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Jeff Killip  
Executive Director and Secretary  
Washington Utilities & Transportation Commission  
P.O. Box 47250  
Olympia, WA 98504-7250

**RE: UG-240140, Supplemental Filing  
Advice No. 24-03-02, Schedule 705, Voluntary Renewable Natural Gas Program**

Director Killip

On March 1, 2024, Cascade Natural Gas ("Cascade" or "Company") filed Advice No. 24-03-02, docketed as UG-240140, to introduce Schedule 705, Voluntary Renewable Natural Gas Program. Based on conversations with Washington Utilities and Transportation Commission ("Commission") Staff and The Energy Project ("TEP"), the Company herewith files the following substitute pages stated to become effective on and after July 1, 2024:

Original Sheet No. 705-1  
Original Sheet No. 705-2

#### **Purpose**

This filing removes language that prevented known-low-income customers, identified as customers receiving a bill discount on the Company's Cascade Arrearage Relief and Energy Savings ("CARES") program, from participating in the Voluntary Renewable Natural Gas Program.

#### **Background**

On April 19, 2024, Cascade, TEP and Commission Staff met to discuss TEP's request that the Company revise Schedule 705 to allow known-low-income customers to participate in the Voluntary Renewable Natural Gas ("RNG") program. Cascade explained that in its initial filing, it had included language preventing customers receiving service on in the CARES program to purchase RNG renewable thermal credits ("RTCs") on Schedule 705 to honor the CARES goal, stated as follows in Schedule 302, CARE Program Discounts Rates:

The [discount] tiers are designed to reduce the customer's gas energy burden to a target percentage of three percent (3%) to three and a half percent (3.5%) of their total income, which aligns with the required six percent (6%) total gas and electric burden established in the Clean Energy Transformation Act and codified in RCW 19.405.120.

A voluntary purchase of RNG will likely increase a low-income customers' energy burden above the desired cap of three to three and a half percent. Also, while non-known-low-income customers will be reimbursed for their Schedule 700, Climate Commitment Act ("CCA") fee in the amount commensurate with their voluntary RNG purchase, a known-low-income customer is currently held harmless from CCA compliance costs and, therefore, will receive no monetary benefit from their voluntary RNG purchase. CCA is designed to decarbonize known-low-income customers first. For these reasons, Cascade limited participation to low-income customers.

TEP believes preventing known-low-income customers from participating in Schedule 705 is an unnecessary precedent. TEP does acknowledge that a low-income customer's voluntary purchase of RNG RTCs should be billed at full price and not discounted under CARES.

### **Conclusion**

After discussions with TEP and Commission Staff, and after further consideration of the billing complexities, Cascade conceded its concern about increasing known-low-income customers' energy burden and determined it could bill known-low-income customers seeking to purchase RNG RTCs under Schedule 705. Schedule 705 purchases will not be subject to CARES discounts.

The Energy Project and Commission Staff have been provided with advanced drafts of this filing. The parties agree that the proposed language is an acceptable alternative to barring low-income customers from the program.

### **Filing**

This filing is comprised of the following files:

- UG-240140-CNGC-Advice W24-03-02-Voluntary-RNG-CLtr-05-24-24.pdf
- UG-240140-CNGC-Advice W24-03-02-Voluntary-RNG-Trf-05-24-24.pdf

Please direct any questions regarding this filing to me at (208) 377-6015.

Sincerely,

*/s/ Lori Blattner*

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Attachment