

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of

CASCADE NATURAL GAS
CORPORATION,

for an accounting order authorizing deferred
accounting treatment of loss in margin due
to Company sponsored conservation
programs, or, in the alternative, the
continuation of the pilot decoupling
mechanism in Docket UG-060256.

DOCKET UG-101656

COMMISSION STAFF'S RESPONSE
TO CASCADE'S MOTION TO
WITHDRAW PETITION

1 On November 23, 2010, Cascade Natural Gas Corporation (Cascade) filed with the Commission a motion to withdraw its accounting petition, which sought either a mechanism for the deferral of lost margin resulting from Company-sponsored conservation programs, or a continuation of its pilot decoupling mechanism for another three-year period. Staff does not object to Cascade's motion to withdraw. As Staff has previously noted, Cascade's petition does not meet the requirements of the Commission's Order 05 in Docket UG-060256 (January 12, 2007), or the requirements set forth in the Commission's recently-issued Policy Statement in Docket U-100522 (November 4, 2010).

2 Staff points out, however, that Order 05 in Docket UG-060256 (paragraph 84) requires that an evaluation of Cascade's pilot mechanism be performed, even if the mechanism is not extended. Additionally, Cascade may file for a decoupling mechanism in

the future, in conjunction with the filing of a general rate case, provided that the Company also meets the conditions set forth in the Commission's Policy Statement. Staff would review such a filing, if one is made, at that time.

DATED this 1st day of December 2010.

Respectfully submitted,

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