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CNG/W20-09-02

September 15, 2020

Mr. Mark L. Johnson
 Executive Director and Secretary
 Washington Utilities & Transportation Commission
 P.O. Box 47250
 Olympia, WA 98504-7250

Re: Cascade Natural Gas Conservation Program Adjustment Annual Filing

Dear Mr. Johnson:

Cascade Natural Gas Corporation (“Cascade”) hereby encloses for filing the following proposed tariff sheet containing a requested effective date of November 1, 2020:

Eighty-Sixth Revision Sheet No. 596 Canceling Eighty-Fifth Revision Sheet No. 596

The purpose of the conservation program adjustment (CPA) filing is to pass on changes in the amount of conservation program expenditures affecting customer rates as a result of deferral account amortizations.

The rates contain information developing the level of the per therm change necessary to amortize the outstanding deferral balances of \$7,326,607 for the twelve months ended July 31, 2020. The \$7,326,607 is comprised of \$2,398,542 for the residential program, \$863,363 for the commercial program, \$971,456 for the low-income program, \$2,474,907 is for administration costs, and \$618,338 is for the residual balance from last year’s filing. The total amortization requested in this filing is a debit of \$6,814,778. The annual revenue change reflected in this filing is a decrease of \$5,186 to customers, or a decrease in annual revenue of 0.002 percent. Below is a table summarizing the proposed changes reflected in this filing:

<u>Service</u>	<u>Sch. No.</u>	<u>Rate Change</u>	<u>Proposed Rate Per Therm</u>	<u>Percent Change</u>
Residential	503	(\$0.00002)	\$0.02628	(0.002%)
Commercial	504	(\$0.00002)	\$0.02628	(0.002%)
Industrial	505	(\$0.00002)	\$0.02628	(0.003%)

Industrial Lg Vol	511	(\$0.00002)	\$0.02628	(0.003%)
Interruptible	570	(\$0.00002)	\$0.02628	(0.003%)

The impact of the CPA is a revenue decrease of \$5,186 or a 0.002 percent decrease. The impact to an average residential customer using 56 therms per month will be a decrease of \$0.001.

The proposed change will affect all of Cascade's Washington customers. Cascade serves approximately 193,657 residential, 26,658 commercial and 480 industrial customers in the state of Washington.

If you have any questions, please direct them to me at (509) 734-4593.

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

NEW, CNGC Advice W20-09-02 CPA Trf Sheet 596, 09-15-2020.pdf
NEW, CNGC Advice W20-09-02 CPA Redlined Trf Sheet 596, 09-15-2020.pdf
NEW, CNGC Advice W20-09-02 CPA Exh A, 09-15-2020.pdf
NEW, CNGC Advice W20-09-02 CPA WP, 09-15-2020.xlsx

EXHIBIT A

BEFORE THE
WASHINGTON UTILITIES & TRANSPORTATION COMMISSION

CASCADE NATURAL GAS CORPORATION

Conservation Program Adjustments

CNGC WUTC Advice No. W20-09-02 / UG-_____

September 15, 2020

CASCADE NATURAL GAS CORPORATION

EXHIBIT A

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Cascade Natural Gas Corporation
CPA CALCULATION OF PER THERM RATES TO AMORTIZE DEFERRED ACCOUNTS
State of Washington
Conservation Related Temporary Rate Adj.

CNGC Advice W20-09-02
 CPA Exhibit A
 Page 1 of 5

Line No.	Consolidated Account (a)	Account Balance 7/31/2020 (b)	Interest Assignments & Amortization through 10/31/2020 (c)	Revenue Sensitive costs (d)	Interest Accruals Through Am. (e)	Amount (f)	PROPOSED TECH. ADJUSTMENTS			Proposed Period of Am. (j)	Item (k)
							CORE		NONCORE		
							503/504 (g)	All Other Core (h)	R/S 663 Commodity (i)		
1	CORE Conservation	\$ 7,326,607	\$ (895,333)	\$ 293,327.11	\$ 90,177	\$ 6,814,778					
2					Divide by	259,281,100	\$ 0.02628	\$ 0.02628		1 Year	Conservation Program Deferrals Core
3	TOTAL	\$ 7,326,607	\$ (895,333)	\$ 293,327	\$ 90,177	\$ 6,814,778	\$ 0.02628	\$ 0.02628	\$ -		

