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May 2, 2013

Mr. Steven V. King  
 Acting Executive Director and Secretary  
 Washington Utilities & Transportation Commission  
 P.O. Box 47250  
 Olympia, WA 98504-7250

**RE: Docket UG-130461, Substitute Tariffs, Do Not Re-Docket  
 Advice No. CNG/W13-03-01**

Dear Mr. King:

Per discussion with Commission Staff and Public Counsel, Cascade Natural Gas Corporation submits the following revisions to the tariff sheets in its WN U-3 Tariff. The revised tariff sheet contains an effective date of May 10, 2013.

**Substitute Thirty-Fourth Revision Sheet No. 2 Canceling Thirty-Third Revision Sheet No. 2  
 Substitute Fifth Revision No. 300 Canceling Substitute Fourth Revision Sheet No. 300  
 Substitute Second Revision Sheet No. 300-A Canceling Substitute First Revision Sheet No. 300-A  
 Substitute Second Revision Sheet No. 301 Canceling First Revision Sheet No. 301  
 Substitute Fifth Revision Sheet No. 302 Canceling Substitute Fourth Revision Sheet No. 302**

Cascade provides the following summary of the measure changes proposed in this filing below:

<b>Adds</b>	New Energy Star Home Tier bundled with high efficiency windows <u>\$550</u> 95% Furnaces for Existing Construction <u>\$250</u> Non PTCS Duct Seal with Duct Insulation Bundle <u>\$300</u> New High Efficiency Fireplace Insert (lower tier, but high efficiency) <u>\$200</u>
<b>Removes</b>	PTCS duct-sealing as a stand-alone measure.
<b>Adjusts</b>	Energy Star incentive increased to <u>\$500</u> Existing Home 95% Furnace Upgrade increased to <u>\$200</u> Ceiling Insulation increased to <u>\$.30/sq ft</u> Combo Radiant Heat System Increased to <u>\$1000</u> Super-High Efficiency Fireplace Insert increased to <u>\$300</u> <i>Reduced Tankless Water Heater incentive to <u>\$150</u></i>

Per the Guidance of Staff, the Company is eliminating all non-bundled duct sealing measures, withdrawing its proposal to add non-PTCS duct sealing, and lowering its tankless water heater to incentive \$150.

Minor adjustments have been also made to Tariff Sheets No. 301 and 302 to adjust cost-effectiveness caps per the Company's findings in its most current Integrated Resources Plan.

The Company has also proposed removing language limiting LI WAP payments to *the lesser* of 100% of the avoided cost *or* total installed cost of measure in order to provide more flexibility to the CAPs regardless of the necessary reduction in the avoided cost cap.

Cascade's proposed residential portfolio passes the utility cost test but not the total resource cost test. Cascade's overall portfolio meets both the UCT and the TRC. Going forward we will monitor any policy changes and impacts they may have on our portfolio of offerings.

Any questions regarding this filing may be directed to me at (509) 734-4593

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Parvinen", with a long horizontal flourish extending to the right.

Michael Parvinen  
Director, Regulatory Affairs

Attachments