Table 1

Issue	Cascade	Northwest Energy Coalition	Commission Staff	Settlement Agreement
Calculates Lost Margin for Recovery on Per Customer Basis	Yes[1]	Yes[2]	Yes[3]	Yes[4]
Benchmark for Establishing Lost Margin, Including Accounting for New Customers	The mechanism would calculate a monthly margin (revenues less gas costs) per customer. The benchmark margin would be based on authorized rates, the average number of consumers and their weather-normalized consumption for each prior year. In addition, the mechanism would weather normalize usage as ten percent warmer than normal.[5]	The mechanism would calculate a monthly margin per customer. The benchmark margin would be based on authorized rates, the average number of existing consumers and their weather-normalized consumption in the test year. There would be a different calculation of usage for new customers added after the test year.[6]	The mechanism would calculate a monthly margin per customer. The benchmark margin would be based on authorized rates, the average number of existing consumers and their weather-normalized consumption in the test year. There would be a different calculation of usage for new customers added after the test year. The mechanism would assume that new customers use 50 therms less per year than the average customer in the test year.[7]	The mechanism would calculate a monthly margin per customer. The benchmark margin would be based on authorized rates, the average number of consumers and their weather-normalized consumption (per Cascade's methodology but not ten percent warmer) in the test year. No allowance for lower usage attributable to new customers.[8]

[1] Exh. No. 21-T, p. 27:20-21 (Stoltz).
[2] Exh. No. 311-T, p. 24:14-18 (Weiss).
[3] Exh. No. 421-T, p. 11:5-11 (Steward).
[4] Exh. No. 1, p. 10.
[5] Exh. No. 21-T, p. 27:20-27 and 28:1-27 (Stoltz).
[6] Exh. No 311-T, p. 24:14-21 (Weiss).
[7] Exh. No. 421-T, p. 11:5-11; p. 12:5-7; and p. 18:9-10 (Steward).
[8] Exh. No. 1, p. 10.

Customer Classes	503 and 504[9]	503[10]	503 and 504[11]	503 and 504[12]
Recovery for "weather-related" Declines in Usage	Yes[13]	Yes[14]	No[15]	No[16]
Proposed Weather Methodology to Calculate the Impact of Weather On Per Customer Usage	Yes	No	Yes	No formal adoption of a methodology but uses the Company's methodology for the decoupling mechanism.
Annual Cap	No[17]	Yes, 3%[18]	Yes, 1.5 % of total class revenue for residential customers and 0.5 % for the commercial[19]	No, instead Cascade "shall consider" the rate impact of the annual surcharge produced by the mechanism and, if necessary due to the magnitude of the deferrals, shall extend the amortization period of such deferrals to two years or more to lessen the impact on customers.[20]

[9] Exh. No. 21-T, p. 27:22-24 (Stoltz).
[10] Exh. No. 311-T, p. 22:15-18 (Weiss).
[11] Exh. No. 421-T, p. 5:11-12 (Steward).
[12] Exh. No. 1, p. 10.
[13] Exh. No. 21-T, p. 27:10-14 (Stoltz).
[14] Exh. No. 311-T, p. 2:20-22 (Weiss).
[15] Exh. No. 421-T, p. 2:10-12 (Steward).
[16] Exh. No. 1, p. 10.
[17] Exh. No. 21-T, p. 18:7-15 (Stoltz).
[18] Exh. No. 311-T, p. 33:18-19 (Weiss).
[19] Exh. No. 421-T, p. 17:11-13 (Steward).
[20] Exh. No. 1, pp. 11-12.

Pilot Project	No	Yes, a three-year pilot to begin only when the Commission approves the recommendations of a formal conservation advisory committee regarding conservation acquisition mechanism(s) and an ambitious schedule of conservation targets, including those for low-income customers, identified pursuant to a comprehensive, Company-funded conservation potential assessment.[21]	Yes, a three-year pilot project what would expire and renewed only by a rate case. The Company would file a plan for reporting and evaluation within six months of the final order issued in this proceeding, after consultations with interested parties.[22]	Yes, a three-year pilot that will expire. The mechanism may be extended if (i) such extension is authorized as part of a general rate case to be filed by the Company prior to the expiration of the mechanism, and (ii) such general rate filing includes the results of a thorough and independent evaluation of the mechanism. Whether or not the mechanism is recommended for extension, an evaluation must be submitted to the Commission with twelve months of pilot completion.[23]
Conservation Targets or Goals	No, $800,000 for low-income assistance and $150,000 for advertising[24]	Yes, Cascade would earn annual fixed cost true-ups when it meets gas conservation targets. Conservation achievement in each year of the pilot would define the recovery in the following year, with 100% recovery only	Cascade has to file an energy efficiency program plan and savings target with the Commission within three months of the final order in this case. The plan should identify specific timelines and benchmarks, the achievement of which is required in	Creation of advisory group. No later than 90 days after the first meeting, Cascade files a conservation and low income weatherization plan with the Commission with reasonably achievable targets for 2008 and 2009

[21] Exh. No. 311-T, p. 31:15-20 (Weiss).
[22] Exh. No. 421-T, pp. 16: 5-7, 17:6-7 and 18:7-9 (Steward).
[23] Exh. No. 1, p. 11.
[24] Exh. No. 21-T, pp. 29:25-28 and 30:1-5 (Stoltz).

		achievable upon reaching 150% of an as yet undefined "stretch goal" and penalties if less than 90% of the target is reached.[25]	order to continue the decoupling mechanism.[26]	based upon the study and recommendations of the advisory group. The plan shall include possible penalties and incentives. A Request for Proposals will be issued once Commission approval is obtained for third party implementation of the plan. By December 31, 2007, Cascade must show to the Commission that it can reach the targets in the plan by, for instance, having identified a third party vendor. If Cascade can show this it can continue the decoupling mechanism. If not it will be subject to the "possible penalties" that may be adopted by the Advisory Group Plan. The same would be true for 2009 recovery.[27]

[25] Exh. No. 311-T, p. 19:1-19 (Weiss).
[26] Exh. No. 421-T, p. 19:14-18 (Steward).
[27] Exh. No. 1, pp. 12-13.