

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

In the Matter of the Joint Application of)	DOCKET UG-061721
)	
MDU RESOURCES GROUP, INC.)	
AND CASCADE NATURAL GAS)	ORDER 04
CORPORATION)	
)	GRANTING LEAVE TO FILE
For an Order Authorizing Proposed)	REVISED APPLICATION AND
Transaction)	TESTIMONY;
)	REVISING PROCEDURAL
)	SCHEDULE
.....)	

MEMORANDUM

- 1 **NATURE OF PROCEEDING.** Docket UG-061721 involves a joint application of MDU Resources Group, Inc. (MDU) and Cascade Natural Gas Corporation (Cascade) for an order authorizing MDU Resources’ acquisition of all outstanding common stock of Cascade.
- 2 **CONFERENCE.** The Washington Utilities and Transportation Commission (Commission) convened a prehearing conference in this docket at Olympia, Washington on December 6, 2006, before Administrative Law Judge Dennis J. Moss. The Commission, among other things, established a procedural schedule.
- 3 **MOTION FOR LEAVE TO FILE REVISED APPLICATION AND TESTIMONY, AND TO MODIFY PROCEDURAL SCHEDULE.** MDU and Cascade filed on March 23, 2007, their Joint Motion for Leave to File Revisions to Application and Testimony, and To Modify Procedural Schedule. The Motion states that the parties in this case have been engaged in settlement discussions since March 5, 2007. This has included several meetings via telephone conference as well as consideration of written settlement proposals. During the course of these discussions, MDU agreed to change the structure of the proposed transaction, to make Cascade an indirect subsidiary of MDU, to address concerns raised by Staff and the other parties.

4 According to the Motion, the parties have agreed that it would streamline the process of preparing response testimony if these agreed-upon changes to the structure of the proposed transaction are reflected in the application and direct testimony, so that parties filing responsive testimony will not be required to address issues that already have been resolved. The proposed revisions to the application and testimony address these structural changes to the proposed transaction.

5 In order that the parties may have adequate time to prepare their response testimony, the parties agreed that

- Joint Applicants would file proposed revisions to the Application and direct testimony by March 23, 2007, which they have done.
- The date for filing response testimony should be extended to allow responding parties sufficient time to prepare their response testimony after March 23, 2007.
- The remainder of the schedule should be modified to make corresponding changes.

All parties agree that the schedule should be modified as proposed, according to the Motion.

6 This is an agreed first request to modify the procedural schedule and movants have established good cause in support of their request for leave to file an amended application and revised testimony in support. The Commission finds and concludes that it should grant the relief requested.

ORDER

- 7 THE COMMISSION ORDERS that Joint Applicant's Motion for Leave to File Revisions to Application and Testimony, and To Modify Procedural Schedule is granted. The procedural schedule appended to this order replaces the previously adopted schedule.

Dated at Olympia, Washington, and effective March 26, 2007.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

DENNIS J. MOSS
Administrative Law Judge

REVISED PROCEDURAL SCHEDULE

Event	Current Date	Modified Date
Response Testimony	April 6, 2007	April 25, 2007
Rebuttal/Cross-Answering Testimony	April 25, 2007	May 16, 2007
Evidentiary Hearing	May 14 – 16, 2007	June 25 – 27, 2007
Simultaneous Briefs	June 8, 2007	July 20, 2007