

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

TREE TOP, INC., a Washington  
Corporation,

Complainant

v.

CASCADE NATURAL GAS  
CORPORATION, a Washington  
Corporation,

Respondent

DOCKET UG-210745

**CASCADE NATURAL GAS CORPORATION  
RESPONSE TESTIMONY OF LORI BLATTNER  
Exhibit LB-2**

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*Washington Natural Gas Utilities' Entitlement Penalty Tariffs*

**May 12, 2022**

WN U-29

AVISTA CORPORATION  
dba Avista Utilities

SCHEDULE 146B

TRANSPORTATION SERVICE FOR CUSTOMER-OWNED GAS - WASHINGTON

5. The Company may entitle, curtail or interrupt the transportation of Customer-owned Gas on its system whenever the Company, in its sole judgment, determines that it does not have adequate pipeline or distribution system capacity to meet all firm service requirements. Such entitlement, curtailment or interruption shall be made in accordance with the Company's "Contingency Plan for Firm Service Gas Curtailment", as contained in its approved tariff. Any volumes of Customer-owned Gas unable to be delivered due to the operational constraints specified in this paragraph shall be held as an imbalance and delivered to the Customer as soon as operationally practicable. The Company will not be liable for damages occasioned by the entitlement, curtailment or interruption of service supplied under this schedule.

6. The Company, at its discretion, may issue an entitlement order which will serve to prescribe a minimum or maximum amount of gas to be used by a Customer during a day. The entitlement order will specify the conditions necessary for compliance (Prescribed Tolerance). Under an overrun entitlement order, gas used in excess of the confirmed daily allocation plus the Prescribed Tolerance shall be considered as daily unauthorized overrun usage. In addition to the transport rate set forth under this Schedule, the charge for the gas associated with daily unauthorized overrun usage shall be the greater of the highest absolute price at NW Wyoming Pool, NW south of Green River, Stanfield ORE, Kern River Opal or NW Can. Bdr. (Sumas) as reflected in the Daily Price Survey published in Platt's "Gas Daily" for the corresponding Flow Day. In addition to the purchased gas cost described above, the following penalty for such daily unauthorized overrun usage shall apply: \$0.50 per therm for daily usage in excess of daily confirmed allocations plus the Prescribed Tolerance; and \$1.00 per therm for daily usage in excess of 2% above the Prescribed Tolerance. For all unauthorized gas taken during a gas flow day having zero confirmed allocation, the penalty shall be \$1.00 per therm for all gas usage. Payment for overrun purchased gas and overrun penalties shall not under any circumstances be considered as granting Customer the right to take unauthorized overrun gas or exclude any other remedies which may be available to Company.

Issued October 15, 2010

Effective December 1, 2010

Issued by Avista Corporation  
By

Kelly Norwood,

Vice-President, State & Federal Regulation

# NORTHWEST NATURAL GAS COMPANY

WN U-6 Second Revision of Sheet T.5  
Cancels First Revision of Sheet T.5

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## SCHEDULE T CUSTOMER-OWNED NATURAL GAS TRANSPORTATION SERVICE (continued)

### **CURTAILMENT AND ENTITLEMENT:**

Any restrictions of service to Customer when Curtailment or Entitlement conditions exist will be made in accordance with the rules of this Tariff, and in accordance with currently effective Company policies and procedures, as circumstances dictate. Entitlement, Curtailment and Pre-emption of service may exist concurrently during any one episode. However, not more than one Entitlement, Curtailment, or Pre-emption condition will exist at any one time.

Restrictions of service under Curtailment conditions will be made in accordance with **RULES 14 AND 16**. Curtailment of Customer-Owned Gas due to Force Majeure conditions, or due to capacity limitation on the Company's system shall not be considered a Pre-emption of Customer-Owned Gas. Gas taken by a Customer due to a failure to comply with a Curtailment order will be considered unauthorized, and subject to charges set forth in **SCHEDULE C**.

Restrictions of service under Entitlement conditions will be made as follows:

Overrun Entitlement. In an Overrun Entitlement condition the following threshold percentage levels will be effective:

- Stage 1: Three percent (3%) of Acknowledged Confirmations; or  
if ordered within two (2) hours of the start of the Gas Day;  
five percent (5%) of Acknowledged Confirmations
- Stage 2: Eight percent (8%) of Acknowledged Confirmations
- Stage 3: Thirteen percent (13%) of Acknowledged Confirmations

The Company will specify the applicable threshold percentage in its Entitlement notice.

