



8113 W. GRANDRIDGE BLVD., KENNEWICK, WASHINGTON 99336-7166
TELEPHONE 509-734-4500 FACSIMILE 509-737-9803
www.cngc.com

July 24, 2026

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

RE: NEW, Advice No. W26-07-01, Schedule 500, Municipal Taxes

Director Killip:

Cascade Natural Gas Corporation ("Cascade" or "Company") submits to the Washington Utilities and Transportation Commission ("Commission") the following revisions to its Tariff WN U-3, with a stated effective date for service on and after October 1, 2026:

Eighth Revision of Sheet No. 500-B

The purpose of this filing is to revise the City of Richland tax rates listed in Schedule 500, Municipal Taxes. The City of Richland's tax is based on Cascade's gross revenues, which is defined in Richland Municipal Code 5.20.020 as including all taxes. With this filing, Cascade is increasing Richland's 8.5 percent tax to 9.289 percent and its 1.0 percent tax to 1.010 percent. These increases allow the municipal tax to apply to other taxes included on customers' bills.

Cascade is also revising Schedule 500 to reflect a future change to Richland's municipal tax. Effective January 1, 2027, Richland will charge a flat rate for all utility gross revenues, removing the 1 percent tax tier for billings greater than \$35,000. The newly adopted Ordinance No. 2026-11 is included as an attachment to this filing.

This municipal tax revision will impact 10,598 customers in the City of Richland. In compliance with WAC 480-90-194, Richland customers will be notified of the changes to their municipal tax rates in their August bill inserts. Bill inserts will be issued during the period from August 4, 2026, through September 1, 2026. A copy of the bill insert is attached.

This electronic filing is comprised of the following files:

- NEW-CNGC-Advice-No.-W26-07-01-Sch-500-CLtr-07-24-2026.pdf

- NEW-CNGC-Advice-No.-W26-07-01-Sch-500-Trf-07-24-2026.pdf
- NEW-CNGC-Advice-No.-W26-07-01-Sch-500-Ord-No.-2026-11-07-24-2026.pdf
- NEW-CNGC-Advice-No.-W26-07-01-Sch-500-Customer-Notice-07-24-2026.pdf

Please direct any questions regarding this filing to Jennifer Gross at 509-975-9473 or jennifer.gross@cngc.com.

Sincerely,

/s/ Michael Parvinen

Michael Parvinen
Director, Regulatory Affairs
Cascade Natural Gas Corporation
8113 W. Grandridge Blvd.
Kennewick, WA 99336-7166
michael.parvinen@cngc.com

Attachments

SCHEDULE 500
MUNICIPAL TAXES

MUNICIPAL TAX RATE (continued)

Municipality	Ordinance No.	Tax Rate on gas service	Limitations
Poulsbo	80-20	6%	None
Port Orchard ⁽¹⁾	012-17	6.383%	None
Prosser ⁽¹⁾	1512	6.383%	None
Quincy	552, 05-161	4%	None
Richland	35-96 Effective 01-01-2027: 2026-11	9.289% 1.01% 9.289%	- Higher rate applied to portion billed per customer, per month up to \$35,000 - Lower rate applied to portion billed per customer, per month > \$35,000 - None
Sedro Woolley ⁽¹⁾	978	6.383%	None
Selah	939	6%	Applied to portion billed per customer, per month, up to \$2,000
Shelton	1646-0805	6%	None
Stanwood	704	6%	None
Sumas	1682, 1772 & 1773	1%	Applied to portion billed per customer, per month, up to \$1000
Sunnyside	1368	6%	None
Swinomish Indian Tribe	185	3%	None
Toppenish ⁽¹⁾	85-36, 95-8	9.289%	None
Union Gap	2107	6%	None
Walla Walla	A-3295	6%	None
Wapato	903, 948	6%	None
Wenatchee	2858	6%	None
West Richland	22-16	6%	None
Woodland ⁽¹⁾	1171	6.383%	None
(1) The billable municipal tax rate is adjusted upward to include the effect of other taxes, which is appropriate when the definition of gross revenue includes taxes.			

(I)
(I)(N)
(N)
(N)

(continued)

CNG/W26-07-01
Issued July 24, 2026Effective for Service on and after
October 1, 2026

Issued by CASCADE NATURAL GAS CORPORATION

By:  Michael Parvinen

Director, Regulatory Affairs

NOTICE TO CITY OF RICHLAND RESIDENTS

On July 24, 2026, Cascade Natural Gas Corporation filed a request with the Washington Utilities and Transportation Commission (WUTC) to increase the City of Richland municipal tax from 8.5 percent to 9.289 percent for billings less than \$35,000 and from 1 percent to 1.01 percent for billings over \$35,000. This filing adjusts the tax rate to account for other taxes included on customer bills, consistent with the Richland Municipal Code's definition of gross revenues. If approved, this change will go into effect October 1, 2026.

Cascade's filing also adds tariff language for an additional municipal tax change. Beginning January 1, 2027, Richland will remove the second tax tier and will tax all natural gas utility billings at 9.289 percent.

