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October 3, 2002

Ms. Carole J. Washburn
Washington Utilities and
Transportation Commission
1300 S. Evergreen Park Drive SW
Olympia, WA 98504-7250

Re: Docket UG-020952

Dear Ms. Washburn:

RECORDS VANCED (152)

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STALL AND TRANSPORT
COMMISSION

On July 24, Cascade Natural Gas Corporation filed an Accounting Petition, which has been Docketed as UG-020952. On September 25, 2002, the subject petition came before the Commission. After hearing comments from both the Staff and the Company, the Commission accepted Staff's recommendation to set the matter for hearing. Cascade has continued to have discussions with Staff and Cascade is please to report that we no longer have disagreement over the proper accounting treatment for this item. As such Cascade wishes to amend its Petition to recognize the agreed upon accounting method.

Cascade would amend its Petition as follows:

## Section II, Requested Treatment (top of Page 2):

. . . Applicant also proposes that the deferred balance accrue interest at the FERC interest rate as prescribed in WAC 480-90-233, and to recover the amortization in the Purchased Gas Adjustment (PGA) mechanism.

## Section IV (Page 3)

2. Allow the Company to accrue interest on the deferred pursuant to WAC 480-90-233 and, ...

Cascade respectfully requests approval of its revised application as soon as possible. If I can provide any additional information, please contact me at (206) 381-6823.

Sincerely,

Senior Vice President

Gas Supply & Regulatory Affairs

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WASH. UT. & TP. COMM.