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February 25, 2022

Washington Utilities & Transportation Commission  
Mr. Mark L. Johnson, Executive Director & Secretary  
P.O. Box 47250  
Olympia, WA 98504-7250

RE: Cascade Natural Gas Corporation 2023 Integrated Resource Plan

Dear Mr. Johnson:

Pursuant to WAC 480-90-238, enclosed for filing is Cascade Natural Gas Corporation's Work Plan for its 2023 Integrated Resource Plan (IRP or Plan).

If there are any questions regarding this matter, please contact me at (509) 734-4546 or Mark Sellers-Vaughn at (509) 734-4589. Alternatively, we may be reached at [brian.robertson@cngc.com](mailto:brian.robertson@cngc.com), [mark.sellers-vaughn@cngc.com](mailto:mark.sellers-vaughn@cngc.com), or at [IRP@cngc.com](mailto:IRP@cngc.com).

Sincerely,  
CASCADe NATURAL GAS CORPORATION

A handwritten signature in black ink, appearing to read "Brian Robertson", with a long horizontal flourish extending to the right.

Brian Robertson  
Supervisor, Resource Planning

Enclosures

### **Purpose of the Integrated Resource Plan**

The primary purpose of Cascade's long-term resource planning process has been, and continues to be, to inform and guide the Company's resource acquisition processes, consistent with the rule (WAC 480-90-238). Input and feedback from the Company's Technical Advisory Group (TAG) will continue to be an important resource to help ensure Cascade's IRP is developed from a broader perspective than Cascade could have on its own.

### **Outline of IRP Content:**

The following is an outline of the Company's 2023 IRP plan. Organizational structure of the final IRP may be revised based on results of analysis and feedback received through the planning process.

- I. Executive Summary
- II. Company Overview
- III. Demand Forecast
- IV. Supply Side Resources
- V. Avoided Costs
- VI. Environmental Policy
- VII. Demand Side Management
- VIII. Renewable Natural Gas
- IX. Distribution System Planning
- X. Resource Integration
- XI. Stakeholder Engagement
- XII. Two-year Action Plan
- XIII. Glossary and Maps
- XIV. Appendices

### **2023 IRP Timeline**

The 2023 IRP TAG meetings will likely take place via teleconference due to COVID, however, discussions throughout the IRP process may lead to in person TAG meetings. The following is Cascade's tentative 2023 IRP timeline:

- Develop Demand Forecast: January 2022 through May 2022
- Distribution System Planning Analysis: March through June 2022
- Gas Supply Analysis: April through July 2022
- Integration of Supply and Energy Efficiency Resources: April through August 2022
- Public Process: Technical Advisory Group Meetings
  - TAG 1: Process, Key Points, IRP Team, Timeline, Regional Market Outlook, Planned Scenarios and Sensitivities, Stakeholder Engagement, plan for dealing with issues raised in the 2020 IRP. (March 2022)
  - TAG 2: Demand and Customer Forecast and Non-Core Outlook, Drilling down into segments of demand forecast. Upstream Pipeline presentation. (May 2022)
  - TAG 3: Distribution System Planning, Alternative Resources, Price Forecast, Avoided Costs, Current Supply Resources, Transport Issues. (June 2022)
  - TAG 4: Carbon Impacts, Energy Efficiency, Bio-Natural Gas, Preliminary Resource Integration Results. (August 2022)
  - TAG 5: Final Integration Results, finalization of plan components, Proposed new 2- to 4-year Action Plan. (September 2022)
- File Draft 2023 IRP: (November 2022)
- Comments due on draft (January 2023)
- TAG 6 (if needed) (February 2023)
- Final 2023 IRP Filed: on or before February 26, 2023
- Open Meeting Presentation to Commissioners: TBD

## Planning Assumptions

Information needed to perform analysis will be gathered and input assumptions developed throughout the first eight months of 2022. This will include detailed definitions of alternative scenarios and all primary input assumptions for demand forecasting and resource modeling. Additional planning information will be assimilated into the analytical process and planning information that is not incorporated into the modeling process will continue to be assessed.

## 2023 IRP improvements

In the 2020 IRP Staff Comments, the WUTC Commission noted several observations where they would like to see improvements in the 2023 IRP.

- Impact of Legislation Enacted in 2021
- Impacts of COVID-19 Pandemic
- Peak Day Standard
- Impacts of Climate Change
- Upstream Greenhouse Gas Emission Accounting
- Avoided Cost Formula
- Impacts of Electrification and Natural Gas “Bans”
- Renewable Natural Gas Modeling and Evaluation Tool
- Validation of Methods
- Encouraging Participation in the IRP Process by Additional Stakeholders
- Additional Staff Comments Regarding the IRP Narrative

The Company looks forward to working through these improvements with Commission Staff throughout the 2023 IRP.

