 111	49.00%
General Distribution - 163	25.38%
Interruptible - 170	55.18%

¹ Based upon the Company's unadjusted Historical Base Year reflecting the twelve months ended June 30, 2025.

² Based upon the Company's 2025 general rate case filing docketed as UG 525.

UG 525
Cascade Natural Gas Corporation

EXECUTIVE SUMMARY

EXHIBIT B
ECONOMIC IMPACT ANALYSIS

November 2025

Background

HB 3179 requires that natural gas companies include with their rate case filings an analysis of cumulative economic impact of proposed rates or schedule of rates on the natural gas company's residential ratepayers if the natural gas company's proposed residential rate or schedule of rates will result in an increase of residential rates and the natural gas company's return on equity is subject to review and modification.

The analysis must include:

- a. Bill impacts for residential customers;
- b. Average cost of living and utilities in the region;
- c. Data on residential service disconnection for nonpayment;
- d. Data on overdue balances;
- e. Data on the cost of energy for commercial and industrial customers; and
- f. Any other relevant data, as determined by the commission, such as indicators of financial hardship, residential customer energy burden or affordability of utility bills.

A. Bill Impact Analysis

Cascade does not have a separate multifamily schedule - all residential customers are under Schedule 101 - General Residential Service Rate. The following table shows the proposed rate structure for schedule 101.

Rate Schedule 101	As of 2/1/2021	Current as of 10/31/25	Proposed
Basic Charge	\$6.00 / month	\$6.00 / month	\$12.00 / month
Energy Discount Program	-	\$0.81 / month	\$0.81 / month
Delivery Charge	\$0.39467 / therm	\$0.39467 / therm	\$0.47916 / therm
Cost Of Gas	\$0.35568 / therm	\$0.51315 / therm	\$0.51315 / therm
Other charges (not including Public Purpose Charge and City Tax)	0.01825 / therm	\$0.05520 / therm	\$0.05671/ therm
Total Usage Charge	\$0.76860 / therm	\$0.96302 / therm	\$1.04902 / therm
Estimated City Tax	3.0%	3.0%	3.0%
Public Purpose Charge	5.103%	6.456%	6.456%

Annualized Impact

Data Source: CC&B, Calculated

Date Range	October 1, 2023 – September 30, 2025
Average Monthly Energy Use (therms)	59
Average Monthly Bill using rates effective as of Feb 2021	\$55.51
Current Average Monthly Bill	\$69.64
Effective Monthly Difference in Bill since February 2021 due to cost of gas and other adjustments (%)¹	25.5%
Proposed Average Monthly Bill²	\$81.77
Monthly Difference in Bill (\$)	\$12.12
Monthly Difference in Bill (%)	17.4%

Seasonal Impact

Data Source: CC&B, Calculated

Date Range	November 1, 2023 - March 31, 2024 and November 1, 2024 - March 31, 2025
Average Monthly Energy Use (therms)	98
Current Average Monthly Bill	\$110.75
Proposed Average Monthly Bill	\$126.55
Monthly Difference in Bill (\$)	\$15.79
Monthly Difference in Bill (%)	14.3%

¹ Between February 1, 2021 and October 31, 2025, the cost of gas in Schedule 101 increased from \$0.35568 / therm to \$0.51315 / therm, representing a 44.3% increase. Total usage charge was \$0.7686/therm in Feb 2021.

² Calculation of Proposed Average Monthly Bill, Current Average Monthly Bill and Average Monthly Bill using rates effective as of Feb 2021 includes the estimated City Tax and Public Purpose Charge. Other references to Average Bill in this filing do not include these charges as they do not represent revenue to the Company.

Narrative/Analysis: Since the last rate case in February 2021, there has been an effective bill impact of +25.5% (approximately 5-6% annually) due to cost of gas and other adjustments, but the basic and delivery charges on Cascade bills have remained fixed. Cascade is requesting a new rate increase that will translate to an average bill impact for residential customers of +17.4%, on an annualized basis and +14.3% during winter months.

As described in Cascade's filing for a general rate revision, the need for this rate increase is largely driven by increased investment in the safety and reliability of Cascade's system to ensure that the Company can continue to provide safe, reliable, and low-cost service to customers. Although Cascade has not requested a rate increase for five years, the Company's rate base has increased by \$98.3 million since the test year in the Company's last general rate case. In addition, as evidenced by Section B below, Cascade has seen significant cost pressures since its last general rate case. The increase that Cascade is requesting reflects rate base growth, growth in operations and maintenance ("O&M") expenses, and growth in depreciation expenses associated with new investments in rate base.

