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January 6, 2014

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

RE: Cascade Natural Gas Corporation's 2014 Integrated Resource Plan Work Plan Extension
(Docket **UG-140008**)

Cascade Natural Gas Corporation respectfully requests an extension of the filing deadline for the upcoming Integrated Resource Plan (IRP) from December 15, 2014 to December 11, 2015. The Company makes this request for several reasons:

Cascade's most recent Integrated Resource Plan was only recently acknowledged by the Commission on August 8, 2013. The Company believes 2014 IRP at this time will not provide much in the way of new, meaningful analysis or discussion given the short duration since the acknowledgement. Secondly, the Company has been actively working to improve the demand forecasting and resource analysis. Some of these improvements are requiring significant analysis of our demand forecast and resource modeling methodologies.

The Company's most recently acknowledged Integrated Resource Plan's demand forecast and pipeline capacity needs were developed at the pipeline zonal level. Consequently, the analysis to determine potential peak day shortfalls was performed at the zonal level. The Company has used this analysis as part of its ongoing efforts to identify areas where pipeline capacity could be re-aligned or to pursue other means to meet the peak day demand such as acquiring incremental pipeline capacity. The Company believes that a more accurate picture of the capacity needs can be obtained if resource and demand forecast modeling and analysis are performed at a more detailed level than the zonal level. The Company feels developing the plan at the city gate level will significantly improve our planning and provide more transparency to stakeholders.

In order to accomplish this more robust demand forecast and capacity analysis the Company has undertaken a near total reconfiguration of the SENDOUT resource optimization model, which is a highly complex and time consuming process. By delaying the plan, we will be able to complete the configuration of the forecast and resource modeling at the city gate level. At the city gate level, the Company can perform more detailed analysis, allowing Cascade to better

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identify specific locales where shortfalls may exist. This more detailed analysis will better inform all stakeholders, allowing for a more robust discussion during the public process (technical advisory group meetings) on how best to address specific capacity needs or determine what alternative resources may be needed to meet long term demand.

Attached is the proposed work plan and schedule based on the requested extension being granted.

If there are any questions regarding this matter, please me at (509) 734-4589 or via email at mark.sellers-vaughn@cngc.com.

Sincerely,
CASCADE NATURAL GAS CORPORATION

A handwritten signature in black ink that reads "Mark Sellers-Vaughn". The signature is written in a cursive style with a large initial "M" and "V".

Mark Sellers-Vaughn
Manager, Supply Resource Planning

Enclosures

Cascade Natural Gas Corporation 2015 IRP Work Plan (UG-140008)

Cascade Natural Gas Corporation's ("Cascade" or "the Company") Work Plan for its 2015 Integrated Resource Plan ("IRP") is filed pursuant to the Washington Utilities and Transportation Commission (WUTC) IRP rules (WAC 480-90-238).

Purpose of the Integrated Resource Plan/Key Issues for 2015 IRP

The primary purpose of Cascade's long-term resource planning process has been, and continues to be, to inform and guide the Company's resource acquisition processes, consistent with the rule (WAC 480-90-238). Input and feedback from the Company's Technical Advisory Group (TAG) will continue to be an important resource to help ensure Cascade's IRP is developed from a broader perspective than Cascade could have on its own.

In order to complete a more robust demand forecast and capacity analysis the Company has undertaken a near total reconfiguration of the SENDOUT resource optimization model, which is a highly complex and time consuming process. The focus of this modified configuration is to develop the forecast and resource modeling at the city gate level, as opposed to the zonal and state levels used in our most recent IRPs. At the city gate level, the Company will be able to perform more detailed analysis, allowing Cascade to better identify specific locales where shortfalls may exist. This more detailed analysis will better inform all stakeholders, allowing for a more robust discussion during the public process on how best to address specific capacity needs or determine what alternative resources may be needed to meet long term demand.

Outline of IRP Content:

The following is an outline of the Company's 2015 IRP plan. Organizational structure of the final IRP may be revised based on results of analysis and feedback received through the planning process.