Process Items	Process Elements	Date
TAG 1 (Combined)	Process, Key Points, IRP Team, Timeline, Regional Market Outlook, Planned Scenarios and Sensitivities, Plan for dealing with issues raised in the 2020 IRP	3/30/2022
TAG 2 (Combined)	Demand and Customer Forecast and Non-Core Outlook, Drilling down into segments of demand forecast. Upstream Pipeline presentation.	5/18/2022
TAG 3 (WA)	Distribution System Planning, Alternative Resources, Price Forecast, Avoided Costs, Current Supply Resources, Transport Issues.	6/29/2022
TAG 4 (WA)	Carbon Impacts, Energy Efficiency, Bio-Natural Gas, Preliminary Resource Integration Results.	8/10/2022
TAG 5 (WA)	Final Integration Results, finalization of plan components, Proposed new 2- to 4-year Action Plan.	9/28/2022
Draft of 2022 IRP distributed (WA)	Filing of Draft IRP	11/24/2022
Comments due on draft from all stakeholders (WA)	Comments due from Stakeholders	1/13/2023
TAG 6, if needed (WA)	An additional TAG if needed based on comments from Stakeholders	2/1/2023
IRP filing (WA)	IRP Final Filing	2/24/2023



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# CASCADE NATURAL GAS STAKEHOLDER ENGAGEMENT DESIGN DOCUMENT

[Abstract](#)

This document contains the rational, assumptions, and explanation behind the Stakeholder Engagement process of Cascade's IRP Process

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## Introduction

Cascade welcomes input from technical experts and the interested public in developing its Integrated Resource Plan (IRP). Cascade seeks to employ best industry practices and recognizes external participation can add incremental improvements.

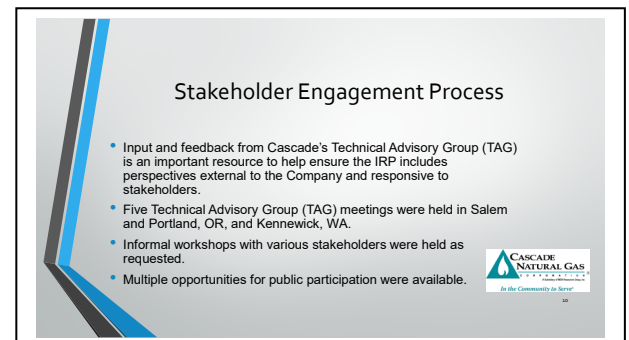
Cascade recognizes stakeholders have a multitude of projects before them. This Design Document is intended to assist in optimizing participation by interested parties to yield a solid IRP to the benefit of customers and the Company.

## Purpose

The goal of the IRP process is to produce a plan that addresses meeting long-term load giving consideration to the best combination of expected costs and associated risks and uncertainties for the utility and its customers. Cascade strongly believes this process is best accomplished with input from all stakeholders.

The purpose of this document is to align perspectives for maximizing the effectiveness, influence, and amount of contributions from stakeholders in an environment of robust workloads by all parties. The stakeholder engagement process is summarized in Box #1.

### Box #1: From OPUC 5/15/18 Workshop



## Principles

Cascade applies the following four principles throughout this Design Document and the overall IRP process.

- A quality stakeholder engagement process is an iterative activity that requires collaboration and commitment

- Input from diverse perspectives improves the resulting IRP
- Removing barriers to participation and communicating in clear language with solid data is critical
- Transparency, and availability of Cascade staff for associated discussions, is central to the IRP process

## Context

This Design Document is provided with the understanding that some organizations (e.g., Commission Staffs) may rotate its members through its various utility's IRP processes as well as onboard new Staff. Thus, beyond memorializing Cascade's commitments, this Document can be a primer for analyst-to-analyst mutual expectations.

Cascade's perspective is to capture the benefits of interested parties' knowledge by seeking to implement best-practices of stakeholder engagement, beyond this simply being a regulatory requirement.

## Mutual Expectations

The Company will commit to the following series of actions for an efficient process to enhance stakeholders' participation. In turn, Cascade hopes that participating stakeholders will agree to general expectations on their part. The following Cascade and Stakeholder commitments are intended to coordinate communication throughout the IRP process and lay out mutual expectations.

