Cascade Natural Gas Corporation Washington Utilities and Transportation Commission WUTC v. Cascade Natural Gas Corporation (2017 General Rate Case) Docket UG-170929

Request No. 65

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Preparer: Doug DiJulio, Ryan Privratsky, Jeremy Ogden

Contact: Michael Parvinen

Telephone: 509-734-4593

UTC STAFF DATA REQUEST NO. 65:

RE: PLANT ADDITIONS

Please provide the study that supports the need for each project in service prior to December 31, 2017, and the evaluation of any alternatives to each project.

Response:

The requested information is provided on the disk.

Project Summary - Pasco Reinforcement

Submitted by: Thomas Henderson 06/29/2017

Background

The increasing growth rate in housing developments, commercial firms, and industrial corporations has placed a strain on the Pasco, WA natural gas system. Cascade Natural Gas Corporation (CNGC) proposes to reinforce the Pasco system due to the heavy bypassing that occurred this past winter to maintain minimum operating pressures. This project will provide additional natural gas capacity as necessary for growth demands, and to reinforce Cascade's natural gas distribution infrastructure.

Proposal

The Pasco reinforcement (project) includes the installation of approximately 10,700 linear feet of 6-inch diameter, 0.602 wall thickness, MDPE (SDR-11), plastic pipe as well as 800 linear feet of 4-inch diameter, 0.409 wall thickness, MDPE (SDR-11), plastic pipe. The reinforcement is part of the intermediate system that has a maximum allowable operating pressure (MAOP) of 55 pounds per square inch gauge (psig).

The Project route begins on S Road 40 E located at CNGC's regulator station R-101. The reinforcement then runs north to E. A St and then continues west to tie into the intermediate pressure system at S Front Avenue.

This installation will alleviate the pressure concerns in this system for cold weather events like those that were experienced this past winter as well as add capacity for future growth in the area.

Timing

Design of the Project began in May 2017 by engineering. Survey and plans were completed in June 2017 by AHBL Inc. Right of way easements and permits have been obtained for most portions of the project.

Costs

Engineering has prepared design plans and estimates for the installation with help from the district. Materials costs are based on most recent historical cost with a 5% contingency. CNGC labor is for division supervision, clerks, and central stores coordination. The contractor cost encompasses survey work to be done and estimated costs for the pipe installation. Other direct costs cover miscellaneous charges and resources. Overhead has been calculated through Power Plan.

Benefits

- 1. Additional natural gas capacity as necessary for growth demands.
- 2. Reinforce Cascade's natural gas distribution infrastructure.
- 3. Maintains minimum operating pressures without having to go on bypass.

Alternatives

Other routes were observed, but they were not accounted for due to private land properties. The Project route is ideal when considering additional customers along the proposed route.

Responsible People

Project Manager: Thomas Henderson

District Lead: Arnie Garza Project Foreman: Mike Stone Construction Supervisor: TBD