

**Cascade Natural Gas Corporation
Annual Provisional Plant Report
Attachment B**

Project Review

FP-316046 - 8-inch Yakima HP Replacement Project

Q. If reporting a significant cost variance for FP-316046, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$3,037,183 or -100%. The cost variance is related to the timing of this project not being completed and placed in-service by December 31, 2024. Cascade has experienced delays related to being able to obtain necessary easements to be able to complete this project. Further explanation has been provided in the Extension Request submitted to the WUTC Pipeline Safety Staff and provided here as “Attachment E”.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

System Safety and Integrity Program - Pipe Replacement Program:

FP-318186	Sys Safety & Integrity Mains Rpl-WA
FP-318187	Sys Safety & Integrity Srvcs Rpl-WA

Q. If reporting a significant cost variance for the System Safety and Integrity Program (SSIP) pipe replacement program, please provide an explanation for the variance.

A. The net cost variance for SSIP Pipe Replacement Program when compared to the authorized settlement amount is \$1,285,706 or 18%. For the individual settlement, actual annual cost, and variance by funding project see the annual provisional plant report which has been provided as Attachment A. A portion of the significant cost variance between planned and actuals is related to how SSIP projects are budgeted. When budgeted, equal amounts are allocated to FP-318186 and FP-318187. When determining the project scope each year the total amount available between the two FP's is considered and the project scope is sized based on the total amount available to replace pipe meeting the criteria of SSIP. Based on a given project scope the total footage of main and the number of service lines may vary each year. Based on this variability, more or less may be required for main replacement versus what is needed for service line replacement, and dollars are reallocated between FP-318186 and FP-318187 based on the project scope. In 2024, the significant variance above the total for FP-318186 and FP-318187 was related to unforeseen and higher restoration costs and contractor costs for the SSIP project in Kelso.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Project was placed in-service in 2024. The reason for the significant cost overrun is

described in Question #1. The unforeseen and higher costs mentioned above were related to additional restoration, required by WSDOT, that weren't anticipated when the project started. Also, increased contractor costs due to unanticipated ground conditions that were encountered during construction.

FP-319057 - RF-S. KENN TBS-CNGC

Q. If reporting a significant cost variance for FP-319057, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$1,901,518 or -100%. FP-319057 was planned to be placed in service near the end of 2024. The county easement obtained by Williams Pipeline was delayed by several months also delaying the construction start which pushed the project completion to March 2025.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-319061 - RF-8" PE-KENN-2,500'

Q. If reporting a significant cost variance for FP-319061, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$2,258,569 or -100%. FP-319061 was planned to be placed in service near the end of 2024. The county easement obtained by Williams Pipeline was delayed by several months also delaying the construction start. Also, Kennewick Irrigation District did not drain the canal in October due to unplanned maintenance which pushed the project completion to March 2025.

Q. Please provide material changes to the “project description”, if any.

A. The project was originally planned under 2 funding projects for the 8” main, one south of the canal for 2500’ and one north of the canal for 2500’. FP-321861 north of the canal was cancelled and its scope was combined with FP-319061. The total footage of FP-319061 was updated to 5000’.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not Applicable.

FP-319111 - MAOP MAIN RPL CNG WA

Q. If reporting a significant cost variance for FP-319111, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$3,610,321 or -100%. Significant cost variance is related to timing of projects being placed in-service and planned costs for this project being reallocated to other unplanned projects. Costs planned for this project were used to offset cost variances from other projects and costs for the following projects: FP-325251, FP-325377, and FP-325432.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-320034 - RF; S. KENN GATE-WILLIAMS

Q. If reporting a significant cost variance for FP-320034, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$3,016,751 or -100%. FP-320034 was planned to be placed in service near the end of 2024. The county easement obtained by William's Pipeline was delayed by several months. William's facilities were mechanically completed in January 2025, but cannot be put into service until the CNGC station is commissioned, planned for March 2025.

Q. Please provide material changes to the "project description", if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP- 321116 - RP; 4" HP, WAPATO, 31,000'

Q. If reporting a significant cost variance for FP-321116, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$826,007 or 5%. The largest source of cost variance on this project originated from the contractor costs. In this case, the contractor was forced to attempt the use of temporary casing to stabilize HDD profiles due to extremely poor soil conditions as well as needing to remobilize to the project due to delays with the railroad permitting process.

Q. Please provide material changes to the “project description”, if any.

A. Project was completed in 2024 after retiring all but 2,200ft of the original line.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. After placing in-service the majority of the replacement in 2024, the 2025 remaining project scope includes two auger style bores of the railroad tracks, one across track road, and the second across the railroad near N Track Road and the Evergreen Highway as well as the final retirement of 2,200ft of the original line, this will be undertaken in a new FP in 2025. The chosen method of replacement has been verified with the contractor as the best chance for replacement in the challenging conditions present on site and will allow for the support of core customers in the town of Wapato.

Portfolio Review

FP- 101163 - Gas Work Equipment

Q. If reporting a significant cost variance for FP-101163, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$970,499 or -39%. Several pieces of equipment would not have been able to be delivered within the plant year. The decision was made to forego the purchases in 2024 for those pieces of equipment since operable equipment was still in place.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-101164 - IT Network Equipment

Q. If reporting a significant cost variance for FP-101164, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$26,828 or -31%. Planned network switch replacement was delayed due to vendor extending vulnerability support.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP- 101194 - Dist Reg Station Growth Washington

Q. If reporting a significant cost variance for FP-101194, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$208,090 or -86%. The budgeted dollars in 2024 for regulator station growth projects was ~ \$242K which would be enough for one or two regulator stations depending on size and magnitude of the station. In 2024, only one small regulator station was installed for growth at ~ \$34K and no other unknown or unplanned reg. stations were needed or installed for growth in 2024.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP- 101196 - Dist Reg Station Replace Washington

Q. If reporting a significant cost variance for FP-101196, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$229,063 or 46%. The budgeted dollars in 2024 for regulator station replacement projects and related facilities was \$498,617, which includes \$313,674 for 2023 regulator station replacements largely completed in 2023 but placed in service in January 2024, and 2024 replacements of \$186,000. The latter would be enough for one or two regulator stations or smaller facilities depending on size. In 2024, five total facilities were replaced including two odorizer cabinets, one RTU, one regulator station and a sulfur analyzer which accounts for the cost variance.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Cost overrun is due to additional facilities needing replacement than were originally budgeted, including two odorizer cabinets, one RTU, one regulator station and a sulfur analyzer. Continued investment is justified as old, obsolete and/or damaged facilities and equipment in need of replacement are required to maintain a safe operating system and continued reliable service to our customers.

FP- 101210 - Gas Meters-Total Company

Q. If reporting a significant cost variance for FP-101210, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$2,373,173 or -40%. Cascade budgeted for 9,608 group-1 meters and 6,234 group-1 meter bars. Actual group-1 meters purchased was 5,052 and actual group-1 meter bars purchased was 4,711. The decrease in meter installations was due to the new Washington State building code changes.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP- 101215 - Gas Vehicles-CNGC

Q. If reporting a significant cost variance for FP-101215, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$164,277 or -15%. Costs of new vehicles were in line with expectation, with some slightly lower than the budgeted estimates. One vehicle was not purchased as part of the planned replacement since there was an alternate vehicle available to fill the operational need.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-200064 - UG-Customer Self Service Web/IVRCNG

Q. If reporting a significant cost variance for FP-200064, please explain.

A. The cost variance for this project when compared to the authorized settlement amount is -\$27,076 or -18%. This project allows Cascade to capitalize internal labor the company puts toward betterment activities for customer-facing applications. Some years the company may have disruptions from other competing IT projects or simply performing activities that do not meet threshold to be capitalized (various application maintenance work). In 2024, Cascade's IT department had to divert resources to the CARES energy assistance program project (charged to a different work order). Items that were not completed will rollover to 2025 and be re-prioritized against the current slate of requests.