The WUTC will review this filing and has

the authority to set final rates that may vary from Cascade's requests, either higher or lower, depending on the results of its investigation. If the WUTC approves all proposals, the total increase for a typical residential customer using 53 therms per month with an average

proposed monthly bill of \$104.75 can expect to see a monthly increase of \$0.76 or 0.789 percent per month.

The proposed rate changes for residential, commercial, and industrial customers are:

	Current City Tax	Current Average Bill**	Proposed City Tax	Proposed Average Bill**	Proposed Change in Bill
Residential (Sch. 503)	8.5%	\$104.75	9.289%	\$105.51	\$0.76
Commercial (Sch. 504)	8.5%	\$490.31	9.289%	\$493.87	\$3.57
Industrial Firm (Sch. 505)	8.5%	\$3,251.19	9.289%	\$3,274.83	\$23.64
Com-Ind Dual Svc.(Sch.511)	8.5%	\$21,387.60	9.289%	\$21,543.13	\$155.53
Interruptible (Sch. 570)	8.5%	\$34,990.18	9.289%	\$35,244.62	\$254.44
Transport (Sch. 663)	8.5%	\$138,184.58	9.289%	\$139,189.45	\$1,004.86

** Due to tiered rate structures based on individual customer consumption, Rate Schedules 505, 511, 570, and 663 reflect average rates.

The filing may be found on Cascade Natural Gas Corporation's website: **www.cngc.com**.

Hardcopies of the filings are available for inspection upon request.

For additional information, please call the Company at **888-522-1130** or write to:

Cascade Natural Gas Corporation
8113 W. Grandridge Blvd
Kennewick, WA
99336-7166

You can contact* the WUTC to submit comment or to be notified of the scheduled open meeting, at which time the proposal will be considered by the commission:

- ▶ On the WUTC website at www.utc.wa.gov, and click on Submit a Comment
- ▶ By email to: comments@utc.wa.gov
- ▶ By phone at: 1-888-333-9882
- ▶ In writing: WUTC, PO Box 47250, Olympia, WA 98504-7250

The WUTC is committed to providing reasonable accommodations for participants with disabilities. If you need reasonable accommodations to participate in the consideration of this filing, please contact the Commission at 888-333-9882 or email at consumer@utc.wa.gov.

*Please include your name, mailing address, reference Cascade Natural Gas Corporation and Advice No. W26-07-01

Customer service: **888-522-1130**
7:30 a.m. – 6:30 p.m., Monday – Friday
customerservice@cngc.com

August 2026



In the Community to Serve®

AVISO A LOS RESIDENTES DE LA CIUDAD DE RICHLAND

El 24 de julio de 2026, Cascade Natural Gas Corporation presentó una solicitud ante la Comisión de Servicios Públicos y Transporte de Washington (WUTC, por sus siglas en inglés) para aumentar el impuesto municipal de la ciudad de Richland del 8,5 % al 9,289 % para facturaciones inferiores a \$35.000, y del 1 % al 1,01 % para facturaciones superiores a \$35.000. Esta solicitud ajusta la tasa impositiva para tener en cuenta otros impuestos incluidos en las facturas de los clientes, de conformidad con la definición de ingresos brutos establecida en el Código Municipal de Richland. De aprobarse, este cambio entrará en vigor el 1 de octubre de 2026.

La solicitud de Cascade también incorpora disposiciones tarifarias relativas a un cambio adicional en el impuesto municipal. A partir del 1 de enero de 2027, Richland eliminará el segundo tramo impositivo y aplicará una tasa del 9,289 % a todas las facturaciones del servicio de gas natural.

Puede consultar la documentación presentada en el sitio web de Cascade Natural Gas Corporation: www.cngc.com.

Hay copias impresas de los documentos disponibles para su consulta previa solicitud.

Para obtener más información, comuníquese con la empresa llamando al **888-522-1130** o escribiendo a:

Cascade Natural Gas Corporation
8113 W. Grandridge Blvd
Kennewick, WA
99336-7166

Puede comunicarse* con la WUTC para enviar comentarios o para recibir notificaciones sobre la reunión pública programada en la que la comisión examinará la propuesta:

- ▶ A través del sitio web de la WUTC (www.utc.wa.gov), haciendo clic en "Submit a Comment" (Enviar un comentario).
- ▶ Por correo electrónico a: comments@utc.wa.gov
- ▶ Por teléfono a: 1-888-333-9882
- ▶ Por escrito a: WUTC, PO Box 47250, Olympia, WA 98504-7250

La WUTC revisará esta solicitud y tiene la facultad de establecer tarifas finales que podrían diferir de las propuestas por Cascade —ya sea al alza o a la baja— en función de los resultados de su investigación. Si la WUTC aprueba todas las propuestas, un cliente residencial típico que consuma 53 *therms* al mes, con

una factura mensual promedio propuesta de \$104,75, experimentaría un aumento mensual de \$0,76 (o un 0,789 %).

