

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE NATURAL GAS  
CORPORATION,

Respondent.

**DOCKET UG-260127**

**CASCADE NATURAL GAS CORPORATION**

**DIRECT TESTIMONY OF DAN L. TILLIS**

**May 29, 2026**

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**LIST OF EXHIBITS**

<b><u>Exhibit</u></b>	<b><u>Description</u></b>
Exh. DLT-2	J.D. Power Summary for Cascade Natural Gas
Exh. DLT-3	CARES Advisory Group Agendas and Meeting Notes
Exh. DLT-4	2024-2025 CARES Annual Report
Exh. DLT-5	CARES Outreach Presentation
Exh. DLT-6	Cascade Tariff Rule 20 and Schedule 302

1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Dan L. Tillis. My business address is 555 South Cole Road, Boise,  
4 Idaho, 83709.

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by the Montana-Dakota Utilities, a subsidiary of MDU Resources  
7 Group, Inc. (“MDU Resources”) that provides centralized utility services to MDU  
8 Resources’ subsidiary energy utilities, including Cascade Natural Gas Corporation  
9 (“Cascade” or “Company”). I am the Director of Customer Services for Cascade,  
10 Intermountain Gas Company, Montana-Dakota Utilities, and Great Plains Natural Gas.

11 **Q. How long has MDU Resources employed you?**

12 A. I have been employed by MDU Resources since January 28, 2019.

13 **Q. What are your duties as Director, Customer Services?**

14 A. As the Director, Customer Services, I lead Cascade’s Customer Experience Team  
15 (“CXT”), which includes customer experience and journey management; digital  
16 experience on self-service platforms; energy assistance programs, and credit and  
17 collections operations; partnerships with external advisory groups; and emergency and  
18 outage event response. These groups are charged with enhancing Cascade’s end-to-end  
19 customer experience for all customers, expanding and improving digital customer  
20 service platforms, equitably increasing access to energy assistance programs, and  
21 managing customer arrearages and collections with the goal of keeping customers  
22 connected to their natural gas service.

1 **Q. Briefly describe your educational and relevant employment experience.**

2 A. I am a 2001 graduate of Webster University with a Bachelor of Arts degree in Business  
3 Administration. In 2008, I earned my Master of Business Administration degree from  
4 Keller Graduate School of Management. In June 2022 I completed the Energy  
5 Executive Course at the University of Idaho. I joined Montana-Dakota Utilities as the  
6 Director of Customer Services in January 2019. Prior to joining Montana-Dakota  
7 Utilities I worked at CenturyLink for 19 years with the majority of that time in  
8 Customer Service leadership positions. I have sponsored testimony in previous  
9 Cascade Natural Gas rate cases in both Washington and Oregon.

10 **II. SCOPE AND SUMMARY OF TESTIMONY**

11 **Q. What is the scope of your Direct Testimony in this proceeding?**

12 A. My Direct Testimony addresses the following customer service-related topics:

- 13 • First, I provide an overview of Cascade’s Customer Service.
- 14 • Second, I discuss Cascade’s compliance to the following four requirements  
15 established in the Full Multiparty Settlement Stipulation approved in Order 05  
16 issued in Cascade’s most recent Multiyear Rate Plan (“MYRP”) in Docket  
17 UG-240008 (hereafter, this order including its attachments are referred to as  
18 “Final Order”):<sup>1</sup>
  - 19 ○ Develop a language access plan;
  - 20 ○ Collaborate on more effective outreach for bill payment assistance;

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<sup>1</sup> *Wash. Utils. & Transp. Comm’n v. Cascade Nat. Gas Corp.*, Docket UG-240008, Order 05 Rejecting Tariff Sheets; Approving and Adopting Settlement with Conditions; Authorizing and Requiring Compliance Filing ¶ 132 (Feb. 24, 2025).

- 1                   ○ Changes to and further review of Cascade’s credit and collections  
2                   practices; and  
3                   ○ Develop an Energy Burden Assessment every two years.  
4                   • Third, I discuss Cascade’s ongoing efforts to maintain affordability so that  
5                   customers, especially the most vulnerable, can stay connected to their natural  
6                   gas service.  
7                   • Finally, I address Cascade’s newest initiatives for applying an equity lens to  
8                   customer service.

