## BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE NATURAL GAS CORPORATION,

Respondent.

DOCKET UG-190210

ORDER 01

COMPLAINT AND ORDER SUSPENDING TARIFF REVISIONS

# BACKGROUND

I On March 29, 2019, Cascade Natural Gas Corporation (Cascade or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-3 as listed in the appendix attached to this Order. The purpose of this filing is to increase rates and charges for natural gas service provided to customers in the state of Washington. Specifically, Cascade requests authority to increase charges and rates for natural gas service by approximately \$12.7 million, or 5.56 percent in base rates, effective May 1, 2019. The Company agrees to waive presentation of the filing at an open meeting and to suspension of the tariffs pending Commission investigation.

### **DISCUSSION AND DECISION**

2 Cascade's requested increase might injuriously affect the rights and interests of the public, and Cascade has not demonstrated that the increase would result in rates that are fair, just, reasonable, and sufficient. The Commission, therefore, suspends the tariff filing and will hold public hearings, if necessary, to determine whether the proposed increases are fair, just, reasonable, and sufficient.

## FINDINGS AND CONCLUSIONS

- 3 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, and practices of public service companies, including natural gas companies.
- 4 (2) Cascade is a natural gas company and a public service company subject to Commission jurisdiction.
- 5 (3) The tariff revisions Cascade filed on April 1, 2019, would increase charges and rates for service provided by Cascade and might injuriously affect the rights and interest of the public.
- 6 (4) Cascade has not yet demonstrated that the tariff revisions would result in rates that are fair, just, reasonable, and sufficient.
- 7 (5) Cascade's rates and charges for natural gas service shown on any tariffs that Cascade does not propose to revise may also be investigated to determine if they are fair, just, reasonable, and sufficient.
- 8 (6) In order to carry out the duties imposed upon the Commission by law, and as authorized in RCW 80.04.130, the Commission believes it is necessary to investigate Cascade's books, accounts, practices and activities; to make a valuation or appraisal of Cascade's property; and to investigate and appraise various phases of Cascade's operations. The Commission finds that this docket meets the criteria of WAC 480-07-400(2)(b)(i) and that the parties may conduct discovery pursuant to the Commission's discovery rules in WAC 480-07-400 425.
- 9 (7) As required by RCW 80.04.130(4), Cascade bears the burden to prove that the proposed increases are fair, just, reasonable, and sufficient.
- (8) Cascade may be required to pay the expenses reasonably attributable and allocable to such an investigation, consistent with RCW 80.20.

#### ORDER

#### THE COMMISSION ORDERS:

- 11 (1) The tariff revisions Cascade Natural Gas Corporation filed on April 1, 2019, are suspended.
- (2) The Commission will hold hearings at such times and places as may be required.
  Such hearings may also examine Cascade Natural Gas Corporation's rates and charges for natural gas service shown on any tariffs that Cascade Natural Gas Corporation does not propose to revise.
- (3) Cascade Natural Gas Corporation must not change or alter the tariffs filed in this docket during the suspension period unless authorized by the Commission.
- 14 (4) The Commission will institute an investigation of Cascade Natural Gas
  Corporation's books, accounts, practices, activities, property, and operations as described above.
- 15 (5) The parties may conduct discovery pursuant to the Commission's discovery rules in WAC 480-07-400-425.
- (6) Cascade Natural Gas Corporation shall pay the expenses reasonably attributable and allocable to the Commission's investigation to the extent required in Chapter 80.20 RCW.

DATED at Olympia, Washington, and effective April 3, 2019.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

ANN E. RENDAHL, Commissioner

JAY M. BALASBAS, Commissioner

# Appendix

# **TARIFF WN U-3**

| 5 <sup>th</sup> Revision Sheet No. 25    | Canceling | 4 <sup>th</sup> Revision Sheet No. 25    |
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| 61 <sup>st</sup> Revision Sheet No. 503  | Canceling | 60 <sup>th</sup> Revision Sheet No. 503  |
| 45 <sup>th</sup> Revision Sheet No. 504  | Canceling | 44 <sup>th</sup> Revision Sheet No. 504  |
| 44 <sup>th</sup> Revision Sheet No. 505  | Canceling | 43 <sup>rd</sup> Revision Sheet No. 505  |
| 62 <sup>nd</sup> Revision Sheet No. 511  | Canceling | 61 <sup>st</sup> Revision Sheet No. 511  |
| 56 <sup>th</sup> Revision Sheet No. 570  | Canceling | 55 <sup>th</sup> Revision Sheet No. 570  |
| 6 <sup>th</sup> Revision Sheet No. 663-A | Canceling | 5 <sup>th</sup> Revision Sheet No. 663-A |