

**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 JENNIFER G. GROSS**

May 29, 2026

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1 **I. INTRODUCTION**

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

3 A. My name is Jennifer G. Gross. My business address is 8113 West Grandridge
4 Boulevard, Kennewick, Washington 99336.

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

6 A. I am employed by Cascade Natural Gas Corporation (“Cascade” or “Company”) as the
7 Manager of Regulatory Affairs.

8 **Q. How long has Cascade employed you?**

9 A. I have been employed by Cascade for over seven years, from May 2015 to February
10 2019, and from March 2023 to present.

11 **Q. What are your duties as Manager of Regulatory Affairs?**

12 A. I am responsible for tariff administration, tariff and rule compliance, overall docket
13 management, and policy oversight.

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

15 A. I earned a Bachelor of Arts degree in English from Oregon State University and a
16 Master of Arts degree in English from Portland State University. I have approximately
17 thirty years of experience working at investor-owned energy utilities in the Pacific
18 Northwest, over twenty of which have been in regulatory affairs with progressively
19 increasing responsibility from analyst to manager. I have provided testimony in prior
20 rate cases before the Commission.

1 Basis Report filings submitted on April 30, 2025, and April 30, 2026 in Dockets
2 UG-250304 and UG-260330, respectively. The filings are also posted on Cascade’s
3 website.³

4 **Q. Please list the performance metrics on which Cascade currently reports.**

5 A. Cascade’s performance metrics, adopted by Order 05 in Docket UG-240008, are listed
6 below in Table 1.

7 **Table 1 – Cascade's Performance Measures**

Goal Title	Goal Description/Calculation
(1) Natural Gas emergency response time	Average and median length (in minutes) from notification to arrival of field technician in response to natural gas system emergency, separately reported for Named and Non-Named Communities. Capture all outages regardless of reason, Utilities may provide narratives.
2(a) Arrearages per Month	Number of customers in arrears by period and total amount of arrearages by month, by class, measured by census tract to include 30+, 60+, and 90+ days in arrears for total company.
2(b) Percentage of customers in arrears with Arrearage Management Program (AMP)	By census tract and monthly, the number of residential customers in arrears with arrearage management plans divided by total customers in arrears.
2(c) Average Energy Burden	Annual residential bill divided by area median income by census tract for all customers, comparing outcomes in Named and Non-Named communities. Also provide the number and percentage of customers experiencing high energy burden by census tract.
2(d) Utility Assistance Program Effectiveness	Percentage of estimated low-income needs met with dispersed funds from customer-funded assistance programs on an annual basis.

³ *Washington Performance Based Regulation Metrics*, Cascade Nat. Gas Corp., <https://www.cngc.com/rates-services/washington-performance-based-regulation-metrics/>.

2(e) Customers who participate in one or more bill assistance programs	The number and percentage of estimated low-income customers who participate in one or more customer-funded energy assistance programs that actively lowers energy burden, both aggregated and by census tract; and separately the number and percentage of estimated low-income population enrolled in a utility bill discount program and total amount of discount applied annually.
2(f) Annual utility revenues and rate impacts	Annual revenue from base rates approved in most recent multiyear rate plan (“MYRP”) by customer class; Total incremental or decremental revenue from all approved rate adjustments, excluding those authorized by the MYRP, occurring during the reporting year separated by schedule and customer class providing the calendar month and percentage of the change for each schedule; Net bill revenue (annual) by schedule.
3(a) Workforce Diversity	Percentage of employees and senior management (separately identifying: (a) C-suite employees, (b) directors and employees more senior than directors, and (c) the remaining workforce who identify as: (i) a person of color; and/or (ii) a woman or non-binary; Percentage of total employees that opt out from providing information either through human resources data or surveys.
3(b) Supplier Diversity	Percentage of suppliers that self-identify as owned by people of color, women, veteran, and other marginalized groups, and total dollar amount and percentage of total company spend to those suppliers.
4(a) Operations & Maintenance (“O&M”) Total Expense divided by Operating Revenue	Assesses how much expense was incurred for every dollar earned. Results of 1.00 or greater might reflect reduced efficiency in controlling O&M spending.
4(b) Operating Revenue divided by average-of-monthly-averages, or AMA, Total Rate Base and Operating Revenue divided by end-of-period, or EOP, Total Rate Base	Assesses efficient use of rate base to generate revenue. Results less than 1.00 or excessively low results might reflect reduced efficiency in utilizing rate base to generate revenue.