9   **Q.    Do you sponsor any exhibits in support of your recommendations?**

10  A.    Yes, I sponsor the following exhibits in support of my Direct Testimony:

- 11                   • Exh. DLT-2    J.D. Power Summary for Cascade Natural Gas  
12                   • Exh. DLT-3    CARES Advisory Group Agendas and Meeting Notes  
13                   • Exh. DLT-4    2024-2025 CARES Annual Report  
14                   • Exh. DLT-5    CARES Outreach Presentation  
15                   • Exh. DLT-6    Cascade Tariff Rule 20 and Schedule 302

16                                   **III.    CUSTOMER SERVICE OVERVIEW**

17  **Q.    Please provide an overview of the customer service options available to Cascade’s**  
18  **customers.**

19  A.    Cascade’s CXT provides customers with multiple options for communicating with and  
20  requesting service from the Company. Cascade customer service representatives  
21  communicate with customers through U.S. mail, email, telephone, smart phone, social  
22  media platforms, text, web-based applications, and other online applications.

1 Cascade provides customers with toll-free access to customer service  
2 representatives who handle utility service requests and service or billing inquiries. The  
3 call center answers calls received from 7:30 a.m. to 6:30 p.m. Pacific time, Monday  
4 through Friday. The Company is also staffed to handle emergency calls 24 hours a day,  
5 seven days a week. A scheduling center, which is part of the CXT, transmits electronic  
6 service orders to the mobile terminals placed in the Company's fleet of service and  
7 construction vehicles. This network allows Cascade to respond quickly to customer  
8 requests and emergency situations.

9 The Company's customer support team monitors email and responds to  
10 customers' requests during regular business hours. Additionally, the CXT provides  
11 online chat assistance through Cascade's online customer portal from 9:00 a.m. to 3:00  
12 p.m., Monday through Friday, as well as messaging through Facebook and Instagram  
13 Messenger 24 hours a day, seven days a week, every day of the year. The CXT also  
14 continues to increase and improve online self-service options on its website. Customers  
15 can easily enroll and manage their utility accounts through online account services  
16 found on [www.cngc.com](http://www.cngc.com). The CXT provides customers with many means to apply for  
17 assistance, make a payment, request to start or stop service, set up electronic billing,  
18 review usage and payment history, transfer service, and enroll for account, outage,  
19 energy efficiency, and industry or Company news email and text notifications.

20 **Q. How does Cascade's customer service compare with the customer service**  
21 **provided by peer utilities?**

22 A. According to J.D. Power, Cascade is a top performer among its peers. J.D. Power  
23 assesses customer satisfaction of natural gas customers annually by surveying

1 residential customers on eight dimensions including safety and reliability, ease of doing  
2 business, people, problem resolution, trust, information provided, digital channels, and  
3 total monthly cost.<sup>2</sup> In 2025, Cascade finished second in overall customer satisfaction  
4 in the West Midsize segment in the J.D. Power Residential Natural Gas Customer  
5 Satisfaction Study, with only five points separating it from the first-place utility,  
6 Intermountain Gas Company, which is Cascade’s affiliate.<sup>3</sup> Over the last 14 years,  
7 Cascade placed either first or second in the West Midsize segment, ranking first six  
8 times and second eight times.<sup>4</sup>

9 **IV. DOCKET UG-240008 FINAL ORDER COMPLIANCE**

10 **Q. What requirements established in the Final Order in Docket UG-240008 do you**  
11 **plan to discuss?**

12 A. I discuss Cascade’s completion of the following requirements in the Final Order:

- 13 1. Develop a language access plan;
- 14 2. Develop more effective outreach for bill payment assistance;
- 15 3. Make changes to and further review of Cascade’s credit and collections  
16 practices; and
- 17 4. Develop an Energy Burden Assessment every two years.

18 Below, I explain the specific requirement for each topic and then discuss the steps  
19 Cascade has taken to meet each requirement.

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<sup>2</sup> *U.S. Gas Utility Residential Customer Satisfaction Study*, J. D. Power, <https://www.jdpower.com/business/us-gas-utility-residential-customer-satisfaction-study>.

<sup>3</sup> Tillis, Exh. DLT-2.

<sup>4</sup> Tillis, Exh. DLT-2.

1 **A. Language Access Plan**

2 **Q. What did the Final Order require regarding the development of a Language**  
3 **Access Plan?**

4 A. The Final Order directed Cascade to work with its Cascade Arrearage Relief and  
5 Energy Savings (“CARES”) Advisory Group and its Equity Advisory Group (“EAG”)  
6 to create and implement a language access plan.<sup>5</sup> Cascade was also required to report  
7 on its progress in developing the plan and then on its fulfillment of the  
8 recommendations within the plan in its two subsequent CARES Annual Reports filed  
9 annually January 15 in Docket UG-230551.<sup>6</sup>

