

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

In the Matter of the Application of

CASCADE NATURAL GAS
CORPORATION,

To Amend its Certificate of Public
Convenience and Necessity to Operate a
Gas Plant for Hire in Designated Portions
of Yakima, Benton, Douglas, and Franklin
Counties in Washington

DOCKET UG-230803

ORDER 01

GRANTING APPLICATION

BACKGROUND

- 1 On September 29, 2023, consistent with the requirements of RCW 80.28.190, Cascade Natural Gas Corporation (Cascade or Company) filed an application to amend its present Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire (Application). Cascade also filed supplemental information in Exhibit B to update service area maps and legal descriptions.
- 2 On February 16, 2024, the Company corrected the legal definition of one of the proposed expansion areas and submitted revisions to Exhibit B. It also indicated having been approached by a prospective customer seeking service to transport renewable natural gas from a planned biodigester facility to be sited in one of the proposed expansion areas.
- 3 Cascade is presently certificated for and is now providing gas service in Selah (Yakima County), Prosser (Benton County), East Wenatchee (Douglas County) Kennewick (Benton County) and Pasco (Franklin County), Washington. Cascade is requesting a certificate to expand the service areas in Yakima, Benton, Douglas, and Franklin Counties, Washington. The additional areas requested are contiguous to existing certificated areas and do not overlap with certificated areas of another utility.

4 In its initial cover letter, the Company indicated having discovered some facilities had
been inadvertently constructed pursuant to customer requests outside the borders of its
existing certificated territory.¹

5 The Application requests no determination at this time about the reasonableness of the
gas pipeline facility servicing these additions to Cascade's service area.

6 Commission staff (Staff) reviewed the Company's filing and believes that Cascade is best
suited to serve the requested service territory economically. No other gas provider is
currently serving in these areas.

DISCUSSION

7 We agree with Staff's recommendation. RCW 80.28.190 gives the Commission authority
to grant certificates of necessity and convenience to gas companies that we find are
operating in good faith and within the confines of the area for which such certificate shall
be sought.

8 We note the Company self-disclosed inadvertent connections within the proposed service
territory expansion areas with this filing and want to be clear that any such future
inadvertent construction of facilities will not be tolerated.

9 We find that Cascade is economically best situated to serve the requested service
territories as the areas are contiguous with the Company's existing service territories and
there are no other gas providers currently serving in these areas. Accordingly, the
Application should be granted to satisfy the public convenience and necessity.

FINDINGS AND CONCLUSIONS

10 (1) The Commission is an agency of the State of Washington vested by statute with
the authority to regulate rates, rules, regulations, practices, accounts, securities,
and transfers of public service companies, including gas companies.

11 (2) Cascade is a gas company and is a public service company subject to Commission
jurisdiction.

¹ Ten connections (nine active and one disconnected) in three of the five proposed service area
expansions were installed between 1981 and 2012.

- 12 (3) RCW 80.28.190 states no gas company shall operate in this state any gas plant for hire without first having obtained from the Commission a certificate declaring that public convenience and necessity requires or will require such operation and setting forth the area or areas within which service is to be rendered.
- 13 (4) Cascade has previously been issued a Certificate of Public Convenience and Necessity to operate a gas plant for hire.
- 14 (5) Cascade has filed an Application to amend its Certificate of Public Convenience and Necessity to include additional designated areas in Yakima, Benton, Douglas, and Franklin Counties. These areas are contiguous to Cascade's presently certificated areas.
- 15 (6) Staff has reviewed the Company's Application and recommends approval of the application to amend its certificate to include the additional areas requested.
- 16 (7) This matter was brought before the Commission at its regularly scheduled meeting on April 25, 2024.
- 17 (8) After review of the request filed by Cascade and giving due consideration, the Commission finds it is consistent with the public convenience and necessity that the Certificate of Cascade be amended to reflect the addition of the designated areas in Yakima, Benton, Douglas, and Franklin Counties, Washington.

ORDER

THE COMMISSION ORDERS:

- 18 (1) The Application of Cascade Natural Gas Corporation to amend its Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire within the certificated areas in Yakima, Benton, Douglas, and Franklin Counties is granted and the Certificate shall be amended in accordance with the legal description provided in the application filed on September 28, 2023, in Exhibit B, as revised in its filing on February 16, 2024.

- 19 (2) This Order makes no determination at this time as to the reasonableness of the gas pipeline facility to serve this addition to Cascade Natural Gas Corporation's service area and recognizes the right of the Commission to determine such reasonable services and expenditures, together with treatment of same, in any formal proceeding before the Commission dealing with Cascade Natural Gas Corporation's results of operations for ratemaking purposes.
- 20 (3) The Commission retains jurisdiction over the subject matter and Cascade Natural Gas Corporation to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective April 25, 2024.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFF KILLIP
Executive Director and Secretary