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August 14, 2026

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

RE: NEW, Cascade Advice No. W26-08-01 Rule 20, Cascade Arrearage Relief Energy and Savings Program

Director Killip

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

Third Revision of Sheet No. 20
Second Revision of Sheet No. 20-A
Second Revision of Sheet No. 20-B
Third Revision of Sheet No. 20-C
First Revision of Sheet No. 20-D

OVERVIEW

The purpose of this filing is to revise Rule 20, Cascade Arrearage Relief and Energy Savings (CARES) Program to make housekeeping changes and process improvements. The substantive changes are adding Community-Based Organizations (CBOs) as program administrators and automating the processing of web applications.

DESCRIPTION OF TARIFF CHANGES

Below is a summary of the changes made to each revised tariff sheet.

Sheet No. 20

Under the "Purpose" section, the word *discount* is changed to *grant*, which more accurately describes the bill assistance provided to customers for arrearage relief.

The "Program Delivery" section is revised to allow CBOs to administer CARES. Cascade has been working to develop a CBO network to improve engagement with its hard-to-reach, vulnerable customers. Cascade has engaged with CBOs that are willing to share CARES program information with their communities. Those that distribute other social services are able to enroll their clients into CARES using categorical eligibility. Cascade believes it is in the best interest of its vulnerable customers to partner with other social service providers so that qualifying customers can receive multiple benefits through one contact. Partnering with CBOs is an important opportunity to further the CARES program's reach, which is a step towards improved energy justice.

The Energy Project (TEP) provided comments opposing this change. TEP would prefer that the Community Action Agencies (Agencies) retain their exclusive role as Cascade's co-administrator. Cascade's written response to TEP stated that the Company has no way of barring a CBO from acting as a customer liaison. It is not uncommon for the elderly, or the mentally or physically ill to seek formal assistance in managing their service and options. Adding the language to the tariff acknowledges that this work is being done; it welcomes it; and it allows Cascade to pursue relationships with CBOs in an effort to engage its hardest-to-reach customers in a more effective and efficient way. Bringing CBOs under the umbrella of the program should strengthen the program, not weaken it. Agencies will continue to receive a list of customers who sign up through any CBO partners, so Agencies will continue to have the ability to offer wrap-around services to any new customer. If anything, it should provide Agencies with more opportunities to help more customers rather than fewer.

The "Program Delivery" section is also revised to remove the list of Community Action Agencies. This was included at program inception when Agencies were the only program administrators. With co-administration of the program, Cascade does not believe the Agencies need to be specifically listed in the tariff as a list of CBO program administrators would be cumbersome to keep updated. Agency names and contact information are provided to customers on the Company's website, in marketing materials, and in certain CARES customer letters.

Sheet No. 20-A

The "Application for CARES" section is revised to refer to all program administrators, defined on Sheet No. 20 as the Company, Agencies, or CBOs.

This section is also revised to remove the sentence stating that online applications for CARES will be forwarded to Agencies for processing. Cascade is automating the processing of these applications so that customers are enrolled in discounts without delay. Automating this process also removes the need for Cascade staff to send the applications to Agencies, track that the applications have been processed, and follow up on any applications that are not processed within a reasonable timeframe.

TEP's comments on Cascade's proposed draft tariff changes also opposed automating online applications as it is a lost touchpoint for Agencies. Cascade responded that it believes it is important to automate this work as doing so will allow Cascade and the Agencies to reallocate limited resources toward other tasks that benefit customers. Cascade currently tracks the applications, distributes them, and then follows up on those that have not been processed. As reported in Cascade's 2023-2024 CARES Annual Report, 730 applications went unprocessed before Cascade implemented the tracking and auditing of these applications. The Company's general position is that work should be automated where appropriate, and maintaining these manual processes is burdensome for Cascade as it has to act as a watchdog to ensure the work gets done.

Agencies will not be in any way disenfranchised by this natural progression towards efficiency. They will continue to receive the full list of customers who enrolled in CARES directly through Cascade so that they can continue to reach out to offer wrap-around services to all who apply for CARES. The “Declared Income Verification Process” section is renamed “Post-Enrollment Verification (PEV)” which aligns with the nomenclature the CARES Advisory Group uses for verifying an enrolled customer’s household income.

