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CNG/W09-04-01

April 10, 2009

Mr. Dave Danner Secretary and Executive Director Washington Utilities & Transportation Commission 1300 S. Evergreen Park Drive SW Olympia, WA 98504-9022

Dear Mr. Danner:

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

Twenty-Seventh Rev. Sheet No. 595, Canceling Substitute Twenty-Sixth Rev. Sheet No. 595

The purpose of this filing is to reduce the gas cost deferral amortization rates for core rate schedules by \$.08803. Cascade requests that the proposed tariff change be made effective May 1, 2009, with less than statutory notice. The Company believes that reducing the rates is appropriate due to changing conditions since the Company's 2008 PGA filing, which went into effect on November 1, 2008. Since that time, the Company has seen higher natural gas volumes due to colder weather which has helped to reduce the outstanding deferral balances at a faster rate than originally anticipated. In addition, natural gas prices have fallen, which has helped the Company to purchase natural gas at prices that were lower than those anticipated in the 2008 PGA. With the present state of the economy, the company believes that it is appropriate to reduce rates at this time.

The proposed filing would result in a monthly bill reduction of \$5.43 or 6.3% for a residential customer using an average of 62 therms per month. For small commercial customers, the filing would result in a monthly reduction of \$26.98 or 6.67% based on average consumption of 307 therms per month. Industrial customers and large volume Industrial customers will experience on average a decrease of 7.07% and 7.16% respectively depending on monthly volumes consumed. Interruptible industrial customers will experience on average a decrease of 7.58%, depending on monthly volumes consumed.

Enclosed with this filing are the work papers which support the proposed decrease in rates in addition to the LSN form that requests that the proposed rates be made effective on less than statutory notice. If you have any questions, please direct them to Paul Schmidt at (206) 381-6825.

Very truly yours,

Senior Vice President Regulatory & Gas Supply

Attachments