B. Cost of Living Analysis

Cascade's last rate increase took effect on February 1, 2021. The following data outlines the economic situation since that period.

Data Source: Bureau of Labor Statistics: Consumer Price Index, earnings and Producer Price Index. Social Security Administration for social security changes.

Cost of living increases (Feb 2021 – Sep 2025)	
Consumer Price Index for All Urban Consumers, West Region - All Items	+24.0%
Consumer Price Index for All Urban Consumers, West Region – Electricity Utilities	+36.0%
Consumer Price Index for All Urban Consumers, West Region - Natural Gas Utilities	+46.0%

Household Income	
Household Earnings (Average of Cascade Counties, 2021-2025)	+23.7%
Social Security Adjustments (Federal, 2021-2025)	+20.3%

Narrative/Analysis: Since the last rate case in February 2021, Cascade customers have experienced a +25.5% bill impact due to the rising cost of natural gas, which is passed through to them through the cost of gas and other adjustments. This is slightly higher than the overall increase in cost of living (+23.7%), but much lower than the average increase of cost of gas utilities (+46.0%) and electric utilities (+36.0%) over that time period in the West region.³ These increases reflect the general cost pressures that utilities in the region have been experiencing.

Household income has kept up with inflation, but fixed incomes (e.g. social security) have slightly lagged behind cost-of-living increases (+20.3% increase in social security vs. +24.0% cost of living increase). Cascade is actively addressing natural gas bill affordability through our assistance programs, including EDP and OLIBA.

³ OR, WA, CA, ID, NV, AZ, HI, AK.

Utility Cost Pressures - National data [BLS PPI]	
Natural Gas Commodity Costs	+45.1%
Utility staff wages	+17.0%
Pipeline transportation	+4.1%
Fluid meters	+36.0%
Industrial Building Construction	+39.5%

Narrative/Analysis:

Since the last rate case in February 2021, natural gas commodity costs have increased by +45.1%. This has already been reflected in the cost of gas adjustments passed on to customers by Cascade (+44.3% over that time period).

Other utility cost increases shown in the table above (staff wages, construction, and equipment) have not been reflected in rates or passed on to customers through the basic or delivery charges. The requested rate adjustment seeks to address these increasing cost pressures experienced by Cascade since the last rate case but not yet paid by customers.

C. Disconnection Analysis

Data Source: All Information in Section C is from Cascade's Customer Information System (CC&B) for Residential Customers defined as active in Cascade's RO-16, Energy Burden Metric Reports.

Date Range	*See Below
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# Active accounts as of September 30, 2025	75,261
# Accounts disconnected due to nonpayment from October 1, 2024 - September 30, 2025	431 (0.57%)
# Accounts enrolled in EDP October 1, 2024 - September 30, 2025	5,590
# Accounts enrolled in EDP disconnected due to nonpayment from October 1, 2024 - September 30, 2025	96 (1.72% of all participants)
# Accounts that received an OLIBA grant from October 1, 2024 - September 30, 2025	1,654
# OLIBA Grant-recipient Accounts that have been disconnected due to nonpayment October 1, 2024 - September 30, 2025	51 (3.08% of all participants)
# Accounts with a medical certificate registered with Cascade October 1, 2024 - September 30, 2025	0
# Accounts with a medical certificate registered with Cascade that have been disconnected due to nonpayment October 1, 2024 - September 30, 2025	0

D. Arrearage Analysis

Data Source: All Information in Section D is from Cascade's Customer Information System (CC&B) for Residential Customers defined as active in Cascade's RO-16, Energy Burden Metric Reports.

Date Range	As of September 30, 2025
# Accounts with a 91+ day past due balance	1,955
Average past due balance (91+ days)	\$65.15
Total outstanding past due balances (91+ days)	\$127,374.40
# Accounts Enrolled in EDP with a 91+ day past due balance	836
Average past due balance for Accounts enrolled in EDP (91+ days)	\$43.85
# Accounts receiving OLIBA grant (October 1, 2024 - September 30, 2025) with a past due balance (91+ days)	507
Average past due balance for Accounts receiving OLIBA grant (October 1, 2024 - September 30, 2025)	\$48.51
# Customers enrolled in a Payment Arrangement	50

Narrative/Analysis: Cascade's Oregon customers benefit from a variety of payment option and assistance programs, which is reflected in Cascade's low rate of service disconnection - less than 0.6% of customers have been disconnected from service in a 12-month period. Less than two percent (96 participants) of Energy Discount Program (EDP) accounts were disconnected for non-payment in a 12-month period, which illustrates the program is effectively keeping income qualified customers connected to their service.

