

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION**

**WUTC v. Cascade Natural Gas Corporation
Docket No. UG-060256**

Cost Management Services, Inc. Data Request Nos. 1 through 26

To: **Cascade Natural Gas Corporation**

Part 1, Schedule 663

The following 6 requests concern Schedule 663, specifically the paragraph entitled "Other Services," and the sentence that reads "Service under this schedule requires customer to secure both gas supply and pipeline transportation capacity services either through the Company or through third party arrangements."

CMS Data Request No. 1: Please define the term "gas supply" as used in the quoted sentence.

CMS Data Request No. 2: Please provide a copy of the regulatory order or other authorization from the Washington Utilities and Transportation Commission ("WUTC") under which the Company sells, or offers to sell, "gas supply" to eligible customers requesting such supply from the Company in connection with Schedule 663 service to that customer.

CMS Data Request No. 3: Describe the price regulation, oversight, or other mechanism by which the WUTC regulates the Company's furnishing of gas supply to Schedule 663 customers.

CMS Data Request No. 4: In what percentage of its transactions are the prices charged by the Company for gas supplies furnished to Schedule 663 customers below the Company's wholesale average cost of gas?

CMS Data Request No. 5: Please provide a list of all customers taking service under Schedule 663.

CMS Data Request No. 6: Of the customers identified in response to the foregoing Data Request, identify those that also secure "gas supply" from the Company.

CMS Data Request No. 7: Provide a copy of the Company's standardized form of contract for "gas supply" relating to Schedule 663 service.

CMS Data Request No. 8: Please provide a copy of the regulatory order or other authorization under which the Company sells, or offers to sell, "pipeline transportation capacity services" to eligible customers requesting such supply from the Company in connection with Schedule 663 service to that customer.

The following 5 data requests concern Schedule 663, specifically the paragraph entitled "Other Services," and the sentence that reads "Gas Supplies purchased through the Company will be in accordance with the FERC regulations (18 CFR Part 284.402 Blanket Marketing Certificates)."

CMS Data Request No. 9: Does the use of initial capitalization for the term "Gas Supplies" in this sentence connote any different meaning for the term than its use in the preceding sentence of the referenced paragraph in Schedule 663?

CMS Data Request No. 10: Explain the relevance of 18 CFR Part 284.402 to sales of "Gas Supplies" by the Company to customers taking service under Schedule 663.

CMS Data Request No. 11: List by number of customers and volume of sales the sales-for-resale made by the Company to customers electing Schedule 663 service.

CMS Data Request No. 12: Does the phrase "purchased through the Company," as used in the referenced sentence, connote a broader range of arrangements than purchases of gas supplies from the Company? If so, please describe each such additional arrangement.

CMS Data Request No. 13: Describe any and all other gas supply arrangements in addition to sales, such as brokerage, that the Company arranges for Schedule 663 customers.

Part 2, Schedule 664

The following 6 requests concern Schedule 664, specifically the paragraph entitled "Other Services," and the sentence that reads "Service under this schedule requires customer to secure both gas supply and pipeline transportation capacity services either through the Company or through third party arrangements."

CMS Data Request No. 14: Please define the term "gas supply" as used in the quoted sentence.

CMS Data Request No. 15: Please provide a copy of the regulatory order or other authorization from the Washington Utilities and Transportation Commission ("WUTC") under which the Company sells, or offers to sell, "gas supply" to eligible customers requesting such supply from the Company in connection with Schedule 664 service to that customer.

CMS Data Request No. 16: Describe the price regulation, oversight, or other mechanism by which the WUTC regulates the Company's furnishing of gas supply to Schedule 664 customers.

CMS Data Request No. 17: In what percentage of its transactions are the prices charged by the Company for gas supplies furnished to Schedule 664 customers below the Company's wholesale average cost of gas?

CMS Data Request No. 18: Please provide a list of all customers taking service under Schedule 664.

CMS Data Request No. 19: Of the customers identified in response to the foregoing Data Request, identify those that also secure "gas supply" from the Company.

CMS Data Request No. 20: Provide a copy of the Company's standardized form of contract for "gas supply" relating to Schedule 664 service.

CMS Data Request No. 21: Please provide a copy of the regulatory order or other authorization under which the Company sells, or offers to sell, "pipeline transportation capacity services" to eligible customers requesting such supply from the Company in connection with Schedule 664 service to that customer.

The following 2 data requests concern Schedule 663, specifically the paragraph entitled "Other Services," and the sentence that reads "Gas Supplies purchased through the Company will be in accordance with the FERC regulations (18 CFR Part 284.402 Blanket Marketing Certificates)."

CMS Data Request No. 22: Does the use of initial capitalization for the term "Gas Supplies" in this sentence connote any different meaning for the term than its use in the preceding sentence of the referenced paragraph in Schedule 663?

CMS Data Request No. 23: Explain the relevance of 18 CFR Part 284.402 to sales of "Gas Supplies" by the Company to customers taking service under Schedule 663.

CMS Data Request No. 24: List by number of customers and volume of sales the sales-for-resale made by the Company to customers electing Schedule 663 service.

CMS Data Request No. 25: Does the phrase "purchased through the Company," as used in the referenced sentence, connote a broader range of arrangements than purchases of gas supplies from the Company? If so, please describe each such additional arrangement.

CMS Data Request No. 26: Describe any and all other gas supply arrangements in addition to sales, such as brokerage, that the Company arranges for Schedule 663 customers.

