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December 11, 2007

BY EMAIL AND UPS OVERNIGHT

Administrative Law Judge Theodora Mace
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
Olympia, WA 98504-7250

**Re: *Washington Utilities and Transportation Commission v.
Cascade Natural Gas Corporation; Docket No. UG-070332***

Dear Judge Mace:

On March 14, 2007, the Commission entered Order 01 in the above-referenced docket, suspending the tariff revisions that Cascade Natural Gas Corporation ("Cascade") filed on February 12, 2007. These proposed tariff revisions will be considered in this proceeding. Pursuant to RCW 80.04.130(1), a tariff suspension may not exceed 10 months from the date the tariffs would otherwise go into effect. In this case, the tariff suspension would expire on January 15, 2008.

Staff has requested that Cascade extend the suspension date in order to allow Staff and the Commission additional time to review Cascade's proposed tariff revisions. While Cascade recognizes that the schedule established for this proceeding will likely not lead to a Commission decision prior to January 15, 2008, Cascade is extremely frustrated by the time it is taking Staff and the Commission to review these proposed tariff revisions. First, the Commission did not even hold a prehearing conference in this proceeding until November 20, 2007, more than nine months after Cascade filed the tariff revisions and more than eight months after the Commission suspended them. Second, Staff cancelled the settlement conference that was scheduled for today's date.

As Cascade indicated at the prehearing conference, Cascade's preference is to make its gas supply sales to non-core customers pursuant to these tariffs, and Cascade

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desires to have the Commission approve these tariffs at the earliest possible date. Cascade's frustration over the extensive delay in this proceeding is compounded by the Complaint the Commission issued, at Staff's request, against Cascade on December 7, 2007, in which the Commission complains about Cascade's decision to make these gas sales through a subsidiary rather than by the utility (Docket No. UG-072337). Cascade was forced into this decision, however, by the Commission's suspension of Cascade's tariffs at Staff's request, as explained in Cascade's March 30, 2007 letter to the Commission (see Docket No. UG-070639).¹ Staff's and the Commission's delay in considering Cascade's proposed tariff revisions only perpetuates the situation about which Staff and the Commission are complaining. Cascade strongly believes that it should not be held responsible for its decision and this delay which were caused by Staff's and the Commission's actions, and intends to assert these defenses in Docket No. UG-072337.

Despite its frustration, Cascade is willing to accommodate Staff's request, and hereby waives the suspension date for its proposed tariff revisions for an additional 90 days, through April 15, 2007.

Thank you for your attention to this matter.

Sincerely yours,



Lawrence Reichman

LR:dma

cc: Parties

Dennis J. Moss (Docket No. UG-072337)

¹ Cascade also notes that it was not required to provide statutory notice for this tariff change pursuant to WAC 480-80-123(3)(b) because it was for "a service not previously contained within a regulated utility's existing tariff." Thus, this tariff revision was not subject to suspension pursuant to RCW 80.28.060. Cascade should not be penalized for providing notice when it was not required to do so.