Q. Please provide material changes to the project description, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. No change to O&M savings associated with this project. \$12,500 annual O&M cost savings reported in the Settlement.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable

FP-200662 - Personal Computers & Peripherals CNGC

Q. If reporting a significant cost variance for FP-200662, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$44,542 or -39%. The variance was due to a lack of resources and thus being unable to deploy the original budgeted number of devices before the end of the year.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-302369 - Gas Cathodic Protection Project

Q. If reporting a significant cost variance for the Gas Cathodic Protection project, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$527,778 or -88%. Significant cost variance is related to timing of projects being placed in-service. Multiple projects were started in 2024, but not placed in-service until after December 31, 2024, due to the timing and availability of contractors to start the work in 2024.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-316018 - 2-inch and 4-inch Wheeler HP Replacement Project

Q. If reporting a significant cost variance for FP-316018, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$502,283 or 21%. Significant cost variance is primarily related to increased contractor costs. Changes to what was initially planned was required by Grant County before construction began and during construction. Changes included different construction methods for the road crossings and requirements to install pipe at deeper depths in certain locations. These changes weren't planned for when the project was designed and bid and required additional resources by the contractor to complete the installation. Cost variance is also attributed to overall higher costs from what was originally estimated.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Project was placed in-service in 2024. Reason for significant cost overrun described in Question #1.

FP-316429 - RF; 8" HP; ABER; 12,500' BASICH BLV

Q. If reporting a significant cost variance for FP-316429, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$339,143 or 45%. FP-316429 was placed into service in 2023. Funds were allocated into 2024 to cover permanent paving costs from the contractor. The retainage for the project was not submitted in 2023 after in-service date as anticipated by MDU. The contractor submitted invoice for the entire project retainage in 2024 along with the paving contract cost. The paving contract cost did exceed the estimate by \$47,000 due to additional square footage requirements imposed by the city jurisdiction.

Q. Please provide material changes to the “project description”, if any.

A. Material changes to the project are additional asphalt restoration that were required by the city jurisdiction that were mandated during the project, after the bid was awarded and Purchase Order created.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. The project is complete with no additional costs. Retainage costs were not received in 2023 and invoiced later in 2024.

FP-316445 - Toughbook Replacements-CNG

Q. If reporting a significant cost variance for FP-316445, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$27,613 or -20%. The variance was due to a lack of resources and thus being unable to deploy the original budgeted number of devices before the end of the year.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-316451 - UG-PCAD Annual Enhancements-CNG

Q. If reporting a significant cost variance for UG-PCAD Annual Enhancements-CNG, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$109,304 or -100%. This project to enhance the system was postponed due to higher priority IT related projects.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP- 316832 - Office Structure & Eq-Kennewick GO

Q. If reporting a significant cost variance for FP-316832, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$92,117 or -94%. Two of three projects identified in the initial testimony – water softener and furniture replacement – could be pushed to 2025 or beyond and were not completed in 2024. The LED light replacement was not completed in 2024 due to lack of contractor availability. Additionally, a piece of equipment failed which resulted in an unbudgeted project to replace a system network file panel. The latter represents all 2024 charges to this funding project.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-317565 - Impl Work Asset Mgmt Hardware-CNG

Q. If reporting a significant cost variance for Impl Work Asset Mgmt Hardware-CNG, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$136,059 or -100%. These costs were incurred during 2024; some charges were pending so the project was left open until 2025 for project close out and in-service date.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

Growth Mains:

FP-317628	MAIN-GROWTH-WALLA WALLA DISTRICT
FP-317632	MAIN-GROWTH-WENATCHEE DISTRICT
FP-317636	MAIN-GROWTH-YAKIMA DISTRICT
FP-317640	MAIN-GROWTH-ABERDEEN DISTRICT
FP-317644	MAIN-GROWTH-BELLINGHAM DISTRICT
FP-317648	MAIN-GROWTH-BREMERTON DISTRICT
FP-317652	MAIN-GROWTH-LONGVIEW DISTRICT
FP-317656	MAIN-GROWTH-MT VERNON DISTRICT
FP-317750	MAIN-GROWTH-KENNEWICK DISTRICT

Q. If reporting a significant cost variance for Growth Mains, please provide an explanation for the variance.

A. The net cost variance for Growth Mains projects when compared to the authorized settlement amount is -\$2,134,845 or -56%. Growth Mains were budgeted by district in the FPs identified above. For the individual settlement, actual annual cost, and variance by funding project see “Attachment A”. Growth Mains represents the estimated cost of investment in distribution system main line expansion to serve new customers requesting natural gas service. The estimated amount is the estimated cost to serve a number of new customers based on our IRP Growth Forecast and the historical average footage of main required to serve a new customer and the historical average cost per foot to install the infrastructure. The main reasons for the variance were:

- Lower than estimated customer demand for new gas service. The Company initiated service to approximately 5% fewer service points than estimated.
- Lower average footage of main required to serve to new customers. Total footage of main installed was approximately 43% less than estimated.
- Lower cost of construction. The actual cost per foot to install new gas main was 15% lower than estimated.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

Replace Mains:

FP-317629	MAIN-REPLACE-WALLA WALLA DISTRICT
FP-317633	MAIN-REPLACE-WENATCHEE DISTRICT
FP-317637	MAIN-REPLACE-YAKIMA DISTRICT
FP-317641	MAIN-REPLACE-ABERDEEN DISTRICT
FP-317645	MAIN-REPLACE-BELLINGHAM DISTRICT
FP-317649	MAIN-REPLACE-BREMERTON DISTRICT
FP-317653	MAIN-REPLACE-LONGVIEW DISTRICT
FP-317657	MAIN-REPLACE-MT VERNON DISTRICT
FP-317751	MAIN-REPLACE-KENNEWICK DISTRICT

Q. If reporting a significant cost variance for 2024 Replace Mains, please provide an explanation for the variance.

A. The net cost variance for Replace Mains projects when compared to the authorized settlement amount is -\$1,099,685 or -61%. Replace Mains were budgeted by district in the FPs identified above. For the individual settlement, actual annual cost, and variance by funding project see “Attachment A”. 2024 Mains-Replace budget was based on historical trend and replacement forecasts. Actual expenditures were lower than trend and forecasts.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

Growth Service:

FP-317630	SERV-GROWTH-WALLA WALLA DISTRICT
FP-317634	SERV-GROWTH-WENATCHEE DISTRICT
FP-317638	SERV-GROWTH-YAKIMA DISTRICT
FP-317642	SERV-GROWTH-ABERDEEN DISTRICT
FP-317646	SERV-GROWTH-BELLINGHAM DISTRICT
FP-317650	SERV-GROWTH-BREMERTON DISTRICT
FP-317658	SERV-GROWTH-MT VERNON DISTRICT
FP-317752	SERV-GROWTH-KENNEWICK DISTRICT
FP-317654	SERV-GROWTH-LONGVIEW DISTRICT

Q. If reporting a significant cost variance for Growth Service please provide an explanation for the variance.

A. The net cost variance for Growth Service projects when compared to the authorized settlement amount is -\$847,237 or -12%. Growth Service was budgeted by district in the FPs identified above. For the individual settlement, actual annual cost, and variance by funding project see “Attachment A”. Growth Service represents the estimated cost of investment in distribution system service line expansion to serve new customers requesting natural gas service. The estimated amount is the estimated cost to serve a number of new customers based on our IRP Growth Forecast and the historical average footage of service required to serve a new customer and the historical average cost per foot to install the infrastructure. The main reasons for the variance were:

- Lower than estimated customer demand for new gas service. The Company initiated service to approximately 5% fewer service points than estimated.
- Lower average footage of service line required to serve to new customers. Total footage of service line installed was approximately 5% less than estimated.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

Replace Services:

FP-317631	SERV-REPLACE-WALLA WALLA DISTRICT
FP-317635	SERV-REPLACE-WENATCHEE DISTRICT
FP-317639	SERV-REPLACE-YAKIMA DISTRICT
FP-317643	SERV-REPLACE-ABERDEEN DISTRICT
FP-317647	SERV-REPLACE-BELLINGHAM DISTRICT
FP-317651	SERV-REPLACE-BREMERTON DISTRICT
FP-317655	SERV-REPLACE-LONGVIEW DISTRICT
FP-317659	SERV-REPLACE-MT VERNON DISTRICT
FP-317753	SERV-REPLACE-KENNEWICK DISTRICT

Q. If reporting a significant cost variance for 2024 Replace Services, please provide an explanation for the variance.

A. The net cost variance for Replace Services projects when compared to the authorized settlement amount is -\$1,380,163 or -78%. Replace Services were budgeted by district in the FPs identified above. For the individual settlement, actual annual cost, and variance by funding project see “Attachment A”. 2024 Services-Replace budget was based on historical trend and replacement forecasts. Actual expenditures were lower than trend and forecasts.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-317744 - Tools & Minor Work Equip CNG WA

Q. If reporting a significant cost variance for FP-317744, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$122,913 or -75%. The need to replace tools and minor work equipment was not as high as anticipated in 2024.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP- 318092 - HPSS Replacements CNG WA

Q. If reporting a significant cost variance for FP- 318092, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$70,066 or -63%. The budgeted dollars in 2024 for HPSS replacements (removal) projects was \$111,603 which would be enough for one smaller replacement project. In 2024, one small HPSS replacement project was completed in Kennewick at a cost of \$41,538 and no other replacement projects were planned or deemed necessary in 2024.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-318192 - Fixed Network Equipment-CNG

Q. If reporting a significant cost variance for FP-318192, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$1,118,184 or -81%. The estimated costs for fixed network installation were overestimated for 2024 due to the original scope including the installation of 150 devices, has now been significantly reduced. This reduction comes from denial for device installation on most existing power poles in the right of way by the power utility, in several jurisdictions. Due to the non-allowance of devices on the existing power poles, alternate locations using fewer fixed network devices have been planned and constructed. The installation of fewer devices reduced the overall costs for site applications and contractor installs.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-318197 - Gas SCADA Equipment-CNG

Q. If reporting a significant cost variance for FP-318197, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$19,372 or -37%. The budgeted dollars in 2024 for CNG Gas SCADA equipment included \$20k for an additional Development License. A change to Flex licensing for the SCADA environment removed the requirement for the additional Development License.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-318211 - Communications Equipment CNG

Q. If reporting a significant cost variance for FP-318211, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$17,583 or -24%. A lead time of 12 months was quoted, so additional funds for potential over-runs were added and not needed as the lead time proved significantly shorter.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-318656 - RF-OAKH-4"PE-2.1MI

Q. If reporting a significant cost variance for FP-318656, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$303,643 or -22%. Originally, 2.1 miles of pipe was planned to be installed under this FP. However, due to issues obtaining easements, only 1.25 miles of pipe was installed. Decreased contractor cost associated with a shorter installation footage account for the 22% decrease between estimated costs and actual costs for this project.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-319027 - RP-Topp-TM-Canal Crossings

Q. If reporting a significant cost variance for FP-319027, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$533,956 or -100%. At this time, the costs are moved in whole from 2024 to 2025

Q. Please provide material changes to the “project description”, if any.

A. Project was moved out of 2024 to complete required permit applications.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-319029 - RP-MTVE-MTR-N TEXAS RD

Q. If reporting a significant cost variance for FP-319029, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$12,183 or -27%. The project experienced less than expected costs as our ability to enter the refineries facilities was hampered and we were unable to remove our old facilities.

Q. Please provide material changes to the “project description”, if any.

A. We were unable to remove our old meter set and regulator station from off of the customers property.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-319112 - MAOP SERV RPL CNG WA

Q. If reporting a significant cost variance for FP-319112, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$326,296 or -87%. Significant cost variance for the MAOP Service Line Replacement program is related to fewer projects being completed than planned in 2024.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-320004 - 3-inch Prosser HP Replacement Project

Q. If reporting a significant cost variance for the 3-inch Prosser HP Replacement project, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$1,069,398 or -100%. The significant cost variance is related to the timing of this project not being completed and placed in-service by December 31, 2024. Cascade has experienced delays related to being able to obtain necessary permits to be able to complete this project. It is planned to be completed in 2025, pending any further delays in obtaining permits. Further explanation has been provided in the Extension Request submitted to the WUTC Pipeline Safety Staff and provided here as “Attachment E”.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-320006 - 3-inch Burlington HP Replacement Project

Q. If reporting a significant cost variance for the 3-inch Burlington HP Replacement project, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$930,868 or -100%. The significant cost variance is related to the timing of this project not being completed and placed in-service by December 31, 2024. Cascade experienced delays during construction in 2024, which required construction to be stopped and a permit to be modified to allow for this project to be restarted and completed. It is planned to be completed in 2025, pending any further delays in obtaining permits. Further explanation has been provided in the Extension Request submitted to the WUTC Pipeline Safety Staff and provided here as “Attachment E”.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-320106 - GR-BurlingtonSouthFeed-6"PE-DP

Q. If reporting a significant cost variance for FP-320106, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$1,829,249 or -100%. Design and permitting of this project were more extensive than originally estimated. Due to the design requiring a longer lead time, there were no costs incurred in 2023 for the project. Costs have been incurred in 2024 and 2025 for this project, with an updated estimated completion date in Q3 2025.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-320114 - R-21 Replacement - Castle Rock

Q. If reporting a significant cost variance for FP-320114, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$240,690 or -100%. Upon further investigation into the need for this project, Engineering Services chose to cancel the project and instead monitor the regulator location to see if further “movement in the fill material” occurs. Currently, there has been no change.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-320223 - Indust Reg Stations-Growth-CNGC WA

Q. If reporting a significant cost variance for FP-320223, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$63,609 or -100%. This is a blanket funding project to cover large meter set installs. At time of budgeting, these projects are unknown. There ended up not being any of these meter sets in 2024.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-320224 - Indust Reg Stations-Replace-CNGC WA

Q. If reporting a significant cost variance for FP-320224, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$56,464 or -93%. This is a blanket funding project to cover large meter set installs. At time of budgeting, these projects are unknown. There ended up being fewer of these meter sets than budgeted in 2024.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-320934 - PUR Trng Props Bremerton WA Trl.

Q. If reporting a significant cost variance for FP-320934, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$2,869 or 17%. This project is for training props and tools. Cost of items have increased since inception of project.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Increased costs of props and tools are a direct reflection of the cost overrun.

FP- 320935 - PUR Trng Props Kennewick Wa Trlr

Q. If reporting a significant cost variance for FP- 320935, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$14,987 or -100%. This project is for training props and tools. Some items have yet to be received due to increased lead times.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-320999 - UG ThoughtSpot Betterment CNG

Q. If reporting a significant cost variance for FP-320999, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$6,486 or -15%. The cost variance is due to resources needed for this project were allocated to higher priority projects (i.e. CARES reporting).