4(c) Current Assets divided by Current Liabilities	Assesses liquidity of current assets covering current liabilities. Results less than 1.00 might reflect issues or concerns with liquidity.
5(a) Net Income divided by Operating Revenue	Assesses the amount of net profit gained through revenues earned. Results should be multiplied by 100, to calculate a percentage result, and compared to the authorized rate of return.
5(b) Retained Earnings divided by Total Equity	Assesses the amount of earnings retained by a company compared to its total equity. Excessively low or high deviations might indicate that the company is paying out more earnings than reinvesting or that the company is retaining more than it needs, respectively. This metric will require baseline information to understand reinvesting and payout patterns.
(6) Average Annual Bill Impacts (by Census Tract)	Assesses the average annual residential bill over time and by location.
7(a) Affordability	Number and percentage of (1) disconnect notices, (2) residential disconnections for non-payment, and (3) reconnection, each broken out by month and census tract, and comparing outcomes among all customers, estimated low-income households, known low-income households, highly impacted communities, and vulnerable populations.
7(b) Affordability	Arrearage Forgiveness Program: By census tract and quarterly, the number of residential customers provided arrearage forgiveness and dollars of arrearage forgiveness.
8(a) Equity	Compare outcomes among all customers, low-income households, highly impacted communities, and vulnerable populations when reporting: <ul style="list-style-type: none"> ▪ 8(a)Utility spending on demand response and energy efficiency, and
8(b) Equity	Compare outcomes among all customers, low-income households, highly impacted communities, and vulnerable populations when reporting: <ul style="list-style-type: none"> ▪ 8(b)Number of customers enrolled in utility energy efficiency and demand response programs.
8(c) Equity	Percentage of customers that participate in energy efficiency and demand response programs, for all customers and comparing outcomes in low-income communities, Vulnerable Populations, and Highly Impacted Communities.
(9) Equity	Provide a report that outlines which settlement topics for the Equity Advisory Group (“EAG”) were discussed.

1 **Q. Does Cascade propose any changes to its annual performance measures?**

2 A. Yes. Cascade asks that the following performance measure listed below in Table 2 be
3 removed as all related discussions have occurred and this metric is no longer applicable.

4 **Table 2 – Cascade’s Proposed Performance Measure 9**

Equity (9)	Provide a report that outlines which settlement topics for the EAG were discussed.
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5 Cascade proposes that it retain the remainder of its current performance measures listed
6 in Table 1, with the exception of performance measure 9, and no additions.

7 **Q. Why is Cascade not proposing additional performance measures?**

8 A. Cascade does not support the addition of new performance metrics at this time. The
9 Commission has made clear that the initial phase of performance-based regulation is
10 intended to focus on establishing baseline data, not the continual expansion of reporting
11 requirements. The Commission emphasizes that “an incremental and intentional
12 approach is necessary to first establish priorities and identify baseline data,” and that it
13 is “appropriate to limit the number of metrics to a handful of significant, quantifiable,
14 and objective measures at the inception of this regulatory evolution.”⁴ The Commission
15 further cautions that “the number of metrics should be limited and no greater than
16 necessary to measure performance towards the goals and outcomes while ensuring the
17 ability to obtain valuable data in the public interest.”⁵ Cascade has reported on the
18 approved metrics for only two years, and that data is being used to establish meaningful
19 baselines. Introducing additional metrics now would be premature, risk undermining

⁴ Docket U-210590, *Interim Policy Statement Addressing Performance Measures and Goals* ¶ 18 (Apr. 12, 2024).

