

TABLE OF CONTENTS

SECTIONS	<u>TITLE</u>	SHEET NOS.
Title Page		1
Index Page		2
Legend of Symbols		4
Rules and Regulations		4-17
Rate Schedules		503-570, 663
Supplemental Schedules		200-304, 500, 581-597
RULES AND REGULATIONS		
1	General	5
2	Definitions	6
3	Establishing Service	7
4	Customer Deposits and Other Security	8
5	Disconnection and Reconnection of Service	9
6	Billings and Payments	10
7	Meters and Meter Testing Procedures	11
8	Extension of Distribution Facilities	12
10	Customer-Owned Facilities	14
13	Company Responsibility	17
14	Customer Responsibility	18
15	Force Majeure	19
17	Order of Priority for Gas Service	21
18	Limitation of Service to Applicants	22
19	Purchase Gas Cost Adjustment Mechanism	23
<u>20</u>	<u>Cascade Arrearage Relief Energy Savings (CARES) Program</u>	<u>20</u>
21	Decoupling Mechanism	25
RATE SCHEDULE		
503	Residential Service	503
504	Commercial Service	504
505	Industrial Service	505
511	Large Volume Service	511
570	Interruptible Service	570
663	Transportation Service	663

(N)

(continued)

(M) refers to language previously found on Sheet No. 2 A that is now on Sheet No. 2.

(D)

TABLE OF CONTENTS (continued)

SUPPLEMENTAL SCHEDULES

200 Miscellaneous Charges..... 200

300 Energy Efficiency Incentive Program..... 300

301 Low Income Weatherization Incentive Program 301

302 [Cascade Arrearage Relief Energy Savings \(CARES\) Discount Rates.....](#) 302

303 Washington Energy Assistance Fund (WEAF) Program..... 303

304 Temporary COVID-19 Residential Bill Assistance Program 304

500 Municipal Taxes..... 500

582 Unprotected Excess Deferred Income Tax (EDIT) Reversals..... 582

590 Gas Cost Amortization..... 590

592 [Cascade Arrearage Relief Energy Savings \(CARES\) Cost Recovery](#) 592

593 Washington Energy Assistance Fund (WEAF) Program Cost Recovery..... 593

594 Decoupling Mechanism Adjustment..... 594

595 (CONTENT REMOVED)..... 595

596 Conservation Program Adjustment..... 596

597 Cost Recovery Mechanism (CRM) 597

(C)

~~(K) refers to text previously on Sheet No. 2-A that is now on Sheet 2-~~

(D)

RULE 20
CASCADE ARREARAGE RELIEF ENERGY SAVINGS (CARES) PROGRAM

PURPOSE

The purpose of this rule is to define the parameters for applying an energy burden discount on a qualifying customer’s monthly gas bill and a one-time, up-front arrearage relief discount on a customer’s outstanding balance, if applicable.

AVAILABILITY

This rule applies to residential customers or household members of a dwelling served on Schedule 503, Residential Service Rate, who have declared that their household is low-income.

LOW-INCOME DEFINITION

A customer is considered low-income if their gross cumulative household income for a specific timeframe within the last twelve months, extrapolated for twelve months, adjusted per the table below, does not exceed 80% of the county’s area median income (AMI) or 200% Federal Poverty Level (FPL) for a household with the same number of occupants.

<u>Gross Income Type</u>	<u>Types of Income</u>	<u>Gross Deduction</u>
<u>Fixed Income, not taxed</u>	<u>SSA, SSDI, SSI, Pension, Unemployment, VA</u>	<u>0%</u>
<u>Fixed income, taxed</u>	<u>SSA, SSDI, Pension, Unemployment</u>	<u>10%</u>
<u>Earned Income, taxed</u>	<u>Regular earnings from a job</u>	<u>20%</u>
<u>Self-Employment</u>	<u>1040 or Any type of self-employment that has costs associated with it</u>	<u>50%</u>
<u>Other Cash Income</u>	<u>TANF, Child Support</u>	<u>0%</u>

PROGRAM DELIVERY

The program will be administered by the designated Agencies listed in the table below that already administer Low-Income Home Energy Assistance Program (LIHEAP) funds to Cascade’s customers and have executed agreements for program delivery with the Company.

