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April 13, 2017

Steven V. King
Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

RE: Notification of Intent to Enter into a Revolving Credit Agreement

Dear Mr. King:

On January 19, 2017, Cascade Natural Gas Corporation submitted a notification of intent to enter into a revolving credit agreement pursuant to RCW 80.08.040. Certain information has changed since the January 19, 2017, notification resulting in this update.

Pursuant to RCW 80.08.040, Cascade Natural Gas Corporation intends to enter into a revolving credit agreement for up to five years in the amount of up to \$100 million.

The following information is supplied in conformance with RCW 80.08.040 and WAC 480-90-242:

1. The purpose for which the issuance is made is to replace the current five year \$50,000,000 revolving credit agreement with a new revolving credit agreement for up to five years for \$75,000,000 with an accordion feature of up to \$25,000,000 for a maximum size of \$100,000,000. The purpose of all transactions under this revolving credit agreement will meet the requirements of RCW 80.08.030.
2. Cascade Natural Gas Corporation proposes to borrow funds under the revolving credit agreement obligating Applicant to pay interest on a periodic basis based on current interest rates at the time the Applicant borrows. Interest rates are based on LIBOR and are determined based on the Applicant's long-term debt ratings.

The fees at closing of the revolving credit agreement will be a \$75,000

arrangement fee to U.S. Bank National Association and a \$25,000 arrangement fee to Wells Fargo Securities, LLC as the Syndication Agent. An upfront fee of \$93,750 (12.5 bps) on \$75,000,000 will also be paid to U.S. Bank. Annual administration fees of \$15,000 are also required.

3. Cascade Natural Gas Corporation has a continuing need for capital and operations. This revolving credit agreement is necessary to the Applicant as the current revolving credit agreement will soon expire. The revolving credit agreement is also important to the Applicant as it provides Letters of Credit as needed.

I certify that the above information is true and correct. If there are any questions regarding this filing, please contact me at (701) 222-7646.

Sincerely,

/s/ Tammy Nygard

Tammy Nygard
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