⁵ *Id.* ¶ 8, Table 1.

1 data consistency and comparability, and dilute focus from accurately measuring
2 performance against the Commission-approved metrics already in place.

3 **Q. Does Cascade propose any other changes to its reporting requirements besides its**
4 **performance measures reporting?**

5 A. Yes. For the reasons stated below, Cascade requests that the Commission remove the
6 following reporting requirements:

7 1. U-200281 COVID Monthly COVID Report and U-200281 COVID Quarterly
8 Customer Data Reporting

9 In compliance with Section K of the Fourth Revised Term Sheet attached as
10 Appendix A to Order 06 issued in Docket U-200281, Cascade provides the
11 Commission with quarterly and monthly data on arrearages, bill payment assistance,
12 and time payment agreements.⁶ These reporting requirements, which were initiated
13 during the COVID-19 pandemic, are to be submitted until “30 days after the
14 Commission issues its order adopting rules or otherwise determines the propriety of the
15 fee and deposit rules in Docket U-210800.”⁷ The performance measures established
16 and reported on in the five years since the initiation of Docket U-210800 duplicate the
17 reporting requirement established for the COVID-19 pandemic in Docket U-200281.
18 As noted above, Cascade’s performance measures include reporting on customer and
19 vulnerable communities’ outcomes for disconnection, arrearages, bill assistance, and
20 energy burden. Because of the duplication, Cascade requests that the Commission grant

⁶ See *In re Response to the COVID-19 Pandemic*, Docket U-200281, Order 06, Amending Order 03; Exempting Gas and Elec. Cos. from WAC 480-100-113 and WAC 480-90-113, Appendix A at 9-10 (Mar. 29, 2022).

⁷ *Id.*, Appendix A at 9.

1 it the authorization to cease providing the Docket U-200281 COVID-19 monthly and
2 quarterly reports.

3 2. UG-061721, Service Quality Measure Report

4 In Commission Order 06 issued June 27, 2007, in Docket UG-061721, the proceeding
5 reviewing MDU Resources Group, Inc.'s acquisition of Cascade, the Commission
6 required Cascade to report on five service quality metrics.⁸ Since the items identified
7 as important to the State of Washington have been identified in Docket U-210590 and
8 related reporting metrics have been established to track outcomes related to
9 Washington's values, these 2006 service quality measures are outdated and have been
10 replaced. Cascade asks that the Commission discontinue this reporting requirement.

11 **IV. TARIFF CHANGES**

12 **Q. Has the Company provided proposed tariff sheets?**

13 A. Yes, the Company files the revised tariff sheets listed in Table 3 below. The clean tariffs
14 are included as Exhibit JGG-2 and the legislative or redlined tariffs are provided as
15 Exhibit JGG-3.

16 **Table 3 – Proposed Revised Tariffs**

Tariff Sheet	Sch./Rule	Title
Forty-First Revision of Sheet No. 2	TOC	Table of Contents
Thirty-Second Revision of Sheet No. 2-A	TOC	Table of Contents
Seventh Revision of Sheet No. 21	Rule 17	Order of Priority for Gas Service
Thirteenth Revision of Sheet No. 25	Rule 21	Decoupling Mechanism
Original Sheet No. 30-A	Rule 30	Distribution System Transportation Service Terms and Conditions

⁸ *In re the Joint Application of MDU Res. Group, Inc. and Cascade Nat. Gas Corp. for an Ord. Auth. Proposed Transaction*, Docket UG-061721, Order 06 Approving and Adopting Stipulation; Authorizing Transaction ¶ 15 & Appendix A to Stipulation ¶ 22 (June 27, 2007).

