Proposed

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CASCADE NATURAL GAS CORPORATION

RESIDENTIAL CONSERVATION INCENTIVE PROGRAM

AVAILABILITY:

This program is available throughout Cascade's Washington service territory to qualifying residential customers served on rate schedule 503 upon meeting the requirements contained in the following eligibility section.

PROGRAM DESCRIPTION:

This program is designed to increase energy efficiency in residential households within Cascade's service territory by providing rebates for the installation of certain energy efficiency measures in qualifying residential dwellings.

ELIGIBILITY:

To qualify for weatherization or new construction incentives the dwelling must use natural gas as its primary heating source. Additionally, baseline insulation levels in existing structures must not exceed the following baseline specifications in order to qualify for an incentive.

	Existing Insulation Level
Ceiling	R-18 or less
Floor	R-11 or less
Wall	R-4 or less
Duct Insulation	R-2 or less

Customers currently using high-efficiency natural gas HVAC or water heating equipment are not eligible for the high efficiency equipment measures.

MEASURES:

The following measures are deemed cost-effective and may be recommended under this program.

Existing Structures Weatherization:

٠	Ceiling Insulation	(insulate to R-38)
٠	Floor Insulation	(insulate to R-25 or fill cavity)
٠	Wall Insulation	(insulate to R-11 or fill cavity)
٠	Heating Supply Duct Insulation	(insulate to R-11 or fill cavity)

New Construction:

• Energy Star or Energy Star Plus Certified homes

High Efficiency Equipment:

- High Efficiency (90+ AFUE) Natural Gas HVAC Equipment
- High Efficiency (.62 Energy Factor) Natural Gas Water Heater

The Company will maintain and make available the list of prescriptive measures and the incentives available. The prescriptive measure list may be updated as market conditions change. Measures may be added or removed from the program in order to maintain the overall cost-effectiveness of the program.

FUNDING:

Prescriptive Basis Measure funding will be prepared and updated as markets change and will be available from the Company's website.

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EFFECTIVE _

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