The number of customers with past due balances is also relatively low and their arrearage balances are moderate. Past due balances for EDP participants and OLIBA grant recipients are a third and a quarter lower, respectively, than the average past due balance for all customers with a past due balance. Customers can establish payment arrangements for up to 24 months. In addition, income qualified customers can take advantage of bill assistance options, including discounts (EDP), grants (LIHEAP, Winter Help), and arrearage assistance (OLIBA). Cascade conducts extensive outreach to inform customers about assistance programs, including sending all communications in English and Spanish. The Company worked with Empower Dataworks to develop a language access plan to better inform limited-English and limited-literacy customers about these options.

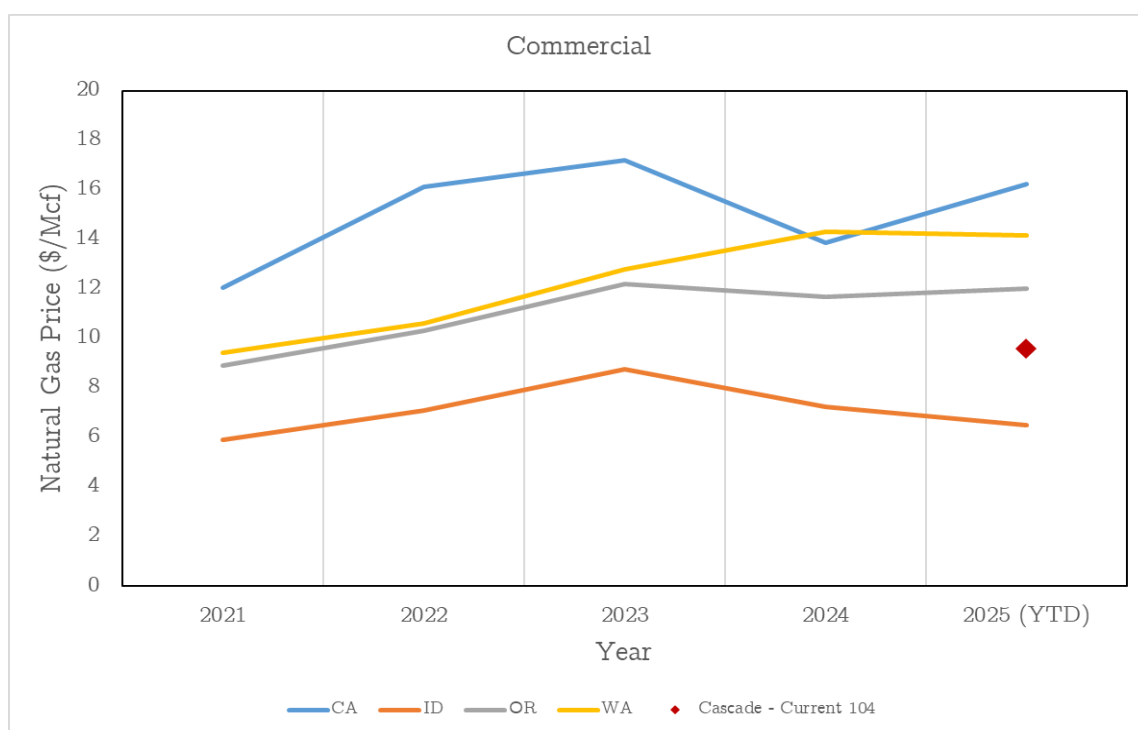
Disconnections due to non-payments and arrearages are actively monitored and reported to the Public Utility Commission of Oregon through RO-16/OAR 860-021-0408(4).

