

CASCADE NATURAL GAS CORPORATION
Public Counsel
2006 Rate Case Data Request

Request No. PC-38

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PC-38 What is the Company's best estimate of annual administrative and regulatory costs to be incurred if Cascade's proposed Conservation Alliance Plan mechanism is approved by the Commission and implemented by Cascade, including:

- a) Internal labor and benefits costs for Company personnel involved in preparing, explaining and implementing CAP filings.
- b) Internal labor and benefits costs for Company personnel involved in responding to customer bill inquiries associated with the CAP rate element.
- c) Commission staff time annual time (labor hours) commitments associated with CAP mechanism filing reviews and/or audits

Response:

- a) The Company expects to use its existing Regulatory Staff in explaining and implementing CAP filings. The weather normalization adjustment is already a routine task and should not incur any additional time or cost. The other CAP filing exhibits and tariffs are expected to take approximately 8 man-hours to prepare. It is anticipated that it will take less than 8 man-hours to explain the CAP filing. Implementation should take no more than ½ man-hour to reflect the new rate in the Billing System.
- b) The Company expects to use its existing Customer Service Call Center Staff in responding to customer bill inquiries. The Company cannot speculate as to the number of calls or the length of the calls that we may receive regarding the CAP rate element. It is therefore difficult to calculate an internal labor and benefits expense associated with such customer bill inquiries.
- c) The Company believes that its CAP filings will be simple and easy to follow. We anticipate that Staff will be able to review the CAP filing in approximately 8 man-hours.