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CNG/W09-07-01

July 1, 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 sheets:

Forty-Fifth Rev. Sheet No. 502, Canceling Forty-Fourth Rev. Sheet No. 502
Fiftieth Rev. Sheet No. 503, Canceling Forty-Ninth Rev. Sheet No. 503
Thirty-Fourth Rev. Sheet No. 504, Canceling Thirty-Third Rev. Sheet No. 504
Thirty-Third Rev. Sheet No. 505, Canceling Thirty-Second Rev. Sheet No. 505
Forty-Ninth Rev. Sheet No. 511, Canceling Forty-Eighth Rev. Sheet No. 511
Thirtieth Rev. Sheet No. 512, Canceling Twenty-Ninth Rev. Sheet No. 512
Forty-Seventh Rev. Sheet No. 541, Canceling Forty-Sixth Rev. Sheet No. 541
Forty-Fourth Sheet No. 570, Canceling Forty-Third Rev. Sheet No. 570
Forty-First Rev. Sheet No. 577, Canceling Fortieth Rev. Sheet No. 577

The proposed tariffs contain an August 1, 2009 effective date and will result in an estimated annual revenue decrease of approximately \$41.3 million.

Cascade Natural Gas typically files its Purchased Gas Adjustment (PGA) in the fall, but due to the sustained lower wholesale natural gas costs, the Company felt it is necessary to adjust rates earlier than usual. Included in this filing are changes to the Company's core rate schedules, which reflect the lower cost of gas. The Temporary Technical Adjustment (TTA) filing, which normally accompanies the PGA, will be submitted later this year.

The purpose of this filing is to pass on rate adjustments designed to reflect the cost of gas in the Company's current gas supply portfolio. The overall impact of this rate activity is to decrease Residential customer rates by \$0.17924 per therm, decrease Commercial customer rates by \$0.17922 per therm, decrease Firm Industrial customer rates by \$0.17910 per therm and decrease Interruptible customers by \$0.17899 per therm.

Exhibit 1 of the Purchased Gas Adjustment Application details the commodity and demand units and costs of Cascade's core market gas supply portfolio including company purchased supplies, pipeline transportation and peaking resources.

The effect of this filing on the monthly bill of a residential customer with consumption of 60 therms will be a net decrease of \$10.75 or 13.67%. For small commercial customers, the decrease in the monthly bill for

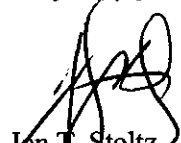
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consumption of 299 therms will be \$53.59 or 14.31%. Large volume customers will experience an average decrease of 15.70%, while large volume interruptible industrial customers will experience an average decrease of 16.67%, depending on monthly volumes consumed.

In accordance with WAC 480-90-198, the Company declares that notice to customers will be made in accordance with WAC 480-90-193. Cascade will issue a press release explaining the anticipated rate decreases as well as post all proposed tariff changes and complete copies of the tariffs on its website. Additionally, the Company will issue bill inserts to all of its customers following final disposition of this filing. A draft of the post-approval notification has been included with this filing. The proposed change will affect all of Cascade's Washington customers. Cascade serves approximately 166,465 residential, 23,904 commercial and 376 industrial customers in the state of Washington.

If you have any questions, please direct them to Paul Schmidt at 206-381-6825.

Very truly yours,



Jon T. Stoltz
Senior Vice President
Regulatory & Gas Supply

JTS/ cl

Attachments