10 **Q. What has Cascade done to fulfill this requirement?**

11 A. Cascade contracted with Empower Dataworks, Inc. (“Empower”) for the development  
12 of the language access plan. Empower met with the CARES Advisory Group on  
13 May 21, 2025, and with the EAG on May 9, 2025, to collaborate on the concept for the  
14 plan.<sup>7</sup> Empower then performed research on Cascade’s service territory and customer  
15 demographics, reviewed Cascade’s communications materials, and interviewed  
16 Community Action Agencies, Cascade employees, and community representatives.  
17 The plan and its corresponding recommendations for improved language access were  
18 presented to the CARES Advisory Group on November 19, 2025, and the EAG on  
19 October 17, 2025.<sup>8</sup> The language access plan is Attachment C to Cascade’s 2024-2025  
20 CARES Annual Report provided as Exhibit DLT-4.

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<sup>5</sup> Docket UG-240008, Order 05 ¶ 132. The CARES Advisory Group is comprised of representatives from Public Counsel, Commission Staff, the Energy Project, NW Energy Coalition, Cascade, and the Community Action Agencies that serve in Cascade’s service territory. The EAG is composed of seven members of the community who represent customers from vulnerable community groups. Ortiz, Exh. NO-2.

<sup>6</sup> Tillis, Exh. DLT-6.

<sup>7</sup> See Tillis, Exh. DLT-3 and Ortiz, Exh. NO-3 for the meeting agendas, respectively.

<sup>8</sup> See *Id.*

1 **Q. Summarize the findings in the language access plan.**

2 A. The language access plan found that Cascade has a strong foundation in offering  
3 multilingual communications with Spanish-speaking customer service representatives,  
4 the ability to translate its website into over 240 languages, and the practice of providing  
5 communications in both English and Spanish. However, the plan surgically identified  
6 where the Company can further remove language barriers.

7 The plan confirms that English and Spanish are the primary languages spoken  
8 in Cascade’s service territory. While Spanish is the predominant language spoken by  
9 the vast majority of limited-English-proficiency households, Cascade does have a  
10 number of customers with literacy challenges, underscoring the need for Cascade to  
11 emphasize usage of plain language and visual communication when possible. The plan  
12 also notes that Cascade should ensure emergency notifications are provided in Spanish  
13 and that the readability of the Spanish translation should be assessed. The plan notes  
14 that customers would benefit from being told that they will incur no costs when asking  
15 for an interpreter to assist in a call with Cascade’s Customer Service. The plan outlines  
16 concrete actions to improve readability, consistency, and trust through ongoing  
17 monitoring and community engagement.

18 **Q. How has Cascade fulfilled the recommendations for improvement included in the**  
19 **language access plan?**

20 A. Cascade will work with its two advisory groups on the timing of implementing the  
21 recommendations found in Section 3 of the plan.<sup>9</sup> At this time, Cascade has  
22 implemented the following recommendations:

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<sup>9</sup> See Tillis, Exh. DLT-4 (Attachment C to Cascade’s 2024-2025 CARES Annual Report).

- 1           • Cascade’s Energy Efficiency team evaluated language access of Energy  
2           Efficiency program communications.
- 3           • The Communications team is incorporating universal icons and symbols that  
4           are understandable to all speakers of all languages.
- 5           • The language preference widget was moved to the top right of the Cascade  
6           website.
- 7           • Cascade’s CXT updated its processes to update a customer’s preferred language  
8           stored in its customer information system when a Customer Service employee  
9           assists a customer in a language other than English (either directly or via the  
10          Company’s interpreter service).
- 11          • The Spanish translation of the CARES application was reviewed by a Spanish  
12          speaker and revised for improved readability.
- 13          • The CARES tagline was translated into Spanish in Spanish versions of CARES  
14          communications.
- 15          • The Spanish phrases used in the Spanish Interactive Voice Response have been  
16          modified to use Latin American Spanish rather than Castilian Spanish.
- 17          • Cascade has developed a website for non-English speakers that informs  
18          customers that interpretive services are available at no cost and directs  
19          customers to the online translation services found on every Cascade webpage.<sup>10</sup>
- 20          Cascade’s 2024-2025 CARES Annual Report, included as Exhibit DLT-4,  
21          includes a status report on its progress toward fulfilling this requirement, and the  
22          Company’s 2026-2027 CARES Annual Report, that will be filed January 15, 2027, will

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<sup>10</sup> See <https://www.cngc.com/interpretation-services/>.

1 include an update on Cascade’s continued progress towards implementing the language  
2 access plan action items.

