August 24, 2006

NOTICE OF BENCH REQUESTS (Due by Friday, September 8, 2006)

RE: WUTC v. Cascade Natural Gas Corporation, Docket UG-060256

The Washington Utilities and Transportation Commission (Commission) seeks information from certain parties in the form of the following bench requests in considering testimony filed in Docket UG-060256:

TO: ALL PARTIES, EXCEPT CASCADE NATURAL GAS CORPORATION:

BENCH REQUEST NO. 1:

Please identify whether you have obtained a functioning or "working" copy of the cost allocation or cost-of-service model referred to in the testimony of Lamar Maxwell Dickey (LMD-1T), or if you have arranged for access to the model. If yes, please describe the arrangements you have made for access to, or a "working" copy of, the model.

TO: COMMISSION STAFF:

BENCH REQUEST NO. 2:

On page 3, lines 17-21 of Mr. David Parcell's testimony (DCP-1T), Mr. Parcell recommends a reduction in the cost of common equity of 25 basis points if the Commission adopts the Company's proposed decoupling mechanism. On page 3, lines 12 and 13 of Mr. Mike Parvinen's responsive testimony (MPP-1T), Mr. Parvinen describes Mr. Parcell's recommendation for an overall rate of return for Cascade of 8.33 percent "with decoupling." On line 2 of Exhibit __ (MPP-2) to Mr. Parvinen's testimony, he includes a rate of return of 8.33 percent in the calculation of revenue requirement. Does Mr. Parvinen use the 8.33 percent rate of return assuming that the Commission will adopt the Company's decoupling proposal, or does Mr. Parvinen recommend a reduction in rate of return even if the Commission adopts Staff's proposed three-year pilot decoupling proposal? If Mr. Parvinen makes the latter recommendation, please explain why.

Please respond to this Bench Request no later than Friday, **September 8, 2006**, with an original and 11 copies. If you have any questions concerning this request, please contact Administrative Law Judge Ann Rendahl at 360-664-1144, or via e-mail at <u>arendahl@wutc.wa.gov</u>.

To the extent it is applicable to the above requests, please provide your response to each request on a separate sheet of paper and repeat the bench request at the top of the page on which the response begins. Also, please indicate on the response the date the response was prepared, the individual who prepared the response, and the telephone number of the preparer. Please send your response via U.S. Mail to: Carole Washburn, Executive Secretary, Washington Utilities and Transportation Commission, P.O. Box 47250, Olympia, WA 98504, and send an electronic response to the Records Center at <u>records@wutc.wa.gov</u>.

Sincerely,

ANN E. RENDAHL Administrative Law Judge

cc: All Parties