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September 17, 2018

Mr. Mark L. Johnson
 Executive Director and Secretary
 Washington Utilities & Transportation Commission
 P.O. Box 47250
 Olympia, WA 98504-7250

Re: Cascade Natural Gas Conservation Program Adjustment Annual Filing

Dear Mr. Johnson:

Cascade Natural Gas Corporation (“Cascade”) hereby encloses for filing the following proposed tariff sheet containing a requested effective date of November 1, 2018:

Eighty-Fourth Revision Sheet No. 596 Canceling Eighty-Third Rev. Sheet No. 596

The purpose of the conservation program adjustment (CPA) filing is to pass on changes in the amount of conservation program expenditures affecting customer rates as a result of deferral account amortizations.

The rates contain information developing the level of the per therm change necessary to amortize the outstanding deferral balances of \$6,428,910 for the twelve months ended July 31, 2018. The \$6,428,910 is comprised of \$2,146,781 for the residential program, \$858,054 for the commercial program, \$254,796 for the low-income program, \$2,507,139 is for administration costs, and \$2,146,781 is for the residual balance from last year’s filing. The total amortization requested in this filing is a debit of \$6,478,391. The annual revenue change reflected in this filing is an increase of \$3,267,281 to customers, or an increase in annual revenue of 1.40%. The slight increase is related to program targets in conservation. Below is a table summarizing the proposed changes reflected in this filing:

<u>Service</u>	<u>Sch. No.</u>	<u>Rate Change</u>	<u>Proposed Rate Per Therm</u>	<u>Percent Change</u>
Residential	503	\$0.01389	\$0.02754	1.45%
Commercial	504	\$0.01389	\$0.02754	1.60%

Industrial	505	\$0.01389	\$0.02754	2.01%
Industrial Lg Vol	511	\$0.01389	\$0.02754	2.15%
Interruptible	570	\$0.01389	\$0.02754	2.42%

The impact of the CPA is a revenue increase of \$3,267,281 or a 1.40% increase. The impact to an average residential customer using 54 therms per month will be an increase of \$0.75.

The proposed change will affect all of Cascade's Washington customers. Cascade serves approximately 186,554 residential, 26,029 commercial and 466 industrial customers in the state of Washington.

If you have any questions, please direct them to me at (509) 734-4593.

Sincerely,

/s/ Michael Parvinen

Michael Parvinen
Director, Regulatory Affairs
Cascade Natural Gas Corporation
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Attachments

NEW, CNGC Advice W18-09-02 CPA Trf Sheet 596, 09-17-2018.pdf
NEW, CNGC Advice W18-09-02 CPA Redlined Trf Sheet 596, 09-17-2018.pdf
NEW, CNGC Advice W18-09-02 CPA Exh A, 09-17-2018.pdf
NEW, CNGC Advice W18-09-02 CPA WP, 09-17-2018.xlsx