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BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND	)	DOCKET NO. UG-920062
TRANSPORTATION COMMISSION	)	
Complainant,	)	
	)	COMPLAINT AND ORDER
vs.	)	SUSPENDING TARIFF FILING
	)	AND INSTITUTING
CASCADE NATURAL GAS CORPORATION	)	INVESTIGATION
Respondent.	)	
.....	)	

On January 24, 1992, Cascade Natural Gas Corporation ("Cascade" or "company") filed with the Commission a proposed tariff, Refund Adjustment Schedule No. 699, which is in the nature of a negative surcharge or credit to be applied to the rates and charges in Schedule 663, Distribution System Transportation Service, and Schedule 678, Interruptible Electric Generation Gas Service.

The proposed changes are identified as follows: an equal cents per therm credit of \$0.04 over a twenty-four month period, or until the amount attributable to each non-core customer plus interest has been returned to the customer. The amount to be passed back to customers results from a refund of the difference between the amounts collected by Northwest Pipeline Corporation ("Northwest") under rates which were allowed to become effective subject to refund and the final settlement rates approved by the Federal Energy Regulatory Commission (FERC) in Northwest's rate design proceeding, Docket No. RP 88-47. From this total refund, Cascade has reserved an amount to cover an anticipated direct bill of charges from Northwest for supplier settlement payments ("SSP"), which are subject to a pending Northwest rate case appeal. The total non-core portion of the refund before the SSP reduction is \$8,606,136. The total SSP-related charges held back, pending resolution of the matter by FERC, is \$3,327,666. Thus, the amount proposed by the company to be refunded to non-core customers under Schedule 699, as filed, is \$5,581,543.

The stated effective date of the tariff filing is March 1, 1992.

It appears to the Commission that the proposed tariff could result in rates and charges which may be unfair, unjust, unreasonable, or insufficient.

The Commission believes that it should order public hearings concerning the proposed tariff so that it may fix rates which are just and reasonable. In accordance with RCW 80.04.130, the burden of proof to show that the proposed tariff is fair, just, and reasonable shall be upon the company.

The Commission will suspend the operation of the proposed tariff pending hearing and Commission decision.

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The Commission deems it necessary, in order to carry out its duties, to order an investigation of the books, accounts, practices, and activities of the company, to order a valuation or appraisal of the company's property, and to order an investigation and appraisal of the company's operations.

O R D E R

IT IS THEREFORE ORDERED:

1. The operation of the proposed tariff is suspended for a period not exceeding ten months from the proposed effective date, pending hearing and Commission decision.

2. During the suspension period, no change or alteration shall be made in the tariffs which are the subject of the company's filing, except upon petition to the Commission and authorization by Commission order.

3. One or more hearing sessions concerning the justness and reasonableness of the proposed tariff may be held at times and places designated by the Commission.

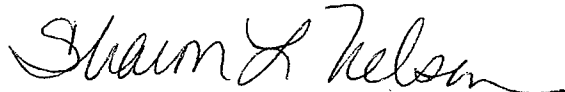
4. An investigation, valuation, and appraisal of the company's property and operations shall be conducted by the Commission.

5. The company shall pay the expenses reasonably attributable and allocable to the investigation, to the extent that requiring such payment is consistent with the provisions of chapter 80.20 RCW.

6. The company shall supply to its customers affected by the proposed tariff, the statement required by WAC 480-80-125 in the form and manner specified in the rule.

DATED at Olympia, Washington, and effective this 14th day of February 1992.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION



SHARON L. NELSON, CHAIRMAN



A. J. PARDINI, COMMISSIONER