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CNGW05-10-02

October 14, 2005

Ms. Carole J. Washburn, Executive Secretary
Washington Utilities & Transportation Commission
1300 S. Evergreen Park Drive SW
Olympia, WA 98504-9022

Dear Ms. Washburn:

Cascade Natural Gas Corporation ("Cascade") encloses for filing the following tariff sheet.

Forty Second Revision Sheet No. 500-A Canceling Forty First Sheet No. 500-A

The attached tariff sheet contains a requested effective date of November 14, 2005, however, the Company respectfully requests that the tariff sheet is allowed to become effective with Waiver of Statutory Notice on October 27, 2005.

The purpose of this filing is to make a housekeeping change to correctly reflect the City of Shelton's change to the B & O tax from 3% to 6% on all gas service revenues effective October 15, 2005 (Ordinance 1645-0805). In advice # CNG/W05-09-01, the Company filed a tariff change to reflect the tax increase, however, the Company inadvertently left the tax rate for "Gas Service" at the original 3%. Since the Ordinance becomes effective October 15, 2005, the Company is requesting the tariff change be approved with less than statutory notice.

In accordance with WAC 480-90-198, the Company declares that notice to customers will be made in accordance with WAC 480-90-195. Cascade will issue bill inserts to all customers impacted by the tariff change following final disposition of this filing. A copy of the draft post-approval notification has been included with this filing. The proposed change will affect all customers residing within the city limits of Shelton. Cascade estimates that approximately 1,610 residential, 352 commercial and 10 industrial customers will be impacted by this change.

Sincerely,

Jon T. Stoltz,
Senior Vice President,
Regulatory and Gas Supply

JTS:cgk
attachments

We make warm neighbors

www.cngc.com

ORDINANCE NO. 1646-0805

AN ORDINANCE OF THE CITY OF SHELTON, WASHINGTON, RELATING TO GAS DISTRIBUTION TAX; AMENDING SHELTON MUNICIPAL CODE CHAPTER 3.39 AND ORDINANCE #1175-1985.

WHEREAS, the state legislature has deemed that cities can no longer charge a percentage fee on franchise agreements for gas companies, and

WHEREAS, the city previously has only a 3% gas distribution tax because it charged a 6% franchise fee, and

WHEREAS, other utilities within the city limits all pay a 6% utility tax, and

WHEREAS, utility taxes are an important piece of the city's revenue stream,

NOW THEREFORE, be it ordained by the City Commission of the City of Shelton, Washington:

Chapter 3 entitled "Gas Distribution Tax" is hereby amended to read as follows:

**Chapter 3.39
GAS DISTRIBUTION TAX**

Section 1.

3.39.010 Imposed--Payment.

~~On and after the 15th of February, 1986,~~ There is levied upon and shall be collected from every person, firm or corporation engaged in or carrying on the business of selling and distributing of gas in the city of Shelton, a license fee or occupation tax equal to ~~three~~ six percent of the total gross receipts or income of such business, such license fee or occupation tax to be payable in monthly installments and to become due and collectible on or before the twentieth day of each month for the last preceding month.

3.39.020 Administrative provisions.

The administrative provisions contained in Chapter 3.10 shall be fully applicable to the provisions of this chapter except as expressly stated to the contrary herein.

Section 2.

Severability. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance is declared unconstitutional or invalid for any reason, such invalidity shall not affect the validity or effectiveness of the remaining portions of this ordinance.

Section 3.

Savings Clause. Chapter 3.39 of the Shelton Municipal Code shall remain in full force and effect until such date as this ordinance becomes effective.

Section 4.

Effective Date. This ordinance shall take effect on October 15, 2005.

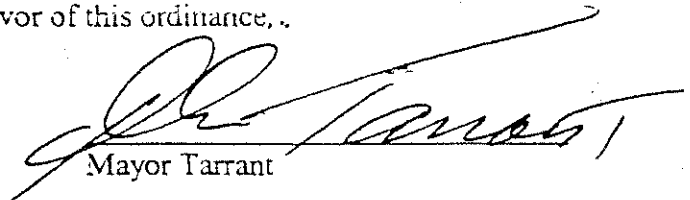
INTRODUCED the 15th day of August 2005.

ADOPTED by the City Commission of the City of Shelton, Mason County, Washington at a regular open public meeting held the 15th day of August 2005, the following Commissioners being present and voting in favor of this ordinance, ..

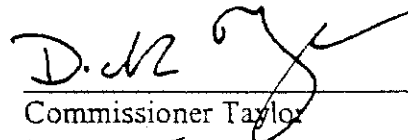
ATTEST:



City Clerk Look

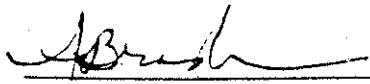


Mayor Tarrant

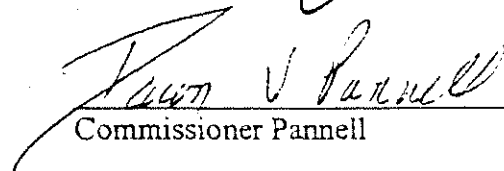


Commissioner Taylor

APPROVED AS TO FORM:



City Attorney Bradow



Commissioner Pannell