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June 22, 2020

Mr. Mark L. Johnson Executive Director and Secretary Washington Utilities & Transportation Commission P.O. Box 47250 Olympia, WA 98504-7250 Received Records Management 06/22/20 08:58 State Of WASH. UTIL. AND TRANSP. COMMISSION

CNG/W20-06-02

Re: Tariff Revision

Dear Mr. Johnson:

Cascade Natural Gas Corporation ("Cascade or "Company") hereby encloses for filing the following proposed tariff sheet containing a requested effective date of July 22, 2020:

Third Revision Sheet No. 301-A, Canceling Second Revision Sheet No. 301-A

Per the request of WUTC Staff, Cascade is updating its Schedule 301, Low Income Weatherization Incentive Program (WIP) tariff to streamline language designating the avoided cost per therm of weatherization work completed under this program.

Currently, Schedule 301 references a dated avoided cost value for 30 year measures. This language has not impacted the operation of the WIP because the Enhanced Weatherization Incentive Program (EWIP) component of the tariff bridges the gap between the payout resulting from avoided cost, and the total installed cost of rebate-qualified work. However, Cascade agrees with Staff that the current tariff language should be adjusted for clarity, and to avoid the need for update each time avoided costs are adjusted. As a result, the Company has changed the language in Schedule 301.

The language now reads "the avoided cost per therm is based on the Company's most recently acknowledged Integrated Resource Plan," rather than listing an actual avoided cost value. Cascade has also made a housekeeping adjustment to clarify that only the *WIP* portion of the rebate will not exceed 100% of the avoided cost of the annual therm savings. This is consistent with the intent of the program and how it has operated to date.

If you have any questions, please direct them to me at (509) 734-4549.

Sincerely,

/s/ Christopher Mickelson

Christopher Mickelson

Manager, Regulatory Affairs Cascade Natural Gas Corporation 8113 W. Grandridge Blvd. Kennewick, WA 99336-7166 Email: <u>christopher.mickelson@cngc.com</u>

Attachments:

New, CNGC Advice W20-06-02 Trf Sheet 301-A, 06.22.20.pdf New, CNGC Advice W20-06-02 Redlined Trf Sheet 301-A, 06.22.20.pdf