

# NOTICE OF PROPOSED RATE INCREASE

## *Cascade Natural Gas Corporation proposes a 6.75 percent increase in natural gas rates.*

On September 29, 2017, Cascade Natural Gas Corporation (Cascade) filed the following five separate requests with the Washington Utilities and Transportation Commission (WUTC) proposing an overall average 6.75 percent increase for all customer groups with natural gas service, effective November 1, 2017:

- **Purchased Gas Adjustment (PGA):** Cascade requested an increase to rates to recover the cost of natural gas. Gas costs are a straight pass through of costs. Cascade does not make a return on the cost of gas. For gas costs alone, the average residential customer using 58 therms per month will see a bill increase of \$3.34 more per month or 6.51 percent.
- **Conservation Program Adjustment (CPA):** Cascade requested a decrease to the conservation program cost recovery adjustment. For conservation costs alone, the average residential customer using 58 therms per month will see a bill decrease of \$0.04 cents per month or .07%.
- **Cost Recovery Mechanism for Pipeline Replacement (CRM):** Cascade asked for an overall average increase to rates of 0.75 percent to recover costs incurred from November 1, 2016, through October 31, 2017, for the replacement of aging natural gas pipes. The CRM helps Cascade continue to provide customers with safe and dependable gas service. For the CRM costs alone, the average residential customer using 58 therms per month will see a bill increase of \$0.35 cents more per month or 0.68 percent.
- **Washington Energy Assistance Fund (WEAF) Program:** Cascade requested a decrease to the WEAF Program cost recovery adjustment. For the WEAF program costs alone, the average residential customer using 58 therms per month will see a bill decrease of \$0.06 cents less per month or 0.11 percent.
- **Decoupling Mechanism Adjustment:** Cascade requested to credit customers the difference between authorized revenue and actual billed revenue consistent with Rule 21, Decoupling Mechanism. For the decoupling mechanism adjustment, the average residential customer using 58 therms per month will see a bill decrease of \$0.03 cents less per month or 0.06 percent.

The WUTC will review each of these filings and has the authority to set final rates that may vary from Cascade's requests, either higher or lower, depending on the results of the investigation.

**If the WUTC approves all proposals, the total increase for a residential customer using 58 therms per month would be 6.94 percent or \$3.56 more per month, bringing the total average monthly Cascade bill from \$51.65 to \$55.21.**

The combined proposed rate changes for residential, commercial, and industrial customers are:

| Type of Service                           | Current Rate | Proposed Rate | Percent Change |
|---|--------------|---------------|----------------|
| Residential, Schedule 503                 | \$0.78043    | \$0.84181     | 6.94%          |
| Commercial, Schedule 504                  | \$0.72612    | \$0.78604     | 7.50%          |
| Industrial Firm, Schedule 505             | \$0.65250    | \$0.71243     | 8.98%          |
| Com-Ind Dual Service, Schedule 511        | \$0.61078    | \$0.66936     | 9.31%          |
| Industrial Interruptible, Schedule 570    | \$0.52846    | \$0.58646     | 11.15%         |
| Institutional Interruptible, Schedule 577 | \$0.55089    | \$0.60917     | 13.73%         |
| Transportation Service, Schedule 663      | \$0.05881    | \$0.05950     | 1.83%          |

For additional information on the proposed rate increase, conservation tips, energy efficiency programs, energy assistance programs and bill payment plans, visit the Cascade Natural Gas website at [www.cngc.com](http://www.cngc.com); call 1-888-522-1130; or write to c/o Cascade Rates Department, 8113 W Grandridge Blvd, Kennewick WA 99336-7166.

You can contact the WUTC to submit questions or to be notified of the scheduled open meeting, at which time the proposal will be considered by the commission:

- On the WUTC website at [www.utc.wa.gov](http://www.utc.wa.gov), and click on Submit a Comment
- By email to [comments@utc.wa.gov](mailto:comments@utc.wa.gov)
- By phone at 1-888-333-9882
- In writing: WUTC  
P.O. BOX 47250  
Olympia, WA 98504-7250

*Please include your name and mailing address, reference the name of company (Cascade Natural Gas Corporation) and Advice No CNG/W17-05-02, CNG/W17-09-01, CNG/ W17-09-02. CNG/W17-09-03, and CNG/ W17-09-04.*

The WUTC is committed to providing reasonable accommodations to participants with disabilities: Contact WUTC at 360-664-1132, 306-664-1243 or email [human\\_resources@utc.wa.gov](mailto:human_resources@utc.wa.gov).

