

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Docket UG-24008
Cascade Natural Gas Corporation
2024 General Rate Case**

BENCH REQUEST NO. 3:
For CNG Witness Blattner:

In Exh. LAB-4T at page 5:3-5, you state that the increase to the revenue requirement is partially driven by CCA compliance costs.

- a. Other than CCA allowances, what other CCA related costs does the Company assert are driving an increase in revenue requirement in this general rate case?

Response:

The Climate Commitment Act (“CCA”) related costs that are included in the revenue requirement increase include labor and benefits costs for employees that were hired to assist the Company in complying with the CCA. Those CCA compliance start-up costs have been deferred in the Company’s CCA deferral, which was authorized in Order 01 in Docket UG-220759. The “Restate CCA Labor Expense Adjustment” (Column R-10), outlined in the testimony of Jacob Darrington (Exh. JAD-1T, page 14) seeks to embed in base rates this incremental labor on an on-going basis. Consequently, the Company would stop deferring this incremental labor beginning March 1, 2025 if the revenue requirement increase is approved. To clarify, the Company’s CCA allowance costs are being recovered through its Schedule 700 Temporary CCA Rate Adjustment and are not part of this general rate case.