

**Exhibit No. \_\_ (MPP-6T)**  
**Docket No. UG-152286**  
**Witness: Michael P. Parvinen**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,  
Complainant,

v.

CASCADE NATURAL GAS  
CORPORATION,

Respondent.

DOCKET UG-152286

**CASCADE NATURAL GAS CORPORATION**  
**SUPPLEMENTAL DIRECT TESTIMONY OF MICHAEL P. PARVINEN**

**February 26, 2016**

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## I. INTRODUCTION

1 **Q. Please state your name and your position with Cascade Natural Gas**  
2 **Corporation.**

3 A. My name is Michael P. Parvinen. I am employed by Cascade Natural Gas  
4 Corporation (Cascade or Company) as the Director of Regulatory Affairs. My  
5 qualifications were previously provided in Exhibit No. \_\_ (MPP-1T).

6 **Q. What is the purpose of your supplemental testimony?**

7 A. My supplemental testimony addresses the stipulated conditions approved in  
8 Commission Order No. 3, issued in docket no. UG-140381, that stated the Company's  
9 next general rate case would include a description of how late payment fees and the  
10 disconnection visit charges are assessed.<sup>1</sup>

## II. LATE PAYMENT CHARGES

11 **Q. Please explain how the Company communicates billing information to its**  
12 **customers.**

13 A. At the end of a billing cycle, the Company issues a bill to the customer for the billing  
14 cycle usage and any other applicable charges or credits. The customer's bill indicates  
15 the billing period, the bill date, the due date, the amount due for the billing cycle  
16 usage, the past due amount (if applicable), and any other amounts due (including late  
17 payment, if any). Payment is due upon receipt of the customer bill, and the account is  
18 considered past due if unpaid after 15 days.

19 **Q. Please explain how the Company applies late payment charges.**

20 A. Consistent with Rule 6 and Schedule 200 of the Company's tariff, Cascade applies a  
21 late payment charge of 1% per bill cycle to customer accounts that were unpaid as of  
22 the date the account enters the next billing cycle. Stated differently, the late payment

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<sup>1</sup> See *Wash. Utils. & Transp. Comm'n v. Cascade Natural Gas Corp.*, Docket UG-140381, Order 03 at App. A, ¶¶ 10, 17 (June 10, 2015).

1 charge is applied approximately 30 days after the bill's due date, which is the date the  
2 bill was issued. As a practical matter, Cascade issues bills on intervals that range from  
3 28 to 32 days depending on the number of work days in the month. Cascade believes  
4 the Company's billing practices comply with RCW 80.28.080, WAC 480-90-  
5 178(1)(b), and Rule 6 of the Company's tariff.

6 **Q. Is the Company proposing any changes to how it applies late payment charges?**

7 A. No.

**III. DISCONNECTION VISIT CHARGES**

8 **Q. Please explain how the Company applies disconnection visit charges?**

9 A. In accordance with Rule 5 and Schedule 200 in the Company's tariff, the Company  
10 charges \$10.00 when it visits a Customer's addresses for the purpose of disconnecting  
11 service and service is not disconnected. The disconnection visit fee is intended to  
12 recover costs for dispatching the truck and to discourage customers from using  
13 disconnection visits as a bill payment channel.

14 **Q. Is a disconnection visit charge applied if the customer is actually disconnected?**

15 A. No.

16 **Q. Is the Company proposing any changes to how it applies disconnection visit  
17 charges?**

18 A. No.

**IV. CONCLUSION**

19 **Q. Are the application of the late payment charge and the application of the  
20 disconnection visit charge in compliance with the settlement in docket UG-  
21 140381?**

22 A. Yes. Cascade made a compliance tariff filing in the docket to address both issues that  
23 was accepted by Commission order on July 10, 2015.

1 Q. Does this conclude your testimony?

2 A. Yes.