The overrun charge that will apply during any Overrun Entitlement episode will equal the greater of \$1.00 per Therm or 150% of the highest midpoint price for the day in question at NW Wyo. Pool, NW s. of Green River, Stanfield Ore., NW Can. Bdr. (Sumas), Kern River Opal, or El Paso Bondad supply pricing points (as reflected in the Daily Price Survey published in "Gas Daily"), converted from dollars per dekatherms to dollars per Therm by dividing by ten (10).

(continue to Sheet T-6)

Issued December 16, 2014  
NWN Advice No. WUTC 14-8A

Effective with service on  
and after January 1, 2015

# NORTHWEST NATURAL GAS COMPANY

WN U-6 Third Revision of Sheet T.6  
Cancels Second Revision of Sheet T.6

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## SCHEDULE T CUSTOMER-OWNED NATURAL GAS TRANSPORTATION SERVICE (continued)

### **CURTAILMENT AND ENTITLEMENT (continued):**

Underrun Entitlement. During an Underrun Entitlement condition, a Customer that is in an underrun situation will be subject to underrun charges for each instance of underrun Imbalance that occurs during any Underrun Entitlement period. The charge that will apply during any Underrun Entitlement episode will be \$1.00 per therm for any underrun imbalances.

### **PRE-EMPTION:**

Customer-Owned Gas may be Pre-empted in the event that the Company's firm gas supply and Company's peaking facilities are insufficient at any time to meet the requirements of Firm Sales Service Customers.

The Company will use reasonable efforts to obtain voluntary Pre-emption of gas by negotiation with individual Customers. If the Company cannot obtain sufficient volumes of gas from volunteers, then the Company shall select and pay individual Customers for involuntary Pre-emption of gas at a rate of \$10.00 per Therm. The selection of individual Customers for involuntary Pre-emption will be based on system needs and Company's ability to maintain operational control or system integrity. The Company will use its best efforts to avoid Pre-empting an individual Customer's gas on a repeated basis.

A Customer who fails to comply with a Pre-emption Order shall pay \$10.00 per Therm for any gas taken, and the Company shall not be obligated to pay such Customer for Pre-emption gas.

The priorities of service for Pre-emption purposes due to limited gas supply are, as follows:

- (1) Firm Service schedules (pre-empted last).
- (2) Interruptible service schedules (pre-empted first).

A Customer's priority of service within each of the above categories shall be based on economic considerations and/or other contract considerations.

### **GENERAL RULES AND REGULATIONS:**

Service under this Schedule is governed by the terms of this Schedule, the General Rules and Regulations contained in this Tariff, any other schedules that by their terms or by the terms of this Schedule apply to service under this Schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

Issued November 17, 2014  
NWN Advice No. WUTC 14-8

Effective with service on  
and after January 1, 2015

**PUGET SOUND ENERGY**  
**Natural Gas Tariff**

**RULES AND REGULATIONS (Continued)**

(T)

**RULE NO. 23: Interruptible Sales and Transportation Service Priority (Continued)**

**5. Penalty for Unauthorized Use of Gas:**

(M) (T)

1. Penalty for use of Unauthorized Volumes during Curtailment Period: Interruptible Customers are obligated to cease consuming Interruptible Volumes when notified by the Company. The following penalties will apply to consumption of Unauthorized Volumes (in addition to rates charged under the appropriate rate schedule). Penalties will be assessed on an hourly basis where hourly consumption data is available or on a prorated basis where hourly data is not available.

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a. Consumption of Unauthorized Volumes during the first two (2) hours of a Curtailment Period will be assessed a penalty equal to the Unauthorized Volume multiplied by the following rates per therm:

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| (O)  
| (O)

Effective September 4, 2009 - \$5.00

(M)

b. Following the initial two (2) hours of a Curtailment Period Unauthorized Volumes will be assessed a penalty equal to the Unauthorized Volume multiplied by the following rates per therm:

(M) (T)  
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Effective September 4, 2009 - \$10.00

(M)

2. Penalty for use of Unauthorized Volumes during an Overrun or Underrun Entitlement:

(N)

a. Overrun Entitlement: The penalty that will apply for any Unauthorized Volumes during an Overrun Entitlement will be the greater of \$1 per therm or 150% of the highest individual midpoint price of the following locations: NW Wyo. Pool; NW S. of Green River; Stanfield Ore.; NW Can. Bdr. (Sumas); or Kern River, Opal as shown in the S&P Global Platts publication "Gas Daily" for the applicable Overrun Entitlement. One MMBtu (1,000,000 British thermal units) equals 10 therms.

