

CASCADE NATURAL GAS CORPORATION
Washington Utilities & Transportation Commission
2006 Rate Case Data Request

Request No. 145

Date prepared: July 7, 2006

Preparer: Dan Meredith

Likely Witness: Jay Cummings

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WUTC STAFF DATA REQUEST NO. 145:

Re: Direct testimony of F. Jay Cummings (Safety & Reliability Infrastructure Adjustment Mechanism)

Please provide a detailed explanation of how a project will be categorized that could contain all three components (reinforcement, relocation and replacement).

Response:

For a project that contains more than one component, the Company would categorize the project based on the most immediate reason for engaging in the project. For example, if the Company has determined that a particular section of an existing main is in poor condition and is essential to the safe and reliable operation of the system, the Company would categorize the resulting investment as a replacement. While this project would be labeled a replacement project, it could have reinforcement features. The Company would install a larger replacement main if the anticipated future load in the area warranted the larger size or may install a smaller main if the load in the area has decreased or can be supported with other, newer mains.

Similarly, if the Company is required to relocate a main due to a municipal project, the project would be categorized as a relocation even though the main may have required replacement in the not too distant future and even though sizing of the new main may involve system reliability considerations.