Cascade Natural Gas Corporation
CPA DERIVATION OF PROPOSED RATE LEVEL WITHIN
RATE ADDITION SCHEDULE NO. 596
State of Washington

Description (a)	Rate Schedule (b)	Reverse Prior Conservation Rate Adj. (c)	Conservation Related Temporary Rate Adj. (d)	Incremental R/S 596 Rate Change (e)	Posted R/S 596 Tariff Rate (f)
CORE MARKET RATE SCHEDULES					
Residential	503	\$ (0.02630)	\$ 0.02628	\$ (0.00002)	\$ 0.02628
Commercial	504	\$ (0.02630)	\$ 0.02628	\$ (0.00002)	\$ 0.02628
Com-Ind Dual Service	511	\$ (0.02630)	\$ 0.02628	\$ (0.00002)	\$ 0.02628
Industrial Firm	505	\$ (0.02630)	\$ 0.02628	\$ (0.00002)	\$ 0.02628
Industrial Interr.	570	\$ (0.02630)	\$ 0.02628	\$ (0.00002)	\$ 0.02628

(d) from TTA Exhibit A, Page 1 of 5

Cascade Natural Gas Corporation
CPA AMOUNT OF CHANGE BY RATE SCHEDULE
BASED UPON THE TWELVE MONTHS ENDED 7/31/2020
State of Washington

CNGC Advice W20-09-02
CPA Exhibit A
Page 3 of 5

Line No.	Description (a)	Rate Schedule (b)	Average # of Bills (c)	Forecasted Therms Sold (d)	Actual Revenue (e)	Per Therm Conservation Change (f)	Amount of Change (g)	Percentage Change (h)
CORE MARKET RATE SCHEDULES								
1								
2	Residential	503	193,657	127,118,966	129,784,519	\$ (0.00002)	\$ (2,542)	-0.002%
3	Commercial	504	26,658	88,299,944	79,262,368	\$ (0.00002)	\$ (1,766)	-0.002%
4	Industrial Firm	505	480	14,482,050	9,601,453	\$ (0.00002)	\$ (290)	-0.003%
5	Large Volume	511	98	27,088,723	18,277,286	\$ (0.00002)	\$ (542)	-0.003%
8	Industrial Interruptible	570	8	2,291,417	1,421,635	\$ (0.00002)	\$ (46)	-0.003%
10	Subtotal Core		220,901	259,281,100	238,347,262		\$ (5,186)	
NONCORE MARKET RATE SCHEDULES								
11				-	-			
12	Distribution	663	188	629,818,145	20,168,203			
13	Special Contracts	9xx	7	216,766,399	4,441,400			
14	Subtotal Non-core		195	846,584,544	24,609,603			
15	CORE & NON-CORE		221,096	1,105,865,644	262,956,865		\$ (5,186)	-0.002%

Cascade Natural Gas Corporation
CPA TYPICAL MONTHLY THERM USAGE AND COST BY CLASS
FOR TWELVE MONTHS ENDED 7/31/2020
State of Washington

Line No.	Description (a)	Therm Sales (b)	Revenue at 11/01/2019 Rates (c)	Per Therm Rate Change (d)	Amount of Change (e)	Percent Change (f)
1	Residential (503)	127,118,966	129,784,519	(\$0.00002)	(2,542)	0.00%
2	Commercial (504)	88,299,944	79,262,368	(\$0.00002)	(1,766)	0.00%
3	Industrial (505)	14,482,050	9,601,453	(\$0.00002)	(290)	0.00%
4	Industrial Lg Vol (511)	27,088,723	18,277,286	(\$0.00002)	(542)	0.00%
5	Interruptible (570)	2,291,417	1,421,635	(\$0.00002)	(46)	0.00%