3 **B. Effective CARES Outreach**

4 **Q. What did the Final Order in Docket UG-240008 require regarding effective**  
5 **CARES outreach?**

6 A. The Final Order identifies seven topics of discussion that Cascade is required to have  
7 with its EAG.<sup>11</sup> This requirement is comprehensively discussed in the Direct  
8 Testimony of Noemi Ortiz (Exhibit NO-1T). One of the topics was how to more  
9 effectively outreach to customers in need of bill assistance or CARES, which is  
10 Cascade’s bill discount and arrearage relief grant program.

11 **Q. How did Cascade fulfill this requirement?**

12 A. On May 9, 2025, Cascade provided the EAG with a detailed overview of its CARES  
13 outreach efforts.<sup>12</sup> Cascade’s presentation demonstrates that the Company uses a  
14 “kitchen sink” approach to its outreach, meaning that Cascade will try all  
15 communication channels available to it and is mindful of providing the information in  
16 the languages spoken by the targeted communities.<sup>13</sup>

17 **Q. What were the EAG’s recommendations for improved CARES outreach?**

18 A. The EAG was satisfied with Cascade’s outreach efforts but continues to encourage the  
19 Company in its efforts to build a broad network of relationships with community-based

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<sup>11</sup> Docket UG-240008, Order 05, App. A at ¶ 26.

<sup>12</sup> See Ortiz, Exh. NO-3 for the EAG meeting agenda and Tillis, Exh. DLT-5 for the slides presented to the EAG.

<sup>13</sup> Tillis, Exh. DLT-5.

1 organizations, which is discussed in more detail in the Direct Testimony of Noemi  
2 Ortiz.<sup>14</sup>

3 **C. Credit and Collections Practices**

4 **Q. What did the Final Order require regarding Cascade’s credit and collections  
5 practices?**

6 A. The Final Order included four requirements regarding Cascade’s credit and collections  
7 practices:<sup>15</sup>

8 1. Cascade was required to revise the thresholds used to trigger the collections  
9 process on a residential customer account to debt of at least \$150 that is at least  
10 60 days old. Cascade was also required to remove “other debt” as a factor for  
11 determining eligibility for disconnection;<sup>16</sup>

12 2. Cascade was required to review its disconnection policies with the EAG and  
13 CARES Advisory Group;<sup>17</sup>

14 3. Cascade was told to monitor the rulemaking in Docket U-210800 and  
15 incorporate any resulting policy statements or orders that result from that  
16 rulemaking;<sup>18</sup> and

17 4. Cascade was required to file a report, including any action items, with the  
18 annual CARES Program Year Report.<sup>19</sup>

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<sup>14</sup> Ortiz, Exh. NO-1T.

<sup>15</sup> Docket UG-240008, Order 05, App. A ¶¶ 28-30.

<sup>16</sup> *Id.* ¶¶ 28-29.

<sup>17</sup> *Id.* ¶ 30.

<sup>18</sup> *Id.*; see also *In re Customer Notice and Fees Rulemaking*, Docket U-210800, Notice of Opportunity to Provide Comment at 1 (Mar. 13, 2026) (explaining the purpose of the rule revisions “to consider possible changes to customer notice, credit and collection rules, late fees, disconnection fees, reconnection fees and deposits[,]” and requesting comments on revised drafts of WAC Chapters 480-90 and 480-100 by April 17, 2026).

<sup>19</sup> *Id.*

1 **Q. How did Cascade fulfill these requirements?**

2 A. I address the fulfillment of each Final Order requirement by the number referenced in  
3 the response above:

4 1. With the implementation of new rates on March 5, 2025, as approved in the  
5 Final Order, Cascade implemented the new thresholds for Cascade’s monthly  
6 residential credit collections process. The assessment, which was previously  
7 triggered when a residential customer had a current debt of at least \$50 that was  
8 35 or more days old, was changed to at least \$150 that was 60 days or more old.  
9 Also, “other debt” was removed as a consideration within the collections  
10 process.

11 2. Cascade reviewed its disconnection policies and its disconnection  
12 communications with its EAG on June 13, 2025, and with its CARES Advisory  
13 Group on June 18, 2025.<sup>20</sup> Attachment A in the 2024-2025 CARES Annual  
14 Report included as Exhibit DLT-4 is the presentation Cascade used in each  
15 meeting.

16 3. Cascade has been tracking the activity in Docket U-210800, which resumed on  
17 March 13, 2026, when the Washington Utilities and Transportation  
18 Commission (“Commission”) issued draft revisions to Chapters 480-90 and  
19 480-100 of the Washington Administrative Code.<sup>21</sup> Cascade considered the  
20 revisions and filed comments on April 17, 2026. The proposed changes would  
21 require significant system enhancements and process changes to implement.

