

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

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|--|---|----------------------------|
| In the Matter of the Application of |) | DOCKET UG-071652 |
| |) | |
| CASCADE NATURAL GAS |) | ORDER 01 |
| CORPORATION |) | |
| |) | |
| Applicant, |) | |
| |) | |
| To Amend its Certificate of Public |) | |
| Convenience and Necessity to Operate a |) | |
| Gas Plant for Hire in North Whatcom |) | |
| County, Washington |) | ORDER GRANTING APPLICATION |
| |) | |

BACKGROUND

- 1 On July 27, 2007, in compliance with RCW 80.28.190, Cascade Natural Gas Corporation (Cascade) filed with the Washington Utilities and Transportation Commission (Commission) an application to amend its present Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire, to include an additional area in designated portions of Whatcom County (Section 34, 35, 36, Township 41 North, Range 3 East, W.M.) which are contiguous to presently certificated areas (Attachment A-1).
- 2 Cascade is presently certificated for and is now providing gas service in Whatcom County, Washington. Cascade is requesting a certificate to expand the service area north of the town of Lynden. The additional area requested is contiguous to the existing certificated area (See attachment for legal description, Attachment A-2).
- 3 Cascade does not request the Commission determine at this time the reasonableness or ratemaking treatment of the gas pipeline facility to service this addition to Cascade’s service area. Cascade recognizes the right of the Commission to determine the reasonableness and rate making treatment of services and expenditures in any formal proceeding before the Commission dealing with Cascade’s results of operation.
- 4 It appears that Cascade is well suited to serve the requested service territory economically, therefore, the application should be granted to satisfy the public convenience and necessity.

FINDINGS AND CONCLUSIONS

- 5 (1) The Washington Utilities and Transportation Commission is an agency of the state of Washington vested by statute with the authority to regulate rates, rules, regulations, practices, accounts, securities, and transfers of public service companies, including gas companies. *RCW 80.01.040, RCW 80.04, RCW 80.08, RCW 80.12 and RCW 80.28.*
- 6 (2) Cascade is a gas company and is a public service company subject to the jurisdiction of the Commission.
- 7 (3) RCW 80.28.190 states no gas company shall operate in this state any gas plant for hire without first having obtained from the Commission a certificate declaring that public convenience and necessity requires or will require such operation and setting forth the area or areas within which service is to be rendered.
- 8 (4) Cascade has previously been issued a Certificate of Public Convenience and Necessity to operate a gas plant for hire.
- 9 (5) Cascade has filed an application to amend its Certificate of Public Convenience and Necessity to include an additional area in Whatcom County. This area is contiguous to Cascade's presently certificated area.
- 10 (6) Commission Staff has reviewed Cascade's application and feasibility study indicating that the costs are supported by the revenues and customer contribution and recommends the operation of a gas plant for hire in the additional area requested is required for the public convenience and necessity.
- 11 (7) This matter was brought before the Commission at its regularly scheduled meeting on September 26, 2007.
- 12 (8) After reviewing the request filed in Docket UG-071652 by Cascade and giving due consideration, the Commission finds it is consistent with the public convenience and necessity that Cascade's Certificate be amended to reflect the addition of Sections 34, 35, 36, Township 41 North, Range 3 East, W.M.

ORDER

THE COMMISSION ORDERS:

- 13 (1) Cascade Natural Gas Corporation's application to amend its Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire within the certificated area in Whatcom County (Sections 34, 35, 36, Township 41 North, Range 3 East, W.M.) is granted and the Certificate shall be modified in accordance with the attached Appendix A-1 (Attachment A-2).
- 14 (2) This Order makes no determination at this time as to the reasonableness or ratemaking treatment of the gas pipeline facility to serve this addition to Cascade Natural Gas Corporation's service area, and recognizes the right of the Commission to determine the reasonableness of service and expenditures, together with the rate making treatment in any formal proceeding before the Commission dealing with Cascade Natural Gas Corporation's results of operations.
- 15 (3) The Commission retains jurisdiction over the subject matter and Cascade Natural Gas Corporation to effectuate the provisions of this Order.

