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CNG/W20-09-01

September 15, 2020

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

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 09/15/20 10:09
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 UTIL. AND TRANSP.
 COMMISSION

Re: Cascade Natural Gas PGA and TTA Annual Filing

Dear Mr. Johnson:

Cascade Natural Gas Corporation (“Cascade or “Company”) hereby encloses for filing the following proposed tariff sheets containing a requested effective date of November 1, 2020:

**Second Revision Sheet No. 590, Canceling First Revision Sheet No. 590
 Forty-First Revision Sheet No. 595, Canceling Fortieth Revision Sheet No. 595**

The Purchased Gas Adjustment (PGA) portion of this application details the commodity and demand units and costs of Cascade’s core market gas supply portfolio including company purchased supplies, pipeline transportation and peaking resources. The cost of gas, which includes pipeline, reservation and storage costs, is slightly down from last year. The purpose of this filing is to pass on rate adjustments designed to reflect the cost of gas in the Company’s current gas supply portfolio.

The proposed tariff will result in an estimated annual revenue decrease of approximately \$902,918 or a decrease in annual revenue of .34 percent. The average residential customer using 56 therms per month will see a decrease of \$0.21.

Service	Sch. No.	Commodity Change per therm	Demand Change per therm	Total Rate Change	WACOG Proposed Rate Per Therm	Percent Change
Residential	503	\$0.00549	(\$0.00916)	(\$0.00367)	\$0.43466	(0.36%)
Commercial	504	\$0.00549	(\$0.00903)	(\$0.00354)	\$0.43204	(0.39%)
Industrial	505	\$0.00549	(\$0.00834)	(\$0.00285)	\$0.41912	(0.43%)
Industrial Lg Vol	511	\$0.00549	(\$0.00834)	(\$0.00285)	\$0.41912	(0.42%)
Interruptible	570	\$0.00549	(\$0.00765)	(\$0.00216)	\$0.40624	(0.35%)

The second part of this filing is the Temporary Technical Adjustments (TTA) portion. These adjustments pass on changes in the amounts affecting customer rates as a result of deferral account amortizations and charges to the prospective purchased gas costs. Temporary Gas Cost Amortization Schedule No. 590 combines prior period rate adjustments and new rate adjustments designed to amortize current outstanding deferral account balances (including accrued interest) as well as the prospective changes to expected gas costs, the PGA component.

The rates contained in the attached Schedule 590 will debit the remaining deferral balance of \$37,208,318 to extend the amortization period to two-years. The annual revenue change reflected in this filing is an increase of \$3,632,528 to customers, which reflects an increase in annual of revenue 1.38 percent. The average residential customer using 56 therms per month will see an increase of \$0.78. Below is a table summarizing the proposed changes reflected in the deferral amortization portion of the filing:

Service	Sch. No.	Rate Change	Proposed Rate Per Therm	Percent Change
Residential	503	\$0.01401	\$0.07316	1.37%
Commercial	504	\$0.01401	\$0.07316	1.56%
Industrial	505	\$0.01401	\$0.07316	2.11%
Industrial Lg Vol	511	\$0.01401	\$0.07316	2.08%
Interruptible	570	\$0.01401	\$0.07316	2.26%

The impact of the PGA and TTA changes combined is a revenue increase of \$2,729,610 or an overall 1.04 percent increase. The impact to an average residential customer using 56 therms per month will be \$0.58 or a 1.01 percent increase.

In addition to the supporting materials submitted as part of this combined filing, the Company will separately submit all workpapers in electronic format.

The Company therefore requests that the documents contained in the spreadsheet marked confidential that are identified with the cover page as “Confidential per WAC 480-07-160” be treated as confidential under the provisions of WAC 480-07-160(8), as they each contain sensitive commercial information. It would be unduly burdensome to mark as required in 480-07-160(4-7).