22 For this reason, Cascade requested in its comments that Commission approval

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<sup>20</sup> See Tillis, Exh. DLT-3 for the June 18, 2025, CARES Advisory Group agenda.

<sup>21</sup> Docket U-210800, Notice of Opportunity to Provide Comments, Attachments A and B.

1 of new rules include a grace period to allow utilities time to prepare to comply  
2 with the changes.<sup>22</sup> Cascade remains committed to tracking Docket U-210800  
3 and to implementing any rule changes approved as a part of this proceeding.  
4 Cascade acknowledges that parties to the proceeding and the Company share  
5 the goal of keeping vulnerable and low-income customers connected to their  
6 energy services.

7 4. Cascade's 2024-2025 CARES Annual Report (Exhibit DLT-4) documents  
8 Cascade's fulfillment of this requirement as reiterated here.

9 **Q. Did Cascade receive any or act on any recommended changes to its disconnection**  
10 **policies or communications?**

11 A. Yes, Cascade documented the recommendations it received from both advisory groups  
12 and included the Company's deliberation on each recommendation. The document is  
13 provided as Attachment B in the 2024-2025 CARES Annual Report included as Exhibit  
14 DLT-4. In summary, the advisory groups commended Cascade for its early intervention  
15 with customers struggling to pay but suggested improvements to its communications,  
16 namely putting its door notices on white card stock rather than yellow, so as to reduce  
17 the possibility that a customer would experience public shame by others observing the  
18 notice.<sup>23</sup> Cascade committed to moving to white card stock for its door notices.<sup>24</sup>

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<sup>22</sup> Docket U-210800, Comments on behalf of Cascade Nat. Gas Co. at 13 (Apr. 17, 2026).

<sup>23</sup> Tillis, Exh. DLT-4.

<sup>24</sup> Tillis, Exh. DLT-4.

1 **D. Energy Burden Analysis**

2 **Q. What did the Final Order require regarding Cascade’s requirement to perform**  
3 **energy burden analyses?**

4 A The Final Order states:

5 Cascade will perform an energy burden analysis every two years.  
6 Cascade will work with its CARES advisory group to determine the  
7 parameters of the assessment, which will include an assessment of  
8 stratified energy burdens, identification of excess energy burdens  
9 (including census tracts), and one or more indicators of low-income  
10 status.<sup>25</sup>

11 **Q. How has Cascade fulfilled this requirement?**

12 A. Cascade has engaged Empower to develop its 2026 Energy Burden Analysis in  
13 accordance with the requirement in the Final Order. Data collection for the report began  
14 in December 2025. Next, Empower presented the statement of work for the energy  
15 burden analysis to the January 21, 2026, CARES Advisory Group.<sup>26</sup> The Company  
16 expects the report will be finalized by August and results will be presented to the  
17 CARES Advisory Group soon thereafter.

18 **V. AFFORDABILITY**

19 **Q. How does Cascade assist customers struggling to pay their bills?**

20 A. Cascade offers numerous programs that assist customers in paying their natural gas bill.  
21 The offerings can be divided into two categories: (1) bill management options or  
22 programs; and (2) financial assistance for qualifying low-income customers.

23 **Q. What bill management programs are available to Cascade customers?**

24 A. Cascade offers the following options to customers:

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<sup>25</sup> Docket UG-240008, Order 05, App. A ¶ 36; *see also* Docket UG-240008, Order 05 ¶ 92, 100 (discussing Cascade’s commitment in the settlement stipulation and supporting the parties agreement to that effect).

<sup>26</sup> *See* Tillis, Exh. DLT-3 for the meeting agenda.

- 1 • Budget Payment Plan. A residential customer on Cascade’s Budget Payment  
2 Plan receives a monthly bill in the amount of one-twelfth of their average annual  
3 usage. This payment option allows residential customers to avoid extreme  
4 fluctuations from month to month due to weather or usage changes. Budget  
5 Payment Plans are offered to residential customers in accordance with the  
6 Company’s Rule 6, Billings and Payments.
- 7 • Time Payment Arrangements. A residential customer who expresses difficulty  
8 in paying a bill may enter into a time payment arrangement from two to 24  
9 months, extending the due date on any unpaid prior balance.
- 10 • Auto-Pay. Auto-pay withdraws a customer’s monthly payment for natural gas  
11 usage from the customer’s credit card, debit card, or bank account, as authorized  
12 by the customer. This option allows customers to attend to their busy lives  
13 without the concern that they may miss making a payment for service received.

