

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

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| In the Matter of the Request of                                       | DOCKET UG-210801   |
| CASCADE NATURAL GAS<br>CORPORATION,                                   | ORDER 01   |
| Petitioner,   | GRANTING LESS THAN<br>STATUTORY NOTICE; ALLOWING<br>TARIFF REVISIONS |
| For Less Than Statutory Notice in<br>Connection with Tariff Revisions |  |

**BACKGROUND**

- 1 On October 20, 2021, Cascade Natural Gas Corporation (Cascade or Company) filed with the Washington Utilities and Transportation Commission (Commission) a revision to its currently effective Tariff WN U-3, Schedule 304 Temporary COVID-19 Residential Bill Assistance Program (Petition). In the Petition, Cascade requests continuation of the Company's temporary COVID bill assistance program with additional funding. Specifically, the Company seeks to raise the COVID-19 bill assistance funding threshold by an additional 0.5 percent of retail revenues to an overall of 1.5 percent funding level at approximately \$3.7 million.
- 2 Cascade established its temporary bill assistance program (Big HEART or Program) in April 2021 consistent with the Commission's Term Sheet in COVID Response Docket UG-200281.<sup>1</sup> The Big HEART program is intended to alleviate unpaid balances on customer accounts. The Program is available to any residential customer who has an account carrying a past due balance and who has a household income up to 200 percent of the Federal Poverty Level. Grant amounts will not exceed \$2,500 per household annually, nor will they result in an account credit. The Commission directed the investor-owned utilities to establish the funding level at 1 percent of Washington retail revenues, and that no increase to that funding level occur without prior Commission approval.<sup>2</sup>

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<sup>1</sup> Docket UG-210145.

<sup>2</sup> *In the Matter of Response to the COVID-19 Pandemic*, Docket UG-200281, Order 01 Extending Suspension of Disconnection of Energy Services for Nonpayment and Adopting Related Requirements (October 20, 2020).

3 Under this Petition, Cascade seeks authorization to increase Big Heart funding from 1 percent of retail revenues, \$2.5 million, to 1.5 percent, \$3.7 million. Administration of this program will remain the same. The Company proposes to continue its bill assistance outreach campaign using a variety of methods including radio ads, calls, emails, social media, targeted notices at the 90-day benchmark and specialized door tags.

4 As of October 15, 2021, Cascade has spent 94 percent of Big HEART Funds, or approximately \$2.3 million, assisting 7,837 residential customers. Currently, Cascade still has 15,770 residential customers with arrears that total approximately \$1.7 million. Nearly \$1.3 million of that total is customers who are more than 90 days in arrears. Because residential customers are heading into the winter heating season, Cascade expects to see arrears increase due to the seasonal pattern of customers paying the minimum bill or not paying their bill at all during the winter season and then paying down their past due balance during spring and summer. While the Company has programs to aid customers on a longer-term basis, such as the Washington Energy Assistance Fund (WEAF) and the Winter Help program, emergency assistance to aid customers with arrears is still required at this time.

5 RCW 80.28.060 and WAC 480-80-121 require 30 days' notice to the Commission prior to the effective date of any tariff. The tariff sheets at issue here bear an effective date of November 20, 2021. This date recognizes the required 30-day statutory notice. The Company requests, however, less than statutory notice as permitted by WAC 480-80-122, and that the revisions become effective November 1, 2021. Cascade requests less than statutory notice because it estimates that current funding will be exhausted before November 20, 2021.

6 WAC 480-90-194 requires 30 days' notice to customers. The Petition does not increase costs to customers. Commission staff (Staff) recommends the Commission, on its own motion, waive the 30-day notice requirements for customers.

7 Staff has reviewed the proposed tariff revision to continue the Big HEART program and believes it is a reasonable approach to addressing the continued economic hardship facing customers due to the COVID-19 pandemic. The Company has reached many customers in need by using the previously approved funding at 1 percent of retail revenues, and with continued need, Staff agrees that an additional 0.5 percent of retail revenue funding is appropriate. The Big HEART program provides immediate financial relief to customers in need, a crucial supplement to other permanent forms of financial assistance such as the

Company's WEAF program and the federal Low Income Home Energy Assistance (LIHEAP) program.

