

NOTICE OF PROPOSED RATE INCREASE

Cascade Natural Gas Corporation proposes a 5.12 percent or \$13.7 million increase in natural gas rates.

On September 30, 2021, Cascade Natural Gas Corporation (Cascade) filed a general rate request with the Washington Utilities and Transportation Commission (UTC) to increase gas base rates. The main drivers of Cascade's request with the UTC to increase prices are the capital investments Cascade has made in its natural gas distribution system, as well as increased costs to operate and maintain that system. If approved, the filed request would increase annual natural gas base revenues by \$13.7 million or 5.12 percent; this request includes a rate of return of 6.93 percent. The UTC has up to 11 months to review the filing; if approved, changes will go into effect no later than September 1, 2022.

Bill Impacts: A typical residential customer using 54 therms per month would see a 5.34 percent or \$2.89 increase to their bill. A typical small commercial customer using 271 therms per month would see a 5.05 percent or \$12.23 increase to their bill, while a typical industrial customer using 1,992 therms per month would see a 3.83 percent or \$59.85 increase to their bill.

Below is a chart showing what the typical customer in each customer class pays per month and what that customer would pay if the Company's rate case proposal is approved.

Type of Service	Current Rate**	Current Average Bill*	Proposed Rate**	Proposed Average Bill*	Percent Change in Bill
Residential, Schedule 503	\$0.91169	\$54.08	\$0.96532	\$56.97	5.34%
Commercial, Schedule 504	\$0.84413	\$242.11	\$0.88920	\$254.34	5.05%
Industrial Firm, Schedule 505	\$0.78232	\$1,563.89	\$0.81708	\$1,623.74	3.83%
Com-Ind Dual Service, Schedule 511	\$0.73584	\$12,368.41	\$0.76356	\$12,829.57	3.73%
Industrial Interruptible, Schedule 570	\$0.68492	\$16,075.99	\$0.70042	\$16,436.18	2.24%
Transport, Schedule 663	\$0.05987	\$12,940.93	\$0.07016	\$14,712.80	13.69%

* The average bill includes the monthly basic charge which has not changed with this filing.

** Due to tiered rate structures based on individual customer consumption, Rate Schedules 505, 511, 570, and 663 reflect average rates.

General Rate Case Information

A general rate case is the legal proceeding in which the UTC examines a utility's operations and costs to ensure regulated companies provide safe and reliable service to customers at reasonable rates, while allowing the utility the opportunity to earn a fair return on its investments.

The UTC will investigate and hold hearings to examine the requested increase. The UTC Staff, Cascade, the Public Counsel Unit of the Washington State Attorney General's Office, and other parties will participate and make recommendations to the UTC. The UTC has the authority to set final rates based on the results of its investigation, which may be higher or lower than Cascade's proposed request.

For additional information about the proposed request or to contact Cascade, please reach us at 888-522-1130 or <https://www.cngc.com/rates-services/rate-cases/>.

Public Comment Hearing

The UTC will conduct a virtual public hearing to take comments from the public. You can participate via the Zoom link or by phone:

May 25, 2022 at 6pm

- For Zoom: <https://utc-wa-gov.zoom.us>; Meeting ID: 929 6591 0126; Password: 860071
- To call in: (253) 215-8782 (or to find a local number: <https://utc-wa-gov.zoom.us/j/92965910126>)
- Meeting ID: 929 6591 0126; Password: 860071

If you plan to participate, please call 888-333-9882 at least one day before the hearing to sign in. When you join the hearing via Zoom, please mute your connection using the button with the image of a microphone. If participating via phone, press *6 or mute your phone.

Note: The Commissioners function as judges in adjudicated cases such as this general rate case and cannot answer questions. This comment hearing is to take comments from the public. If you have questions, please contact commission staff or Cascade Natural Gas with the contact information provided below.

Share your comments with the UTC

Please include your name, mailing address, reference Cascade Natural Gas Corporation, and Docket UG-210755 in your comment. Submit your comment in one of the following ways:

- **UTC website:** <https://www.utc.wa.gov/consumers/submit-comment> .
- **Email:** comments@utc.wa.gov
- **Phone:** 1-888-333-9882
- **In writing:**
UTC
PO Box 47250
Olympia, WA 98504-7250

The UTC is committed to providing reasonable accommodations to participants with disabilities. Contact UTC at (360) 664-1243 or email: human_resources@utc.wa.gov.

Public Counsel

The Public Counsel Unit of the Washington State Attorney General's Office represents residential and small business customers. You may contact Public Counsel in writing:

Public Counsel Unit

Attorney General of Washington

800 5th Ave., Suite 2000
Seattle, WA 98104-3188

Email: utility@atg.wa.gov

For more information about Public Counsel:
www.atg.wa.gov/utilities-regulated