A legacy sentence describing the process applicable to the pausing of a CARES discount when a LIHEAP grant was on a customer account is removed as the Company stopped pausing the discount with the Commission’s approval of Cascade’s filing in Docket UG-250618. The removed language was inadvertently retained when the process change was made. The sentence is revised to state the established program parameter that the customer’s 24-month term is extended another 24 months upon receipt of a LIHEAP grant.

Terminology in the “Program Costs” section is updated to align with the language used by the CARES Advisory Group when discussing the program.

Sheet No. 20-B

The “Agency Payment” section is renamed the “Program Administrator Payment” to account for the addition of CBOs as program administrators.

Language is added that states Cascade will reimburse CBOs for CARES administration on a case-by-case basis. In networking with CBOs, Cascade has learned that some will not accept remuneration for providing CARES enrollments. The added language accommodates the possibility that some CBOs may require compensation. As stated in the “Program Delivery” section on Sheet No. 20, an executed agreement is necessary if a program administrator is to be compensated for program delivery.

In the “Auto-Enrollment” section, language specific to auto-enrollments at the time of program implementation is removed and replaced with a general statement that says Cascade auto-enrolls LIHEAP and Winter Help grant recipients into CARES and may use third-party data to auto-enroll income-eligible customers into CARES. Cascade did not see this change as material since auto-enrollment has been a necessary part of its program since inception, but after it was presented to the CARES Advisory Group, Public Counsel provided comment that it was concerned with auto-enrollment. Their concern stemmed from a statement that auto-enrolled customers complained to the Agencies that they were auto-enrolled. Cascade has since explained to the advisory group that auto-enrolled customers receive a letter notifying them that they have been enrolled in the program and that they may contact the Company if they believe they qualify for a different tier or are over-income for the program. The letter does not include Agency contact information, so it is unclear why a customer would choose to call an Agency if they were auto-enrolled. Auto-enrolled customers are not self-declaring their income; therefore, they are not part of the PEV process, so no PEV customer should be disgruntled based on auto-enrollment. Cascade closely tracks auto-enrolled customers and their responses. It is very rare for a customer to call the Company to tell us they do not qualify for CARES or dislike their auto-enrollment. On the very rare occasion it has happened, the Company apologized, and to the best of Cascade's knowledge, the relationship with the customer remained congenial. The number of customers who have opted out of the CARES discount after being auto-enrolled is minimal. Cascade has not seen a problem with auto-enrollment.

Cascade has auto-enrolled customers to meet the 20 percent program penetration enrollment target established by the Commission in Docket UG-240141 and to enroll 640 low-income tribal members, who have historically been hard to reach. Cascade seeks to clarify in its tariff that it may auto-enroll customers who are likely to be low-income based on reliable third-party data (the same data used to create our Energy Burden Analysis). This seems appropriate to have in the tariff as it is an eligibility pathway to entry into the program other than self-declaration of household income.

The "Program Marketing" section is revised to remove the language about the three-year CBO pilot that terminated at the end of March 2026.

In the "Arrearage Relief Terms and Conditions" section, the word *percentage* is changed to *grant* in the first sentence. This better reflects the terminology used to describe the program benefits.

Sheet No. 20-D
Item 2 under the "General Terms and Conditions" section is revised to clarify that a customer may self-attest income for a discount once per year and may receive two arrearage relief grants at that same tier without providing income documentation.

ADVISORY GROUP
Cascade shared its draft filing with its CARES Advisory group via email on July 27, 2026, and then presented it at an off-cycle meeting on July 28, 2026. The proposed changes were largely made in response to the Company's 2026 Energy Burden Analysis which was recently completed and presented to the CARES Advisory Group on July 15, 2026.

Cascade's initial draft filing more aggressively sought to implement recommendations from the Company's 2026 EBA. Namely, Cascade was seeking to improve the verification rate in its PEV process, thereby reducing the number of customers who are removed from the program for failure to respond to requests to verify their household income. Cascade also wanted to implement a 2026 EBA recommendation to make energy audits a requirement for the highest gas users on CARES—customers who have received 12 months of discounts nearly doubling the average annual residential bill. TEP dissented to both of these changes so Cascade agreed to remove them from this filing. The 2026 EBA was finalized too recently for Cascade to engage in more conversation with its CARES Advisory Group and implement changes with the start of the new program year on October 1, 2026.

TEP and Public Counsel both provided comments to the initial draft. Their dissent on issues included in this filing is discussed above in the narrative of this letter. Two Community Action Agencies independently provided full support of the initial draft filing.

