

JUL 24 1992

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION,)	
)	DOCKET NO. UG-911246
Complainant,)	
)	THIRD SUPPLEMENTAL ORDER
vs.)	ACCEPTING STIPULATION
)	
CASCADE NATURAL GAS CORPORATION,)	
)	
Respondent.)	
)	
.....))	

PROCEEDINGS: On November 1, 1991, Cascade Natural Gas Corporation ("Cascade" or "respondent") filed certain tariff revisions reflecting changes in the cost of purchased gas supplies relating to gas service in this state. The operation of the tariff revisions was suspended by order of the Commission on November 27, 1991, pending hearings concerning their justness and reasonableness. The Commission then entered an order instituting an investigation on January 22, 1992.

HEARINGS: A prehearing conference was held at Olympia on February 25, 1992. A hearing was held at Olympia on June 5, 1992, before Chairman Sharon L. Nelson, Commissioner Richard D. Casad, Commissioner A. J. Pardini, and Administrative Law Judge Elmer E. Canfield of the Office of Administrative Hearings.

APPEARANCES: The respondent was represented by John L. West, Attorney at Law, Seattle; Commission Staff by Robert Cedarbaum, Assistant Attorney General, Olympia; the public by Charles F. Adams and William Garling, Jr., Assistant Attorneys General, Public Counsel Section, Seattle; and Intervenor Northwest Industrial Gas Users by Edward A. Finklea, Attorney at Law, Portland, Oregon.

PROPOSED STIPULATION: On May 28, 1992, a Stipulation of the parties to the Commission Staff case was filed with the Commission. The Stipulation was signed by the respondent, counsel for Commission Staff and Public Counsel. Intervenor Northwest Industrial Gas Users neither opposed nor supported the Stipulation. The Stipulation was formally presented for consideration at hearing on June 5, 1992. The Commission Staff and respondent presented testimony in support of the Stipulation. Members of the public were given an opportunity to testify.

The parties to the Stipulation agreed to accept all of the Commission Staff's recommendations and proposals, including its purchased gas cost adjustment rate, temporary technical adjustment rate, optional firm gas supply rate for Schedule 595, Schedule 596 and Schedule 681, and the Commission Staff's methodology of

calculation. It was further agreed that the respondent will prospectively defer all curtailment penalty revenue to Account 191. Under the agreement, respondent is to submit its purchased gas cost adjustment (Schedule 596) and temporary technical adjustment (Schedule 595) filings on an annual basis.

Under the Stipulation, the respondent will file with the Commission all gas supply and capacity contracts of one year or longer duration. In addition, the respondent will submit for each such contract a narrative description of the arrangement. At the hearing, the parties agreed that the narrative describing these contracts will not be confidential.

The Commission has had an opportunity to review the Stipulation and believes its acceptance is in the public interest. The Stipulation resolves all issues raised in this docket. The Commission accepts the Stipulation, including the clarification agreed to at hearing that the contract narrative not be confidential. The Commission appreciates the cooperative spirit shown by the parties in resolving these matters.

ORDER

IT IS ORDERED That:

1. The tariff revisions filed by respondent on November 1, 1991, now under suspension in Docket No. UG-911246, are rejected in their entirety.

2. The Stipulation of the Parties to the Commission Staff case in this docket is accepted and approved; a copy of the Stipulation is attached as Appendix A to this Order and incorporated by this reference.

3. The respondent is authorized to refile tariff revisions in accordance with the Stipulation. The filing shall bear an effective date which allows the Commission at least one complete working day following its receipt to review and evaluate its provisions.

4. The tariff revisions shall bear the notation on each sheet, "By Authority of the Washington Utilities and Transportation Commission in Docket No. UG-911246".

5. Acceptance of the Stipulation does not establish precedent or in any way limit the position of the Commission in consolidated Docket Nos. UG-911477, UG-911481, and UG-920062 or in any other proceeding.

6. All motions consistent with this order are granted and those inconsistent are denied.

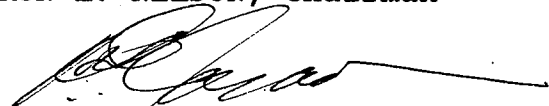
7. Jurisdiction is retained by the Washington Utilities and Transportation Commission to effectuate the provisions of this order.

DATED at Olympia, Washington, and effective this 24th day of July 1992.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION



SHARON L. NELSON, Chairman



RICHARD D. CASAD, Commissioner



A. J. PARDINI, Commissioner

NOTICE TO PARTIES:

This is the final order of the Commission. In addition to judicial review, administrative relief may be available through a petition for reconsideration, filed within 10 days of the service of this order pursuant to RCW 34.05.470 and WAC 480-09-810, or a petition for rehearing pursuant to RCW 80.04.200 or RCW 81.04.200 and WAC 480-09-820(1).