



STATE OF WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION

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March 29, 2022

**NOTICE OF INTENT TO CONSOLIDATE  
(Responses due by April 5, 2022, at 5 p.m.)**

**and**

**NOTICE OF BENCH REQUEST  
(Response due by April 5, 2022)**

RE: *Washington Utilities and Transportation Commission v. Cascade Natural Gas Corporation*, Docket UG-210755  
*In the Matter of Cascade Natural Gas Corporation's Tariff WN U-3 Revisions*,  
Docket UG-220198

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 in Docket UG-210755. The filing would increase rates and charges for natural gas service and thus qualifies as a general rate case (GRC) under WAC 480-07-505. The Commission suspended the proposed tariff revisions and set the matter for hearing.

On February 18, 2022, counsel for Staff informed the presiding officers that the parties had reached a full multiparty settlement in principle. On February 23, 2022, the Commission issued a Notice Suspending Procedural Schedule and Notice of Status Conference. On March 3, the Commission convened a virtual status conference and on March 11, the Commission entered a Second Prehearing Conference Order that revised the procedural schedule but maintained the evidentiary hearing dates of June 1-2, 2022.

On March 24, 2022, Cascade filed with the Commission revisions to its currently effective Tariff WN U-3 in Docket UG-220198 that would: (1) set the amortization rate for an historical level of protected Excess Deferred Income Tax prospectively, as though it was a test year component in the Company's last GRC in Docket UG-200568, which would reduce the revenue requirement by \$5,958; (2) establish a deferred balance to reflect the over-refund to customers of approximately \$3.3 million, which the Company seeks to begin recovering

on November 1, 2022, coincident with its annual Purchase Gas Adjustment filings; (3) reverse the current deferred protected Average Rate Assumption Method component and record it in the proper current federal income tax account; and (4) file an adjustment to rate Schedule 581 to set the amortization to match the 2020 test year using the accepted volumes and the conversion factor included in Docket UG-210755 at the conclusion of the Company's GRC. After the compliance filing is accepted, Cascade intends to "eliminate the rate schedule 581 credit rate and roll the amortization rate into base rates."<sup>1</sup> The Company proposes a May 1, 2022, effective date for these tariff revisions.

### **NOTICE OF INTENT TO CONSOLIDATE**

Washington Administrative Code (WAC) 480-07-320 provides that the Commission, in its discretion, may consolidate two or more proceedings in which the facts or principles of law are related. The Commission finds that the tariff revisions proposed in Docket UG-220198 share common issues of fact and law with the tariff revisions proposed in the Company's GRC in Docket UG-210755. Accordingly, absent any compelling objection, the Commission intends to consolidate Cascade's proposed tariff revisions in Docket UG-220198 with the Company's GRC in Docket UG-210755. The parties may respond by filing comments supporting or opposing the Commission's intent to consolidate these dockets by Friday, April 1, 2022, at 5 p.m.

**THE COMMISSION GIVES NOTICE That parties may file a response supporting or opposing the Commission's intent to consolidate Dockets UG-210755 and UG-220198 by Tuesday, April 5, 2022, at 5 p.m.**

### **NOTICE OF BENCH REQUEST**

To Cascade:

#### **Bench Request No. 1**

1. Cascade bases its filing in Docket UG-220198 on the Private Letter Ruling (PLR) the Internal Revenue Service issued to Puget Sound Energy on July 30, 2021. Cascade was aware of the PLR and its contents more than two months in advance of its GRC filing in Docket UG-210755, and more than seven months in advance of its proposed tariff filing in Docket UG-220198. Please explain why the Company did not incorporate the tariff revisions proposed in Docket UG-220198, associated with normalization rules, into its GRC filing in Docket UG-210755.

Please respond to this Bench Request no later than 5 p.m. on Tuesday, April 5, 2022, by electronic filing with the Commission's Records Center. Please provide a courtesy copy by

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<sup>1</sup> Cascade Cover Letter, Docket UG-220198.

email to Administrative Law Judges Samantha Doyle and Rayne Pearson at [samantha.doyle@utc.wa.gov](mailto:samantha.doyle@utc.wa.gov) and [rayne.pearson@utc.wa.gov](mailto:rayne.pearson@utc.wa.gov). If you have any questions related to this Bench Request, please contact Judge Doyle and Judge Pearson via email.

*/s/ Samantha Doyle*

SAMANTHA DOYLE

Administrative Law Judge