

**CASCADE NATURAL GAS CORPORATION**  
**Washington Utilities & Transportation Commission**  
**2006 Rate Case Data Request**

**Request No. 231**

Date prepared: September 29, 2006

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**WUTC STAFF DATA REQUEST NO. 231:**  
**Re: Removal of Management Services**

Please explain how Cascade balances its core portfolio, non-core portfolio and total system on a daily basis.

**Response:**

The Company monitors daily the current imbalance position of its system, include the core portfolio, the non-core Gas Management portfolio and non-core third party gas supply transactions. The Company attempts to maintain daily imbalance positions within the tolerance provisions of Northwest Pipeline's imbalance provisions. Northwest Pipeline's imbalance provisions provides for a monthly imbalance tolerance of up to 5% of total deliveries. During situations where the core portfolio, Gas Management non-core portfolio or third party transactions threaten to violate Northwest Pipeline's imbalance provisions, the Company takes actions to correct the imbalance position(s) by purchasing additional supplies or selling excess supplies and/or notifies the third party supplier(s) to take similar remedial actions.