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-321327 - UG - CC&B Upgrade&Betterments CNGC

Q. If reporting a significant cost variance for CC&B Upgrade and Betterment, please explain.

A. The cost variance for this project when compared to the authorized settlement amount is -\$101,587 or -26%. The Upgrade project went better than expected with less internal hours needed to complete the project as well as lower consulting costs. When issues arise on the CC&B Upgrade project, we use an external consultant for technical advice, and we were able to use the consultant less than anticipated.

Q. Please provide material changes to the project description, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-321468 - 6-inch Toppenish-Zillah HP Replacement Project

Q. If reporting a significant cost variance for the 6-inch Toppenish-Zillah HP Replacement project, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$809,261 or 73%. The cost variance is primarily related to route modifications that were required during construction. Route modification was required due to difficulties in completing a segment of this project by horizontal directional drill (HDD). Ground conditions prevented this segment to be completed by HDD and the route had to be modified to allow the pipe to be installed by open trench. The route modifications were not part of the original plan when the project was designed, and bid, and required additional resources by the contractor to complete the installation. Cost variance is also attributed to higher unforeseen contractor costs for traffic control and restoration from what was originally estimated.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Project was placed in-service in 2024. See justification above in response to question 1.

FP-321574 - UG-Powerplan Upgrade 2024 CNGC

Q. If reporting a significant cost variance for FP-321574, please explain.

A. The cost variance for this project when compared to the authorized settlement amount is -\$108,726 or -44%. The Upgrade project went better than expected with less internal hours needed to complete the project as well as lower consulting costs required for any issues that arose. Additionally, the Company decided to eliminate the custom code in the O&M budget module of PowerPlan and utilize the new out of the box O&M budget module. This delayed the O&M budget model to be finalized in 2025 rather than 2024 and therefore pushed some of the dollars to 2025. This will streamline any O&M budget module upgrades in the future. The full PowerPlan Upgrade was still implemented in August 2024.

Q. Please provide material changes to the project description, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-321795 - RP; 3" ST; BELL; 2549 ALLEY PROJ

Q. If reporting a significant cost variance for FP-321795, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$35,543 or -21%. Restoration charges are less than anticipated.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-321861 - RF; 6" PE; KENN; 2000' OLYMPIA

Q. If reporting a significant cost variance for FP-321861, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$31,306 or -100%. The overall scope of work, 2000' for FP-321861 and 3000' for FP-319061 was planned to be installed in two phases. Because the irrigation district allowed CNG to open trench a canal, instead of direction drilling, CNG installed the entire 5000' in a single phase. As such, all work was installed with FP-319061, eliminating the need for FP-321861.

Q. Please provide material changes to the "project description", if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-321983 - GR; 2" PE; VIEW; 6,000'

Q. If reporting a significant cost variance for FP-321983, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$72,143 or 353%. The installation of pipe in Euclid Meadows subdivision started in 2021. The project was estimated using 2021 contractor rates. Following a developer work stoppage, the project was completed in 2024 by CNG's new contractor at higher rates.

Q. Please provide material changes to the "project description", if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Because of the developer driven project delay, the project was completed three years later with higher Contractor rates that exceeded the cost estimate.

FP-322143 - RL; 6" HP; MTVE; 100'

Q. If reporting a significant cost variance for FP-322143, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$340,437 or -100%. The project was not started in the same year as originally planned, so no costs were incurred for the year. Design for the project is ongoing, but costs are now being incurred. An updated estimated in service date for this project is Q1 2026.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-322144 - Instl Main Gibraltar Rd Anacortes

Q. If reporting a significant cost variance for FP-322144, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$377,277 or -100%. Design for this project did not begin until Q1 2024, so there were no costs associated with the project prior to that point. Design and permitting for the project is currently underway with an estimated in-service date in late 2025.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-322165 - Yakima Regulator Station R-096 Project

Q. If reporting a significant cost variance for the Yakima Regulator Station R-096 project, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$103,523 or -100%. The significant cost variance is related to the timing of this project not being completed and placed in-service by December 31, 2024. Cascade has experienced delays related to being able to obtain necessary easements to be able to complete this project. Project is tied to project FP-316046. Project has been delayed and is planned to be completed in 2025, pending any further delays in obtaining the remaining easement. Further explanation has been provided in the Extension Request submitted to the WUTC Pipeline Safety Staff and provided here as “Attachment E”.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-322173 - Yakima Regulator Station R-097 Project

Q. If reporting a significant cost variance for the Yakima Regulator Station R-097 project, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$200,465 or -100%. The significant cost variance is related to the timing of this project not being completed and placed in-service by December 31, 2024. Cascade has experienced delays related to being able to obtain necessary easements to be able to complete this project. Project is tied to project FP-316046. Project has been delayed and is planned to be completed in 2025, pending any further delays in obtaining the remaining easement. Further explanation has been provided in the Extension Request submitted to the WUTC Pipeline Safety Staff and provided here as “Attachment E”.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-322468 - PURCHASE RMLD MT VERNON

Q. If reporting a significant cost variance for FP-322468, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$16,756 or -100%. We decided not to purchase the equipment.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-322488 - PUR (2) STOP MACHINES MT VERNON

Q. If reporting a significant cost variance for FP-322488, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$3,970 or -100%. The cost variance was caused by long lead times for equipment which pushed the purchase into 2025.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP- 322504 - RP-4" HP MN-PASCO-160'

Q. If reporting a significant cost variance for FP- 322504, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$212,142 or -100%. Project was postponed and budgeted for a future year, so no costs were expended in the 2024 budget year.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-322580 – Purchase MBW Air Rammer Kelso

Q. If reporting a significant cost variance for FP-322580, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$10,598 or -100%. The reason for which is we decided not to purchase the equipment.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-322598 - Install Generator -Bremerton Office

Q. If reporting a significant cost variance for FP-322598, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$126,213 or -100%. The reason for which, is we decided not to install a generator for the Bremerton District Office.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-322655 - Purch (2) RD8100 Locators Mt Vernon

Q. If reporting a significant cost variance for FP-322655, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$3,236 or 16%. The reason for the variance is shipping, tax and two (2) 5” transmitter clamps were not included in the original quote.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. The 2 RD8100 Locators, each equipped with transmitters and 5” transmitter clamps were received and in service in 2024. They are critical to the safety and operation of our Mt Vernon District. Shipping, tax and two (2) 5” transmitter clamps were not included in the original quote.

FP-322783 - RF; LAND FOR 6 MILE 20IN BURLINGTON

Q. If reporting a significant cost variance for FP, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$119,147 or -100%. The 20" Anacortes Lateral and related projects, such as land, has extended into 2025. There was no "close to plant" in 2024 as reflected in the -100% variance.

Q. Please provide material changes to the "project description", if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-322784 - R-197 PULVER RD, BURLINGTON

Q. If reporting a significant cost variance for FP-322784, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$498,152 or -100%. The 20" Anacortes Lateral and related projects, such as this regulator station, has extended into next year and is now estimated to be placed in service in Q4 of 2025.

Q. Please provide material changes to the "project description", if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-323166 - RP Bremerton R-023

Q. If reporting a significant cost variance for FP-323166, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$501,433 or 745%. This project was initially a line heater addition to this regulator station, upon further evaluation the regulator station itself was found to have deficiencies that prompted an entire regulator station replacement.

