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March 29, 2024

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

Re: UG-240008, Cascade Natural Gas General Rate Case, Advice No. W24-03-03

Dear Director Killip:

Purpose of Filing

Cascade Natural Gas Corporation (“Cascade” or “Company”) submits the attached general rate case filing wherein the Company seeks authorization from the Washington Utilities & Transportation Commission (“Commission”) to increase its rates and charges for natural gas services to its customers in the State of Washington. The Company is proposing an increase in base revenues which would begin with new rates effective March 1, 2025.

The Company is proposing a Two-Year Rate Plan, which would begin with new base rates effective March 2025 (Rate Year 1) and March 2026 (Rate Year 2). For Rate Year 1, the proposed increases reflect natural gas base rate relief of \$43.8 million, or 29.78%, effective March 1, 2025. For Rate Year 2 of the Two-Year Rate Plan, the proposed increases reflect natural gas base rate relief of approximately \$11.7 million, or 6.04%, effective March 1, 2026. The base rate impacts of this filing are explained in greater detail in the Summary Document, enclosed as Attachment C.

As discussed in the Direct Testimony of Zachary L Harris, Exhibit ZLH-1T, the Company is also proposing to establish new rate adjustment mechanisms related to its COVID-19 and WUTC Fee deferral balances, with rates effective March 1, 2025. The total revenue increases associated with the COVID-19 and UTC recovery mechanisms are approximately \$4.2 million, or 1.12% and \$0.9 million, or 0.23%, respectively. Combined with the proposed March 1, 2025 change to base rates, the change to billed revenues is \$48.9 million, or 13.18%.

The table below shows the bill impacts by rate schedule for each of the proposed March 1, 2025 rate changes as well as the total change. The March 1, 2026 bill impacts resulting from the proposed base rate changes are shown in Attachment C.

Service, Schedule No.	COVID-19		UTC Fees		Rate Case		Overall	
	Bill Difference	Bill Percent Change	Bill Difference	Bill Percent Change	Bill Difference	Bill Percent Change	Bill Difference	Bill Percent Change
Residential, Schedule 503	\$1.40	1.88%	\$0.17	0.23%	\$9.40	12.62%	\$10.97	14.73%
Commercial, Schedule 504	\$1.69	0.48%	\$0.58	0.16%	\$15.69	4.42%	\$17.96	5.06%
Industrial Firm, Schedule 505	\$12.30	0.51%	\$2.93	0.12%	\$107.14	4.47%	\$122.37	5.11%
Large Volume, Schedule 511	\$7.59	0.05%	\$14.89	0.09%	\$624.96	3.93%	\$647.43	4.07%
Industrial Interruptible, Schedule 570	\$7.74	0.03%	\$14.48	0.06%	\$1,060.44	4.13%	\$1,082.67	4.22%
Transport, Schedule 663	\$7.38	0.05%	\$88.59	0.61%	\$6,061.67	32.98%	\$6,157.65	33.50%

In accordance with WAC 480-07-510, the Company includes an original and five (5) paper copies of its pre-filed direct testimony and exhibits supporting this rate case filing. Additionally, all documents have been electronically filed consistent with the requirements in WAC 480-07-140.

Electronic copies of several supporting workpapers will be filed and served on Commission Staff along with a copy to Public Counsel Unit with this filing and remaining workpapers will be filed and served on or before five business days of the date of this filing.

Proposed Tariff Sheets

Provided with this filing are electronic copies of the following proposed tariff sheets, Attachment A, formatted with the coding required by WAC 480-80-105, and electronic copies in legislative format, Attachment B, as required by WAC 480-07-510(2). These tariff sheets have issue dates of March 29, 2024, and effective dates of May 1, 2024. However, the Company requests that the tariffs be suspended with an effective date of March 1, 2025.

