



*In the Community to Serve*

8113 W. GRANDRIDGE BLVD., KENNEWICK, WASHINGTON 99336-7166  
TELEPHONE 509-734-4500 FACSIMILE 509-737-7166  
www.cngc.com

CNG/W12-09-01

September 28, 2012

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 containing a requested effective date of November 1, 2012:

**Thirty-First Rev. Sheet No. 595, Canceling Thirtieth Rev. Sheet No. 595**

The purpose of this filing is to pass on changes in the amount of temporary technical adjustments affecting customer rates as a result of deferral account amortizations. The application is designed to balance prior period gas supply and transportation costs incurred by Cascade with those assumed in base rates over the same time period. Temporary Technical Adjustment Schedule No. 595 combines prior period rate adjustments and new rate adjustments designed to amortize current outstanding deferral account balances (including accrued interest).

Attached in support of this filing is Exhibit I. The exhibit contains information developing the level of the per therm change necessary to amortize the outstanding deferral balances of \$(15,921,382). The proposed rates of the following core firm customers are to be decreased as follows: No. 502 by \$0.07615 per therm, No. 503 by \$0.07617 per therm, No. 504 by \$0.07607 per therm, No. 512 by \$0.07596 per therm and No. 541 by \$0.07622 per therm. For core interruptible customers on Schedule Nos. 570 and 577, the rate decrease is \$0.07564 per therm and \$0.07573 per therm, respectively. For noncore customers receiving service on distribution Schedule No. 663, the rate increase is \$0.00087 per therm. The effects of these revisions are shown on pages 4 through 6 of the exhibits.

In accordance with WAC 480-90-198, the Company declares that notice to customers was made in accordance with WAC 480-90-195. Cascade issued bill inserts to customers during August 2012 explaining the PGA process and Cascade will publish on its webpage the anticipated rate reduction. Additionally, the Company will issue bill inserts to all of its customers following final disposition of this filing. A copy of the August 2012 bill insert and a draft of the post-approval notification have been

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included with this filing. The proposed change will affect all of Cascade's Washington customers. Cascade serves approximately 171,270 residential, 24,459 commercial and 352 industrial customers in the state of Washington.

If you have any questions, please direct them to me at (509) 734-4593.

Sincerely,

Michael Parvinen  
Manager, Regulatory Affairs

Attachments

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