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**CNG/W19-09-03**

September 13, 2019

Mr. Mark L. Johnson  
 Executive Director and Secretary  
 Washington Utilities & Transportation Commission  
 P.O. Box 47250  
 Olympia, WA 98504-7250

Received  
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 09/13/19 08:39  
 State Of WASH.  
 UTIL. AND TRANSP.  
 COMMISSION

**Re:** Schedule 594, Decoupling Mechanism Adjustment

Dear Mr. Johnson:

Cascade Natural Gas Corporation (“Cascade”) hereby encloses for filing the following proposed tariff sheet containing a requested effective date of November 1, 2019:

**Third Revision Sheet No. 594 Canceling Second Revision Sheet No. 594**

The purpose of this filing is to amortize the difference between authorized revenues and actual revenues for the timeframe of January 1, 2018, through December 31, 2018, which is consistent with the Company’s Rule 21, Decoupling Mechanism, and the terms adopted by Order No. 04 in UG-152286.

Rule 21, Decoupling Mechanism, was approved in the Company’s rate case in Docket UG-152286 and allows Cascade to defer the difference between billed revenue and the authorized margin per customer, which is a different amount per customer class, per month. Billed and authorized revenue differ for a number of reasons including the installation of conservation measures, weather variations, and different gas usage patterns. The deferred balance is then amortized through the Schedule 594 adjustment rate that becomes effective concurrently with the Purchased Gas Adjustment (PGA).

Below is a table summarizing the proposed changes reflected in this filing:

<u>Service</u>	<u>Sch. No.</u>	<u>Rate Change</u>	<u>Proposed Rate Per Therm</u>	<u>Percent Change</u>
Residential	503	\$0.03975	\$0.01390	4.58%
Commercial	504	\$0.03126	\$0.00081	4.01%

Industrial	505	(\$0.00906)	(\$0.00585)	(1.36%)
Industrial Lg Vol	511	\$0.03114	(\$0.01954)	5.39%
Interruptible	570	\$0.01155	\$0.01906	2.25%

The changes made to Schedule 594 result in an overall rate increase of 3.71% or an increase in annual revenue change reflected in this filing of \$8,248,954. For the average residential customer using 55 therms, the changes made herein result in an average monthly increase of \$2.20. For the average commercial customer using 289 therms per year, these changes result in an average increase of \$9.04.

The proposed change will affect all of Cascade's Washington customers except transportation only customers. Cascade serves approximately 190,130 residential, 26,357 commercial and 477 industrial customers in the state of Washington.

As this proposed rate is an increase, no adjustment for earnings sharing under UG-152286 is required.

If you have any questions, please call me at (509) 734-4593.

Sincerely,

*/s/ Michael Parvinen*

Michael Parvinen  
Director, Regulatory Affairs  
Cascade Natural Gas Corporation  
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Attachment

NEW, CNGC Advice W19-09-03 Trf Sheet 594, 09-13-2019.pdf  
NEW, CNGC Advice W19-09-03 Redlined Trf Sheet 594, 09-13-2019.pdf  
NEW, CNGC Advice W19-09-03 Exh A, 09-13-2019.pdf  
NEW, CNGC Advice W19-09-03 DMA WP, 09-13-2019.xlsx