

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

CASCADE NATURAL GAS CORPORATION

Petition for an Accounting Order for Cascade’s
Cascade Arrearage Relief Energy Savings
(CARES) Program costs

PETITION OF CASCADE NATURAL
GAS CORPORATION

I. INTRODUCTION

1 Pursuant to WAC 480-07-370(3)(b), 480-90-203, and RCW 80.28.068, Cascade Natural Gas Corporation (“Cascade” or the “Company”) files this petition (“Petition”) with the Washington Utilities and Transportation Commission (the “Commission”) seeking an order authorizing deferred accounting treatment starting April 12, 2023, for all costs and revenues associated with the Company’s Cascade Arrearage Relief Energy Savings (“CARES”) Program, established in compliance with Washington Senate Bill 5295 (“SB 5295”) and detailed in Advice No. W23-06-03, filed with the Commission concurrently with this Revised Petition on June 30, 2023.

II. BACKGROUND

2 Cascade is a natural gas utility and public service company doing business in the State of Washington and is subject to the jurisdiction of the Commission regarding rates, service, and accounting practices. The Company’s principal place of business is 8113 W. Grandridge Blvd., Kennewick, Washington 99336.

III. COMMUNICATIONS

3 Communications regarding this Petition should be addressed to:

Cascade Natural Gas
Regulatory Affairs
8113 W. Grandridge Blvd.
Kennewick, WA 99336
Telephone: (509) 734-4593
Email: cngcregulatory@cngc.com

4 In addition, Cascade respectfully requests that all data requests be addressed to:

Regulatory Affairs
cngcregulatory@cngc.com

IV. REASONS FOR REQUEST FOR DEFERRED ACCOUNTING

5 On July 25, 2021, the provisions in Washington SB 5295 were codified in RCW 80.28.068, which in part requires each gas utility in Washington State to propose a low-income assistance program comprised of a rate discount for qualifying customers and other low-income assistance programs. Cascade has collaborated with its Washington Energy Assistance Advisory Group (“Advisory Group”), comprised of Public Counsel, Commission Staff, the Energy Project, NW Energy Coalition, Cascade, and representatives from the Community Action Agencies to design its CARES Program, which offers an energy discount and, if needed, arrearage relief. On June 30, 2023, the Company filed Advice No. W23-06-02 for Commission approval of the CARES Program parameters, the associated energy and arrearage discounts, and the CARES program cost recovery, with a requested effective date of August 1, 2023, and a program implementation date of October

1, 2023.

The Company requests authorization to defer revenues and costs associated with the CARES Program, which include agencies' administration, design, implementation, distribution, marketing, and identification of qualifying low-income customers who will be auto enrolled upon program implementation. Cascade requests authorization to defer all revenues and costs associated with CARES Program.

V. PROPOSED ACCOUNTING TREATMENT

6 If this application is approved, beginning April 12, 2023, Cascade proposes to record the deferral amounts as a regulatory asset in FERC Account 182.3 (Other Regulatory Assets), crediting various applicable FERC accounts. The deferred balance will record a carrying charge at its actual cost of debt updated semi-annually, while being deferred and during the amortization period. In the absence of deferred accounting, Cascade would record such expenses in the appropriate sub-account for FERC Account 908.

VI. ESTIMATED AMOUNTS SUBJECT TO DEFERRAL

7 The Company estimates the 2023-2024 CARES Program year costs to be approximately \$3.4 million. This estimate assumes approximately 6,000 or 10% of eligible low-income customers will enroll in CARES within the first year and will receive about \$2.5 million in energy discounts and arrearage relief. A breakdown of estimated 2023-2024 program costs are provided in the table below:

Program Cost		
<i>Cost Component</i>	<i>Amount</i>	<i>Percentage</i>
Arrearage Management	\$ 1,549,286	46.7%
Energy Discount	\$ 895,281	27.0%
Administrative	\$ 187,990	5.7%
Community Based-Org	\$ 77,464	2.3%
Verification	\$ -	0.0%
Agency	\$ 611,142	18.4%
Total (rounded)	\$ 3,321,000	100.0%

At full enrollment, the total program costs could be at least \$33.21 million. In Advice No. W23-06-02, the Company requests Commission approval to recover the deferred program costs plus on-going program costs equitably from all customers through a per therm charge detailed in Schedule 592, CARES Program Cost Recovery.

VII. REQUEST FOR RELIEF

8 WHEREFORE, Cascade respectfully requests that the Commission issue an Order approving the requested deferred accounting, as described above.

Dated this 30th day of June 2023.

Respectfully Submitted,

/s/ Lori A. Blattner

Lori A. Blattner
 Director, Regulatory Affairs
 Cascade Natural Gas
 8113 W. Grandridge Blvd.
 Kennewick, WA 99336
 Phone: (208) 377-6015
 Email: lori.blattner@intgas.com