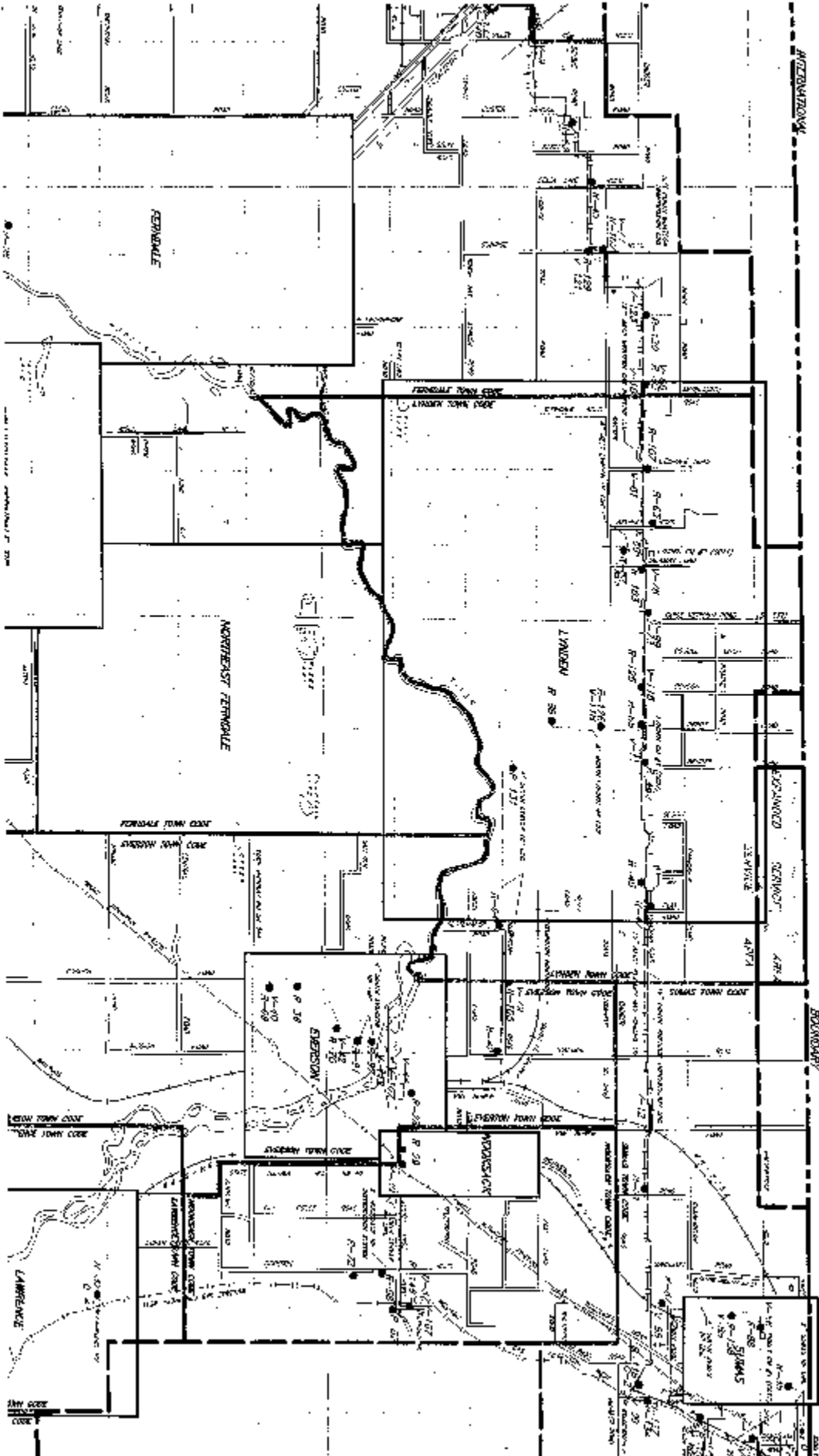
The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective September 26, 2007.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Executive Secretary

ATTACHMENT A-1



ATTACHMENT A-2

**CASCADE NATURAL GAS CORPORATION
LEGAL DESCRIPTION
DOCKET UG-071652**

**A PORTION OF WHATCOM COUNTY TO BE ADDED TO APPENDIX A-1
DESCRIBED AS FOLLOWS:**

Beginning at the southwest corner of Sec 33, T. 41 N., R. 3 E. and the True Point of Beginning; thence north on the west line of said section to the northwest corner of said section (International Boundary); thence east on the north line of said section to the northeast corner of Sec. 35, T. 41 N., R. 3 E.; thence south on the east line of said section to the southeast corner of said section; thence west on the south line of said section to the southwest corner of Sec. 33, T. 41 N., R. 3 E. and the True Point of Beginning.

APPENDIX A-1 AMEND:

**CASCADE NATURAL GAS COPORATION
DESCRIPTION
APPENDIX A-1**

A portion of Whatcom County to be added to Appendix A-1 adjacent thereto lying within the area described as follows:

Section 33, 34, and 35 of Township 41 North, Range 3 East, W.M.

