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October 20, 2021

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

Re: **Tariff Revision-Advice No. W21-10-01**

Dear Ms. Maxwell:

Enclosed for filing is the following proposed revision to Cascade Natural Gas Corporation's ("Cascade") WN U-3 Tariff for natural gas service:

First Revision Sheet No. 304

The purpose of this tariff revision is to request authorization to raise the COVID-19 bill assistance funding threshold by an additional 0.5% of retail revenues to an overall 1.5% funding level, or a total of \$3,709,875. Cascade respectfully requests that the Commission allow this tariff change to become effective on November 1, 2021, with less than statutory notice ("LSN"). The information required by WAC 480-80-122, Tariff Changes with Less Than Statutory Notice, is contained in the attached LSN form.

Background

In response to the COVID-19 pandemic, on October 20, 2020, the Commission issued Order 01 in Docket U-200281 to extend the suspension of disconnection of energy services for nonpayment and adopt related requirements. The term sheet directed utilities to establish a COVID-19 bill payment assistance program funded at 1% of retail revenues.

In April 2021, Cascade established a temporary COVID-19 Bill Assistance Program ("Big HEART"), to help residential customers who are experiencing financial hardship due to the pandemic and the corresponding global economic recession resulting in a past due balance on their active service account, in approved Docket UG-210145.

Reason for Request

As of October 15, 2021, Cascade has spent 94% of Big HEART Funds, around \$2.3 million, assisting 7,837 residential customers. Currently, Cascade still has 15,770 residential customers with arrears that equal approximately \$1.7 million. Nearly \$1.3 million of that total is customers with over 90-days' arrears balances.

Residential customers are heading into winter heating season. Cascade expects to see arrears

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increase since there is a seasonal pattern to customers paying the minimum bill or not paying their bill at all during the winter season and then paying down their past due balance during spring and summer. Without additional bill assistance funding, Cascade will be left with few alternatives to keep customers on the system such as relying on Washington Energy Assistance Fund (“WEAF”), our voluntary Winter Help program, Cascade’s annual shareholder contribution of \$50,000, and community agencies assistance.

In addition, certain customers have not been responsive to our extensive outreach for the last year and a half. Despite Cascade’s repeated outreach to customers with greater than 90-day arrears, these customers have not reached out to Cascade. If they had, Cascade would have proactively discussed bill assistance options with them. Now that customers are receiving disconnection notices, they may be more receptive to Cascade’s outreach; therefore, it would be helpful to have additional bill assistance funds available for them in addition to referring them to their local community agencies for other assistance.

With Cascade’s Big HEART funds being almost depleted, Cascade requests authority to increase funding and continue its Big HEART bill assistance program beyond the term sheet issued by the Commission in Order 01 in Docket UG-200281. In a separate accounting petition, Cascade will request authority to amend its deferred accounting petition in UG-200479 to defer the additional costs.

Cascade’s Big HEART program would continue to operate with the same procedures and criteria. Extension of the Big HEART program does not affect Cascade’s WEAF commitments. Cascade would continue its bill assistance outreach campaign using a variety of methods such as, but not limited to, radio ads, calls, emails, social media, targeted notices at the 90-day arrears benchmark, and specialized door tags as Cascade has been doing since the commencement of its Big HEART program.

The proposal has been discussed with the Cascade’s advisory group and no objections were raised.

Cascade requests the Commission approve this program change and the associated tariff revision effective November 1, 2021. At Cascade’s current bill assistance spend rate, Cascade believes the Big HEART funds will be depleted before the normal 30-day tariff revision review process, thus creating a bill assistance funding gap.

If additional information is required to facilitate Staff’s review, please contact either Chris Mickelson at (509) 734-4549, or myself at (208) 377-6015.

Sincerely,

/s/ Lori A. Blattner

Lori A. Blattner
Director, Regulatory Affairs
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Attachments:

New-CNGC-Advice-No-W21-10-01-Legislative-Trf-10-20-21.pdf
New-CNGC-Advice-No-W21-10-01-Trf-10-20-21.pdf
New-CNGC-LSN-10-20-21.pdf