Q. Please provide material changes to the “project description”, if any.

A. A new regulator station was constructed.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Unanticipated deficiencies, accelerated corrosion, decreased functionality of valves and other components, were discovered in the regulator station. No active leaks were identified, but the warning signs were present, which prompted the replacement of the entire station, in addition to the line heater addition.

FP-323236 - Shorted Casing Replacement Project

Q. If reporting a significant cost variance for the Shorted Casing replacement programmatic project, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$271,431 or -79%. Significant cost variance is related to timing of projects being placed in-service. Multiple projects were started in 2024, but not placed in-service until after December 31, 2024.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-323431 - GR L'view -2" HP MN, Divert INC RNG

Q. If reporting a significant cost variance for FP-323431, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$237,522 or -100%. The Renewable Natural Gas (RNG) Facility driving FP-323431 was planned to be placed in service near the end of 2024 during communications with the customer. The RNG producer schedule has been delayed and is now proposing an October 2025 in-service production date.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-323432 - INST RNG RS, DIVERT INC, Longview

Q. If reporting a significant cost variance for FP-323432, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$582,325 or -100%. The Renewable Natural Gas (RNG) Facility driving FP-323432 was planned to be placed in service near the end of 2024 during communications with the customer. The RNG producer schedule has been delayed and is now proposing an October in-service production date.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-323434 - INST RNG ODRIZR, DIVERT INC, L'VIEW

Q. If reporting a significant cost variance for FP-323434, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$1,181,773 or -100%. The Renewable Natural Gas (RNG) Facility driving FP-323434 was planned to be placed in service near the end of 2024 during communications with the customer. The RNG producer schedule has been delayed and is now proposing an October 2025 in-service production date.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-323435 - INST RNG MTR SET, DIVERT INC, LVIEW

Q. If reporting a significant cost variance for FP-323435, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$97,719 or -100%. The Renewable Natural Gas (RNG) Facility driving FP-323435 was planned to be placed in service near the end of 2024 during communications with the customer. The RNG producer schedule has been delayed and is now proposing an October 2025 in-service production date.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-323595 – RF; 4” PE; 10,000’; Lynden

Q. If reporting a significant cost variance for FP-323595, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$343,875 or -100%. Project was delayed to 2025 construction due to permitting delays in acquiring for canal crossing requiring SEPA review.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-323730 - RP-SHEL R-17 (R-84)

Q. If reporting a significant cost variance for FP-323730, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$329,885 or 160%. This project exceeded planned costs due to unforeseen leaks found on the inlet piping to the regulator station that was planned to be replaced. The inlet piping was replaced to mitigate the leaks. Inlet piping replacement had to be directionally drilled due to the station site proximity to existing road infrastructure. Additionally, a contract engineer handled the design and project management of this project which also increased costs.

Q. Please provide material changes to the “project description”, if any.

A. The project description consisted of replacing an existing regulator station with documented non-hazardous leaks with a new updated regulator station. The original project included minimal piping upgrades to the inlet and outlet piping from the station. Due to unforeseen leaks, a larger portion of inlet piping (~400ft) needed to be replaced and was added to the project scope.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. The project is complete with no ongoing investment. Justification for the cost overrun would be the replacement of piping that was identified to have leaks during planning and construction activities associated with the station replacement project.

FP-323731 - Fredonia CS Scrubber Replacement

Q. If reporting a significant cost variance for 323731, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$121,372 or 82%. We had multiple challenges with final fitment, and recycling. This added time and a lot of cost to the project.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Replacing the scrubbers helps to ensure the compressor operates in the best conditions by scrubbing the gas before it enters the compressor to protect it from anything that may enter the inlet of the unit.

Projects required additional work onsite due to unforeseen challenges with the project.

The project took longer than anticipated due to these events, which kept all contractors onsite for more time. The largest unforeseen challenge was a flange not lining up and we had to get a certified welder to make the repairs immediately, with the required x-rays following the welding repair. Recycling of the used scrubbers also were not able to be recycled as planned and we had to find an alternate way to recycle them that was approved by our environmental department.

FP-323795- Fredonia CS Flame / PLC spare parts

Q. If reporting a significant cost variance for FP-323795, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$3,091 or -16%. The parts came in cheaper than expected.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-323823 - Wheeler Regulator Station R-81 Project

Q. If reporting a significant cost variance for FP-323823, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$52,159 or 93%. The original estimate for the project was \$55,851. A later approved estimate for the work order was \$167,000, which more accurately would have put the project under budget for -\$59,000. The revised work order estimate and higher cost was due to higher contractor costs than was previously estimated and added costs to obtain an easement for the regulator station.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Project was placed in-service in 2024. Reason for significant cost overrun described in Question #1.

FP-323826 - CC&B Enhancement for CNGC

Q. If reporting a significant cost variance for FP-323826, please explain.

A. The cost variance for this project when compared to the authorized settlement amount is \$39,238 or 134%. The project is enhancements to CC&B related to implementing the requirements for the WA Cares Act (WA) and EDP Low Income (OR) programs. Both programs were required, and CC&B had to be configured to conform with the program parameters as determined by our CARES Advisory Group in WA and our EDP Advisory Group in OR. At the time of budgeting, it was unknown the full scope of changes that would be required so was a cost overrun.

CARES was developed in compliance to paragraph 75 in Order No. 09 issued in UG-210755 which required that Cascade to raise the income eligibility threshold to 80 percent of area median household income (AMI) or 200 percent of the federal poverty level, whichever is higher, and annually review funding levels to ensure the low-income assistance program has adequate funds available. The CARES Advisory Group, comprised of Commission Staff, customer advocate groups, and Community Action Agencies, ensured the discount tiers were designed to reduce the customer's gas energy burden to three percent (3%) and three and a half percent (3.5%) of their total income, aligning with the targeted 6% total gas and electric burden established by Clean Energy Transformation Act and codified in RCW 19.405.120.

Energy Discount Program (EDP) was developed in compliance to Commission guidance in Docket No. UM 2211, which seeks to implement House Bill (HB) 2475. HB 2475 gives the Oregon Public Utility Commission the authority to consider energy burdens on low-income customers, and other economic, equity, and other factors that affect affordability.

Q. Please provide material changes to the “project description”, if any.

A. What was originally budgeted in the work order was based on the original requirements for these programs. As these programs were implemented, many changes were made to

the program as Cascade and its Advisory Group identified issues with the program design, communications, or delivery. For instance, customer letters that are automatically generated in CC&B to communicate to customers about their enrollment, a change in service tier, and post enrollment verification were reviewed and updated to enhance clarity, adapt the text for other program changes, and to direct customers to specific Community Action Agencies. Also, programmatic changes were made based on observed customer barriers with the initial program design. For instance, in Docket No. UG-240477, CARES was revised to allow co-administration, and in Docket No. UG-240627, CARES grants were changed from being a maximum of \$1000 offered once per 24 months to \$500 per 12 months with the option for hardship exceptions.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. No significant O&M cost savings. This was a regulatory requirement enhancement.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. As explained in response to question 1, these are required enhancements due to regulations.

FP-323833 - RP; 2" PE; LONG; 550' 1291 INDUSTRI

Q. If reporting a significant cost variance for FP-323833, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$65,761 or 217%. This replacement project was completed in 2023. However, restoration for this project carried over into 2024. As result, the restoration costs of \$65,761 settled in 2024.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. This replacement project was completed in 2023. However, restoration for this project was completed in 2024. As result, the restoration costs of \$65,761 settled in 2024.

FP-323909 - Yakima Enclose Canopy CS Fab Shop Yakima, WA

Q. If reporting a significant cost variance for FP-323909, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$3,789 or -10%. The project's actual cost was lower than the contractor's original quote.

