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CNG/W13-09-01

September 27, 2013

Mr. Steven V. King Acting Executive Director and Secretary Washington Utilities & Transportation Commission P.O. Box 47250 Olympia, WA 98504-7250

Re: Cascade Natural Gas PGA Annual Filing

Dear Mr. King:

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

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

The proposed tariffs contain a November 1, 2013 effective date and will result in an estimated annual revenue increase of approximately \$10.5 million.

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 increase residential customer rates by \$0.04947 per therm, increase commercial customer rates by \$0.04928 per therm, increase firm industrial customer rates by \$0.04833 per therm and increase interruptible customers by \$0.04738 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.

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 2013 explaining the PGA process and Cascade will publish on its webpage the anticipated rate increase. Additionally, the Company will issue bill inserts to all of its customers following final disposition of this filing. A copy of the August 2013 bill insert and a draft of the post-approval notification have been included with this filing. The proposed change will affect all of Cascade's Washington customers. Cascade serves approximately 172,951 residential, 24,720 commercial and 360 industrial customers in the state of Washington.

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

Sincerely,

Michael Parvinen

Director, Regulatory Affairs

Attachments