14 **Q. What low-income financial assistance programs does Cascade offer?**

15 A. Cascade offers the following programs to qualifying low-income customers:

- 16 • CARES. As of October 1, 2023, Cascade began offering the CARES program.  
17 CARES, which is ratepayer funded, was designed in collaboration with the  
18 Company’s CARES Advisory Group. CARES offers qualifying low-income  
19 customers a percentage off from their monthly bill and, if necessary, an upfront  
20 payment to pay or assist in paying down the customer’s arrearage. Cascade  
21 offers five tiers of discounts and arrearage forgiveness commensurate with the  
22 customer’s household income and number of household occupants measured as  
23 the percentage of area median income or federal poverty level.

- 1           • Winter Help. Winter Help, which is funded by customer donations and Cascade  
2           shareholders, provides assistance to low-income customers who are at risk of  
3           disconnection for non-payment. A Winter Help grant of up to \$300 is applied  
4           to a qualifying Washington residential customer’s account, when the customer  
5           is scheduled to be disconnected from service due to an unpaid past due amount,  
6           and the Low-Income Home Energy Assistance Program (“LIHEAP”) and/or  
7           CARES grants, which are applied first, are less than the amount required to  
8           prevent the disconnection. A Winter Help grant is intended to keep qualifying  
9           customers connected to service and is available once per household per program  
10          year.
- 11          • LIHEAP. Cascade partners with Community Action Agencies within its service  
12          territory to provide customers with access to federal grants that can be used to  
13          pay down a past due balance or future billings for natural gas service.
- 14          • Conservation. Cascade offers rebates to all Washington-based core customers  
15          for the installation of weatherization measures or high efficiency gas-fired  
16          appliances. The installation of conservation measures provides customers with  
17          an enduring means to lower bills through reduced energy consumption.
- 18          • Washington Incentive Program (“WIP”). WIP is a Cascade program  
19          administered by Community Action Agencies and third-party weatherization  
20          contractors. WIP offers qualifying low-income customers the installation of  
21          energy efficiency measures at no direct cost. As stated previously, conservation  
22          is the most enduring way to lower a customer’s bill while improving the home’s  
23          comfort level.

1 **Q. What do qualifying customers receive when they enroll in CARES?**

2 A. A customer receiving CARES benefits is placed on one of five tiers of energy  
3 discounts. The tier on which the customer receives CARES service is commensurate  
4 with that customer's household income and the number of residents in the customer's  
5 home. Placement on a CARES tier entitles the customer to 24 months of discounted  
6 bills and, if needed, grants of up to \$500 per program year to pay down or pay off an  
7 arrearage. For the specific program parameters, see Exhibit DLT-6, Rule 20 and  
8 Schedule 302.

9 **Q. Which customers qualify for CARES?**

10 A. A Cascade customer may receive service in CARES on a residential account if their  
11 household income does not exceed either 80 percent of area medium income or  
12 200 percent of the federal poverty level.

13 **Q. What is the CARES program annual budget?**

14 A. The CARES budget is limited by RCW 80.28.425(2), which caps low-income bill  
15 payment expenditures at five percent of a company's revenue requirement.<sup>27</sup> As the  
16 utilities' program budgets have increased, they have questioned what costs should be  
17 included in the five percent calculation. The Commission initiated Docket U-250953  
18 to deliberate on the statutory requirement.<sup>28</sup> Cascade is tracking this docket and will  
19 make any adjustments to its program offering(s), if needed, upon the Commission's  
20 issuance of an order or policy statement. Until the Commission renders an

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<sup>27</sup> "The commission may approve, disapprove, or approve with modifications any proposal to recover from ratepayers up to five percent of the total revenue requirement approved by the commission for each year of a multiyear rate plan for tariffs that reduce the energy burden of low-income residential customers[.]" RCW 80.28.425(2).

<sup>28</sup> *In re Low Income Pol'y Statement*, Docket U-250953, Notice of Opportunity to File Written Comments at 1 (Dec. 24, 2025)

1 interpretation of the statute, CARES program costs will continue to be incurred and  
2 deferred in alignment with known customer need.

3 **Q. How is Cascade proposing to comply with the requirement in RCW 80.28.425(2)**  
4 **that a proposed rate case increase must be accompanied by an increase to bill**  
5 **payment assistance program spending equal to at least twice the percentage of the**  
6 **rate increase?**

7 A. This requirement is difficult to address for two reasons. First, as explained above, since  
8 the Commission is considering how to interpret the statute in Docket U-250953, it is  
9 unclear to Cascade how close it may be to the statutory spending cap of five percent,  
10 or if the Commission's interpretation will retain Cascade's understanding of the five  
11 percent spending limit. If Cascade is close to or over the five percent cap (dependent  
12 upon what costs are included in the numerator and which revenues are included in the  
13 denominator), a significant increase in spending may not be compliant with the statute.  
14 If the Commission's interpretation of the statute reveals that Cascade is close to or over  
15 the statutory limit, Cascade will likely target its program to high energy burdened, low-  
16 income customers, rather than all low-income customers, but will continue to perform  
17 extensive outreach to the target customers who are eligible for assistance. Matching  
18 benefits to qualifying customers will continue to be a priority.

