



April 16, 2020

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

Received
Records Management
04/16/20 14:05
State Of WASH.
UTIL. AND TRANSP.
COMMISSION

Re: Advice No. W20-04-01 – Washington Energy Assistance Fund (WEAF) Temporary Economic Assistance Tariff Revision

Dear Mr. Johnson,

Cascade Natural Gas Corporation (Cascade or Company) submits the following tariff sheets to replace and create the tariff sheets that are submitted under Cascade's Advice No. W20-04-01. This filing includes the following portion of the Company's WN U-3 tariff for natural gas service.

**Second Revision of Sheet No. 303-B
Original Sheet No. 303-C**

The purpose of this filing is to modify Cascade's Schedule 303, Washington Energy Assistance Fund (WEAF) Program to incorporate temporary modifications that mitigate the economic impact of the COVID-19 pandemic for Cascade's customers. The stated effective date of the proposed changes is May 16, 2020. In order to move expediently with the proposed modifications, Cascade is requesting these revisions be approved with Less than Statutory Notice (LSN) pursuant to WAC 480-80-122, with an effective date of April 24, 2020.

I. Introduction

Cascade's WEAF program is funded from revenues collected by its natural gas customers on schedules 503 (residential), 504 (firm commercial), 505 (general industrial), 511 (large volume), 570 (interruptible) and 663 (transportation service). The annual WEAF rates for these schedules are calculated and adjusted on an annual basis via Schedule 593, Washington Energy Assistance Fund Program Cost Recovery Schedule and general program rules are governed by Schedule 303.

WEAF funds collected under the designated schedule rates are administered and delivered to qualifying residential customers through agreements established with Community Action Agencies (Agencies) that serve Washington counties in Cascade's authorized service areas. The funds are distributed by Agencies in a manner similar to the Federal and State-sponsored Low Home Energy Assistance Program (LIHEAP). In some instances, Cascade's standards for WEAF qualification are more accessible to customers than LIHEAP standards. For example, WEAF is available to applicants who demonstrate household income less than or equal to 200% of the federal poverty guidelines (the current LIHEAP standard is 125%) with no WEAF requirement for Washington state or national citizenship documentation.

Eligible WEAFF customers may receive a WEAFF grant or grants totaling no more than \$500 per household per program year. Per Schedule 303, the Company will not accept a WEAFF request when a customer's account has an existing credit equal to or greater than \$300 where that credit is solely from a charitable grant or grants such as WEAFF, LIHEAP or Cascade's assistance program called Winter Help.

II. Proposed Temporary WEAFF Modifications

Due to the COVID-19 public and health and economic crisis, Cascade expects that customer need for energy assistance may increase exponentially as customers experience loss of income, coupled with increased energy utilization as individuals isolate in their homes. Such occurrences may result in a higher energy burden, inability to pay bills due to lack of monetary resources, or insurmountable arrears. To meet this potential influx of need and help alleviate COVID-19 related hardships the Company proposes temporary modifications to the WEAFF program to assist customers.

The modifications presented herein were developed with input from members of Cascade's WEAFF Advisory Group. A meeting was held on March 26, 2020 to discuss the state of energy assistance in the State of Washington and specifically the WEAFF program. The meeting included representatives from the Agencies, The Energy Project, Washington Utilities and Transportation Commission Staff, Public Counsel, the Washington State Department of Commerce, the NW Energy Coalition and the Company. Feedback on possible temporary WEAFF changes were received from stakeholders after the meeting via electronic communications and incorporated into the Company's proposal. The resulting temporary economic assistance program proposed by the Company is called the Hardship Economic Assistance Receivable Temporary (HEART) grant.

The HEART grant proposal contains following modifications to the WEAFF program. All modifications will be temporary in nature and will expire after September 30, 2020:

Modification #1

Create a one-time hardship economic assistance receivable temporary HEART grant that aids those customers experiencing economic hardship due to COVID-19 events with the following criteria:

- No income eligibility guidelines requirement.
- Customer affected by COVID-19 events.
- Aid will not exceed a maximum amount of \$400.
- Customer aid will only be for the amount owing to render their account current, up to the \$400 maximum, and should not result in credit on their account. However, at the discretion of Cascade or Agencies that obtain customer account history information, may decide to award a HEART grant that does result in a credit if the circumstances warrant such an overage based on the information provided.

Modification #2

Allow assistance received under the HEART grant to not count against the WEAFF guideline that states grants does not exceed \$500.00 per household in any program year. Therefore, customer aid through the HEART grant is in addition to any other financial assistance(s) or grant(s) through the WEAFF program's maximum aid limit.

Modification #3

Allow WEAFF eligibility verification requirements mimic the LIHEAP emergency modifications, where applicable.

The proposals are summarized by the following table:

| Scenario | Benefit |
|---|--|
| Customer verbally expresses difficulty. | Receive HEART Grant up to \$200 maximum. |
| Customer provides visual proof of difficulty. | Receive HEART Grant up to \$400 maximum. |
| Customer is a current WEAFF recipient. | Receive HEART Grant up to \$400 maximum. |

Modification #4

The Company proposes to pay Agencies \$25 per qualifying household for a HEART grant request. This will be in addition to the current \$75 administrative fee provided for each qualifying household under the WEAFF program. HEART grants and traditional WEAFF grants may be submitted at the same time. When submitted at the same time, Agencies will earn \$25 for the qualifying HEART grant and \$75 for the qualifying traditional WEAFF grant.

III. Conclusion

Cascade knows that the current COVID-19 pandemic is an unprecedented and difficult time for many of its customers. As many of the economic ramifications are yet unknown the Company wants to be responsive to the emerging needs of customers by providing flexible assistance to customers experiencing financial need in the wake of the crisis. Cascade appreciates the ongoing work of the Agencies and the feedback provided by members of the Advisory group. The Company respectfully requests the WEAFF modifications and associated tariff changes be approved by the Commission with Less than Statutory Notice (LSN) pursuant to WAC 480-80-122, with an effective date of April 24, 2020.

This filing contains the following electronic files for submittal:

NEW CNG Advice No. W20-04-01 CLtr 4.16.20.pdf
NEW CNG Advice No. W20-04-01 Trf 4.16.20.pdf
NEW CNG Advice No. W20-04-01 Leg 4.16.20.pdf
NEW, CNG Advice No. W20-04-01 LSN, 4.16.20.pdf

If you have any questions, please call Chris Mickelson at (509)734-4549.

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

Attachment