



8113 W. GRANDRIDGE BLVD., KENNEWICK, WASHINGTON 99336-7166  
TELEPHONE 509-734-4500 FACSIMILE 509-737-9803  
[www.cngc.com](http://www.cngc.com)

March 26, 2020

Mr. Mark L. Johnson  
Executive Director and Secretary  
Washington Utilities & Transportation Commission  
621 Woodland Square Loop S.E.  
Lacey, WA 98503

Received  
Records Management  
03/26/20 17:00  
State Of WASH.  
UTIL. AND TRANSP.  
COMMISSION

Re: Request for an Accounting Order Reflecting New Depreciation Rates

Dear Mr. Johnson:

Enclosed, please find Cascade Natural Gas Corporation's ("Cascade" or "Company") request for an Accounting Order that authorizes the new depreciation rates that are reflected in the enclosed depreciation study ("Study"). Cascade also respectfully requests that the Accounting Order allow the new depreciation rates to be reflected on the books of the Company effective January 1, 2021.

Cascade retained Concentric Consultants, a third-party evaluator, to perform a depreciation study and the Study was completed in March 2020. The Study updates the company's book depreciation on all gas plant in service as of December 31, 2018. The results of the Study show that the Company's current depreciation expense, which is based on a depreciation study of plant in service as of January 1, 2015, should be increased by approximately \$1.2 million on a system basis. The new Study's rates will replace depreciation rates that have been in effect since January 1, 2016.

Cascade is seeking an Accounting Order with this application. Cascade currently has a similar petition pending before the Public Utility Commission of Oregon and the Company is asking that the results of this Study be coordinated with the results of the study in Oregon. If additional information is required to facilitate Staff's review, please contact the undersigned.

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

Sincerely,

*/s/ Michael Parvinen*

Michael Parvinen  
Director, Regulatory Affairs  
Cascade Natural Gas Corporation  
8113 W. Grandridge Blvd.  
Kennewick, WA 99336-7166  
[michael.parvinen@cngc.com](mailto:michael.parvinen@cngc.com)

Attachments

NEW, CNGC Depreciation Rpt, 03-26-2020.pdf

NEW, CNGC Depreciation Rates, 03-26-2020.pdf