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CNG/W22-09-03

September 15, 2022

Ms. Amanda Maxwell  
 Executive Director and Secretary  
 Washington Utilities & Transportation Commission  
 P.O. Box 47250  
 Olympia, WA 98504-7250

**Re:** Schedule 594, Decoupling Mechanism Adjustment

Dear Ms. Maxwell:

Cascade Natural Gas Corporation (“Cascade”) encloses for filing the following proposed tariff sheet containing a requested effective date of November 1, 2022:

**Sixth Revision Sheet No. 594 Canceling Fifth Revision Sheet No. 594**

The purpose of this filing is to amortize the difference between authorized revenues and actual revenues for the timeframe of January 1, 2021, through December 31, 2021, which is consistent with the Company’s Rule 21, Decoupling Mechanism, and the terms adopted by Order No. 04 in UG-152286.

Rule 21, Decoupling Mechanism, was approved in the Company’s rate case in Docket UG-152286 and allows Cascade to defer the difference between billed revenue and the authorized margin per customer, which is a different amount per customer class, per month. Billed and authorized revenue differ for a number of reasons including the installation of conservation measures, weather variations, and different gas usage patterns. The deferred balance is then amortized through the Schedule 594 adjustment rate that becomes effective concurrently with the Purchased Gas Adjustment (PGA).

The changes made to Schedule 594 result in an overall revenue increase of 1.61 percent or an increase in annual revenue of \$4,686,454. Below is a table summarizing the proposed changes in revenue reflected in this filing:

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<u>Service</u>	<u>Sch. No.</u>	<u>Rate Change</u>	<u>Proposed Rate Per Therm</u>	<u>Percent Change</u>
Residential	503	\$0.00830	\$0.01905	0.68%
Commercial	504	\$0.03331	\$0.03650	3.00%
Industrial	505	\$0.00829	\$0.01556	0.92%
Industrial Lg Vol	511	\$0.02496	(\$0.02887)	3.00%
Interruptible	570	(\$0.00882)	(\$0.00600)	(1.22%)

For the average residential customer using 54 therms, the changes proposed in this filing result in an average monthly bill increase of \$0.45 or 0.73 percent. For the average commercial customer using 271 therms per month, these changes result in an average monthly bill increase of \$9.03 or 3.27 percent.

The proposed change will affect all of Cascade's Washington customers except transportation only customers. Cascade serves approximately 200,356 residential, 27,285 commercial and 511 industrial customers in the state of Washington.

The overall earnings test of 2.28 percent is below the 3.0 percent maximum annual rate adjustment, no adjustment for earnings sharing under UG-152286 is required.

If you have any questions, please call me at (208) 377-6015.

Sincerely,

*/s/ Lori A. Blattner*

Lori A. Blattner  
Director, Regulatory Affairs  
Cascade Natural Gas Corporation  
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Attachments:

NEW-CNGC-Advice-W22-09-03-Trf-Sheet-594-09.15.2022.pdf  
NEW-CNGC-Advice-W22-09-03-Redlined-Trf-Sheet-594-09.15.2022.pdf  
NEW-CNGC-Advice-W22-09-03-Exh-A-09.15.2022.pdf  
NEW-CNGC-Advice-W22-09-03-DMA-WP-09.15.2022.xlsx  
NEW-CNGC-Advice-W22-09-03-Rule-21-Decoupling-WP-09.15.2022.xlsx