Q. Please provide material changes to the "project description", if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-323917 - PURCHASE BEVELING MACHINE MT VERNON

Q. If reporting a significant cost variance for FP-323917, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$1,593 or -100%. Purchase delayed to 2025 due to long lead times.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-323926 – Repl Mueller Equip CS WA

Q. If reporting a significant cost variance for Repl Mueller Equip CS WA, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$98,889 or -96%. This is a new Funding Project created in 2024. Mueller equipment is required for the Construction Services Department, but it is costly, and replacement equipment can have up to two years of lead time. In 2024, the equipment received was a 4” Shell Cutter, which did not use the intended budgeted dollars.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-323951 - Purch Leak Survey Equip Kennewick

Q. If reporting a significant cost variance for FP-323951, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$5,919 or 18%. The leak survey tool vendor had a price increase between June 2023, when the budget was created, and January 2024, when the equipment was purchased.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. As stated above, the price of the tool increased from the original estimate at purchase.

FP-323967 - UG-CNG PUR AR/VR Gas Emrgncy Rspns

Q. If reporting a significant cost variance for FP- 323967, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$41,466 or -100%. This project will begin June 2025 due to project delays in a prior AR/VR project.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-323968 - UG-CNG PUR AR/VR I-Leak Upg/Enhance

Q. If reporting a significant cost variance for FP- 323968, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$7,539 or -100%. This project was cancelled by K. Riestenberg per accounting and replaced with FP-325684. This project will begin June 2025 due to project delays in a different AR/VR project.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324005 - RP; 4" PE & 6" STL; ANAC; 1200'

Q. If reporting a significant cost variance for FP-324005, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$306,878 or -100%. Construction for this project began later than originally anticipated, which is why costs for the project were not incurred earlier. The project was placed in-service on 1/8/2025.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324015 - PUR FORKLIFT SPREADER BAR MT VERNON

Q. If reporting a significant cost variance for FP-324015, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$1,454 or 42%. Shipping costs not included in original estimate.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Equipment was purchased in 2024 and placed in service. The overrun is composed of the shipping costs not included in the purchase estimate.

FP-324018 - Purchase Steel Squeezer Elma

Q. If reporting a significant cost variance for FP-324018, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$1,201 or 16%. Tax and freight not included in original estimate.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. The equipment was purchased and is in service. Tax and freight were not included in the original estimate and therefore were not budgeted for.

FP- 324020 - UG-Locusview Software - CNGC

Q. If reporting a significant cost variance for FP-324020, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$336,797 or 42%. The original budget did not include taxes, this was approximately \$55K of the overage. The remainder appears to be a misallocation in the original budgeted dollars. The cost of the Software was in line with overall budget, but it appears the budgeted split by Company/State was lower than what it should have been using the standard meter count allocation method.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. No changes to O&M savings associated with this project. \$10,000 reported in the Settlement.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. The cost overrun was primarily due to budgeting errors on not budgeting for taxes for the software and the proper allocation method.

FP-324021 - FRL; R-195 (R-170) ANAC

Q. If reporting a significant cost variance for FP-324021, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$292,793 or -100%. This FP is associated with the work completed under FP-324005. Similar to the other FP, construction for this project was not started in time to incur costs prior to the close date for 2024 Actuals. The project is currently in-service, and costs will appear in the 2025 fiscal year.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324035 - UG-IQ Geo Enhancements CNGC

Q. If reporting a significant cost variance for UG-IQ Geo Enhancements CNGC, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$48,348 or -92%. The costs for this was included as part of FP-101480 as a holdover from the full implementation. That FP is under budget as well, so we are not incurring overages. We split out IQ Geo future enhancements into its own funding project and are making adjustments to charge accordingly.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324053 - CONST Training Yard Elma D Off

Q. If reporting a significant cost variance for FP-324053, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$50,215 or -100%. This project is for Construction of a Training yard in Elma. This project has yet to begin, therefore moved into calendar year 2025.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324101 - 8-inch Anacortes Transmission Replacement Project

Q. If reporting a significant cost variance for FP-324101 - C/M RPL; 8" TM; ANACORTES; 3,000', please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$2,149,743 or -82%. Significant cost variance is related to a change in the project scope from what was originally estimated. The original scope of this project was to replace approximately 2,946 feet of 8-inch diameter steel transmission main which contained a suspected leak that couldn't be located. In March 2024, the location of the leak was located, and the leak was able to be repaired by replacing 20 feet of pipe. With the location of the leak being located and repaired, the full 2,946-foot replacement was no longer required.

Q. Please provide material changes to the "project description", if any.

A. No material changes to the project description provided in prior testimony (Exh-PCD-1T-3-29-24) other than the length of the replacement changed from 2,946 feet to 20 feet with the location of the leak being discovered.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324134 - PURCH SPREADER BAR BELLINGHAM

Q. If reporting a significant cost variance for FP-324134, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$886 or 22%. Shipping not included in original estimate.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Equipment was purchased in 2024 and placed in service. The overrun is composed of the shipping costs not included in the purchase estimate.

FP-324146 - Pur Shop Air Compressor Walla Walla

Q. If reporting a significant cost variance for FP-324146, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$318 or 13%. The air compressor purchased in February 2024 for the Walla Walla shop was higher quality than the unit budgeted for in June 2023. The higher quality air compressor produces less decibels than the model added to the budget.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. The equipment was purchased and placed in service in 2024. As stated above, the cost overrun is due to an upgrade to a lower decibel machine necessary for a safer operating environment.

FP-324251 - Purch AED for Bellingham WA

Q. If reporting a significant cost variance for FP-324251, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$2,009 or -100%. The replacement of the AED was originally scheduled for 4th quarter of 2024 and was delayed in order to provide additional time to ensure purchasing a newer model that would be supported by the manufacturer and planned to be purchased in 2025. The cost to replace this model of AED is set to increase by 50% after April 1, 2025, so all budgeted AEDs were purchased in the first quarter of 2025.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324253 - Purch PAPR's for Washington 2024

Q. If reporting a significant cost variance for FP-324253 “Purch PAPR's for Washington 2024”, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$10,043 or -100%. The funds were moved into 2025 due to additional time required to gather the data for the correct quantity of Powered Air Purifying Respirators (PAPR's) to be ordered and to consolidate the order to take advantage of a larger rebate related to the increased quantity.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324259 - Repl SAN & FC Switches CNGC GO

Q. If reporting a significant cost variance for FP-324259, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$8,186 or 11%. The actual SAN and associated storage switches allocated to Washington were able to be procured at a cost lower than budgeted

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324263 - Replace Office Servers CNG

Q. If reporting a significant cost variance for FP -324263, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$45,194 or -100%. The decision was made to consolidate/centralize the services provided by those local servers. Zero costs/charges for this FP as a result of the centralization.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324276 - Replace Vacuum Pump Yak MS

Q. If reporting a significant cost variance for FP-324276, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$2,499 or 25%. Cost of material and installation costs were higher than expected.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. The existing vacuum pump was failing every couple of years which increased maintenance costs. Maintenance contractor recommended replacing the vacuum pump with screw style pump. They are less maintenance and more energy efficient.