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b. Underrun Entitlement: The penalty that will apply during any Underrun Entitlement will be \$1.00 per therm for any Unauthorized Volumes.

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(M) Transferred from Sheet No. 37-C

(M) Transferred from Sheet No. 37-D

(Continued on Sheet No. 37-D)

**Issued:** January 25, 2019

**Effective:** March 1, 2019

**Advice No.:** 2019-02

By:



**Issued By Puget Sound Energy**

Jon Piliaris

**Title:** Director, Regulatory Affairs

**PUGET SOUND ENERGY**  
**Natural Gas Tariff**

**RULES AND REGULATIONS (Continued)**

(T)

**RULE NO. 29: Terms of Distribution System Transportation Service (Continued)**

**7. Unauthorized Use of Gas:**

(M) (T)

Curtailment: If the Customer fails to comply with the Company's request to partially or totally curtail its use of gas in accordance with the provisions set forth in Section 13 of this rule, all gas used in excess of such Curtailment will be billed at the applicable Rate Schedule 41 delivery and gas cost commodity rates; and, in addition, the Customer shall pay any applicable Curtailment penalties as described in Rule No. 23 of this tariff. The provisions of this paragraph are exclusive of, and in addition to, the Company's right to enforce compliance with its Curtailment or interruption request by immediate suspension of all gas service to the Customer.

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Entitlement: If the Customer fails to comply with the Company's declaration of an Overrun Entitlement in accordance with the provisions set forth in Section 13 of this rule, all gas used outside of the entitlement tolerance percentage declared by the Company, on a specified Gas Day or during a specified Entitlement period, will be subject to: 1) Rate Schedule 41T volumetric charge; and 2) a credit at the average volumetric rate that Customer would pay under the Customer's own transportation service Rate Schedule. The Customer will also pay any applicable Overrun or Underrun Entitlement penalties as described in Rule No. 23 of this tariff for any failure to comply with the Company's declaration of an Overrun or Underrun Entitlement.

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(M) Transferred from Sheet No. 43-B

(Continued on Sheet No. 43-C)

**Issued:** January 25, 2019  
**Advice No.:** 2019-02

**Effective:** March 1, 2019

By:



**Issued By Puget Sound Energy**

Jon Piliaris

**Title:** Director, Regulatory Affairs



**PUGET SOUND ENERGY  
Natural Gas Tariff**

**RULES AND REGULATIONS (Continued)**

**RULE NO. 29: Terms of Distribution System Transportation Service (Continued)**

**13. Balancing Services—Constraint Periods: (Continued)**

- c. Overrun Entitlement: Allowable daily delivered volumes are equal to 100% of the Customer’s Confirmed Nomination or more up to the entitlement tolerance percentage declared by the Company that is applied to the Customers affected by that specific entitlement period. Volumes delivered in excess of allowable daily delivered volumes will be billed at the unauthorized use of gas rate described in Section 7 of this rule.
- d. Underrun Entitlement: Allowable daily delivered volumes are equal to 100% of Customer’s Confirmed Nomination or no less than the entitlement tolerance percentage declared by the Company that is applied to the Customers affected by that specific entitlement period. Volumes not delivered in excess of allowable daily delivered volumes will be billed at the unauthorized use of gas rate described in Section 7 of this rule.

- 3. For purposes of this rule, entitlement or Curtailment for any portion of a twenty-four hour Gas day will be considered one day’s entitlement or Curtailment. The gas delivery day or Gas day is defined as a twenty-four consecutive hour period beginning and ending at the times specified in Rule No. 2 of this tariff.

**14. Balancing Services—Year 2020 COVID-19 Pandemic Exception:**

- 1. Any Customer with a self-declaration of a business impact due to the year 2020 COVID-19 pandemic, for a bill during the period of February 1, 2020, until August 31, 2020, that reflects an Excess Volume or Deficiency Volume, the Customer will be given until the end of the four subsequent billing periods following the bill reflecting an Excess Volume or Deficiency Volume (approximately 100 non-Constraint Period days) to eliminate all Excess Volume or all Deficiency Volume.

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- 15. **Adjustments:** Rates in this rule are subject to conditions and adjustments as set forth in Schedule No. 1 of this tariff and to adjustment by rates in supplemental schedules applicable to the transportation schedule under which the Customer receives service, when applicable. However, the Customer will only be billed once for each term under an applicable supplemental schedule.

(C)

**Issued:** July 16, 2020  
**Advice No.:** 2020-18

**Effective:** August 15, 2020

By: 

**Issued By Puget Sound Energy**

Jon Piliaris

**Title:** Director, Regulatory Affairs