Original Sheet No. 30-B	Rule 30	Distribution System Transportation Service Terms and Conditions
Original Sheet No. 30-C	Rule 30	Distribution System Transportation Service Terms and Conditions
Original Sheet No. 30-D	Rule 30	Distribution System Transportation Service Terms and Conditions
Original Sheet No. 30-E	Rule 30	Distribution System Transportation Service Terms and Conditions
Original Sheet No. 404	Sch. 404	General Commercial Service – Sch. 700 CCA Exempt
Original Sheet No. 405	Sch. 405	General Industrial Service Rate – Sch. 700 CCA Exempt
Original Sheet No. 411	Sch. 411	Large Volume General Service – Sch. 700 CCA Exempt
Original Sheet No. 411-A	Sch. 411	Large Volume General Service – Sch. 700 CCA Exempt
Original Sheet No. 463	Sch. 463	Distribution System Transportation Service – Sch. 700 CCA Exempt
Original Sheet No. 463-A	Sch. 463	Distribution System Transportation Service – Sch. 700 CCA Exempt
Original Sheet No. 470	Sch. 470	Interruptible Service – Sch. 700 CCA Exempt
Original Sheet No. 470-A	Sch. 470	Interruptible Service – Sch. 700 CCA Exempt
Seventieth Revision of Sheet No. 503	Sch. 503	Residential Service Rate
Fifty-Fourth Revision of Sheet No. 504	Sch. 504	General Commercial Service Rate
Fifty-Third Revision of Sheet No. 505	Sch. 505	General Industrial Service Rate
Seventy-First Revision of Sheet No. 511	Sch. 511	Large Volume General Service
Second Revision of Sheet No. 520	Sch. 520	Provisional Plant Rates Adjustment
Original Sheet No. 520-A	Sch. 520	Provisional Plant Rates Adjustment
Original Sheet No. 520-B	Sch. 520	Provisional Plant Rates Adjustment
Sixty-Fifth Revision of Sheet No. 570	Sch. 570	Interruptible Service
Original Sheet No. 570-A	Sch. 570	Interruptible Service
Twenty-Third Revision of Sheet No. 663	Sch. 663	Distribution System Transportation Service
Fifteenth Revision of Sheet No. 663-A	Sch. 663	Distribution System Transportation Service

1 **Q. Please explain the changes that are proposed for each listed tariff sheet.**

2 A. Listed below are the revised tariff sheets followed by a short summary of the proposed
3 changes on each page.

- 4 • Sheet Nos. 2 and 2-A comprise the Table of Contents, which is updated to include
5 proposed Rule 30 and proposed Schedules 404, 405, 411, 470, and 463. The four
6 hundred series rate schedules are for customers who meet the exemption criteria
7 in Schedule 700, Climate Commitment Act (CCA) Rate Adjustment
8 (“Schedule 700”) charges. The established rate schedules (503, 504, 511, 570,
9 663, and 900) are moved to Sheet 2-A.
- 10 • Sheet No. 21 details the Order of Priority for Gas service. This sheet is revised to
11 include references to the proposed Schedules 404, 405, 411, 470, and 463.
- 12 • Sheet No. 25 is revised to include the new authorized margin revenue per
13 customer for the 2027 and 2028 rate years. The mechanism remains unchanged
14 but references to the new four hundred series rate schedules. The derivation of
15 the authorized margin revenue per customer is discussed in the Direct Testimony
16 of Zachary L. Harris (Exhibit ALH-1T).
- 17 • Sheet Nos. 30, 30-A, 30-B, 30-C, 30-D, and 30-E comprise a new rule that
18 contains the terms and conditions for transportation service that are currently
19 found in Schedule 663, Distribution System Transportation Service. References
20 are added in Rule 30 stating that the rule is applicable to service under Schedule
21 663 and proposed Schedule 463, which offers transportation service to customers

1 who are not required to pay the Schedule 700 adjustment charge. Besides the
2 Schedule 700 charge exemption, service on Schedules 663 and 463 is the same
3 and is subject to the same terms and conditions.