<u>Agencies</u>	
<u>Blue Mountain Action Council</u>	<u>Kitsap Community Resources</u>
<u>Chelan-Douglas Community Action Council</u>	<u>Lower Columbia Community Action Program</u>
<u>Coastal Community Action Council</u>	<u>Northwest Community Action Program</u>
<u>Community Action Connections</u>	<u>Opportunities Industrialization Center of WA</u>
<u>Community Action Council of Lewis, Mason & Thurston Counties</u>	<u>Opportunity Council</u>
<u>Community Action of Skagit County</u>	<u>Snohomish County Human Services Department</u>

(continued)

RULE 20

CASCADE ARREARAGE RELIEF ENERGY SAVINGS (CARES) PROGRAM

APPLICATION FOR CARES

Customers or household members may apply for the program by contacting an Agency or completing an online application on www.cngc.com. Applications submitted on the Company's website will be provided to the agencies for processing.

DECLARED INCOME VERIFICATION PROCESS

Customers may qualify for service under this rule by declaring that their household is low income. The Company may randomly select up to five percent (5%) of customers, who enrolled by declaring their low-income status, for post-enrollment verification of their declared income.

If a customer selected for income verification fails to provide timely documentation of income, they may be removed from the program but will not be required to reimburse the Company for any discounts received prior to removal.

If a customer who has been removed from CARES for failing to verify their household income provides the Agency documentation verifying income within 60 days after being removed from the program, the Company will reenroll the customer into CARES and will credit the customer's account for the discount the customer would have received had the customer not been removed from the program.

TERM

Qualifying customers are enrolled in CARES for twenty-four (24) months, after which time it is the customer's responsibility to reapply for continued service in this program by contacting an Agency or submitting a completed application form found on the Company's website. The twenty-four-month term restarts the full billing month after the complete expenditure of a newly applied federal or state credit (e.g., LIHEAP) on the customer's account or upon the application of a new Winter Help credit.

PROGRAM YEAR

The program year is a 12-month period starting October 1 of each year.

PROGRAM COSTS

Program costs, including discounted amounts, outstanding arrearage relief amounts, program delivery, and marketing, will be tracked for collection through Schedule 592, CARES Cost Recovery.

(continued)

RULE 20

CASCADE ARREARAGE RELIEF ENERGY SAVINGS (CARES) PROGRAM

AGENCY PAYMENT

The Company will annually compensate Agencies for the cost of CARES Program delivery by paying an amount equal to 25% of the benefits provided to customers in the prior program year. This total amount will be allocated to Agencies in the following manner: 25% of total program benefits paid in the prior program year will be divided by the total number of customers enrolled in the program in the prior program year thus determining an average benefit per enrollment. Each Agency will be paid the average benefit per enrollment multiplied by the number of customers they enrolled in the prior year. However, in the first program year, Agency payment will equal 25% of forecasted customer benefits in each county, assuming that 10% of customers identified as income-qualified in the "Cascade Natural Gas Corporation: Low-Income Rate Analysis for Washington Report" enroll in the program.

AUTO-ENROLLMENT

Upon program commencement, customers who received LIHEAP, Washington Energy Assistance Fund (WEAF), or Winter Help in the 2022-2023 program year will be automatically enrolled in the energy discount portion of CARES. The Company will utilize available information to place customers into the appropriate income tier for the energy discount. If income information is not available, the customer will be placed in Tier 4 of the program. If an auto-enrolled customer declares having a household income that qualifies them for a higher discount rate, the Company will enroll the customer in the appropriate tier at the next billing cycle.

PROGRAM MARKETING

The Company and Agencies will collaborate on a joint communications plan to market the CARES program using various channels. The Agencies will also engage Community Based Organizations (CBOs) for outreach to disadvantaged and hard-to-reach customer groups, per Commission Order No. 09 issued in Docket UG 210755.