In accordance with WAC 480-90-198, the Company declares that notice to customers was made in accordance with WAC 480-90-195. Cascade issued bill inserts to customers during August 2020 explaining the PGA process and Cascade will publish on its webpage the anticipated rate decrease. Also, at the beginning of October 2020, Cascade will issue another bill insert to customers stating what the increased rates will be. Both copies of the 2020 bill insert have been included with this filing. The proposed change will affect all of Cascade’s Washington

customers. Cascade serves approximately 193,657 residential, 26,658 commercial and 480 industrial customers in the state of Washington.

As directed by the WUTC in the March 13, 2017 Policy and Interpretive Statement in Docket UG-132019, included as an attachment to this filing is the Company's 2020-21 Hedging Plan. The information contained in the plan is confidential pursuant to WAC 480-07-160(2)(c) as the plan contains valuable commercial information.

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

Sincerely,

/s/ Michael Parvinen

Michael Parvinen
Director, Regulatory Affairs
Cascade Natural Gas Corporation
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Kennewick, WA 99336-7166
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Attachments

PGA

NEW, CNGC Advice W20-09-01 PGA Trf Sheet 590, 09-15-20.pdf
NEW, CNGC Advice W20-09-01 PGA Redlined Trf Sheet 590, 09-15-2020.pdf
NEW, CNGC Advice W20-09-01 PGA Trf Sheet 595, 09-15-2020.pdf
NEW, CNGC Advice W20-09-01 PGA Redlined Trf Sheet 595, 09-15-2020.pdf
NEW, CNGC Advice W20-09-01 PGA Bill Insert, 09-15-2020.pdf
NEW, CNGC Advice W20-09-01 PGA Exhibit A, 09-15-2020.pdf
NEW, CNGC Advice W20-09-01 PGA WP, 09-15-2020.xlsx
NEW, CNGC Advice W20-09-01 PGA Gas Cost WP, 09-15-2020(R).pdf
NEW, CNGC Advice W20-09-01 PGA Gas Cost WP, 09-15-2020(C).xlsx

Hedge Plan

NEW-CNGC-PRJCT-TEAM-MTG-MINUTES-MAY2020-9-15-2020.pdf
NEW-CNGC-VAR-TO-LIFE-9-15-2020(C).xlsx
NEW-CNGC-VAR-TO-LIFE-9-15-2020(R).pdf
NEW-CNGC-2020-ANNUAL-HEAD-PLAN-9-15-2020(C).pdf
NEW-CNGC-2020-ANNUAL-HEAD-PLAN-9-15-2020(R).pdf
NEW-CNGC-2020-HEDGE-PLAN-PROCESS-FLOW-CHARTS-9-15-2020.pdf
NEW-CNGC-2020-HEP-PRESENTATION-9-15-2020(C).pdf
NEW-CNGC-2020-HEP-PRESENTATION-9-15-2020(R).pdf
NEW-CNGC-BOOK-MODEL-9-15-2020(C).xlsx
NEW-CNGC-BOOK-MODEL-9-15-2020(R).pdf

NEW-CNGC-COMPLIANCE-MATRIX-9-15-2020.xlsx
NEW-CNGC-GELBER-ASSOCIATES-2019-FORECAST-9-15-2020(R).pdf
NEW-CNGC-GELBER-ASSOCIATES-2020-FORECAST-9-15-2020(C).pdf
NEW-CNGC-GSOC-MINUTES-9-15-2020(C).pdf
NEW-CNGC-GSOC-MINUTES-9-15-2020(R).pdf
NEW-CNGC-HEDGE-SCHDL-CHART-9-15-2020.xlsx
NEW-CNGC-MARK-TO-MARKET-CALC06022020-9-15-2020(C).xlsx
NEW-CNGC-MARK-TO-MARKET-CALC06022020-9-15-2020(R).pdf
NEW-CNGC-MONTHLY-GUIDANCE-JUNE-9-15-2020(C).pdf
NEW-CNGC-MONTHLY-GUIDANCE-JUNE-9-15-2020(R).pdf
NEW-CNGC-RETROSPECTIVE-REPORT-WORKBOOK-9-15-2020(C).xlsx
NEW-CNGC-RETROSPECTIVE-REPORT-WORKBOOK-9-15-2020(R).pdf