- 4 • Sheet Nos. 404, 405, 411, 411-A, 463, 463-A, 470, and 470-A establish new rate
5 classes for Commercial, Industrial, large volume, Interruptible, and
6 Transportation customers who meet the exemption requirements established in
7 Schedule 700, Climate Commitment Act (CCA). Customers who are exempt
8 from the Schedule 700 charge will be migrated to new rate schedules because
9 they will be exempt from paying rate-based renewable natural gas capital costs
10 for renewable natural gas plant incurred to comply with CCA requirements,
11 which are incorporated into the delivery charges, and the Schedule 520,
12 Provisional Plant Adjustment Rate Adjustment charges for existing Schedule
13 504, 505, 511, 570, and 663 customers.

14 The proposed new rate classes incorporate the same terms and conditions
15 as the existing rate classes because, apart from the exemption from CCA
16 compliance costs, the nature of gas service provided for a customer's application
17 or level of demand does not differ.

18 The adjustment schedules applicable to service under the current rate
19 schedules will apply to service under the new rates schedules. The rate adjustment
20 schedules are not revised in this proceeding as the Company does not want to
21 suspend the tariff sheets that it will file to change with its 2026 Purchased Gas
22 Adjustment filings. Instead, Cascade has added language to each new proposed
23 rate schedule clarifying the rate adjustments and rates that will apply. Cascade

1 plans to file a housekeeping filing after this rate proceeding has concluded to add
2 the new rate schedules to its existing rate adjustment schedules.

3 • Sheet Nos. 503, 504, 505, 511, 570, 570-A, 663, 663-A, and 900.2 are revised to
4 include the new Basic Service Charges and Delivery Charges as discussed in the
5 Direct Testimony of Ronald J. Amen (Exhibit RJA-1T). Language under the
6 header “Other charges” is removed as it is repetitive of language in the rules and
7 Schedule 200.

8 • Sheet Nos. 520-A and 520-B are new sheets added to include the provisional plant
9 rate adjustment charges for the existing rate classes and the proposed rate classes
10 for both years of the MYRP. The rate applied to the first block for the existing
11 rate schedules (504, 505, 511, 570, and 663) includes CCA compliance costs for
12 renewable natural gas plant; these CCA compliance costs are not included in the
13 provisional plant rate adjustment charges for the CCA exempt customers served
14 under the proposed four hundred series rate schedules. Provisional plant costs are
15 discussed in the Direct Testimony of Jacob A. Darrington (Exhibit JAD-1T).

16 **Q. Is Cascade requesting to withdraw any tariff sheets?**

17 A. Yes. Cascade seeks to withdraw the tariff sheets listed below in Table 4:

18 **Table 4 – Tariff Sheets Cascade Seeks to Withdraw**

Tariff Sheet	Sch./Rule	Title
Third Revision of Sheet No. 663-B	Sch. 663	Distribution System Transportation Service
Second Revision of Sheet No. 663-C	Sch. 663	Distribution System Transportation Service
Second Revision of Sheet No. 663-D	Sch. 663	Distribution System Transportation Service
Original Sheet No. 663-E	Sch. 663	Distribution System Transportation Service

Second Revision of Sheet No. 663-F	Sch. 663	Distribution System Transportation Service
Substitute Second Revision of Sheet No. 663-G	Sch. 663	Distribution System Transportation Service
Substitute Second Revision of Sheet No. 663-H	Sch. 663	Distribution System Transportation Service
Original Sheet No. 663-I	Sch. 663	Distribution System Transportation Service

1 **Q. Why is Cascade seeking to withdraw the tariff sheets listed in Table 4?**

2 A. Cascade is moving the terms and conditions stated in Schedule 663—the terms and
3 conditions for transportation—into proposed Rule 30, which will be applicable to
4 customers served on proposed Schedule 463, transportation service for CCA exempt
5 customers, as well as customers served on existing Schedule 663. Rule 30 makes the
6 sheets listed in Table 4 unnecessary.

7 **V. CONCLUSION**

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

9 A. Yes.