FP-324281 - Add HEPA Vacuum at the CNG meter sh

Q. If reporting a significant cost variance for FP-324281, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$2,385 or -63%. We decided to install the equipment ourselves instead of hiring a contractor which resulted in a significant cost savings.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324301 - Pur Completion Machine Mt Vern CS

Q. If reporting a significant cost variance for FP-324301 - Purchase Completion Machine Mt. Vernon, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$2,639 or -100%. The Completion Machine was received from Mueller in 2025.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324342 - RP; 2" ST; BELL; 360'; FLORA/UNITY

Q. If reporting a significant cost variance for FP-324342, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$10,460 or -14%. Project cost estimate included solid rock contingency.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324375 - Rpl Main Nelson Rd/Ctr Vly Brmrtn

Q. If reporting a significant cost variance for FP-324375, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$255,838 or 132%. This project was a forced relocation. Kitsap County's road-improvements required CNG to relocate several existing facilities. Variance was caused by underestimating labor rates used in calculating project costs.

Q. Please provide material changes to the "project description", if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. The project was completed and placed in service in 2024. The original project cost was too low because labor rates were underestimated.

FP-324409 - UG - Trellis Energy Software CNGC

Q. If reporting a significant cost variance for FP-324409, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$31,869 or -21%. The underspend related to this project was a result of fewer than expected third-party labor (implementation) hours.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324475 - Pur Elec Fume Extractor Mt Ver CS

Q. If reporting a significant cost variance for FP-324475 - Pur Elec Fume Extractor Mt. Vernon, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$7,811 or -52%. The project's actual cost was lower than the contractor's original quote.

Q. Please provide material changes to the "project description", if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324480 - Pur 2 Custom Pallets Mt. Vernon, WA

Q. If reporting a significant cost variance for FP-324480 - Tools & Minor Work Equip CNG WA, please provide an explanation for the variance.

A. The project's actual cost was lower than the contractor's original quote.

Q. Please provide material changes to the "project description", if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324524 - Purch Fork Lift Spreader Bar Kelso

Q. If reporting a significant cost variance for FP-324524, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$845 or 21%. Shipping costs were not included in original estimate.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Equipment was purchased in 2024 and placed in service. The overrun is composed of the shipping costs not included in the purchase estimate.

FP-324527 - Purch Fork Lift Spreader Bar Elma

Q. If reporting a significant cost variance for FP-324527, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$881 or 22%. Shipping costs not included in original estimate.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Equipment was purchased in 2024 and placed in service. The overrun is composed of the shipping costs not included in the purchase estimate.

FP-324530 - Purchase Mueller Gate Valves Kelso

Q. If reporting a significant cost variance for FP-324530, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$4,441 or -100%. We decided not to purchase the equipment.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324559 - Purchase Shop Welder Bremerton

Q. If reporting a significant cost variance for FP-324559, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$1,267 or 16%. Increase cost due to different electrical plug configuration which required us to rewire the outlet for the welder.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. The equipment was purchased and placed in service in 2024. As stated above, the cost overrun was due to additional labor costs required for installation and use of the welder.

FP-324581 - RF-OAKH-4"PE-1000'

Q. If reporting a significant cost variance for FP-324581, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$343,626 or -100%. Construction for this project was unable to start when originally estimated due to difficulty acquiring the required easement along the route. Project is moving forward with an alternative route in 2025.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324689 - RP-8" HP- ELMA 1100' WILD CAT CREEK

Q. If reporting a significant cost variance for FP-324689, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$1,634,772 or -100%. The 8" pipeline replace project has extended into 2025 when it will be placed in service.

Q. Please provide material changes to the "project description", if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324690 - Purch Steel Road Plates Kelso

Q. If reporting a significant cost variance for FP-324690, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$5,022 or -100%. Decided not to purchase steel road plates.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324695 - Purch Leak Survey Equip Kennewick

Q. If reporting a significant cost variance for FP-324695, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$5,912 or -14%. CNG added approximately 15% to the leak survey tooling quote in anticipation of a price increase occurring between June 2023, when the budget was created, and the planned 2024 purchase. The vendor did not increase pricing prior to the May 2024 purchase.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324704 - Fredonia CS Security Install

Q. If reporting a significant cost variance for FP-324704, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$30,290 or -100%. We are still needing to get these installed, we lost our IT guy that needs to install the project.

Q. Please provide material changes to the “project description”, if any.

A. The property owner installed fence shakers, so we were no longer responsible for that portion. We are only needing to add additional cameras to this facility now.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324761 - Crack Seal Parking Lot Walla Walla

Q. If reporting a significant cost variance for FP-324761, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$12,712 or -23%. Cost estimates to reseal the Walla Walla office parking lot were acquired in June 2023 when the budget was created. When the work was performed in August 2024, costs were less than anticipated due to the Contractor purchasing sealing oil at a reduced price.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324778 - CONST SVCS - TOOL SHED & REMODEL

Q. If reporting a significant cost variance for FP-324778 - Tool Shed & Remodel Mt. Vernon, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$117,883 or -76%. The 2024 building addition quote was significantly higher than the 2023 quote. A decision was made to purchase a 40' Storage Container to set beside the building to use as a tool shed as a temporary fix. This decision reduced the Funding Project cost.

Q. Please provide material changes to the “project description”, if any.

A. A decision was made to purchase a 40' Storage Container to set beside the building to use as a tool shed as a temporary fix.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324790 - Instl Shop Lighting Wentachee

Q. If reporting a significant cost variance for FP-324790, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$1,145 or 12%. Upgraded LED lighting for the Wenatchee shop was installed in June 2024 for less than the cost estimate received in June 2023 when the budget was created.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324799 - FRL-MTV-HWY 9-6" HP-400FT

Q. If reporting a significant cost variance for FP-324799, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$512,719 or -100%. Construction for this project was pushed to 2025 due to WSDOT's project, that was driving the forced relocation, being pushed. To ensure there are no design changes, CNGC is awaiting confirmation of WSDOT's project prior to construction.

Q. Please provide material changes to the "project description", if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324804 - UPGRADE MODEL 5 PROVER – YAKIMA

Q. If reporting a significant cost variance for FP-324804, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$4,862 or -16%. Cost of material was less than estimated. Original quote at time of budgeting was incorrect.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324806 - MODEL 5 PROVER UPGRADE - BELLINGHAM

Q. If reporting a significant cost variance for FP-324806, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$4,746 or -16%. Cost of material was less than estimated. Original quote at time of budgeting was incorrect.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324820, FP-324824 - Arlington Regulator Station R-198 (R-066) Project

FP-324820	MAOP;4' ST;ARLI;5,610'
FP-324824	C/M;R-198(R-66) ARL

Q. If reporting a significant cost variance for the Arlington Regulator Station R-198 (R-066) project, please provide an explanation for the variance.

A. The net cost variance for Arlington Regulator Station R-198 (R-066) Projects when compared to the authorized settlement amount is \$987,560 or 757%. For the individual settlement, actual annual cost, and variance by funding project see “Attachment A”. Significant cost variance is primarily related to changes in the project scope from what was originally estimated. Based on the location of the new regulator station, the City of Arlington had additional requirements that had to be met that weren’t originally planned for in the original estimate. These requirements included installation of ADA ramps, custom security fencing, and storm drain modifications. Also contributing to the cost variance was higher contractor costs compared to what was estimated.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Project was placed in-service in 2024. Reason for significant cost overrun described in Question #1.

TBS RTU Replacement:

FP-324823	Bellingham 1 TBS RTU Replacement
FP-324827	Sumas TBS RTU Replacement
FP-324828	Lynden (formerly Bend) TBS RTU Replacement
FP-324830	Stanwood TBS RTU replacement
FP-324831	Mt Vernon TBS RTU replacement
FP-324833	Othello TBS RTU Replacement.
FP-324835	Shelton TBS RTU replacement
FP-325160	RTU Replacement Kalama TBS
FP-325161	Kelso RTU replacement
FP-325163	R-38 Longview RTU Replacement

Q. If reporting a significant cost variance for the TBS RTU Replacement Projects, please provide an explanation for the variance.