The use of CBOs will be piloted for three years (October 1, 2022, through September 30, 2025). The annual budget authorized for CBO activities will be between \$73,000 and 5% of the program budget. At the end of the pilot period, the Advisory Group will assess the CBOs' work and determine if any refinements are needed.

(continued)

RULE 20

CASCADE ARREARAGE RELIEF ENERGY SAVINGS (CARES) PROGRAM

ADVISORY GROUP

An Advisory Group consisting of key stakeholders, including Public Counsel, Commission Staff, the Energy Project, NW Energy Coalition, Cascade, and representatives from each of the Agencies, will discuss and provide advice to the Company on program-related matters. This includes identifying and reviewing data necessary to design the program and meet the following goals: reduce customers' energy burden, keep customers connected to energy service, provide energy assistance to more customers than are currently served, collect data necessary to assess program effectiveness and inform going policy discussions, and maximize the use of funding for energy assistance from government sources, e.g., LIHEAP. The advisory group will hold meetings at least twice a year via teleconference or in person. While the advisory group can offer guidance and suggestions, the Company is not bound to follow their recommendations when submitting proposals or tariff changes to the Commission.

ENERGY DISCOUNT TERMS AND CONDITIONS

1. The energy discount offered under CARES will not be prorated upon initiation of service but will begin at the start of the first full billing month after the customer has qualified for the program.
2. A customer receiving a bill discount may still be eligible to apply for other available financial assistance programs, such as LIHEAP and Winter Help. However, when state or federal financial assistance is applied (e.g., LIHEAP), the customer's enrollment in CARES will be temporarily suspended until the grant is fully utilized. Once the grant is exhausted, the customer will resume service in CARES at the beginning of the next full billing month and service will resume for a 24-month term. These provisions are not applicable to non-governmental, third-party payments such as those from friends, relatives, or churches.

ARREARAGE RELIEF TERMS AND CONDITIONS

1. The arrearage relief percentage is an upfront, irrevocable credit applied to the customer's bill within a few business days of qualifying for the program.
2. A customer who receives partial arrearage relief may be placed on a time payment arrangement (TPA) for up to 24 months to pay their remaining past due balance. The unpaid balance will be billed in equal amounts over the term of the TPA.
3. A customer may receive up to \$1,000 of arrearage relief once every twenty-four (24) months.
4. Payment credits or grants received, such as those from LIHEAP or Winter Help, will be applied to a full, non-discounted arrearage before any benefits from this program are applied.

(continued)

RULE 20

CASCADE ARREARAGE RELIEF ENERGY SAVINGS (CARES) PROGRAM

GENERAL TERMS AND CONDITIONS

1. Energy discounts and arrearage relief rates for service on the CARES Program are established in Schedule 302, Cascade Arrearage Relief Energy Savings (CARES) Discount Rates.
2. A customer may only apply for service under this rule by declaring their household income once per program year. Customers seeking to requalify for additional energy assistance more than once per program year must provide income documentation to an Agency.
3. A customer receiving CARES service is not obligated to report a change in income during the enrollment term but may choose to do so, in which case, the bill assistance tier will be modified to reflect the customer's most recent income data.
4. Service under this rule is governed by the terms of this schedule, the rules contained in this Tariff, any other schedules that apply to service under this schedule, and all rules and regulations prescribed by regulatory authorities, as amended from time to time.

ANNUAL REPORT

By January 15, the Company will file an annual report with the Commission regarding the performance of the program. The report will provide information on the total dollars spent, dollars discounted from energy bills, dollars allocated for arrearage relief, program delivery costs incurred by the Agencies, the number of households served per each Agency, program expenditures on marketing, an overview of CBO activities, and a comparison of program results with the previous program year. The Advisory Group may specify additional content for the report.

By evaluating key metrics and comparing them to previous years, the report will be used to facilitate an informed assessment of the program's impact on eligible customers and to identify areas for improvement.