The initial draft filing was also provided to Cascade's Equity Advisory Group (EAG) via email on July 30, 2026. Cascade also presented the filing at the July 31st meeting. The EAG engaged in discussion of each proposed change. No member issued comments opposing the filing.

FILING

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

- NEW-CNGC-Advice-No.-26-08-01-Rule-20-CARES-CLtr-08-14-2026.pdf
- NEW-CNGC-Advice-No.-26-08-01-Rule-20-CARES-Trf-08-14-2026.pdf

If you have any questions, please contact Jennifer Gross at (509) 975-9473.

Sincerely,

/s/ Michael Parvinen

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Attachment

RULE 20
CASCADE ARREARAGE RELIEF ENERGY SAVINGS (CARES) PROGRAM

PURPOSE

The purpose of this rule is to define the parameters for applying an energy burden discount on a qualifying customer's monthly gas bill and an up-front arrearage relief grant on a customer's outstanding balance, if applicable. (T)

AVAILABILITY

This rule applies to residential customers or household members of a dwelling served on Schedule 503, Residential Service Rate, who have declared that their household is low-income.

LOW-INCOME DEFINITION

A customer is considered low-income if their gross cumulative household income inclusive of deductions in alignment with the Low Income Home Energy Assistance Program (LIHEAP), for a specific timeframe within the last twelve months, extrapolated for twelve months, does not exceed 80% of the county's area median income (AMI) or 200% Federal Poverty Level (FPL) for a household with the same number of occupants.

PROGRAM DELIVERY

The Company will administer the program in collaboration with Community Action Agencies (Agencies) and Community Based Organizations (CBOs) (hereafter referred to as Program Administrators). A Program Administrator requesting access to Cascade's customer data through Web Assist and/or compensation for program delivery must have an executed agreement with the Company. (C) (C) (D)

(continued)

RULE 20
CASCADE ARREARAGE RELIEF ENERGY SAVINGS (CARES) PROGRAM

APPLICATION FOR CARES

Customers or household members may apply for the program by calling a Program Administrator, meeting with a Program Administrator, or completing the online application found on www.cngc.com, which can either be printed and mailed or submitted electronically. A customer may also ask a Program Administrator to mail a hard copy application to their residence. (C)

POST ENROLLMENT VERIFICATION (PEV) (C)

Customers may qualify for service under this rule by declaring that their household is low income. The Company may randomly select up to five percent (5%) of customers who enrolled by declaring their low- (T)
income status for PEV of their declared income. (T)

If the customer selected for income verification fails to provide timely documentation of income, they (T)
may be removed from the program but will not be required to reimburse the Company for any discounts received prior to removal.

If a customer who has been removed from CARES for failing to verify their household income provides the Agency documentation verifying income within 60 days after being removed from the program, the Company will reenroll the customer into CARES and will credit the customer's account for the discount the customer would have received had the customer not been removed from the program.

TERM

Qualifying customers are enrolled in CARES for twenty-four (24) months, after which time it is the customer's responsibility to reapply for continued service in this program by contacting the Company or a Program Administrator, or by submitting a completed application form found on the Company's (C)
website. The twenty-four-month term restarts the full billing month when the customer receives a (C)
LIHEAP grant. The Company shall make sufficient effort to notify the customer prior to the end of their (C)
term of service in the CARES Program. Customers will be provided with a mailed notice 60 and 30 days prior to the end of the customer's CARES term of service. In addition, the utility must provide an electronic copy of the notice, if the utility has such contact information for the customer and the customer has consented to electronic delivery of notices from the utility, at the time the utility mails or delivers the paper copy of the notice. Upon sending the second notice, the Company will also make at least two attempts to contact the customer by telephone.

(K)

(continued)

(K) refers to language that has moved from Sheet No. 20-A to Sheet No. 20-B. (N)

RULE 20
CASCADE ARREARAGE RELIEF ENERGY SAVINGS (CARES) PROGRAM

PROGRAM YEAR (M)
The program year is a 12-month period starting October 1 of each year.