A. The net cost variance for the TBS RTU Replacement Projects when compared to the authorized settlement amount is \$10,131 or 24%. For the individual settlement, actual annual cost, and variance by funding project see “Attachment A”. Cost of material and labor were higher than estimated.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. This project was to replace end of life field Remote Terminal Units with known cyber vulnerabilities. The new Remote Terminal Units address the cyber vulnerabilities and provide future support from the vendor. Known vulnerabilities are required to be tracked, and remediation plans in place, per TSA security directives.

TBS RTU Replacement (OR Jurisdiction):

FP-324829	Hermiston TBS RTU Replacement
FP-324832	Nyssa TBS RTU Replacement
FP-324834	Redmond TBS RTU Replacement
FP-324836	South Bend TBS RTU Replacement

Q. If reporting a significant cost variance for TBS RTU Replacement (OR Jurisdiction), please provide an explanation for the variance.

A. The net cost variance for the TBS RTU Replacement (OR Jurisdiction) Projects, when compared to the authorized settlement amount, is -\$16,100 or -100%. For the individual settlement, actual annual cost, and variance by funding project, see “Attachment A”. Upon review we discovered that these are Oregon only projects and were inadvertently included in the Washington settlement and will be excluded as part of this provisional plant review.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324834 - Redmond TBS RTU Replacement

Q. If reporting a significant cost variance for FP-324834, please provide an explanation for the variance.

A. This project was cancelled because we determined this RTU didn't have security vulnerabilities that we originally thought.

Q. Please provide material changes to the "project description", if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324847 - Instl Back Up Generator Walla Walla

Q. If reporting a significant cost variance for FP-324847, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$72,984 or -48%. When the budget was created in June 2023, a single estimate was used for a generator needed to support the backup CNG Gas Control facility located at the Walla Walla office. Bids for the purchase and installation of the backup generator installed in September 2024 were significantly less than the budgeted amount.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324932 - RP; 6" HP; OAKH; 3000'

Q. If reporting a significant cost variance for FP-324932, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$1,001,333 or -100%. This project is awaiting finalized design by a third party and therefore hadn't acquired any cost prior to the closing of 2024. Project will be in-service in late 2025.

Q. Please provide material changes to the "project description", if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-324946 - PUR CONTROL RADIOS AVTEC SYS – WA

Q. If reporting a significant cost variance for FP-324946, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$857 or 23%. Two additional used units were purchased to mitigate future failures and growth of the Customer Experience Team.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. These Control Radios are utilized by the Customer Experience Team for dispatching service calls. The cost over runs driven by having two functional spares seems a wise move in-lieu of alternative forms of communications.

FP-324988 - Inst Reinforcement main for R99, Yakima

Q. If reporting a significant cost variance for FP-324988, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$379,661 or 50%. Regulator Station R-099 had to be moved to a new location from original design due to land issues. This move added a mile of main and associated costs.

Q. Please provide material changes to the “project description”, if any.

A. An additional mile of main was added to the project

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. As stated above, the unforeseen need to relocate Regulator Station R-099, added a mile of main to the project, increasing costs. The project description remains the same, the location of the project changed due to landowner protest of our work at the initial location. CNGC needed to find an alternative location and then run mains, both HP and DP to and from the new location.

FP-324995 - C/M; R-199(R-7) MTVE;

Q. If reporting a significant cost variance for the Mount Vernon Regulator Station R-007 project, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$58,610 or 59%. Significant cost variance is primarily related to having to move the existing regulator station to another location. As design for this project progressed it was determined that the current location of the regulator station was unsuitable to install a new regulator station in the same location. With having to move the regulator station to a new location, additional costs were required for easement, site preparations, and new main from the new to the old location.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Project was placed in-service in 2024. Reason for significant cost overrun described in Question #1.

FP-325037 - RP; 8" PE CLINTON; HDD 400'

Q. If reporting a significant cost variance for FP-325037, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$122,656 or -100%. The project was planned for construction in 2024 but due to permitting delays is now planned for 2025. The pressures in the far end of the system still require the reinforcement provided by this trunkline and the replacement should be completed to continue to support core customers in the NE part of the Walla Walla system.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-325055 - REPLACE SHOP TUBE HEATER BREMERTON

Q. If reporting a significant cost variance for FP-325055, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$2,026 or -22%. We obtained estimates to replace two heating units. During installation we were able to repair one of the two units. As a result, we ended up replacing only one unit.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-325057 - Fredonia CS New Relief 1910K

Q. If reporting a significant cost variance for FP-325057, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$2,603 or -17%. The relief came in under budget.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-325187 - FRL;2";VIEW'800' OIE HWY

Q. If reporting a significant cost variance for FP-325187, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$549,738 or 321%. CNG stopped utilizing the initial bidder of this project as a distribution contractor. The subsequent bids for this 2" and 4" steel forced relocation were significantly higher. The relocation was originally planned to occur during a road closure simultaneously with work performed by the City of Grandview's Contractor. The City's Contractor was able to accomplish their work without closing the road. CNG did not have traffic control included in the original cost estimate. As the City of Grandview's work progressed, the Cities engineering firm modified the road plans which added additional conflicts with CNG facilities. The changes required additional time, material, and traffic control costs.

Q. Please provide material changes to the "project description", if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. As stated above, CNG was forced to rebid this project after the original cost estimate and the subsequent bids were significantly higher.

FP-325196 - RP; 6" ST; BELL; 2400'; NORTHWEST

Q. If reporting a significant cost variance for FP-325196, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$851,810 of -100%. Project was originally scheduled to be completed and closed out in 2024. Project remediation was completed in January 2025. Retired and replaced ~2,400 feet of shallow 6-inch steel main.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.

FP-325206 - FRL;2" ST;WAPA;1,000' S.Naches A

Q. If reporting a significant cost variance for FP-325206, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$594,451 or 259%. CNG stopped utilizing the initial bidder of this project as a distribution contractor. The forced relocation of 1000' of 2" steel for the City of Wapato was rebid, and the lowest bid was significantly higher than the cost estimate.

Q. Please provide material changes to the "project description", if any.

A. None.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Does not apply.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. As stated above, CNG was forced to rebid this project after the original cost estimate and the subsequent bids were significantly higher.

FP-325214 - PUR Sensit LZ-30s - Washington

Q. If reporting a significant cost variance for FP-325214, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is \$92,637 or 15%. Originally planned to purchase 57 Sensit LZ-30's. Final purchase was 60 units. Shipping and tax was not included in the original estimate.

Q. Please provide material changes to the “project description”, if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. The 15% cost overrun was due to shipping and tax not included in the original estimate. Additionally, we increased the total number of units purchased from 57 to 60. All 60 units are deployed and in use. The Sensit LZ-30 is a remote methane leak detector that allows our employees to detect methane at a safe distance.

FP-325356 - RL;6" PE;TOPP;1000' 580 Fort Rd

Q. If reporting a significant cost variance for FP-325356, please provide an explanation for the variance.

A. The cost variance for this project when compared to the authorized settlement amount is -\$194,306 or -89%. After estimating the cost to relocate 1000' of 6" distribution pressure plastic main, CNG's engineering department determined 4" plastic main would handle the needed load. The project was downsized from 6" to 4" which significantly reduced the installation and material costs.

Q. Please provide material changes to the "project description", if any.

A. Not applicable.

Q. Please update any offsetting O&M cost savings associated with this project, if any.

A. Not applicable.

Q. If reporting a significant cost overrun, please provide an update to the project description that includes the justification to continue to invest in the project.

A. Not applicable.