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Issued by **CASCADE NATURAL GAS CORPORATION**

By:  Lori A. Blattner

Director, Regulatory Affairs

SCHEDULE 302
CASCADE ARREARAGE RELIEF ENERGY SAVINGS (CARES) DISCOUNT RATES

PURPOSE

The purpose of this schedule is to define the discount assistance for customers who have qualified for low-income bill payment assistance and arrearage relief, if applicable, as established in Rule 20, Cascade Arrearage Relief Energy Savings (CARES) Program.

APPLICABILITY

This schedule is for residential customers served on Schedule 503 who have qualified for CARES Program service per the parameters established in Rule 20.

BILL ASSISTANCE

The following energy discount and arrearage relief discounts are available to Customers receiving service on the CARES Program. The discount tier for which a customer qualifies corresponds to the customer’s cumulative household income and the number of household occupants at the time the customer enrolled in the CARES Program.

Service on this schedule is available on and after October 1, 2023.

Tier	Income Tier Level		Energy Discount	Arrearage Relief (if applicable) *
	FPL	AMI		
1	0-20%	0-4%	90%	100%
2	21-50%	5-12%	71%	100%
3	51-100%	13-24%	40%	90%
4	101-150%	15-36%	15%	70%
5	151-200%	37-80%	8%	50%

*Arrearage relief may be limited to \$1,000 per 24-month term of service in CARES.

GENERAL TERMS

Service under this adjustment schedule is governed by the terms and conditions outlined in this schedule, the Rules contained in this Tariff, any other applicable schedules, and all rules and regulations prescribed by regulatory authorities, subject to amendments from time to time.

**SCHEDULE 303
WASHINGTON ENERGY ASSISTANCE FUND (WEAF) PROGRAM**

*******Service on this Schedule is Not Available after September 30, 2023*******

AVAILABILITY

To residential customers served on Schedule 503, household members of a dwelling served on Schedule 503, and applicants for residential service who will use a WEAf grant to establish service within no more than five business days. An applicant must demonstrate that their household income does not exceed the higher of 80% of area median household income or 200% of federal poverty level, adjusted for household size. The average gross income for a WEAf household is determined for income received during 3 calendar months prior to the month of application. If an applicant is determined ineligible using a 3-month average, the applicant’s eligibility using documented income of the most recent 30 days prior to application will be used.

PROGRAM YEAR

The program year is October 1 through September 30.

PROGRAM ADMINISTRATION

The program will be administered and delivered through designated agencies (Agencies) that meet the following criteria:

- 1) An Agency is an organization that administers Low Income Home Assistance Program (LIHEAP) funds to Cascade’s customers. While not exhaustive of all potential Agencies, the list below includes all community action agencies currently administering LIHEAP and WEAf to Cascade customers:

Qualifying Organization
Blue Mountain Action Council
Chelan-Douglas Community Action Council
Coastal Community Action Council
Community Action Connections
Community Action Council of Lewis, Mason & Thurston Counties
Community Action of Skagit County
Kitsap Community Resources
Lower Columbia Community Action Program
Northwest Community Action Program
Opportunities Industrialization Center of WA
Opportunity Council
Snohomish County Human Services Department

- 2) The Company has determined the Agency is capable of meeting performance obligations under this program. The Company may evaluate this annually based on various factors including past performance; and

(continued)

**SCHEDULE 303
WASHINGTON ENERGY ASSISTANCE FUND (WEAF) PROGRAM**

*****Service on this Schedule is Not Available after September 30, 2023*****

(N)

PROGRAM ADMINISTRATION (continued)

- 3) The Agency has executed a contract with the Company establishing roles and responsibilities consistent with this Schedule. Failure to comply with requirements in the contract may result in termination from the role of program administrator.

WEAF FUNDING

Eligible WEAF customers may receive a WEAF grant or grants totaling no more than \$625 WEAF per household per program year and no less than \$125 per household per program year; these changes apply to the entire program year. In no instance will the Company accept a WEAF grant or grants when the customer's account has an existing credit equal to or greater than \$300 where that credit is solely from a charitable grant or grants such as WEAF, LIHEAP, and Winter Help.

