



# ATTORNEY GENERAL OF WASHINGTON

Public Counsel

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October 21, 2022

## SENT VIA WUTC WEB PORTAL

Amanda Maxwell  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
621 Woodland Square Loop SE  
Lacey, WA 98503

Re: *Cascade Natural Gas Corporation Revisions to Tariff No. WN U-3 (schedules 590 and 595) Purchased Gas Adjustment and Temporary Technical Adjustments,*  
Docket UG-220702

Dear Director Maxwell:

The Public Counsel Unit of the Washington State Attorney General's Office (Public Counsel) respectfully submits these comments in advance of the October 27, 2022, Open Meeting. These comments are in response Cascade Natural Gas Corporation's (Cascade or the Company) filing for revisions to their tariff in Docket UG-220702, which will become effective on November 1, 2022, and address concerns about cost increases for natural gas customers.

### ***Public Counsel's Recommendation***

Public Counsel recommends that the Washington Utilities and Transportation Commission (Commission) consider the impact of Cascade's rate increase when evaluating future increases and encourage the Company to be proactive in helping customers access available assistance and programs.

In Docket UG-220702, Cascade outlines proposed tariff changes regarding their purchased gas adjustment (PGA) and temporary technical adjustments (TTA). The proposed tariff change for the PGA will result in an estimated revenue increase of 19.04 percent.<sup>1</sup> For the TTA, the estimated revenue increase is 3.06 percent. In total, Cascade estimates that the impact to an average residential customer (using 54 therms per month) will be \$13.45, or a 22.19 percent increase.<sup>2</sup>

<sup>1</sup> Cascade Cover Letter and Tariff Sheets at 1 (filed Sept. 15, 2022).

<sup>2</sup> *Id.* at 2.

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To: Amanda Maxwell, Executive Director  
Re: *Cascade Natural Gas Corporation Revisions to Tariff No. WN U-3 (schedules 590 and 595) Purchased Gas Adjustment and Temporary Technical Adjustments, Docket UG-220702*  
Date: October 21, 2022  
Page 2 of 3

Public Counsel understands that there are a number of national and international factors influencing the price of natural gas. We appreciate Cascade's efforts to explore a variety of possibilities to mitigate those impacts on customers; however, we are concerned about the rate increase impacts, particularly on Vulnerable Populations and Highly Impacted Communities who are the most affected by the current cost increases. The National Energy Assistance Directors' Association believes that average nationwide winter heating bills will increase 17 percent compared to last year, resulting in average winter heating costs of \$1,202 per household.<sup>3</sup> We believe that the Commission should keep these rate increases in mind when considering any future rate increases, and we encourage the Commission to consider how to further mitigate the impact of the current increases through amortization or other tools.<sup>4</sup>

Cascade should closely track requests for low-income assistance, and if requests increase as a result of these filings, Cascade should ensure that funds are available for eligible customers. It is particularly important that the Company closely monitor the impact of this filing on customers and bill assistance inquiries, given historically and currently low subscription rates in bill assistance programs compared to the share of income-eligible customers in Cascade's service territory. Cascade staff have informed Public Counsel that there are funds remaining from the previous program year that may be available for this program year. If there are enough requests, we encourage Cascade to consider increasing low-income assistance funding. Public Counsel also urges the Company to continue working on the development of their energy discount program with their advisory group and to increase promotion of their existing assistance and budget billing programs.

Public Counsel also believes that the Commission, Cascade, and other utilities should consider revising the timing of filing the PGA. WAC 480-90-233 requires a filing within a maximum of 15-months of the previously filed PGA. Utilities typically file in late summer or early fall for a November 1 effective date. This sets up a potential rate increase in the winter months when heating costs are higher and could cause more rate shock for customers. We believe the Commission could explore altering the timeline and effective date of the PGA to mitigate the impact of future increases.

Again, we appreciate the opportunity to submit these comments. If you have any questions about this filing, please contact Stephanie Chase at [Stephanie.Chase@ATG.WA.GOV](mailto:Stephanie.Chase@ATG.WA.GOV).

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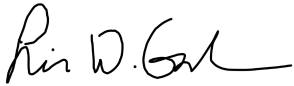
<sup>3</sup> Press Release, Nat'l Energy Assistance Directors' Ass'n, *Home Heating Costs Reach Highest Level in More than 10 Years Families will Pay 17.2% More for Home Heating this Winter* (Sept. 12, 2022), <https://neada.org/wp-content/uploads/2022/09/winter2022-23PR.pdf>.

<sup>4</sup> RCW 80.01.040 confers broad authority to the Commission to regulate in the public interest.

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Page 3 of 3

Sincerely,

/s/ 

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