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January 24, 2025

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

RE: NEW, Cascade Advice No. W25-01-02  
Schedule 301, Low-income Weatherization Incentive Program

Director Killip

Cascade Natural Gas Corporation ("Cascade" or "Company") submits to the Washington Utilities and Transportation Commission ("Commission") the following revisions to its Tariff WN U-3, stated to become effective with service on and after March 1, 2025:

Eighth Revision of Sheet No. 301  
Sixth Revision of Sheet No. 301-A  
Third Revision of Sheet No. 301-B

The purpose of this filing is to revise Schedule 301, Low-Income Weatherization Incentive Program, to commence a one-year pilot, where third-party weatherization contractors would be allowed to administer unprocessed leads for Cascade's Low-Income Weatherization Incentive Program ("WIP"). Community Action Agencies ("Agencies") will continue to be the primary program administrators, holding the first right of refusal of any customer lead. Agency work and involvement with WIP is valued, and this pilot will not diminish their role or remuneration for program administration. This pilot is being proposed as a means to address the influx of program referrals the Company has received from its Cascade Arrearage Relief and Energy Savings ("CARES") low-income bill assistance program.

The CARES program, which launched October 1, 2023, has greatly increased the Company's reach to income-qualified customers. CARES applications ask customers if they are interested in learning more about the weatherization services offered through WIP. Approximately 800 customers have responded affirmatively, uncovering a distributional inequity among income-qualified customers who would like access to energy saving opportunities. Agencies administering WIP do not currently have the capacity to respond to these customers, as the number of referrals received in less than a year (~800) greatly exceeds the number of homes Agencies have been able to weatherize in the past five years (297). The discrepancy between the need for income-qualified weatherization services and the current capacity to serve the need cannot be simply fixed by enhancing the current delivery model. Over the past few years, WIP has been removing program and funding barriers in an effort to increase program reach. While efforts have been successful, the impact has

not been significant enough. The proposed pilot program will seek to identify a means to meet customers' need for WIP services and to understand potential barriers or bottlenecks to traditional WIP delivery. Cascade is anxious to connect more customers with weatherization services, as weatherizing a home is the most enduring means to lowering energy bills and to making a home more comfortable. Weatherization is also an effective method to lower the overall carbon emissions of the Company's distribution system.

The pilot parameters are outlined in the attached document titled, "NEW-W25-01-02-CNGC-WIP-Pilot-Plan-01-24-2025.pdf." This document is the product of the following communications with Agencies and other interested parties, including customer representatives from vulnerable populations, Commission Staff, The Energy Project ("TEP"), and the Washington State Department of Commerce:

<b>September 9, 2024:</b>	Discussed the unmet need related to WIP referrals with Cascade's Equity Advisory Group
<b>September 10, 2024:</b>	Draft pilot plan provided to all CAG members (TEP, Commission Staff, and Dept of Commerce)
<b>September 17, 2024:</b>	Meeting on pilot plan with TEP
<b>September 26, 2024:</b>	Received written comments from TEP
<b>September 27, 2024:</b>	Meeting with Commission Staff and Department of Commerce to discuss draft pilot plan, which was significantly revised as a result of this meeting.
<b>October 2, 2024:</b>	Emailed a draft tariff filing including the revised WIP pilot plan to Agencies, Commission Staff, and TEP.
<b>October 11, 2024:</b>	Presented WIP pilot plan to the Equity Advisory Group
<b>October 23, 2024:</b>	Meeting with Agencies, Staff, TEP, and Dept. of Commerce on the revised WIP pilot plan.
<b>December 12, 2024:</b>	Cascade met with TEP to discuss the WIP pilot

The discussions about the pilot and the multiple rounds of drafts demonstrate Cascade's commitment to balancing the need to ensure qualifying customers have timely access to WIP services with its desire to ensure the Agencies' long-term success.

Cascade's Equity Advisory Group favors the proposed WIP pilot program, noting that customers seeking weatherization should reasonably expect to wait up to thirty days to be contacted but longer than that is poor service. Currently, the approximately 800 referrals in the WIP queue that have been accumulating since October 1, 2023, have received no call back for WIP services. Equity Advisory Group members, who have lived experience as vulnerable and/or low-income, report experiencing difficulty connecting with or making appointments with Agencies, citing that Agencies are small organizations that appear to be too understaffed to serve all the needs within their communities.

Parties to the Conservation Advisory Group, which include TEP, Agencies, and Commission Staff, have mixed opinions about the WIP pilot. Cascade is not confident it can say TEP or Agencies are fully opposed or in favor of the pilot as the overall tenor has been apprehensive that the pilot could result in a competing service delivery arm or in poorly treated homes. Cascade has heard these concerns and this is why Cascade is proposing a one-year pilot where contractors will be subject to the same requirements as Agencies and will be expected to do the same quality and breadth of work. After one year, the pilot will be evaluated against the program standards and parties' concerns. Commission Staff has been supportive of the WIP pilot

program, recognizing that the distributional inequity of not serving customers with a need for income qualified weatherization services cannot be ignored.

Overall, Cascade looks forward to implementing the WIP pilot in order to bring weatherization services to customers who both need it and want it.

This electronic filing consists of the following files:

- NEW-W25-01-02-CNGC-WIP-CLtr-01-24-2025.pdf
- NEW-W25-01-02-CNGC-WIP-Trf-01-24-2025.pdf
- NEW- W25-01-02-CNGC-WIP-Pilot-Plan-01-24-2025.pdf

Please direct any questions regarding this filing to me at (208) 377-6015 or Jennifer Gross at (509)-975-9473.

Sincerely,

*/s/ Lori Blattner*

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Attachments