A qualifying customer who has received a WEAF grant who moves and re-establishes service within the Company's Washington service territory within ten business days may have the credit balance from the grant(s) transferred to the account for the new service address.

In no instance shall WEAF grants or credits on an account attributed to a WEAF grant be paid in cash to a customer or any other household member.

ADMINISTRATION FEES

The Company will pay Agencies an administrative fee of \$75 per household qualified for a WEAF grant. One fee per household will be paid per program year.

COMMUNITY-BASED ORGANIZATIONS COSTS

The Company will fund community-based outreach programs and authorize a budget of \$73,000 in the first year and up to five percent of the annual WEAF program budget each year afterwards. This pilot will run for three years, which will allow the Company and its advisory group to collaborate, establish, and reevaluate the program.

PROGRAM COSTS

Program costs will be collected through Schedule 593. The Schedule 593 rate will be set annually to ensure collections for the program year budget plus any unspent funding from the prior year are no more than \$1,531,200 annually.

(continued)

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Director, Regulatory Affairs

**SCHEDULE 303
WASHINGTON ENERGY ASSISTANCE FUND (WEAF) PROGRAM**

*****Service on this Schedule is Not Available after September 30, 2023*****

(N)

ANNUAL REPORTING

By January 15, the Company will file with the Commission an annual report on WEAF program performance that will detail total dollars spent, dollars awarded to customers, dollars spent on delivery Agencies' administrative costs, number of households served per Agency, average award per household per Agency, and program dollars spent on marketing that is done by the Company or the Agencies. The report will also include a discussion on how the program's performance compares to prior years.

ADVISORY GROUP

An Advisory Group comprised of key stakeholders including Public Counsel, Commission Staff, the Energy Project, Cascade Staff, and representatives from the Community Action Agencies shall discuss and advise the Company on program related matters such as the evaluation of the program's performance, ongoing administrative concerns, the annual program budget and potential alternative program designs. The advisory group will meet via teleconference or in person no less than twice yearly. The advisory group may provide guidance and suggestions, but their input does not preclude the Company from submitting proposals or tariff changes to the Commission that do not have the support of the advisory group or a majority of its participants.

GENERAL TERMS

Service under this schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this schedule apply to service under this schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

CNG/W~~22-12-013-06-02~~Issued ~~December 22, 2022~~June 30, 2023

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~~January 22, 2023~~August 1, 2023

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By:  Lori A. Blattner

Director, Regulatory Affairs

SCHEDULE 592
CASCADE ARREARAGE RELIEF ENERGY SAVINGS (CARES) PROGRAM COST RECOVERY

PURPOSE

This adjustment schedule collects or refunds the CARES Program deferral balance, authorized per UG-230243, in accordance with the parameters established in Rule 20 and Schedule 302.

APPLICABILITY

This adjustment schedule applies to the following rate schedules: 503, 504, 505, 511, 570, and 663

ADJUSTMENT TO RATE

The Company will file for an annual adjustment to this schedule to ensure that forecast collections do not exceed forecast program year expenditures, taking into account carryover funds.

ADJUSTMENT RATE

The following adjustment rates will apply on a per therm basis for each rate schedule, effective on October 1, 2023, as listed in the table below:

<u>RATE SCHEDULE</u>	<u>ADJUSTMENT RATE (PER THERM)</u>
<u>503</u>	<u>\$0.01238</u>
<u>504</u>	<u>\$0.00950</u>
<u>505</u>	<u>\$0.00600</u>
<u>511</u>	<u>\$0.00516</u>
<u>570</u>	<u>\$0.00214</u>
<u>663</u>	<u>\$0.00102</u>

GENERAL TERMS

Service under this adjustment schedule is governed by the terms and conditions outlined in this schedule, the Rules contained in this Tariff, any other applicable schedules, and all rules and regulations prescribed by regulatory authorities, subject to amendments from time to time.

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