CASCADE NATURAL GAS CORPORATION®
A Subsidiary of MDU Resources Group, Inc.

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September 15, 2026

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

RE: NEW, Cascade Advice No. W26-09-02, CARES Cost Recovery

Director Killip:

Cascade Natural Gas Corporation ("Cascade" or "Company") herewith 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 November 1, 2026:

Fifth Revision of Sheet No. 592

Overview
The purpose of this filing is to revise Schedule 592, Cascade Arrearage Relief and Energy Savings ("CARES") Program Cost Recovery, to collect a net amount of $9,257,204 to recover the forecasted 2025-2026 CARES program year (PY) costs. This amount is comprised of an $8,187,496 estimated PY 2026-20278 budget plus $1,069,708 of deferred CARES revenues. A summary of the Company's PY 2026-2027 forecasted cost assumptions is provided in the tab, "CARES Costs" of the attached workpaper, "NEW-CNCGC-Advice-26-09-02-CARES- WP-09-15-2026.pdf." This workpaper also includes the summary of deferred CARES costs as well as the proposed Schedule 592 CARES Cost Recovery billing rates on tabs "CARES Summary of Def. Accts" and "Cost Recovery and Rates," respectively.

Bill Impacts and Net Effect on Revenue
The CARES Cost Recovery rates are decreasing for all customer classes, except Transportation and Biomethane customers. If this filing is approved, the average residential customer using 53 therms will experience an average monthly bill of $96.49, which is a decrease of $0.05 or 0.05 percent. The average commercial customer using 277 therms will have an average monthly bill of $451.75, which is a decrease of $0.15 or 0.03 percent. Bill impacts for all customer classes are provided on the "Effects of CARES Avg. Bill" tab of the workpaper, "NEW-CNGC-Advice-26-09-02-CARES-WP-09-15-2026.pdf."

The changes proposed in this filing will affect all of Cascade's Washington customers. Cascade serves approximately 206,962 residential, 27,641 commercial and 489 industrial customers in the state of Washington. If approved, this filing will increase Cascade's net revenues by $72,802 or 0.02 percent.

RCW 80.28.425(2) – Five Percent Spending Cap

The Commission issued a Policy Statement on July 6, 2026, in U-250953, interpreting the five percent spending cap on energy burden for offerings that reduce the energy burden of low-income residential customers. The policy has prompted new questions from the utilities, followed by a Notice of Opportunity to Comment, issued by the Commission on August 31, 2026. From page 11 of the current Policy Statement, Cascade understands its CARES program costs are not subject to the five percent of revenues spending cap since CARES is funded through an annual tracker and not through base rates. However, since the Policy Statement is under consideration and in the spirit of transparency, the Company Table 1 below which compares CARES 2026-2027 budget against base revenues. If the CARES program were determined to be subject to the statutory spending cap and the denominator is total revenues as approved in the Company's most recent muti-year rate plan, as stated on page 12 of the current Policy Statement that is under consideration, then the Company's planned spending is over the statutory limit at forecasted 37 percent program penetration. If the CARES program alone were subject to the spending limit and the denominator were billed revenues, then CARES spending would be below the cap at 2.1 percent.

Table 1. CARES PY 2026-2027 Program Costs as a Percent of Revenues

CARES Costs	CNGC Base Revenues	Cost/CNGC Revenue Requirement %
$9,257,204	$166,330,766	5.6%

Customer Notice

In compliance with WAC 480-90-194(3), the Company will mail customers a bill insert notifying them of the proposed rate increase. The issuance of bill inserts to customers will begin on September 15, ending October 15. In addition, Cascade will publish on its webpage the anticipated rate increase, provide copies of the notice to Community Action agencies and organizations within its service territory, and provide notice to the news media. The Company has provided a copy of the bill insert in Advice No. W26-09-01.

FILING

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

- NEW-CNGC-Advice-W26-09-02-CARES-CLtr-09-15-2026.pdf
- NEW-CNGC-Advice-W26-09-02-CARES-Trf-09-15-2026.pdf
- NEW-CNGC-Advice-W26-09-02-CARES-WP-09-15-2026.xlsx

Please direct any questions regarding this filing to me at (509) 528-9223.

Sincerely,

/s/ Michael Parvinen

Michael Parvinen
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Attachments

SCHEDULE 592
CASCADE ARREARAGE RELIEF ENERGY SAVINGS (CARES) PROGRAM COST RECOVERY

PURPOSE
This adjustment schedule collects or refunds the CARES Program deferral balance, authorized per UG-230243, in accordance with the parameters established in Rule 20 and Schedule 302.

APPLICABILITY
This adjustment schedule applies to the following rate schedules: 503, 504, 505, 511, 570, 663, and 900.

ADJUSTMENT TO RATE
The Company will file for an annual adjustment to this schedule to ensure that forecast collections do not exceed forecast program year expenditures, taking into account carryover funds.

ADJUSTMENT RATE
The following adjustment rates will apply on a per therm basis for each rate schedule, effective on November 1, 2026, as listed in the table below: (C)

Rate Schedule	Forecasted CARES Cost Recovery Rate	Amortized Balance Cost Recovery Rate	Total Billing Rate	
503	$0.03171	$0.00414	$0.03585	(R)
504	$0.02286	$0.00299	$0.02585	
505	$0.01482	$0.00194	$0.01676	
511	$0.00944	$0.00123	$0.01067	
570	$0.01202	$0.00157	$0.01359	(R)
663	$0.00274	$0.00036	$0.00310	(I)
900	$0.00274	$0.00036	$0.00310	(I)

GENERAL TERMS
Service under this adjustment schedule is governed by the terms and conditions outlined in this schedule, the Rules contained in this Tariff, any other applicable schedules, and all rules and regulations prescribed by regulatory authorities, subject to amendments from time to time.