WN U-3 Tariff, Natural Gas Service:

Twelfth Revision	Sheet No. 25	Decoupling Mechanism
First Revision	Sheet No. 25-A	Decoupling Mechanism
Second Revision	Sheet No. 25-B	Decoupling Mechanism
Sixty-Ninth Revision	Sheet No. 503	Residential Service Rate
Fifty-Third Revision	Sheet No. 504	General Commercial Service Rate
Fifty-Second Revision	Sheet No. 505	General Industrial Service Rate
Seventieth Revision	Sheet No. 511	Large Volume General Service
Original	Sheet No. 555	Commission Fee Adjustment
Original	Sheet No. 556	COVID-19 Cost Recovery Adjustment
Sixty-Fourth	Sheet No. 570	Interruptible Service
Twenty-Second Revision	Sheet No. 663	Distribution System Transportation Service
Thirteenth Revision	Sheet No. 663-A	Distribution System Transportation Service

Pursuant to WAC 480-90-194, Cascade agrees to suspension of the proposed tariff filings and thus is not required to publish notice coincident with the date of this transmittal letter and filing. The Company agrees to waive a suspension hearing and requests that the Commission immediately issue an order suspending these proposed changes for investigation and schedule a prehearing conference as soon as possible.

Please note that the Original Sheet Nos. 555 and 556 are the result of the proposed rate adjustment mechanisms related to the Company's COVID-19 and WUTC Fee deferral balances, as discussed above. Additionally, the Company is proposing changes to the Company's decoupling mechanism on Sheet Nos. 25, 25-A, and 25-B in Rule 21, and proposing to update the lost and unaccounted for percentage in Sheet No. 663-A. These proposals are discussed in the Direct Testimony of Zachary L Harris, Exhibit ZLH-1T.

Public Notice

In compliance with WAC 480-90-197, the Company will provide public notice once the Commission has selected public hearing dates for this proceeding. In compliance with WAC 480-90-193(1) the Company will post the proposed changes to its tariffs for public inspection and review on its website (www.cngc.com) and will provide access via request by telephone or mail.

Pursuant to WAC 480-07-510(5), the Company is serving copies of the Summary Documents in Attachment C to all persons required by WAC 480-07-510(5). A copy of the form of the cover letter and Certificate of Service for such persons are provided in Attachment F.

Additional Materials Submitted with This Filing

Included with this cover letter are the following attachments:

- Attachment A – The proposed tariffs
- Attachment B – The legislative tariffs
- Attachment C – A summary document of the Company's proposed case as required per WAC 480-07-510(5)(a).
- Attachment D – The Rate Case Compliance Matrix, which provides Commission Staff's "Audit Guide – Initial Filing Assessment For Electric And Natural Gas Companies" requirements, and Cascade's explanation of how or where the requirements were met.
- Attachment E – Financial Documents required per WAC 480-07-510(7)
- Attachment F – Form cover letter required by WAC 480-07-510(5)
- Attachment G – Exhibit List

In compliance with WAC 480-07-510(3)(g), the Company states that there are no additional material affiliated transactions to report impacting the test year that otherwise were not already reported in the Company's annual "2023 Affiliated Interest and Subsidiary Transaction Report," which was filed on March 22, 2024 (see Docket UG-240192).

Confidential Information

Please note that the Company previously filed a Motion for a Protective Order Pursuant to WAC 480-07-420 and the Commission issued a protective order, Order 01, on February 15, 2024.

The Company therefore requests that the documents contained in the envelopes identified with the cover page marked “**SHADED INFORMATION IS DESIGNATED AS CONFIDENTIAL PER PROTECTIVE ORDER IN DOCKET UG-240008**” as well as the files marked “Shaded Information Is Designated as Confidential per **Protective Order in Docket UG-240008**” be treated as confidential under the provisions of WAC 480-07-160, as they each contain sensitive commercial information. In accordance with WAC 480-07-160(5)(c), the Company has enclosed redacted versions of the documents containing confidential information along with the non-confidential documents in its filing, and has placed unredacted versions of the documents containing confidential information in separate envelopes with corresponding “**SHADED INFORMATION IS DESIGNATED AS CONFIDENTIAL PER PROTECTIVE ORDER IN DOCKET UG-240008**” labels on the envelopes. Each page of the unredacted version containing confidential information has been printed on yellow paper.

Company Representatives

Service of documents, correspondence, or questions pertaining to this filing should be directed to the following Cascade Natural Gas Corporation representatives:

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We look forward to working with the Commission, Commission Staff, Public Counsel, our customers, and other interested parties on this important matter.

Sincerely,

/s/ Lori Blattner

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Enclosures