Los cambios tarifarios propuestos para los clientes residenciales, comerciales e industriales son los siguientes:

	Impuesto municipal antiguo	Factura promedio anterior**	Nuevo impuesto municipal	Nueva factura promedio*	Cambio en la factura
Residencial (Sch. 503)	8.5%	\$104.75	9.289%	\$105.51	\$0.76
Comercial (Sch. 504)	8.5%	\$490.31	9.289%	\$493.87	\$3.57
Empresa industrial (Sch. 505)	8.5%	\$3,251.19	9.289%	\$3,274.83	\$23.64
Com-Ind Duelo Svc.(Sch.511)	8.5%	\$21,387.60	9.289%	\$21,543.13	\$155.53
Interrumpible (Sch. 570)	8.5%	\$34,990.18	9.289%	\$35,244.62	\$254.44
Transporte (Sch. 663)	8.5%	\$138,184.58	9.289%	\$139,189.45	\$1,004.86

** Debido a las estructuras tarifarias escalonadas basadas en el consumo individual de los clientes, las tarifas 505, 511, 570 y 663 reflejan tarifas promedio.

La WUTC se compromete a ofrecer adaptaciones razonables para los participantes con discapacidades. Si necesita adaptaciones razonables para participar en el proceso de revisión de esta documentación, comuníquese con la Comisión llamando al 888-333-9882 o enviando un correo electrónico a consumer@utc.wa.gov.

*Por favor, incluya su nombre y dirección postal, y haga referencia a Cascade Natural Gas Corporation y al número de aviso (Advice No.) W26-07-01.

Servicio al cliente: **888-522-1130**
7:30 a.m. – 6:30 p.m., Lunes a viernes
customerservice@cngc.com

Agosto 2026



www.cngc.com



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ORDINANCE NO. 2026-11

AN ORDINANCE OF THE CITY OF RICHLAND, WASHINGTON, AMENDING SECTION 5.20.040 OF THE RICHLAND MUNICIPAL CODE RELATED TO OCCUPATION TAX ON MANUFACTURING AND NATURAL GAS SYSTEMS.

WHEREAS, the City has need, from time to time, to amend the Richland Municipal Code (RMC) to bring it into alignment with best practices; and

WHEREAS, the City of Richland imposes an occupation tax upon businesses engaged in the distribution and sale of natural and manufactured gas within the City pursuant to Chapter 5.20 RMC; and

WHEREAS, Washington cities commonly impose utility taxes upon the gross income of gas utility businesses operating within their jurisdictions; and

WHEREAS, most municipal gas utility tax ordinances within the State of Washington apply a uniform tax rate to gross revenues without reduced-rate provisions for large-volume individual customers; and

WHEREAS, Richland Municipal Code Section 5.20.040 currently includes a reduced one percent tax rate applicable to portions of monthly gross income derived from a single customer in excess of \$35,000 per month; and

WHEREAS, the one percent large volume customer carve-out was introduced in 1982, and likely reflects the City's strategy at that time to attract and retain industrial development in an effort to diversify its economic base; and

WHEREAS, the reduced-rate provision creates a preferential tax treatment that is not commonly utilized by other Washington municipalities; and

WHEREAS, removal of the reduced-rate provision will simplify administration of the City's gas utility occupation tax, improve consistency in the application of the tax, and ensure a more uniform tax structure among customers and utility revenues; and

WHEREAS, maintaining a consistent tax rate on gross income derived from gas utility operations promotes fairness, transparency, and the equitable collection of municipal revenues necessary to support City services.

NOW, THEREFORE, BE IT ORDAINED by the City of Richland as follows:

Section 1. Richland Municipal Code Section 5.20.040, entitled Occupation subject to tax – Gas system – Amount, as first enacted by Ordinance No. 117, and last amended by Ordinance No. 2022-29, is hereby amended as follows:

5.20.040 Occupation subject to tax – Gas system – Amount.

There is levied and there shall be collected from every person, firm, company or corporation which operates in the city works, plants or facilities for the distribution and sale of manufactured or natural gas, a tax in the amount, effective November 1, 1996, of eight and one-half percent; ~~provided, however, that a fee or tax of one percent shall apply to that portion of gross income derived from a single customer in excess of \$35,000 per month. Suppliers claiming the reduced rate for volume sales to single users shall submit such reports indicating such sales as required by the finance director.~~

Section 2. This Ordinance shall be published in the official newspaper of the City of Richland on June 7, 2026 and take effect January 1, 2027.

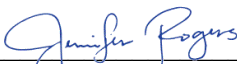
Section 3. Should any section or provision of this Ordinance be declared by a court of competent jurisdiction to be invalid, that decision shall not affect the validity of the Ordinance as a whole or any part thereof, other than the part so declared to be invalid.

Section 4. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including but not limited to the correction of scrivener's errors/clerical errors, section numbering, references, or similar mistakes of form.

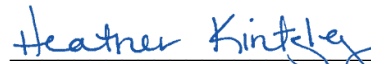
PASSED by the City Council of the City of Richland, Washington, at a regular meeting on the 2nd day of June, 2026.


Theresa Richardson, Mayor

Attest:


Jennifer Rogers, City Clerk

Approved as to Form:


Heather Kintzley, City Attorney

First Reading: May 19, 2026

Second Reading: June 2, 2026

Date Published: June 7, 2026