8 Given that the Company proposes to fund its COVID bill assistance program with additional money beyond the 1 percent the Commission specified in Docket U-200281, a modification to the original authorization for deferred cost accounting treatment in Docket UG-200479 is necessary if the Commission approves the Company's tariff revision to increase funding for the Big HEART program. Cascade plans to file an amended petition for cost deferral within the next several weeks following the implementation of this tariff revision.

9 Cascade discussed the proposal with its Low-income Bill Assistance Advisory Group. No stakeholders objected to it. On October 22, 2021, Public Counsel filed comments in support of this filing. In their comments Public Counsel notes that it supports increasing funding and continuing the program to help reduce customer with arrearages, particularly those with past due balances of 90 days or more. Public Counsel notes this increase will assist in keeping customers connected to their natural gas service.

10 Because the proposed tariff revisions appear to be fair, just, reasonable, and sufficient, and less than statutory notice is consistent with the public interest because it will provide low-income customers with debt relief, Staff believes it is appropriate that the Commission grant Cascade's request with an effective date of November 1, 2021.

### DISCUSSION

11 We agree with Staff that the proposed revisions, which were filed in response to customers continued need for arrearage assistance related to the COVID-19 public health crisis, are decidedly in the public interest.

12 We also grant the Company's request for less than statutory notice and, on our motion, grant the Company an exemption from the customer notice requirements in WAC 480-100-194. Pursuant to RCW 80.28.060 and WAC 480-80-122, the Commission may allow tariff changes, for good cause shown, without requiring 30 days' notice by order specifying the changes to be made and the time when the Order shall take effect. Here, we find that the COVID-19 pandemic and the ongoing associated issues that have left customers unable to pay their gas bills unequivocally constitutes good cause to permit the tariff revisions to become effective on less than statutory notice. In addition, granting an exemption from the customer notice requirements in WAC 480-100-194 is consistent

with applicable statutes, underlying regulations, and the public interest because it provides additional financial resources to customers in need on an expedited basis.

### FINDINGS AND CONCLUSIONS

- 13 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including gas companies.
- 14 (2) Cascade is a gas company and a public service company subject to Commission jurisdiction.
- 15 (3) Cascade is subject to RCW 80.28.060 and WAC 480-80-121, which require gas companies to file changes in any rate or charges with 30 days' notice. For good cause shown, however, the Commission may allow changes without requiring 30 days' notice by order specifying the changes to be made and the time when it shall take effect. RCW 80.28.060 and WAC 480-80-122.
- 16 (4) Staff has reviewed Cascade's request in Docket UG-210801 and recommends the Commission approve the proposed continuation of the Big HEART program funded by additional 0.5 percent of retail revenues. Staff further recommends the Commission grant the Company's request for less than statutory notice. Lastly, Staff recommends the Commission grant an exemption from WAC 480-90-194.
- 17 (5) This matter came before the Commission at its regularly scheduled meeting on October 28, 2021.
- 18 (6) Based on the continued hardships customers face due to the COVID-19 pandemic, the Commission finds good cause to allow the tariff revisions filed by Cascade on October 20, 2021, to become effective with less than statutory notice on November 1, 2021.
- 19 (7) Providing emergency financial relief to customers facing economic hardship without requiring 30 days' notice is consistent with the public interest, the purposes underlying regulation, and applicable statutes. Accordingly, the

Commission also finds Cascade should be granted an exemption from the customer notice requirements in WAC 480-90-194.

**ORDER**

**THE COMMISSION ORDERS:**

- 20 (1) Cascade Natural Gas Corporation's request for less than statutory notice is granted.
- 21 (2) The Commission, on its own motion, grants Cascade Natural Gas Corporation an exemption from WAC 480-90-194.
- 22 (3) Cascade Natural Gas Corporation is directed to file a revised tariff page with an effective date of November 1, 2021.<sup>3</sup>
- 23 (4) The tariff revisions Cascade Natural Gas Corporation filed on October 20, 2021, will be effective on November 1, 2021.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective October 28, 2021.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

AMANDA MAXWELL  
Executive Director and Secretary

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<sup>3</sup> WAC 480-80-121(3)