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CASCADE NATURAL GAS CORPORATION

**RULE 21
 DECOUPLING MECHANISM**

PURPOSE:

This Rule describes the revenue-per-Customer Decoupling Mechanism which annually applies a per therm credit or debit under Schedule 594, "Decoupling Mechanism Adjustment" to applicable Customers' bills for the purpose of truing up the annual difference between Margin Revenues and the Authorized Margin Revenues per Customer served as herein defined.

APPLICABILITY:

This Rule is applicable to all Customers served on Schedules 502, 503, 504, 505, 511, 512, 570, and 577.

MARGIN REVENUES

Margin Revenue is the amount of Margin billed in a billing month, adjusted for unbilled margin revenues. Margin Revenue does not include amounts billed for the Basic Customer Charge, or adjustment schedules, such as Schedules 500, 593, 594, 595, 596, 597, and 598. The amount of Margin Revenue billed and net unbilled amounts are reduced by the 0.00417 percent to account for uncollectibles.

AUTHORIZED MARGIN REVENUE PER CUSTOMER

The Authorized Margin per month per customer is established in the tables below. Table 1 shows January through June, and Table 2 shows July through December.

Table 1	Jan	Feb	March	April	May	June
502	\$10.38	\$8.51	\$7.43	\$4.82	\$2.86	\$1.47
503	\$30.89	\$25.31	\$21.18	\$13.29	\$8.64	\$5.80
504	\$123.03	\$101.99	\$82.09	\$52.56	\$36.19	\$28.49
505	\$463.97	\$523.33	\$416.44	\$304.64	\$260.88	\$210.75
511	\$2,041.51	\$1,863.54	\$2,265.26	\$1,350.28	\$1,081.41	\$768.73
512	\$744.68	\$817.71	\$890.73	\$779.90	\$862.38	\$863.67
570	\$2,392.65	\$2,405.61	\$2,046.01	\$1,952.64	\$1,875.99	\$1,575.53
577	\$1,171.73	\$1,160.16	\$920.18	\$886.31	\$794.84	\$635.75
Table 2	July	Aug	Sept	Oct	Nov	Dec
502	\$0.90	\$0.75	\$0.77	\$1.34	\$4.07	\$9.67
503	\$4.78	\$5.37	\$5.81	\$12.51	\$24.62	\$33.37
504	\$26.96	\$29.73	\$33.57	\$57.37	\$93.26	\$123.58
505	\$199.50	\$161.71	\$219.19	\$481.47	\$330.25	\$499.01
511	\$560.62	\$584.83	\$456.19	\$697.04	\$881.75	\$1,998.69
512	\$848.85	\$829.30	\$932.83	\$893.31	\$725.35	\$810.19
570	\$1,412.24	\$1,472.06	\$1,309.92	\$1,622.41	\$1,729.62	\$2,193.50
577	\$686.70	\$549.39	\$541.41	\$620.15	\$750.22	\$1,029.98

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CNG/W16-10-01

Issued: October 6, 2016

Effective: November 11, 2016

ISSUED BY **CASCADE NATURAL GAS CORPORATION**

BY


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TITLE

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