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May 13, 2024

Received  
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Director Jeff Killip,  
Executive Director and Secretary  
Washington Utilities & Transportation Commission  
P.O. Box 47250  
Olympia, WA 98504-7250

**RE: UG-240141**  
**Advice No. 24-03-01, Schedule 700, Temporary Climate Commitment Act Schedule**

Director Jeff Killip,

On March 1, 2024, Cascade Natural Gas (Cascade or Company) filed Advice No. 24-03-01, docketed as UG-240141, to implement Schedule 700, Temporary Climate Commitment Act Schedule, which introduces a new charge and a new credit related to 2022 through 2024 compliance with the Climate Commitment Act (CCA). The Washington Utilities and Transportation Commission (Commission) considered the Company's filing at its April 25, 2024, open meeting. Based on the Commission's recommendations, the Company submitted a request on April 25, 2024, to extend the filing's effective date from May 1, 2024, to June 1, 2024, allowing Cascade the time to modify Schedule 700 in accordance with the Commission's guidance. The Company files the following substitute pages stated to become effective on and after June 1, 2024:

Original Sheet No. 700-1  
Original Sheet No. 700-2

Sheet No. 2-A remains as originally filed, and the Company's requested effective date of May 1, 2024, is unchanged.

This filing revises the Schedule 700 charges and credits in the following ways:

WA Climate Fee

- Cascade has replaced forecasted Climate Commitment Act compliance costs for the first quarter of 2024 with actual costs and has reduced its forecasted compliance costs for the balance of the year based on the results of the first quarter auction and stabilized market conditions. The Company believes this complies with the direction provided during the April 25, 2024, Open Meeting.
- The Company also provided Commission Staff with invoices and explanations regarding Cascade's consultant costs. The Company updated its consulting costs to include the first quarter of 2024

actuals. Cascade removed the forecasted consulting costs and will request recovery of those costs in a subsequent CCA filing.

### WA Climate Credit

- Pursuant to the enactment of Engrossed House Bill 2199 (EHB 2199), the Company revised its maximum WA CCA Credits listed in Schedule 700 such that the credits do not include \$1.13 million in 2024 forecasted Business and Occupation (B&O) taxes on carbon emission allowance auction revenue. In addition, the Company made an adjustment to remove B&O taxes attributed to prior carbon emission allowance auction revenue.

### Bill Impacts

With the changes made herein, the bill impact for known-low-income residential customers remains at zero percent. For non-low-income residential customers who use 54 therms per month at a location where gas service was installed on or before July 25, 2021, the Schedule 700 credit and charge will result in a rate increase of 1.46 percent or \$1.12 per month. A summary of the bill impact for all customer classes is provided in the table below.

Customer Class	Current Monthly Bill	Pre July 2021 Locations		Post July 2021 Locations	
		Proposed Monthly Difference	Proposed Bill Impact	Proposed Monthly Difference	Proposed Bill Impact
Known-Low-Income Residential (Sch 503)	\$76.64	\$0	0%	\$0	0%
Non-Known-Low-Income Residential (Sch. 503)	\$76.64	\$1.12	1.46%	\$15.80	20.61%
Commercial (Sch. 504)	\$348.01	\$6.46	1.85%	\$78.96	22.69%
Industrial Firm (Sch. 505)	\$2,495.28	\$56.07	2.25%	\$622.36	24.94%
Com-Ind Dual Svc.(Sch.511)	\$14,167.36	\$308.09	2.17%	\$3,640.78	25.70%
Interruptible (Sch. 570)	\$24,600.66	\$873.37	3.55%	\$6,969.44	28.33%
Transport (Sch. 663)	\$8,372.34	\$4,734.32	56.55%	\$38,111.54	455.21%

### Overall Impacts

By making the changes mentioned above, the total CCA Costs are approximately \$131.5 million and the total CCA benefits \$111.0 million. With this filing, the Company is requesting an increase in revenue of approximately \$20.55 million.

### Recovery Period

With this filing, the Company is also updating its recovery period. In its original filing, the recovery period was eleven months, recovering costs from May 1, 2024, through March 31, 2025. The Company has updated its recovery period to ten months to recognize that the effective date has been postponed by one month. The Company is proposing to recover costs from June 1, 2024, through March 31, 2025.

**Components of Filing**

The following files are attached in support of this filing:

- UG-240141-CNGC-Advice-No.-W24-03-01-CCA-CLtr-05-13-2024.pdf
- UG-240141-CNGC-Advice-No.-W24-03-01-CCA-Trf-05-13-2024.pdf
- UG-240141-CNGC-Advice-No.-W24-03-01-CCA-WP-05-13-2024 (C).xlsx
- UG-240141-CNGC-Advice-No.-W24-03-01-CCA-WP-05-13-2024 (R).xlsx

If you have any questions regarding this filing, please contact me at (208) 377-6015 or Zach Harris at (208) 870-2476.

Sincerely,

*/s/ Lori Blattner*

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Attachments