E. Commercial/Industrial Cost Analysis

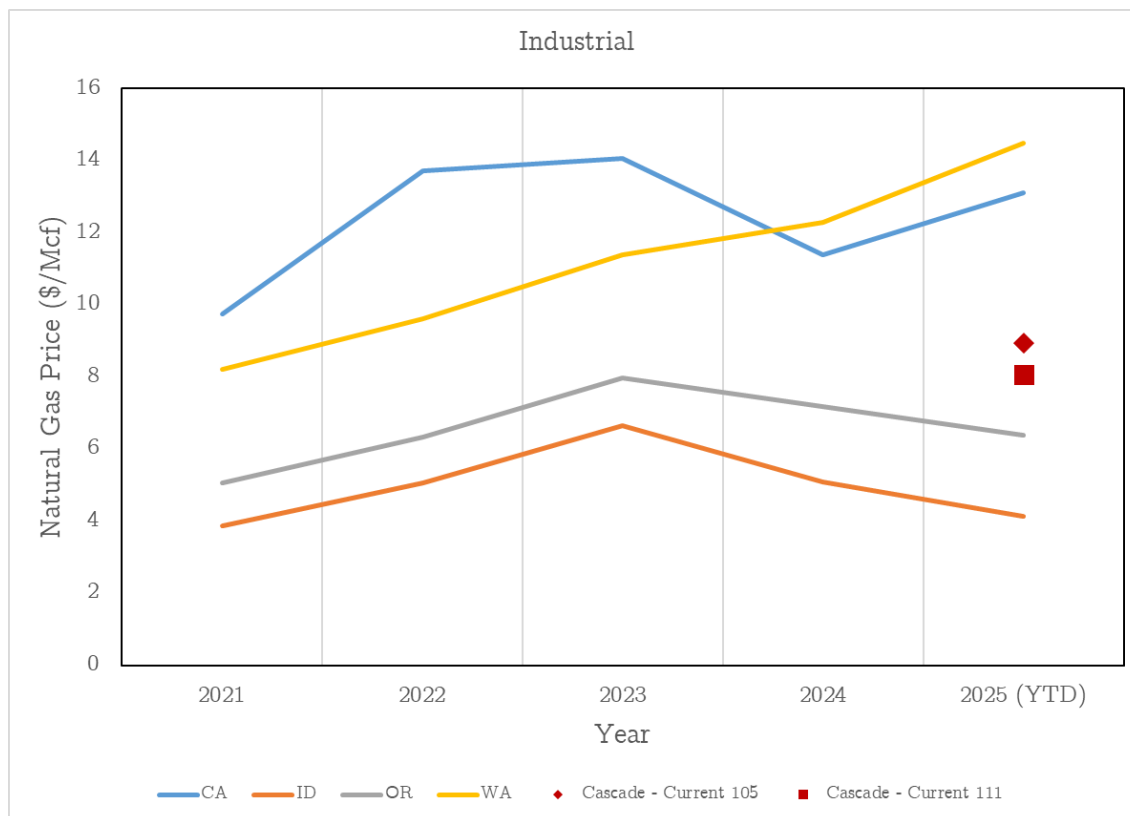
Data Source: Energy Information Administration

The following data outlines the cost of energy for Cascade commercial and industrial customers compared to other states in the region, together with historical trends. Note that EIA gas prices are based on total sector gas costs divided by total sector consumption - this is a blended rate that includes the basic charge and all taxes. Cascade blended gas prices (\$/Mcf) were calculated using rate schedule 104 for an average commercial customer using 3,627 therms/year (based on EIA data for Oregon in 2024). This is not an apples-to-apples comparison since it does not compare equivalent rate structures.

Rate Schedule 104 - General Commercial	Current as of 10/31/25	Proposed
Basic Charge	\$12.00 / month	\$24.00 / month
Delivery Charge	\$0.27282 / therm	\$0.35485 / therm
Cost Of Gas	\$0.51315 / therm	\$0.51315 / therm
Other charges (not including Public Purpose Charge and municipal taxes)	\$0.03286/ therm	\$0.03437 / therm
Total Usage Charge	\$0.81883 / therm	\$.90237 / therm
Estimated average tax + PPC	9.456%	9.456%



Narrative/Analysis: Cascade's commercial rates have historically been under the average rates for Oregon and regionally (WA, CA), but above the rates in Idaho. The proposed schedule 104 rates are projected to keep average commercial gas costs under those in Oregon, Washington, and California.



Narrative/Analysis: A similar analysis was conducted using EIA data for the industrial sector, in conjunction with Cascade's schedule 105 - General Industrial Rate and 111-Large Volume General Service.

This is not a perfect apples-to-apples comparison since EIA's industrial rates include the costs paid by very large industrial customers under high-volume or negotiated rates (for example, Northwest Natural offers a \$0.47-0.60/therm rate for large industrial customers).

Cascade's industrial rates have historically been above the average industrial rate in Oregon and Idaho, but below the industrial rates in Washington and California. The proposed industrial rates will have a minimal impact on this regional comparison, as shown in the figure above.

F. Affordability Analysis

Data Source: 2025 Energy Burden Assessment

Date Range	July 1, 2024 - June 30, 2025
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Low Income Households	Current Schedule 101	Proposed Schedule 101
# High burden (>2.5% gas burden)	5,500	6,070
Median gas burden	2.2%	2.5%
Energy assistance need	\$2.03M	\$2.84M
Current program funding as percent of energy assistance need	129%	92%

Households Earning between 61-80% State Median Income	Current Schedule 101	Proposed Schedule 101
# High burden (>2.5% gas burden)	180	360
Median gas burden	1.2%	1.4%
Energy assistance need	\$56k	\$117k

Discount Tier Analysis

Recommendation: Discount levels appear to be high relative to the customers' needs in each income tier - especially considering the absence of post-enrollment verification and 2 year recertification period. Consider revisiting discount design for long-term sustainability of the program.