PROGRAM COSTS
Program costs, including discounted amounts, arrearage relief grants, program delivery, and marketing, will be tracked for collection through Schedule 592, CARES Cost Recovery. (C) (M)

PROGRAM ADMINISTRATOR PAYMENT
Cascade will reimburse Agencies for CARES program administration by paying Agencies $75 for each customer touchpoint completed in the prior program year. A touchpoint is defined as an Agency-processed CARES enrollment whether initiated independently or through the processing of a LIHEAP grant; an Agency-processed CARES grant; or an Agency's verification of a CARES customer's self-attested income. (C)

Cascade will reimburse CBOs for CARES Administration on a case-by-case basis. (N)

AUTO-ENROLLMENT
Cascade auto-enrolls a customer into CARES when the customer receives a CARES, LIHEAP, or Winter Help grant. The Company may use available third-party data to auto-enroll income-eligible customers into the program. If household income information is not available, the customers will be placed in Tier 5 of the program. If an auto-enrolled customer declares having a household income that qualifies them for a higher discount rate, the Company will enroll the customer in the appropriate tier at the next billing cycle. (C) (C)

PROGRAM MARKETING
The Company and Agencies will collaborate on a joint communications plan to market the CARES program using various channels. (D)

(continued)

(M) refers to language now on Sheet No. 20-B that was previously found on Sheet No. 20-A (N)

RULE 20
CASCADE ARREARAGE RELIEF ENERGY SAVINGS (CARES) PROGRAM

ADVISORY GROUP
An Advisory Group consisting of key stakeholders, including Public Counsel, Commission Staff, the Energy Project, NW Energy Coalition, Cascade, and representatives from each of the Agencies, will discuss and provide advice to the Company on program-related matters. This includes identifying and reviewing data necessary to meet the following goals: reduce customers' energy burden, keep (T) customers connected to energy service, provide energy assistance to more customers than are currently served, collect data necessary to assess program effectiveness and inform ongoing policy discussions, and maximize the use of funding for energy assistance from government sources, e.g., LIHEAP. The advisory group will hold meetings at least twice a year via teleconference or in person. While the advisory group can offer guidance and suggestions, the Company is not bound to follow their recommendations when submitting proposals or tariff changes to the Commission.

ENERGY DISCOUNT TERMS AND CONDITIONS
1. The energy discount offered under CARES will not be prorated upon initiation of service but will begin at the start of the first full billing month that the customer has qualified for the program. (T)

2. A customer receiving a bill discount may still be eligible to apply for other available financial assistance programs, such as LIHEAP and Winter Help.

ARREARAGE RELIEF TERMS AND CONDITIONS
1. The arrearage relief grant is an upfront, irrevocable credit applied to the customer's bill within a (T) few business days of qualifying for the program.

2. A customer who receives partial arrearage relief may be placed on a time payment arrangement (TPA) for up to 24 months to pay their remaining past due balance. The unpaid balance will be billed in equal amounts over the term of the TPA.

3. A customer may receive up to two arrearage relief grants within a program year, where the sum of the two grants does not exceed $500. Exceptions may be allowed at the discretion of Cascade's management.

(continued)

RULE 20
CASCADE ARREARAGE RELIEF ENERGY SAVINGS (CARES) PROGRAM

GENERAL TERMS AND CONDITIONS

1. Energy discounts and arrearage relief rates for service on the CARES Program are established in Schedule 302, Cascade Arrearage Relief Energy Savings (CARES) Discount Rates.

2. A customer may only apply for a bill discount under this rule by declaring their household income once per program year. Customers seeking to qualify for a different discount tier more than once per program year must provide income documentation to an Agency. A customer may receive up to two arrearage-relief grants per year at the tier on which they receive a discount without providing income documentation. (C)
(C)

3. A customer receiving CARES service is not obligated to report a change in income during the enrollment term but may choose to do so, in which case, the bill assistance tier will be modified to reflect the customer's most recent income data.

4. Service under this rule is governed by the terms of this schedule, the rules contained in this Tariff, any other schedules that apply to service under this schedule, and all rules and regulations prescribed by regulatory authorities, as amended from time to time.

ANNUAL REPORT

By January 15, the Company will file an annual report with the Commission regarding the performance of the program. The report will provide information on the total dollars spent, dollars discounted from energy bills, dollars allocated for arrearage relief, program delivery costs incurred by the Agencies, the number of households served per each Agency, program expenditures on marketing, an overview of CBO activities, and a comparison of program results with the previous program year. The Advisory Group may specify additional content for the report.

By evaluating key metrics and comparing them to previous years, the report will be used to facilitate an informed assessment of the program's impact on eligible customers and to identify areas for improvement.