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In the Community to Serve®

May 1, 2019

Mr. Mark L. Johnson
Executive Director and Secretary
Washington Utilities & Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

Dear Mr. Johnson:

Pursuant to RCW 80.08.040, Cascade Natural Gas Corporation (Cascade or Applicant) intends to enter into a five-year revolving credit agreement in the amount of \$100 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 enter into a five-year \$100,000,000 revolving credit agreement. The purpose of all transactions under this revolving credit agreement will meet the requirements of RCW 80.08.030.
2. Cascade Natural Gas Corporation proposes to borrow initial funds up to \$100,000,000 with an expandable accordion feature of up to \$25,000,000 for a total maximum of \$125,000,000 on the revolving credit agreement obligating Cascade to pay interest on a periodic basis based on current interest rates at the time Cascade borrows. Interest rates are based on LIBOR and are determined based on the Cascade's long-term debt ratings.

The fees at closing of the loan agreement will be a \$75,000 arrangement fee to U.S. Bank National Association and a \$25,000 syndication fee to Wells Fargo Bank, National Association as the Syndication Agent. An upfront fee of \$175,000 (17.5 bps) will also be paid to the participating banks based upon commitment levels. Annual administration fees of \$15,000 will be paid to U.S. Bank National Association. Legal fees will also be incurred up to \$125,000.

3. Cascade Natural Gas Corporation has a continuing need for working capital and operations. This loan agreement is necessary to the Applicant as the

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current loan agreement will soon expire. The revolving loan agreement is also important to the Applicant as it provides Letters of Credit as needed.

I certify that the above information is true and correct. If there are any questions regarding this filing, please contact me at (208) 377-6124.

Sincerely,

/s/ Mark Chiles

Mark Chiles
Vice President, Regulatory Affairs and Customer Service
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