DRAFT Important Notice October 2005

To Cascade Natural Gas Customers residing within the city limits of Shelton, WA

The City Council of Shelton has informed Cascade that, under Ordinance No. 1646-0805, it has increased the tax rate on utilities from 3% to 6% effective________, 2005.

The new level of municipal tax will be reflected in all bills of all customers living within the city limits of Shelton rendered on and after October 15, 2005. This change will increase an average customer's natural gas bill by 3%. For example: A customer whose natural gas bill averages 50.00 per month will pay an additional \$1.50 per month, or about \$18.00 per year in municipal tax.

CASCADE NATURAL GAS CORPORATION