Cascade Natural Gas Corporation
CPA TYPICAL MONTHLY THERM USAGE AND COST BY CLASS
FOR TWELVE MONTHS ENDED 7/31/2020
State of Washington

CNGC Advice W20-09-02
CPA Exhibit A
Page 5 of 5

Line No.	Description (a)	Typical Monthly Therm Use (b)	Avg Bill @ 11/01/2019 Rates (c)	Present Filing Changes (d)	Proposed Typical Bill (e)	Percent Change (f)
1	Residential (503)	56	\$ 55.85	\$ (0.001)	\$ 55.85	0.00%
2	Commercial (504)	290	\$ 247.78	\$ (0.01)	\$ 247.77	0.00%
3	Industrial (505)	N/A*	\$ 0.66299	\$ (0.00002)	\$ 0.66297	0.00%
4	Industrial Lg Vol (511)	N/A*	\$ 0.67472	\$ (0.00002)	\$ 0.67470	0.00%
5	Interruptible (570)	N/A*	\$ 0.62042	\$ (0.00002)	\$ 0.62040	0.00%

*The large variation among customers in the Industrial, Interruptible, and Noncore customer classes renders average consumption numbers meaningless, therefore only per-therm figures have been listed.

**SCHEDULE NO. 596
CONSERVATION PROGRAM ADJUSTMENT**

APPLICABLE:

This adjustment applies to gas service rendered by the Company under the tariff of which this schedule is a part for service on and after the effective date hereof and shall be in addition to all rates and charges specified in this tariff.

MONTHLY RATES AND MINIMUM BILLS:

Each of the charges, except Demand and Customer Service Charges, of Schedule No. 503 is to be increased by \$0.02628 per therm or an appropriate multiple thereof. (R)

Each of the charges, except Demand and Customer Service Charges, of Schedule No. 504 is to be increased by \$0.02628 per therm or an appropriate multiple thereof. (R)

Each of the charges, except Demand and Customer Service Charges, of Schedule Nos. 505 and 511 is to be increased by \$0.02628 per therm or an appropriate multiple thereof. (R)

Each of the charges of Schedule No. 570 is to be increased by \$0.02628 per therm or an appropriate multiple thereof. (R)

SPECIAL TERMS AND CONDITIONS:

The rates named herein are subject to increases as set forth in Schedule No. 500, Municipal Taxes.

CNG/W20-09-02
Issued September 15, 2020

Effective for Service on and after
November 1, 2020

Issued by CASCADE NATURAL GAS CORPORATION

By:  Michael Parvinen

Director, Regulatory Affairs

SCHEDULE NO. 596
CONSERVATION PROGRAM ADJUSTMENT

APPLICABLE:

This adjustment applies to gas service rendered by the Company under the tariff of which this schedule is a part for service on and after the effective date hereof and shall be in addition to all rates and charges specified in this tariff.

MONTHLY RATES AND MINIMUM BILLS:

Each of the charges, except Demand and Customer Service Charges, of Schedule No. 503 is to be increased by (R)
\$0.026~~3028~~ per therm or an appropriate multiple thereof.

Each of the charges, except Demand and Customer Service Charges, of Schedule No. 504 is to be increased by (R)
\$0.026~~3028~~ per therm or an appropriate multiple thereof.

Each of the charges, except Demand and Customer Service Charges, of Schedule Nos. 505 and 511 is to be increased by (R)
\$0.026~~3028~~ per therm or an appropriate multiple thereof.

Each of the charges of Schedule No. 570 is to be increased by \$0.026~~3028~~ per therm or an appropriate multiple thereof. (R)

SPECIAL TERMS AND CONDITIONS:

The rates named herein are subject to increases as set forth in Schedule No. 500, Municipal Taxes.