- I. Executive Summary
- II. Introduction & Planning Overview
- III. Demand Forecast
- IV. Distribution System Enhancements
- V. Demand Side Resources
- VI. Supply Side Resources
- VII. Resource Integration
- VIII. Two-Year Action Plan
- IX. Appendices

2015 IRP Timeline

The following is Cascade's tentative 2015 IRP timeline:

- Develop Demand Forecast: January through April 2015
- Distribution System Planning Analysis: May through August 2015
- Demand Side Resource Analysis: January through August 2015
- Gas Supply Analysis: January through August 2015
- Integration of Supply and Conservation Resources: May through August 2015
- Public Process: Technical Advisory Group Meetings (tentative dates)
 - TAG 1: Process, Key Assumptions, IRP Team, Timeline, Highlights of previous IRP, Latest Economic Indicators, Price Forecast and Demand Forecast (April 2015)
 - TAG 2: Conservation, Avoided Costs, Distribution Enhancements (May 2013)
 - TAG 3: Supply Resources, Transport Issues, Alternative Resources, Update on 2 Year Plan (June 2015)
 - TAG 4: Preliminary Resource Integration Results, Proposed new 2 year Plan (July 2015)
- File Draft 2015 IRP: (September 2015)
- Comments due on draft (October 2015)
- TAG 5 (if needed) (November 2015)
- Final 2015 IRP Filed: December 11, 2015

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Planning Assumptions

Information needed to perform analysis will be gathered and input assumptions developed by late June 2015. This will include detailed definitions of alternative scenarios and all primary input assumptions for demand forecasting and resource modeling. Additional planning information will be assimilated into the analytical process and planning information that is not incorporated into the modeling process will continue to be assessed.

Resource Analysis:

Natural gas analysis will include long-term optimization and stochastic analysis under the same planning scenarios, including natural gas energy efficiency and supply alternatives.

Draft 2015 IRP and Review Period:

Cascade is planning to have its IRP draft plan distributed for initial feedback to the group members September 2, 2015. Given Cascade's commitment to facilitate and communicate with members of the Technical Advisory Group, the draft IRP content and its key assumptions will be discussed with the Technical Advisory Group during the TAG sessions. Any feedback is due to the Company by October 7, 2015 to give the Company sufficient time to incorporate such feedback as needed into the final plan, or to convene another TAG session in early November 2015, if needed.

Final 2015 IRP Filed December 11, 2015

**Cascade Natural Gas Corporation
2015 IRP Work Plan (UG-140008)
2015 Integrated Resource Plan Timeline**

2014	2015											
Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
File Work Plan with WUTC	Develop Demand Forecast				Distribution System Planning				Review of draft IRP by stakeholders	Comments due, followed by CNGC response	Revisions	12/11 Final IRP Filed
	Demand Side Resource Analysis											
	Gas Supply Resource Analysis											
					Resource Integration							
				TAG 1	TAG 2	TAG 3	TAG 4	Complete Draft				

Wednesday, April 08, 2015	TAG 1: Process, Key Assumptions (IRP Team, Timeline, Highlights of 2011 IRP, Latest Economic Indicators, Price Forecast and Demand Forecast)	SeaTac Airport Conference Center
Wednesday, May 13, 2015	TAG 2: Conservation, Avoided Costs, Distribution Enhancements	CNGC Headquarters, Kennewick WA
Wednesday, June 17, 2015	TAG 3: Supply Resources, Transport Issues, Alternative Resources, Update on 2 Year Plan	SeaTac Airport Conference Center
Wednesday, July 22, 2015	TAG 4: Preliminary Resource Integration Results, Proposed new 2 year Plan	SeaTac Airport Conference Center
Wednesday, September 02, 2015	Draft IRP distributed	
Wednesday, October 07, 2015	Comments due on draft	
Wednesday, November 04, 2015	TAG 5: If Needed	SeaTac Airport Conference Center
Friday, December 04, 2015	IRP goes to press	
Friday, December 11, 2015	IRP filing	