### Cascade Commitments

1. The Company will provide reasonable accommodations for people with disabilities. Additionally, the Company will reasonably accommodate items such as requests for meeting locations, audio and visual capabilities, and other items requested by external stakeholders
2. Publishing an annual schedule of meetings, for calendaring and coordination purposes, to be included in the workplan
3. Publish a brief section that lists the recommendations from the previous Commission IRP acknowledgement
4. Providing meeting materials (agenda and PowerPoint) approximately 7 days in advance of meetings
5. Responding to pre- or post-meeting communication going over information of interest to stakeholders
6. Offering separate workshops (e.g., forecasting, SENDOUT®, DSM) as requested
7. Keeping a running list of action items from Technical Advisory Group (TAG) meetings that need to be further addressed if not directly related to the then-meeting topic or if more time is required to respond
8. Provide TAG minutes that include the action items from bullet #7 as well as any upcoming deadlines for feedback on the IRP.
9. Allowing for open, inclusive, and balanced participation and information sharing

10. Recognizing that some parties may not have the industry knowledge or the resources to devote to analyzing all aspects of the IRP and that their interest may be one of breadth
11. Understanding TAG members can and should speak up if they need more information or if the time for discussion is too short and merits further discussion
12. Responding to questions in a reasonable time period
13. Noting when confidential information has been requested (or provided) and associated treatment
14. Seeking perspectives on inputs and results of the components of the IRP
15. Present information in a clear and transparent manner

### Cascade Requests of Stakeholders

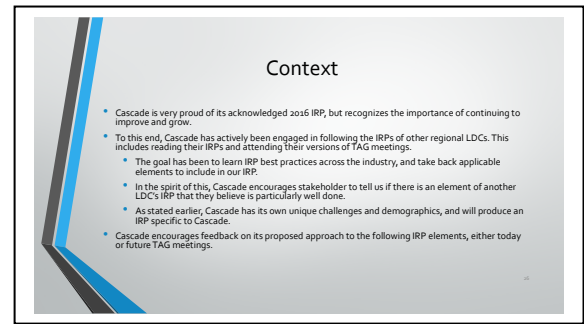
1. Ask questions of the Company on technical and methodological aspects
2. Be a point of contact within their organization to distribute information to peers or let Cascade know who should be on Cascade's direct distribution list.
3. Provide organizational positions, opinions, or perspectives to all stakeholders on various issues, while recognizing the following bullet point #4. (This is particularly relevant for organizations that have different lead analysts assigned to different companies or who have relatively new Staff members participating in any given IRP process.)
4. All should understand that some (e.g., Commission Staffs) organizational representatives cannot bind their organizations (i.e., Commissioners) but are making best efforts to provide relevant information
5. Recognize relative informality of the meetings and ability to interject for clarification and understanding
6. These requests of stakeholders are not to say, "speak now or forever hold your peace" or to put undue pressure on others' timelines and workload; rather these are ways to maximize the effectiveness of the stakeholders' comments, which optimizes the process. Again, comments received earlier in the process can better influence the final draft document.
7. When possible, provide feedback to meeting materials in advance of the meeting, to give Company representatives time to prepare information for an informed discussion.
8. Review bullet points #5 and #8 of Cascade's Commitments to ensure all action items are included and have been satisfactorily responded to by Cascade.

## Desired End-Result

A well-planned and executed stakeholder engagement process would have all technical and methodological issues examined in meetings prior to parties later providing comments on the final draft document. This is the proverbial win-win-win situation. Commission Staffs and interested parties would have full understanding of the Company's data and analytical approaches. These studies can be refined through analyst-to-analyst discussions. Consideration of new approaches can be put to the forefront for current or future IRPs, based on budgets and benefit to customers. The Company benefits by gaining access to perspectives perhaps not otherwise known. Commission Staff and others may be aware of emerging policies and approaches given the breadth of their interactions with Commissioners and new issues. As Cascade strives to implement best planning practices, as depicted in Box #2, stakeholders can provide advice based on what they've seen in the industry.

The Company has and will continue to encourage stakeholder feedback, questions, and suggestions to assist Cascade in producing an IRP that meets the regulatory requirements and Cascade’s customers’ needs. Cascade prefers to receive feedback as early as possible in the process (e.g., in the course of its technical advisory group meetings or soon thereafter) so that the Company has a better opportunity to address questions or analyze/apply more stakeholder suggestions. Cascade recognizes that all parties are extremely busy, but strongly believes that stakeholder participation is crucial from the outset.

**Box #2: From WUTC 6/18/18 Workshop**



The above recognizes that key analytical components of the IRP—such as the demand forecast—need to be “locked down” at least midway through the process so that resource integration can be addressed. Interested parties can best influence these components earlier, rather than later, in the process.

## Conclusion

While Cascade "owns" and is responsible for the IRP, the Company desires to have involvement from stakeholders to provide a diversity of perspectives. A best practices IRP is informed by perspectives, analyses and access to concerns and approaches that the Company may not have considered. Some stakeholders participate in multiple IRP processes and have a line-of-sight that may not be available to Cascade, despite the Company monitoring other utilities’ IRPs and associated processes.

Cascade recognizes parties will submit sometimes-detailed comments at the conclusion of the stakeholder involvement process in advance of Commission acknowledgement. The Company’s hope is that the guidelines contained in this Document will allow stakeholders to demonstrate to the Commission their work in the final IRP while concurring with its conclusions given the parties’ influence.