

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Request of

CASCADE NATURAL GAS
CORPORATION,

Petitioner,

For an Order Authorizing a Waiver of the
Requirement of the WEAFF Program
Annual Tariff Revision

DOCKET UE-200834

ORDER 01

GRANTING WAIVER OF THE
REQUIREMENT OF THE WEAFF
PROGRAM ANNUAL TARIFF
REVISION

BACKGROUND

- 1 On September 30, 2020, Cascade Natural Gas Corporation (Cascade or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting a temporary waiver of the annual true-up requirement of its Washington Energy Assistance Fund Program (WEAF) for the October 2020 – September 2021 program year.
- 2 In Docket UG-152286, the Commission accepted an all-party settlement stipulation that requires Cascade to file an annual true-up rate revision of its WEAFF program cost recovery tariff.¹ In particular, if the amounts the Company collects through surcharges exceed WEAFF expenditures in a given year, Cascade is required to return the unspent amounts to ratepayers the following year.² Cascade has complied with this true-up filing requirement in prior years.
- 3 Cascade seeks a waiver from the requirement this year due to the increasing need for bill assistance driven by the COVID-19 pandemic. Between WEAFF and the newly implemented Hardship Economic Assistance Receivable Temporary (HEART) program, the number of applications for bill assistance in the 2019-2020 program year have increased by more than 50 percent, as compared to the previous program year. The HEART program provides bill relief for customers with financial difficulty due to

¹ *Wash. Utils. & Transp. Comm'n v. Cascade Natural Gas Corporation*, Docket UG-152286, Order 04, ¶ 12 and Exhibit A Joint Settlement Agreement, ¶ 29. (Jul. 7, 2016).

² *Id.*

COVID-19. The program was implemented on April 24, 2020, and is currently authorized to operate through March 31, 2021.³ Cascade anticipates that the elevated number of applications will continue through the upcoming 2020-2021 heating season.

4 Commission staff (Staff) has reviewed this petition and believes the waiver is consistent with the public interest. If Cascade were revise rates to true up the WEAFF surcharge this year, the revenue collection would decrease by \$25,734. This immaterial amount does not justify the administrative burden to implement rate changes. Further, WEAFF is likely to have a higher spending level in the ongoing program year, justifying at least maintaining the existing level of revenue collection for the WEAFF program rather than reducing revenue collection now but increasing it next year. Cascade can roll the \$25,734 balance into next year's true-up filing.

DISCUSSION

5 WAC 480-07-110 provides that the Commission “may grant an exemption from, or modify the application of, any of its rules in individual circumstances if the exemption or modification is consistent with the public interest, the purposes underlying regulation, and applicable statutes.” The Commission will consider factors such as “whether the rule imposes an undue hardship on the requesting person of a degree or a kind different from hardships imposed on other similarly situated persons, and whether the effect of applying the rule to the requesting person would be contrary to the underlying purposes of the rule and the public interest.”⁴

6 The Commission agrees with Staff that granting the Company a waiver from the annual WEAFF true-up requirement is reasonable and appropriate for this year. We recognize the potential need for additional bill assistance due to the COVID-19 pandemic. Maintaining the current WEAFF collection level is appropriate to help address the ongoing demand for financial assistance for low income households. In addition, the true-up amount is immaterial compared to the administrative burden of implementing changes.

7 We find that Cascade's request for an exemption from the Commission Order 04 in UG-152286 is consistent with the public interest, the purposes underlying regulation, and applicable statutes, and conclude that it should be granted. The small difference between WEAFF expenditures and revenue for the 2019-2020 program year shall be included in the true-up filing for the 2020-2021 program year.

³ *Wash. Utils. & Transp. Comm'n v. Cascade Natural Gas Corporation*, Docket UG-200355, Order 01. (Apr. 23, 2020).

⁴ WAC 480-07-110(2)(c).

FINDINGS AND CONCLUSIONS

- 8 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including natural gas companies.
- 9 (2) Cascade Natural Gas Corporation is engaged in the business of providing natural gas services within the state of Washington and a public service company subject to Commission jurisdiction.
- 10 (3) This matter came before the Commission at its regularly scheduled meeting on October 29, 2020.
- 11 (4) Under WAC 480-07-110, the Commission may grant an exemption from, or modify the application of any of its rules if it is consistent with the public interest, the purposes underlying regulation, and applicable statutes.
- 12 (5) Staff has reviewed Cascade Natural Gas Corporation's petition in Docket UG-200834 and recommends the Commission grant a one-time waiver of the requirement that Cascade file an annual tariff revision.
- 13 (6) Based on the anticipated needs for more financial assistance due to the COVID-19 pandemic, the Commission finds good cause to grant a waiver to allow Cascade Natural Gas Corporation to maintain the current WEAFF rates.

ORDER

THE COMMISSION ORDERS:

- 14 (1) Cascade Natural Gas Corporation's Petition for a Waiver of the requirement of the WEAFF program annual tariff revision established in Order 04, Docket UG-152286 is granted.
- 15 (2) The Commission retains jurisdiction over the subject matter and Cascade Natural Gas Corporation, to effectuate the provisions of this Order.
- 16 The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective October 29, 2020.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON
Executive Director and Secretary