



STATE OF WASHINGTON  
**UTILITIES AND TRANSPORTATION COMMISSION**  
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March 22, 2018

Steven V. King, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Dr. SW  
P. O. Box 47250  
Olympia, Washington 98504-7250

RE: *Petition of Cascade Natural Gas Corporation for an Accounting Order Authorizing Deferred Accounting Treatment of Expenses Related to the Environmental Remediation of the Old Bremerton Gas Works and Sesko Property Site; Docket UG-100589.*

Dear Mr. King:

On March 19, 2018, Cascade Natural Gas Corporation (Cascade or company) filed a motion seeking to amend Order 01 in the above referenced docket. As stated in the Company's motion, both Cascade and Commission staff (Staff) support reducing the frequency of reporting to once a year.

Staff and the Company agree that there is little value to the Commission in simply reporting deferral amounts and balances twice annually.<sup>1</sup> Missing from the current report is a narrative summary and timeline of the remediation project's progress to date.

The environmental remediation of the former Bremerton Gas Works will continue for some years into the future with no clear end date in sight. Therefore, a single annual compliance report is sufficient to ensure ongoing compliance. The proposed annual report will still continue to report deferral amounts and balances but will also include a summary of the previous year's remediation efforts to ensure continued progress and prudent management of the site's cleanup.

Staff respectfully requests the Commission grant Cascade's motion to reduce the frequency of reporting to once a year on March 1st.

Sincerely,

DAVID CARLOS GOMEZ  
Assistant Power Supply Manager, Energy Regulation

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<sup>1</sup> Figure 1 below shows the current report which the company files twice a year.

CASCADE NATURAL GAS CORPORATION			
Bremerton Manufactured Gas Plant Environmental Remediation			
UG-100589 Compliance Reporting			
MARCH 1, 2018			
CATEGORY	DEFERRED BALANCE 06/30/2017	DEFERRALS 07/01/2017 THROUGH 12/31/2017	DEFERRED BALANCE 12/31/2017
EPA FEES		\$174,970.90	
INSURANCE PROCEEDS		(\$84,958.75)	
INTERIM REMEDIATION		\$1,280,504.06	
LEGAL		\$75,015.39	
GRAND TOTAL	2,473,872.57	\$1,456,431.60	3,930,304.17

Figure 1, 2018 Semi-Annual Compliance Report; Current Format