



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

August 1, 2014

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

**RE: Advice No. CNG/W14-08-01**

Dear Mr. King:

Enclosed for filing are the following tariff sheets to become effective with service on and after September 2, 2014:

**Sixth Revision Sheet No. 300, Canceling Substitute Fifth Revision Sheet No. 300  
Third Revision Sheet No. 300-A, Canceling Substitute Second Revision No. 300-A  
Sixth Revision Sheet No. 302, Canceling Substitute Fifth Revision Sheet No. 302  
Second Revision Sheet No. 302-A, Canceling Substitute First Revision Sheet No. 302-A**

These tariff revisions identify the actual rebates provided to customers in the State of Washington. They also provide footnotes explaining the differences between the measures' efficiencies.

The attached workpapers include an analysis of the different approaches to developing the measures included in this conservation filing showing two distinct methods the Company explored to calculate the cost effectiveness of the programs under the Utility Cost Test. The first approach used the Weighted Average Cost of Capital (WACC) discount rate of 8.33% as indicated in policy statement UG-121207. The second option involved using the Company's traditional long term discount rate of 4.17%. Cascade presented the two scenarios to our Conservation Advisory Group and all parties agreed to use of the long term discount rate, and agreed use of the WACC was unfavorable as demonstrated on the workpapers.

Any questions regarding this filing may be directed to me at (509) 734-4593.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Parvinen", with a long horizontal flourish extending to the right.

Michael Parvinen  
Director, Regulatory Affairs

Attachment