

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, Complainant, v. CASCADE NATURAL GAS CORPORATION, Respondent.	DOCKET UG-210755 ORDER 04 GRANTING MOTION FOR LEAVE TO FILE REVISED TESTIMONY AND EXHIBIT
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BACKGROUND

- 1 On September 30, 2021, Cascade Natural Gas Corporation (Cascade or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-3 for natural gas service the Company provides in Washington. The effect of these filings would increase rates and charges for natural gas service. The Commission suspended the as-filed tariffs in Order 01 on October 13, 2021. In Order 03, the Commission established a procedural schedule including dates for parties to file response testimony, cross-Answering testimony, and rebuttal testimony.
- 2 Cascade submitted pre-filed direct testimony and exhibits on September 30, 2021, with its initial filing.
- 3 On December 8, 2021, Cascade filed a Motion for Leave to File Revised Testimony and Exhibits (Motion). In its Motion, Cascade explained that it discovered an error in the Company's adjustments made to the test year of operations and the flow-through impacts resulting from that calculation error. The error incorrectly identifies the Director and Officer expense as \$305,528.03. However, the correct Director and Officer expense is \$356,234.35, a difference of \$50,706.32. Because 50 percent of Director and Officer expense is disallowed, the Company's 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 as originally filed.

4 Cascade further explained that, while the error is relatively minor, it has flow-through impacts because it changes the overall revenue requirement, and thus effects eight other exhibits and the direct testimony of four Cascade witnesses. The flow-through impacts occur because the expense error changes the Company's restating expense adjustment calculation for annualized known and measurable changes during the test year, which influences the revenue requirement and proposed rates, plus any analysis based on the proposed rates.

5 Cascade represented in its Motion that it notified all parties of this change in response to data requests. No parties filed a response to the Motion. Cascade further notes that this Motion was filed three months prior to the deadline for response testimony for other parties.¹

DISCUSSION

6 WAC 480-07-460(1)(a)(i) permits parties to seek leave from the presiding officer by written motion if they wish to revise prefiled testimony or exhibits with substantive changes, and WAC 480-07-460(1)(b) requires parties to file motions to make substantive changes as soon as practicable after discovering the need to make the change.

7 Cascade made the necessary corrections and filed its Motion promptly after discovering the errors in its initial filing, well in advance of the deadline for parties to file responsive testimony. Additionally, no party objects to Cascade's Motion. In light of these factors, we find good cause to grant Cascade's Motion for leave to file revised testimony and exhibits.

ORDER

8 **THE COMMISSION ORDERS That Cascade Natural Gas Corporation's Motion for Leave to File Revised Testimony and Exhibits is GRANTED.**

Dated at Lacey, Washington, and effective December 17, 2021.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

/s/ Samantha Doyle
SAMANTHA DOYLE
Administrative Law Judge

¹ 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.