

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE NATURAL GAS  
CORPORATION,

Respondent.

DOCKET UG-210755

CASCADE NATURAL GAS  
CORPORATION'S MOTION FOR LEAVE  
TO FILE REVISED TESTIMONY AND  
EXHIBITS

1 Pursuant to WAC 480-07-375(1)(d) and 480-07-460(1)(a)(i), Cascade Natural Gas Corporation (“Cascade” or “the Company”) hereby requests that the Commission grant it leave to file the revised direct testimony and exhibit submitted with this motion. The purpose of these revisions is to correct a calculation relating to Cascade’s restating adjustments made to the test year of operations, and flow-through impacts resulting from that calculation error.

2 After Cascade pre-filed direct evidence in this limited general rate case proceeding on September 30, 2021, Cascade discovered a substantive error requiring correction while responding to data requests. Specifically, in preparing Cascade’s responses to Public Counsel Data Requests Nos. 40-42, Cascade discovered an error in the Fourth Exhibit to the Direct Testimony of Maryalice C. Gresham, Exh. MCG-5, “NEW-CNGC-Exh\_MCG-5-9-30-21.pdf”, Page 1, Column R-6 (Adjustment R-6, Remove 50% Director Fees). Cascade had inadvertently omitted a subaccount when making the original adjustment. The Director and Officer expense in

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**Perkins Coie LLP**  
10885 N.E. Fourth Street, Suite 700  
Bellevue, WA 98004-5579  
Phone: (425) 635-1400  
Fax: (425) 635-2400

Cascade’s original filing was \$305,528.03. But the correct Director and Officer expense—which is reflected in Cascade’s Response to Public Counsel Data Request Nos. 40-42—is \$356,234.35, which is \$50,706.32 more than the original amount. Since the disallowed percentage of Director and Officer expense is 50 percent, the R-6 Adjustment should increase by \$25,353.16, which equals a total adjustment of \$178,117.18, instead of \$152,764.02, as originally filed. This restating expense adjustment correspondingly decreases Cascade’s Net Operating Income on line 22 in Column R-6 to \$140,713, instead of \$120,684 originally filed.

3           Although this expense calculation error is relatively minor, it has flow-through impacts since it changes the overall revenue requirement, and thus effects eight other exhibits and the direct testimonies of four Cascade witnesses that are listed below. The flow-through impacts occur because the expense error changes Cascade’s restating expense adjustment calculation for annualize known and measurable changes during the test year, which influences the revenue requirement and proposed rates, plus any analysis based on the proposed rates.

4           Cascade has corrected this calculation in the revised exhibits and direct testimonies listed below to reflect the revised calculations and to clarify testimony regarding the “Remove 50% Director Fees” restating adjustment. Accordingly, Cascade would like to submit the following revised evidence in this proceeding:

- Revised Exhibits, 210755-CNGC-Exh-MCG-2-5-IDM-2-5-PJA-3-4-revised-12-8-21.xlsb,
- Revised Direct Testimony of Maryalice Gresham, 210755-CNGC-Exh-MCG-1Tr-12-8-21.pdf,

- Revised First Exhibit to the Direct Testimony of Maryalice Gresham, 210755-CNGC-Exh-MCG-2r-12-8-21.pdf,
- Revised Second Exhibit to the Direct Testimony of Maryalice Gresham, 210755-CNGC-Exh-MCG-3r-12-8-21.pdf,
- Revised Fourth Exhibit to the Direct Testimony of Maryalice Gresham, 210755-CNGC-Exh-MCG-5r-12-8-21.pdf,
- Revised First Exhibit to the Direct Testimony of Isaac Myhrum, 210755-CNGC-Exh-IDM-2r-12-8-21.pdf,
- Revised Second Exhibit to the Direct Testimony of Isaac Myhrum, 210755-CNGC-Exh-IDM-3r-12-8-21.pdf,
- Revised Third Exhibit to the Direct Testimony of Isaac Myhrum, 210755-CNGC-Exh-IDM-4r-12-8-21.pdf,
- Revised Fourth Exhibit to the Direct Testimony of Isaac Myhrum, 210755-CNGC-Exh-IDM-5r-12-8-21.pdf,
- Revised Direct Testimony of Pamela Archer, 210755-CNGC-Exh-PJA-1Tr-12-8-21.pdf,
- Revised Second Exhibit to the Direct Testimony of Pamela Archer, 210755-CNGC-Exh-PJA-3r-12-8-21.pdf,
- Revised Third Exhibit to the Direct Testimony of Pamela Archer, 210755-CNGC-Exh-PJA-4r-12-8-21.pdf,

- Revised Direct Testimony of Mark Chiles, 210755-CNGC-Exh-MAC-1Tr-12-8-21.pdf, and
- Revised Direct Testimony of Nicole Kivisto, 210755-CNGC-Exh-NAK-1Tr-12-8-21.pdf.

5 The Commission’s procedural rules require Cascade to seek leave for filing its proposed revisions because they represent a substantive change:

Parties must seek leave from the presiding officer by written motion if they wish to file revised prefiled testimony or exhibits that include substantive changes. A party proposing such changes may submit the proposed revisions with its motion.

WAC 480-07-460(1)(a)(i). Cascade therefore files this motion seeking such leave.

6 Cascade’s motion should be granted. Cascade seeks to make minor, yet substantive revisions to the limited general rate case filing, and Cascade has sought to prepare and present its revised evidence in a manner that makes it easy for other parties to understand the changes that are required. *See* WAC 480-07-460(1)(a)(iii). The revised exhibits and testimonies are shown in legislative style, with strikeouts and underlining to indicate changes, as provided in WAC 480-07-460(1)(a)(iii). Additionally, in the Excel version of the revised exhibits, all the tabs that contain revisions are highlighted in orange and labeled with an “r”. Also, each cell that has been revised is highlighted in the same orange shade. Note that the name of tab “Exh IDM-4, Class Rates-r” is also revised to add the applicable exhibit number, for clarity. Cascade has made these same revisions in its revised workpaper, also submitted herewith.

7 Allowing these changes now, at this early stage in the proceeding, will reduce the burden on Cascade witnesses, other parties, and the Commissioners, that would otherwise result from

addressing these discrepancies in response and rebuttal testimony. Cascade has notified all parties of this change in response to data requests, and Cascade is filing this motion more than three months before the other parties' response testimony is due in this proceeding.<sup>1</sup> Allowing Cascade to submit the revised testimonies and exhibits will correct the record in this proceeding in a timely fashion and in compliance with Commission rules.

8 For the reasons set forth above, Cascade respectfully requests that the Commission enter an order granting Cascade leave to revise its prefiled evidence in this proceeding and accepting for filing the revised direct testimonies and exhibits submitted with this motion.

**DATED:** December 8, 2021

Respectfully Submitted,

**PERKINS COIE LLP**



Donna Barnett, WSBA No. 36794  
Megan D. Lin, WSBA No. 53716  
Attorneys for Cascade Natural Gas  
Corporation

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<sup>1</sup> See Order 03, Prehearing Conference Order at Appendix B, establishing the date of March 15, 2022 for Staff, Public Counsel, and Intervenor Response Testimony and Exhibits.