19 Second, since program costs are not budgeted but rather are deferred as costs  
20 are incurred, Cascade cannot commit to a specific percentage increase. It can, however,  
21 state that with additional and targeted program outreach, Cascade expects that CARES  
22 spending will continue to increase each year of the multiyear rate plan as program  
23 penetration increases or until program saturation is reached.

1 **Q. What is the anticipated energy burden for customers on each tier of CARES?**

2 A. Table 1 below demonstrates the energy burden that customers would likely experience  
3 on each tier of CARES if Cascade’s proposed rates are approved.

4 **Table 1 – Energy Burden by CARES Tier**

Schedule 302, CARES Tier	CARES Bill Discount	Proposed Energy Burden
1	90%	3.5%
2	75%	3.5%
3	50%	3.5%
4	25%	3.5%
5	8%	3.2%

5 **Q. What is the program penetration of CARES?**

6 A. Based on an updated analysis Empower provided in March 2026, Cascade likely has  
7 60,721 low-income customers in its service territory. As of April 30, 2026, Cascade  
8 has 20,798 customers enrolled in CARES, which is a 34 percent program penetration.

9 **Q. How does Cascade communicate its bill assistance and other service options to its  
10 customers?**

11 A. Cascade likes to say it uses the “kitchen sink” approach to outreach, meaning that the  
12 Company uses all communication channels available to it. Listed below are examples  
13 of planned communications:

- 14 • Information is continuously maintained and updated as needed on the  
15 Company’s website;
- 16 • Customer Service and Credit and Collections Representatives are trained to  
17 proactively provide CARES information to customers who express difficulty in  
18 paying their bill and attempt to qualify customers for CARES if they are  
19 interested;

- 1 • Bill inserts are included with at least two bill cycles each year;
- 2 • Bill inserts (a message on the bill) are provided each month on every non-final  
3 residential bill with a past-due balance greater than \$50;
- 4 • Automated outbound and recurring monthly calls are made to customers who  
5 are not enrolled in the CARES discount rate and who have a past-due balance  
6 greater than \$50, as well as to every customer not yet enrolled in the CARES  
7 bill discount rate, regardless of past due balance, who resides in a premise  
8 designated as likely to be low-income in accordance with the best available  
9 information;
- 10 • Emails are sent to customers who opted in to receive account notification emails  
11 and who have a past-due balance greater than \$50 and who have not enrolled in  
12 the CARES bill discount rate, as well as to every customer not yet enrolled in  
13 the CARES bill discount rate, regardless of past due balance, who resides in a  
14 premise designated as likely to be low-income in accordance with the best  
15 available information;
- 16 • Social media posts run periodically throughout the heating season;
- 17 • Google Ads, consisting of graphics, text, and video ads, are displayed across  
18 Google search results and websites running periodically throughout the heating  
19 season for the demographic target market for energy assistance;
- 20 • Third-party website banner ads run throughout the heating season for the  
21 demographic target market for energy assistance, including graphic and text  
22 ads;

- 1 • Streaming audio and video ads play during the heating season on streaming  
2 services/programs likely utilized by the demographic target market for energy  
3 assistance;
- 4 • Cascade Service Mechanics provide customers with CARES information when  
5 at a customer's residence to process a disconnection if they are able to  
6 successfully make contact with someone over the age of 18 and who makes a  
7 promise to pay and requests more time;
- 8 • Cascade developed a relationship with Inspire Development Centers, a  
9 501(c)(3) that serves rural communities across Washington state by bringing  
10 age and culturally appropriate services to families and children in need. Inspire  
11 Development Centers is a community-based organization ("CBO") that enrolls  
12 its clients into CARES at no cost to the program. Cascade believes this is a  
13 useful first step in creating a growing network of trusted messengers for  
14 CARES in the communities it serves. Efforts to create a strong CBO network  
15 are discussed more in the Direct Testimony of Noemi Ortiz.<sup>29</sup>

16 **Q. What is Cascade doing to increase the reach of CARES?**

17 A. As the CARES program matures and program penetration is at levels never experienced  
18 before in Cascade's history of providing bill payment assistance, Cascade is shifting its  
19 focus from the traditional communication channels toward new means to reach  
20 customers who are hard-to reach for various reasons including language or cultural  
21 barriers, or who distrust institutions, corporations, or utilities and are unlikely to ever  
22 contact Cascade. The new tactics include these initiatives:

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<sup>29</sup> Ortiz, Exh. NO-1T.

