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October 15, 2021

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

Re: Special Contract with Darigold, Inc.

Dear Ms. Maxwell:

Cascade Natural Gas Corporation ("Cascade") encloses for filing the attached Agreement dated September 30, 2021, with Darigold, Inc. ("Darigold") for service to their facility located in Sunnyside, Washington ("Contract"). The Contract provides for continued service to Darigold using Cascade's existing facilities at a negotiated rate to provide pricing equivalent to Darigold's bypass alternative.

This filing is made pursuant to WAC 480-80-143, which requires contracts to be filed and Commission approval for retail sale to end-use customers that do not conform to the Company's existing tariff, or which provide utility services not specifically addressed in the utilities' existing tariffs. The Contract becomes effective upon approval by the Commission for a primary term of 5-years, and thereafter renewed automatically each November 1st for a 12-month term unless Cascade or Darigold provides the other party written notice of that party's election to terminate the Contract at least 180-days prior to the termination date. The Contract provides a contract demand charge of \$5,000 per month and an initial delivery charge of \$0.01160 per therm for all therms delivered per month. Commencing on the primary term beginning date and each twelve-month anniversary thereafter, the delivery charge shall be changed by the percentage change in the Consumer Price Index. In the event that such Consumer Price Index ceases to exist or becomes unavailable, the parties shall agree on a substitute index that reasonably measures changes in prices of goods and services in the United States.

Given Darigold's bypass alternative with Williams Pipeline, the proposed charges and rates established by the Contract do not discriminate between similarly situated customers and will allow recovery of all costs incurred by Cascade in providing service to this customer.

In compliance with WAC requirements, Cascade wishes to address its use of this rate proposal rather than a filed tariff. Specifically, the type of service provided under the contract is unique, given the facilities involved and the anticipated level and quality of service so that it warrants individual treatment in rate design over general tariff rates as is often necessary in constructing unique rate proposals.

Cascade respectfully requests protection and confidential treatment of the attached Contract as envisioned under Chapters 81.77.210 RCW and 80.04.095 RCW, as well as WAC 480-07-160. Confidential treatment is requested to protect Cascade and its ratepayers generally. Public disclosure of this information would severely compromise any similar future negotiations between Cascade and third parties for similar service.

To allow Staff an opportunity to review the Company's documents and workpapers which led to the final contract terms, Cascade is providing various confidential materials. In addition to the Contract itself attached as Exhibit 1, this application includes Exhibit 2 which is Darigold's estimate of the cost of the bypass facilities, Exhibit 3 is a map of the property showing the proposed bypass location to Williams Pipeline, Exhibit 4 is Cascade's validation of the estimated cost to bypass, and Exhibit 5 that shows how the final rate to be charged was calculated.

If additional information is required to facilitate Staff's review, please contact either Chris Mickelson at (509) 734-4549 or myself at (208) 377-6015.

Sincerely,

/s/ Lori A. Blattner

Lori A. Blattner
Director, Regulatory Affairs
Cascade Natural Gas Corporation
8113 W. Grandridge Blvd.
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Attachments

New-CNGC-Exhibit-1-Darigold-Special-Contract-Sunnyside-10-15-2021(C).pdf
New-CNGC-Exhibit-1-Darigold-Special-Contract-Sunnyside-10-15-2021(R).pdf
New-CNGC-Exhibit-2-Darigold-Sunnyside-Estimate-10-15-21(C).pdf
New-CNGC-Exhibit-2-Darigold-Sunnyside-Estimate-10-15-21(R).pdf
New-CNGC-Exhibit-3-Darigold-Bypass-Map-10-15-21(C).pdf
New-CNGC-Exhibit-3-Darigold-Bypass-Map-10-15-21(R).pdf
New-CNGC-Exhibit-4-Darigold-Sunnyside-Estimate-10-15-21(C).pdf
New-CNGC-Exhibit-4-Darigold-Sunnyside-Estimate-10-15-21(R).pdf
New-CNGC-Exhibit-5-Darigold-Sunnyside-Rate-Analysis-10-15-21(C).pdf
New-CNGC-Exhibit-5-Darigold-Sunnyside-Rate-Analysis-10-15-21(R).pdf
New-CNGC-Exhibit-5-Darigold-Sunnyside-Rate-Analysis-WP-10-15-21(C).xlsx
New-CNGC-Exhibit-5-Darigold-Sunnyside-Rate-Analysis-WP-10-15-21(R).xlsx