**APPENDIX A-1 – AMENDED – LEGAL DESCRIPTION
BELLINGHAM, FERNDALE, LYNDEN, SUMAS AND VICINITY
WHATCOM COUNTY**

All of the incorporated area comprising the Cities of Bellingham, Ferndale, Lynden, Nooksack, Everson, Sumas, and additional portions of Whatcom County adjacent thereto, lying within the area described as follows:

Beginning at the Northeast corner of Sec. 31, T. 41 N., R. 5 E.; thence south on the east line of said section and continuing south on the east line of Secs. 6 and 7, T. 40 N., R. 5 E. to the south line of Sec. 7; thence west on the south line of said section projected to the east line of Sec. 13, T. 40 N., R. 4 E.; thence south on the east line of said section to the south line of said section; thence west on the south line of said section projected to the east line of Sec. 22, T. 40 N., R. 4 E.; thence south on the east line of said section projected to the north line of Sec. 23, T. 39 N., R. 4 E.; thence east on the north line of said section to the east line of said section; thence south on east line of said section to the north line of Sec. 25, T. 39 N., R. 4 E.; thence east on the north line of said section

projected to the east line of Sec. 29, T. 39 N., R. 5 E.; thence south on the east line of said section projected to the south line of Sec. 5, T. 38 N., R. 5 E.; thence west on south line of said section projected to the west line of Sec. 1, T. 38 N., R. 4 E.; thence north on west line of said section to south line of Sec. 35, T. 39 N., R. 4 E.; thence west on south line of said section projected to the east line of Sec. 5, T. 38 N., R. 4 E.; thence south on the east line of said section to the south line of Sec. 17, T. 38 N., R. 4 E.; thence west on south line of said section to the east line of Sec. 19, T. 38 N., R. 4 E.; thence south on the east line of said section projected to the south line of Sec. 31, T. 38 N., R. 4 E.; thence west on south line of said section projected to the east line of Sec. 3, T. 37 N., R. 3 E.; thence south on the east line of said section projected to the south line of Sec. 15, T. 37 N., R. 3 E.; thence west on south line of said section to the east line of Sec. 21, T. 37 N., R. 3 E.; thence south on the east line and thence west on the south line of said section projected to the shoreline of Chuckanut Bay, (Sec. 24 T. 37., R. 2 E.); thence following shoreline of Bellingham Bay and Chuckanut Bay shorelines northerly and westerly to its intersection with the south line of Sec. 8, T. 38 N., R. 2 E.; thence west on the south line of said section projected to the shoreline of Lummi Bay, (Sec. 10 T. 38 N., R. 1 E.); thence following shoreline of Lummi Bay and The Georgia Strait westerly and northerly to its intersection with the north line of Sec. 11, T. 39 N., R. 1 W.; thence east on the north line of said section projected to the centerline of Sec. 6, T. 39 N., R. 1 E.; thence north on the centerline of said section projected to the north line of Sec. 31, T. 40 N., R. 1 E.; thence east on the north line of section 31 to the west line of Sec. 29, T. 40 N., R. 1 E.; thence north on the west line of said section to the north line of said section; thence east on the north line of said section to the west line of Sec. 21, T. 40 N., R. 1 E.; thence north on the west line of said section to the north line of said section; thence east on the north line of said section to the west line of Sec. 15, T. 40 N., R. 1 E.; thence north on the west line of said section to the north line of said section; thence east on the north line of said section projected to the west line of Sec. 12, T. 40 N., R. 1 E.; thence north on the west line of said section to the north line of said section; thence east on the north line of said section projected to the west line of Sec. 5, T. 40 N., R. 2 E.; thence north on the west line of said section to the north line of said section; thence east on the north line of said section to the east line of said section; thence south on the east line of said section to the north line of Sec. 9, T. 40 N., R. 2 E.; thence east on the north of said section projected to the west line of Sec. 1, T. 40 N., R. 2 E.; thence north on the west line of said section projected to the north line of Sec. 36, T. 41 N., R. 2 E. (International Boundary); thence east on the north line (International Boundary) of said section projected to the east line of Sec. 31, T. 41 N., R. 3 E.; thence south along the east line of said section to the southeast corner of said section; thence east along the south line of Sec. 32 to the southwest corner of Sec. 33, T. 41 N., R. 3 E.; thence north on the west line of said section to the northwest corner of said section (International Boundary); thence east on the north line of said section to the northeast corner of Sec. 35, T. 41 N., R. 3 E.; thence south on the east line of said section to the northwest corner of Sec. 1, T. 40 N., R. 3 E.; thence east on the north line of said section projected to the west line of Sec. 33, T. 41 N., R. 4 E.; thence north on the west line of said section to the north line of said section (International Boundary); thence east on the north line of said section projected to the northeast corner of Sec. 31, T. 41 N., R. 5 E., and the point of beginning.