- 1           • Better Data Analysis. Cascade has commenced diligently seeking to understand  
2 its low-income and vulnerable customers for the purpose of targeted marketing  
3 or auto-enrolling customers who are likely to be low-income and unlikely to  
4 ever reach out to Cascade. Cascade has invested in third-party data platforms  
5 and has hired a data analyst. Cascade’s 2024-2025 CARES Annual Report  
6 provided additional insight on the demographics of Cascade’s CARES  
7 customers which was largely taken from the new data platforms.<sup>30</sup>

8           Under the current presidential administration, Cascade has observed  
9 that some members of its community have a heightened distrust of institutions  
10 or a greater fear of providing their personal information. With better data  
11 analysis, Cascade can identify these communities and target its CARES  
12 communications to them. Targeted tactics may include providing a community  
13 with materials that are reworded to address cultural values (for instance some  
14 communities resist programs or services that sound like a form of charity) or  
15 the customers’ preferred language.

- 16           • Auto-enroll customers into CARES. Cascade has learned that auto-enrollment  
17 into CARES is a useful tool for distributing benefits to qualifying communities  
18 that either resist assistance or do not want to connect with their utility. Auto-  
19 enrollment overcomes barriers and establishes energy justice for a community.  
20 For example, the Company has historically had difficulty establishing a  
21 relationship with tribal leadership but has identified income-qualified  
22 customers within the tribal communities who were not receiving bill payment

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<sup>30</sup> Tillis, Exh. DLT-4.

1 assistance. In April 2026, Cascade auto-enrolled 640 low-income tribal  
2 customers into tier 5 of CARES. These customers were sent a letter explaining  
3 they were auto-enrolled into bill payment assistance and that they can call the  
4 Company to self-attest to a lower income if they believe they qualify for a  
5 deeper discount. Cascade is tracking the feedback it receives from these  
6 customers to understand if their auto-enrollment was well received. Cascade  
7 considers targeted community auto-enrollment based on demographics and not  
8 just prior usage of bill payment assistance a new tool in its toolbox that it can  
9 use to apply equity.

- 10 • Collaboration with the community. Cascade is committed to continuing its  
11 collaboration with its CARES Advisory Group and its EAG, both of which meet  
12 monthly. As decisions need to be made or changes are implemented, Cascade  
13 will continue to bring those before its two advisory groups to seek input and  
14 recommendations from community representatives.

15 Beyond this established process, Cascade is also seeking to develop  
16 strong collaborative relationships with CBOs. This effort is discussed more in  
17 the Direct Testimony of Noemi Ortiz.<sup>31</sup> Over the past year, Cascade has  
18 developed collaborative relationships with two CBOs, both of which have  
19 extensive reach within Washington. These CBOs are discussing CARES with  
20 their community members and using categorical eligibility to provide Cascade  
21 with income-verified CARES enrollments. Cascade sees building this network

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<sup>31</sup> Ortiz, Exh. NO-1T.

1 as one of the next important steps in matching benefits to eligible customers as  
2 a means of restorative justice.

3 **Q. Is Cascade proposing any changes to the structure of CARES within this rate**  
4 **case?**

5 A. No. The Company's proposed 2027 rates, if approved, would not increase the CARES  
6 customers' energy burden above three and half percent, which is the stated goal on  
7 Sheet 302 of Schedule 302, Cascade Arrearage Relief Energy Savings (CARES)  
8 Discount Rates.<sup>32</sup> This energy burden target was established by Cascade's CARES  
9 Advisory Group upon implementation of the CARES Program. Cascade is concerned  
10 with the affordability of its natural gas service and is committed to keeping its known  
11 low-income customers at or below this defined energy burden threshold.

12 It is premature to perform an energy burden analysis on the proposed year two-  
13 rates as the Federal Poverty Level is expected to increase for years 2027 and 2028;  
14 however, Cascade is committed to working with its CARES Advisory Group in 2028  
15 if the analysis at the time demonstrates a need to increase the CARES discounts to keep  
16 CARES customers at or below a three and a half percent energy burden.

## 17 VI. CONCLUSION

18 **Q. Does this conclude your Direct Testimony?**

19 A. Yes.

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<sup>32</sup> Tillis, Exh. DLT-6.