Income tier	Current EDP Discount Level	Current assistance need as a percent of bill	Assistance need as a percent of bill - with proposed rate case
Tier 1: 0-15% SMI	95%	81%	85%
Tier 2: 16-30% SMI	70%	36%	45%
Tier 3: 31-45% SMI	45%	12%	18%
Tier 4: 46-60% SMI	15%	5%	8%

Zip Code (top 7 by disconnection rate)	Approximate EDP Participation Rate (as of June 2025)
97886	38%
97813	36%
97801	33%
97913	41%
97918	37%
97882	52%
97914	37%
Overall EDP participation rate	~36%

Narrative/Analysis: Cascade’s proposed schedule 101 will have a moderate impact on the energy burden of low-income customers. Median energy burden among low-income customers is projected to increase from 2.2 to 2.5%. The number of high-burden, low-income households is expected to increase to 6,070. The energy assistance need is projected to increase to \$2.84M/year.

Households earning between 61-80% of the state median income are ineligible for most energy assistance programs. However, these customers will only see a minimal impact to energy burden due to the rate case, as shown in the second table above.

Current programs and energy assistance spending are expected to be sufficient to mitigate the impacts of the rate case, since existing energy assistance spending exceeds the energy assistance need, and program spending “follows the need,” meaning that program costs are not limited to an annual budget but are deferred for later recovery enabling Cascade to match assistance with need in real time. The discount tier analysis from Cascade’s 2025 energy burden assessment is included above (based on rates as of June 2025). It shows that existing discount levels are more than sufficient to cover household energy assistance need. The third column of the table shows the energy assistance need as a percent of the bill with the proposed rate increase. Even with the proposed rate increase, the current discount levels are more than sufficient to meet the need.

The EDP program has been very successful at enrolling eligible customers, with participation rates of 33 percent to 52 percent for the top seven zip codes with the highest disconnection rates. Cascade will continue its marketing and outreach efforts to enroll new customers into its Energy Discount Program. Those efforts have evolved beyond traditional communication channels to include targeted auto-enrollments and Community Based Organization outreach. Cascade will continue to explore and pilot new approaches for targeted marketing and enrollment to improve the EDP program participation rates even further.

CASCADE NATURAL GAS CORPORATION

UG 525

**NOTICE OF APPLICATION
FOR GENERAL RATE REVISION**

November 25, 2025

To All Parties Who Participated in UG 390:

Please be advised that on November 26, 2025, Cascade Natural Gas Corporation (Cascade or Company), filed for a **General Rate Revision** with the Public Utility Commission of Oregon (Commission). A copy of the Company's **UG 525 OPUC Advice No. 025-11-01** containing the **Executive Summary** and supporting **Direct Testimony and Exhibits** are available for inspection at the Company's main office or at the Commission's eDocket website. An electronic courtesy copy of the Executive Summary is also attached.

The purpose of this Notice is to inform parties who participated in the Company's last general rate case, UG 390, that an Application for General Rate Revision has been filed.

Parties who desire more information or who wish to obtain a copy of the filing, or notice of the time and place of any hearing, if scheduled, should contact the Company or the Commission as follows:

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Email: travis.jacobson@mdu.com

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
P.O. Box 1088
Salem, Oregon 97308-1088
Telephone: (503) 378-6678

Any person may submit to the Commission written comments on this Application for General Rate Revision within 25 days of service of this notice or seek to intervene in the proceeding. The granting of this Application for General Rate Revision will authorize a change in rates.

CERTIFICATE OF SERVICE

Pursuant to OAR 860-001-0180, I hereby certify that on November 25, 2025, I served or caused to be served a true and correct copy of CASCADE NATURAL GAS CORPORATION'S APPLICATION FOR GENERAL RATE REVISION upon all parties of record in Cascade Natural Gas Corporation's last general rate case, docket UG 390, via electronic mail at each person's last known address, as indicated below.

SERVICE LIST UG 390

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AWEC

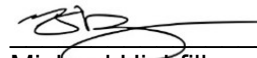
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Dated at Portland, Oregon on this 25th day of November 2025.



Michael Highfill
Paralegal
McDowell Rackner Gibson PC