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FACSIMILE 206-654-4039

April 2, 2007

Ms. Carole J. Washburn, Executive Secretary
Washington Utilities &
Transportation Commission
1300 S. Evergreen Park Drive SW
Olympia, WA 98504-9022

Dear Ms. Washburn:

Cascade Natural Gas Corporation ("Cascade") provides the following informational changes to their Washington High Efficiency Equipment Rebate program, which the Commission authorized deferred accounting treatment of the program costs in Docket UG-02117, dated September 25, 2002.

Effective April 2, 2007, the Company is lowering the incentive rebate on High Efficiency (90+ AFUE) furnaces from \$250 to \$150; is increasing the High Efficiency Water Heater requirement from .60 to .62 Energy Factor and lowering the incentive rebate from \$50 to \$25. All of the modifications are being made to be more consistent with the efficiency requirements and incentive levels provided by the other utilities.

Should you have any questions regarding this filing, please contact Christine Kautzman at (206) 381-6744 or Katherine Barnard at (206) 381-6824.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon T. Stoltz", is written over the typed name.

Jon T. Stoltz
Sr. Vice President
Regulatory & Gas Supply

We make warm neighbors

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