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September 23, 2014

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

Dear Mr. King:

Pursuant to RCW 80.08.040, Cascade Natural Gas Corporation seeks to enter into a term loan agreement for an amount not to exceed \$50 million.

The following information is supplied in conformance with RCW 80.08.040 and WAC 480-90-242:

1. The purpose for which the issuance is made is to require borrowing to meet working capital needs and operations. The purpose of all transactions under these long- term notes will meet the requirements of RCW 80.08.030.
2. Applicant proposes to borrow funds up to \$50,000,000 from an unsecured term loan agreement obligating Applicant to pay interest on a periodic basis based on current interest rates at the time the Applicant borrows. Interest rates are fixed at the time of issuance and are determined based on the Applicant's long-term debt ratings. Applicant's outstanding notes are currently rated: "A-" by Fitch and "BBB+" by Standard & Poor's.

The interest rate on the amounts borrowed will be determined at the time they are issued but are expected not to exceed 5.5%.

The Applicant will pay normal and customary fees to Toronto Dominion (Texas) Inc. institution in association with the establishment of the loan. The fees associated with this issuance are expected to be approximately \$250,000, including placement and legal fees. The exact fees have not yet been determined.

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3. The Applicant requires borrowing to meet capital and operation needs. This loan agreement is necessary for the Applicant to maintain a balanced capital structure during a time of extensive capital and operating needs.

I certify that the above information is true and correct. If there are any questions regarding this filing, please contact me at (509) 734-4537.

Sincerely,



Mark Chiles
Vice President, Controller