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March 26, 2009

Mr. Dave Danner Secretary and Executive Director Washington Utilities & Transportation Commission 1300 S. Evergreen Park Drive SW Olympia, WA 98504-9022

RE: Customer Service Quality Report for 2008

Dear Mr. Danner:

In accordance with Commitment 22 of the Cascade Natural Gas/MDU Resources merger docket (UG-061721), enclosed for filing is Cascade's Annual Customer Service Quality report for 2008.

If there are any questions regarding this report, please contact me at 206-381-6824

Sincerely,

Katherine J. Barnard

Senior Director

Gas Supply & Regulatory Affairs

Cascade Natural Gas Corporation 2008 Customer Service Quality Report

a) Cascade will separately report the number of customer complaints (i) received by Cascade and (ii) filed with the Commission

During 2008, the Company received a total of 30 complaints. 17 complaints were filed with the Commission with Cascade being found at fault on 1 complaint.

b) Cascade will report the average time from a customer call to the arrival of field technicians in response to a gas emergency.

During 2008, the average response time from the time of the customer call to the arrival of the field tech was 33 minutes.

c) Cascade will report the number of missed customer appointments. A customer appointment is defined as a mutually agreed appointment time between a customer and Cascade for service to be provided either when the customer needs to be present or when the customer needs not be present. A missed customer appointment occurs when Cascade fails to keep a customer appointment.

During 2008, Cascade had 26 missed appointments.

d) Cascade will separately report the percentage of customer disconnects due to non-payment for (i) residential customers (schedule 503) and (ii) commercial customers (schedule 504).

During 2008, the percentage of disconnects for non-payment was 0.27% of residential customers, and 0.11% of commercial customers.

- e) For calendar year 2007, Cascade will report the percentage of calls answered live within sixty (60) seconds by its customer call center. For calendar year 2008, Cascade will report the percentage of calls answered live within fifty (50) seconds by its customer call center. For calendar year 2009, Cascade will report the percentage of calls answered live within forty (40) seconds by its customer call center.
 - During calendar year 2007, the total combined service level for both CNG call centers was 87.5% of calls answered by a CSR within 60 seconds.
 - For calendar year 2008, the total combined service level for both CNG call centers was 92.5% of calls answered by a CSR within 50 seconds.