CASCADE NATURAL GAS CORPORATION

DATE PREPARED: July 9, 2007 CASE NO.: UG-060256 REQUESTER: WUTC WITNESS: Katherine Barnard RESPONDER: Katherine Barnard TELEPHONE: (206) 381-6824

BENCH REQUEST NO. 6:

Please provide the assessment by the Energy Trust regarding the best way for the Company to deploy conservation resources. Please update the status of the Company's efforts to implement these recommendations.

Response:

Currently Cascade Natural Gas has contracted with the Energy Trust for a Planning Study and Energy Efficiency proposal for service rendered in Cascade's Washington service territory.

Cascade is seeking with the Energy Trust to look into the qualification for potential consultants to assist with the planning study and to look at the feasibility opportunity in expanding program implementation efforts in Cascade's service territory in Washington State. This study has been broken into 2 phases and is expected to be completed in its entirety no later than July 15th for internal review with Cascade Natural Gas and the Energy Trust. This study will be an action item on the agenda for the Energy Trust Board of Directors meeting to be held on August 8, 2007.

In the interim Cascade has hired a full time Conservation Specialist and has dedicated 100% of their time in learning from the current process the Energy Trust is offering in Cascade's Oregon service territory. Should the Energy Trust not be able to bring their 5 years of expertise into Washington State, the Company is fully prepared to issue an RFP and move forward. However, it is the Company's hope to open the doors for our residential/commercial and small industrial customers to opportunities on how to meet their energy needs in such a way that will lower energy costs, add more comfort to their homes and businesses and most of all contribute to the Washington State economy and leave our environment healthier for generations to come. The Company recognizes that the Energy Trust is fully committed to these goals and looks forward to working with the Energy Trust to make these goals successful in our Washington service areas.