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May 8, 2015

Mr. Steven V. King
Executive Director and Secretary
Washington Utilities & Transportation Commission
1300 S. Evergreen Park Drive SW
Olympia, WA 98504-9022

Re: Request for an Accounting Order Reflecting New Depreciation Rates

Dear Mr. King:

Enclosed, please find the original and twelve (12) copies of Cascade Natural Gas Corporation's ("Cascade" or "Company") request for an Accounting Order that authorizes the new depreciation rates that are reflected in the enclosed depreciation study ("Study"). Cascade also respectfully requests that the Accounting Order allow the new depreciation rates to be reflected on the books of the Company effective January 1, 2016.

Cascade retained AUS Consultants, a third party evaluator, to perform a depreciation study and the Study was completed in April 2015. The Study updates the company's book depreciation on all gas plant in service as of December 31, 2013. The results of the Study show that the Company's current depreciation expense, which is based on a depreciation study of plant in service as of September 30, 1997, should be increased by approximately \$2.02 million on a system basis. The new Study's rates will replace depreciation rates that have been in effect since July 1, 1998.

Cascade is seeking an Accounting Order with this application. Cascade currently has a similar petition pending before the Public Utility Commission of Oregon and the Company is asking that the results of this Study be coordinated with the results of the study in Oregon. If additional information is required to facilitate Staff's review, please contact the undersigned.

Very truly yours,

Michael Parvinen
Director, Regulatory Affairs