

**BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of	)	DOCKET UG-101656
	)	
CASCADE NATURAL GAS	)	ORDER 01
CORPORATION	)	
	)	
For an Accounting Order	)	ORDER GRANTING MOTION TO
Authorizing Deferred Accounting	)	WITHDRAW PETITION AND
Treatment of Loss in Margin Due to	)	CLOSING DOCKET
Company Sponsored Conservation	)	
programs, or, in the Alternative, the	)	
Continuation of the Pilot	)	
Decoupling Mechanism that was	)	
Approved in Docket UG-060256	)	
.....	)	

**BACKGROUND**

- 1 On October 1, 2010, Cascade Natural Gas Corporation (Cascade or Company) filed a petition that requests an accounting order authorizing deferred accounting treatment of its lost margin resulting from Company-sponsored conservation programs (Petition). The Petition alternatively requests the continuation of the pilot decoupling mechanism approved in the order accepting settlement of Cascade's most recent general rate case, Order 05, in Docket UG-060256.
- 2 On October 22, 2010, the Public Counsel Section of the Office of Attorney General (Public Counsel) filed a Motion to Dismiss Cascade's Petition. Cascade and Commission Staff each filed responses to Public Counsel's motion.
- 3 On November 2, 2010, the Commission issued a notice for a prehearing conference to be held on December 1, 2010.
- 4 On November 4, 2010, the Commission issued its Report and Policy Statement on Regulatory Mechanisms, Including Decoupling, to Encourage Utilities to Meet or Exceed Their Conservation Targets in Docket U-100522 (Policy Statement).

- 5 On November 8, 2010, the Commission invited interested parties to provide comments on the extent to which the Policy Statement impacts the procedural posture of this case. Cascade, Commission Staff, Public Counsel, the NW Energy Coalition, Northwest Industrial Gas Users, and The Energy Project filed comments.

### **MOTION TO WITHDRAW**

- 6 On November 23, 2010, Cascade filed a motion to withdraw its Petition (Motion). Cascade states that while it continues to believe the Commission has the authority to grant the Company's request for relief, the Company does not wish to pursue its Petition in light of the Policy Statement and the comments filed by various parties regarding lost margin recovery mechanisms. Cascade seeks to withdraw its Petition now before parties incur significant expenses related to a fully adjudicated proceeding.
- 7 On November 24, 2010, the Commission issued a notice cancelling the prehearing conference and providing interested parties with the opportunity to respond to the Motion by December 1, 2010.
- 8 Only Commission Staff and the NW Energy Coalition filed responses to the Motion, and neither party objects to withdrawal of the Petition. Both Staff and the NW Energy Coalition, however, note that Order 05 in Docket UG-060256, requires an evaluation of Cascade's pilot decoupling mechanism regardless of whether the Company seeks to continue that pilot. Those parties also observe that Cascade may make an appropriate future filing for a decoupling mechanism or other regulatory mechanisms outlined in the Policy Statement.

### **DECISION**

- 9 The Commission finds it in the public interest to permit the withdrawal of the Petition and to close the docket. The Commission will address the evaluation of Cascade's pilot decoupling mechanism in a separate proceeding. The Commission nevertheless echoes Commission Staff's and the NW Energy Coalition's comments that Cascade may seek to take advantage of the regulatory mechanisms discussed in the Policy Statement, and the Commission encourages the Company to do so in a future filing.

**ORDER**

10 THE COMMISSION ORDERS that Cascade Natural Gas Corporation's motion to withdraw its petition is granted without prejudice, and that this docket is closed.

DATED at Olympia, Washington, and effective December 9, 2010.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER  
Executive Director and Secretary

**NOTICE TO PARTIES: This is a final order of the Commission. In addition to judicial review, administrative relief may be available through a petition for reconsideration, filed within 10 days of the service of this order pursuant to RCW 34.05.470 and WAC 480-07-850, or a petition for rehearing pursuant to RCW 80.04.200 or RCW 81.04.200 and WAC 480-07-870.**