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Cost Management Services, Inc. Data Request Nos. 27 through 44

To: Cascade Natural Gas Corporation

CMS Data Request No. 27: Please provide a copy of the original Schedule 663, which was authorized by the Commission's Order in Docket 89-3364-T, Docket 89-3365-T and Docket 89-3449-T, with an effective date of December 1, 1989.

CMS Data Request No. 28: Please provide a copy of the original Schedule 664, which was authorized by the Commission's Order in Docket 89-3364-T, Docket 89-3365-T and Docket 89-3449-T, with an effective date of December 1, 1989.

CMS Data Request No. 29: In Docket 89-3363-T, it was estimated the Schedule 663 would generate an average rate of approximately 4.8 cents per therm. Please provide the average rate in cents per therm for Schedule 663 for the years 2002, 2003, 2004 and 2005, and the supporting work papers.

CMS Data Request No. 30: Please provide the following for the year ending December 31, 2004:

- 1) The number of customers taking service on Schedule 663 and the total annual volume in therms.
- 2) The number of customers purchasing Northwest Pipeline capacity from Cascade Natural Gas for city gate delivery.
- 3) The total number of therms delivered to those customers in part 2.
- 4) The total revenue derived from that capacity used by the customers in part 2.
- 5) The number of customers purchasing "Gas Supplies" from Cascade Natural Gas for city gate delivery.
- 6) The total revenue derived from the sale of those "Gas Supplies" ... Gas only.

CMS Data Request No. 31: Please provide the following for the year ending December 31, 2005:

- 1) The number of customers taking service on Schedule 663 and the total annual volume in therms.
- 2) The number of customers purchasing Northwest Pipeline capacity from Cascade Natural Gas for city gate delivery.
- 3) The total number of therms delivered to those customers in part 2.
- 4) The total revenue derived from that capacity used by the customers in part 2.
- 5) The number of customers purchasing "Gas Supplies" from Cascade Natural Gas for city gate delivery.
- 6) The total revenue derived from the sale of those "Gas Supplies" ... Gas only.

CMS Data Request No. 32: Does Cascade Natural Gas utilize Northwest Pipeline bulletin board to determine the value of Northwest Pipeline capacity to non-core customers.

CMS Data Request No. 33: Are Rate Schedule 685, Optional Firm Pipeline Capacity, and Rate Schedule 686, Optional Interruptible Pipeline Capacity, the only means of collecting capacity charges from non-core customers? If not, please provide other the rate schedules or documentation of charges.

CMS Data Request No. 34: Please provide the following for the year ending December 31, 2004:

- 1) The total number of therms of firm capacity available to non-core customers.
- 2) The total number of therms of firm capacity used by and billed to non-core customers by Cascade.
- 3) The total revenue derived from the sale of the firm capacity in part 2.

CMS Data Request No. 35: Please provide the following for the year ending December 31, 2004:

- 1) The total number of therms of interruptible capacity available to non-core customers.
- 2) The total number of therms of interruptible capacity used by and billed to non-core customers by Cascade.
- 3) The total revenue derived from the sale of the interruptible capacity in part 2.

CMS Data Request No. 36: Please provide the following for the year ending December 31, 2005:

- 1) The total number of therms of firm capacity available to non-core customers.
- 2) The total number of therms of firm capacity used by and billed to non-core customers by Cascade.
- 3) The total revenue derived from the sale of the firm capacity in part 2.

CMS Data Request No. 37: Please provide the following for the year ending December 31, 2005:

- 1) The total number of therms of interruptible capacity available to non-core customers.
- 2) The total number of therms of interruptible capacity used by and billed to non-core customers by Cascade.
- 3) The total revenue derived from the sale of the interruptible capacity in part 2.

CMS Data Request No. 38: Please provide the number of instances in the last three years that the Company has sold fixed-price Term gas supplies at prices that were lower than the then-current effective WACOG (with Term being defined as one quarter or longer).

CMS Data Request No. 39: Please provide a list of all capacity sold or otherwise committed to Schedule 663 or Schedule 664 customers during the last three years, and the arrangements (rates, firm or interruptible/recallable, and other such terms of the transaction) under which the capacity was sold or committed. Please include all transactions that were effective during the last three years (not just entered into over the past three years).

CMS Data Request No. 40: Please provide a list of capacity releases that the Company has made on Northwest Pipeline's electronic bulletin board (EBB), including release terms during the last three years. In addition, indicate whether or not the releases were subject to bidding.

CMS Data Request No. 41: To the extent that the Company is not recovering the full cost of its Northwest Pipeline capacity through such sales or releases, please explain who is responsible for the difference between the cost and value received (i.e., rate payers or shareholders).

CMS Data Request No. 42: Please indicate if any of the capacity sales or releases over the last three years have not or do not cover the marginal costs associated with performing under the transaction (i.e., do not cover fuel-in-kind reimbursement, Northwest Pipeline volumetric charges, applicable taxes, and/or Company administrative costs). In the event that such transactions exist (i.e., transactions that do not cover their marginal cost), please explain who absorbs the losses associated with the transactions (e.g., ratepayers or shareholders).

CMS Data Request No. 43: To the extent that such activities are not regulated by the WUTC, please explain the methodology under which the Company determines acceptable or reasonable levels of cost recovery and administrative margins for pipeline capacity sales and gas supply sales.

CMS Data Request No. 44: Please explain (i) the extent to which the Company has had excess Northwest Pipeline capacity (i.e., capacity in excess of that required to serve its firm, jurisdictional customers) over the past five years; (ii) the Company's projections regarding excess Northwest Pipeline capacity for the next 10 years; and (iii) the extent to which the Company had, or will have, opportunities to terminate Northwest Pipeline capacity contracts over the last five years or during the next 10 years.