BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE NATURAL GAS CORPORATION,

Respondent.

CASCADE NATURAL GAS CORPORATION

FIRST EXHIBIT (NONCONFIDENTIAL) TO THE DIRECT TESTIMONY OF

PAMELA J. ARCHER

September 30, 2021
RULE 21
DECOPLING MECHANISM

PURPOSE:
This Rule describes the revenue-per-Customer Decoupling Mechanism which annually applies a per therm credit or debit under Schedule 594, “Decoupling Mechanism Adjustment” to applicable Customers’ bills for the purpose of truing up the annual difference between Margin Revenues and the Authorized Margin Revenues per Customer served as herein defined.

APPLICABILITY:
This Rule is applicable to all Customers served on Schedules 503, 504, 505, 511, and 570.

MARGIN REVENUES
Margin Revenue is the amount of Margin billed in a billing month, adjusted for unbilled margin revenues. Margin Revenue does not include amounts billed for the Basic Customer Charge, or adjustment schedules, such as Schedules 500, 581, 582, 590, 593, 594, 595, 596, 597, and 598.

AUTHORIZED MARGIN REVENUE PER CUSTOMER
The Authorized Margin per month per customer is established in the tables below.

<table>
<thead>
<tr>
<th></th>
<th>503</th>
<th>504</th>
<th>505</th>
<th>511</th>
<th>570</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>$38.59</td>
<td>$160.49</td>
<td>$625.04</td>
<td>$4,078.68</td>
<td>$2,356.30</td>
</tr>
<tr>
<td>February</td>
<td>$31.39</td>
<td>$132.20</td>
<td>$543.90</td>
<td>$3,733.06</td>
<td>$2,376.60</td>
</tr>
<tr>
<td>March</td>
<td>$26.63</td>
<td>$104.83</td>
<td>$543.21</td>
<td>$3,628.71</td>
<td>$2,124.18</td>
</tr>
<tr>
<td>April</td>
<td>$17.36</td>
<td>$66.99</td>
<td>$468.01</td>
<td>$3,462.90</td>
<td>$2,126.72</td>
</tr>
<tr>
<td>May</td>
<td>$11.13</td>
<td>$46.60</td>
<td>$293.99</td>
<td>$2,070.83</td>
<td>$1,758.05</td>
</tr>
<tr>
<td>June</td>
<td>$7.12</td>
<td>$31.98</td>
<td>$262.60</td>
<td>$2,011.89</td>
<td>$1,360.87</td>
</tr>
<tr>
<td>July</td>
<td>$5.83</td>
<td>$33.08</td>
<td>$231.79</td>
<td>$1,734.52</td>
<td>$1,159.69</td>
</tr>
<tr>
<td>August</td>
<td>$5.84</td>
<td>$33.14</td>
<td>$204.53</td>
<td>$1,406.69</td>
<td>$1,127.81</td>
</tr>
<tr>
<td>September</td>
<td>$7.07</td>
<td>$42.96</td>
<td>$254.77</td>
<td>$1,405.29</td>
<td>$1,065.44</td>
</tr>
<tr>
<td>October</td>
<td>$16.15</td>
<td>$78.55</td>
<td>$409.00</td>
<td>$1,680.45</td>
<td>$1,002.46</td>
</tr>
<tr>
<td>November</td>
<td>$30.45</td>
<td>$119.08</td>
<td>$352.78</td>
<td>$1,955.09</td>
<td>$1,895.96</td>
</tr>
<tr>
<td>December</td>
<td>$39.48</td>
<td>$152.92</td>
<td>$549.80</td>
<td>$3,108.98</td>
<td>$2,335.68</td>
</tr>
</tbody>
</table>

(Continued)
CASCADE NATURAL GAS CORPORATION

Residential Service Rate
Schedule No. 503

Availability:
This schedule is available to residential customers throughout the territory served by the Company under the tariff of which this schedule is a part for natural gas supplied for all purposes provided adequate capacity and supply exist in the Company's system. Service under this schedule shall be through one or more meters, billed separately.

Rate:

<table>
<thead>
<tr>
<th></th>
<th>Margin</th>
<th>WACOG</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Service Charge</td>
<td>$ 5.00</td>
<td></td>
<td>$ 5.00 per month</td>
</tr>
<tr>
<td>All Gas Used Per Month</td>
<td>$0.36637</td>
<td>$0.43833</td>
<td>$0.80470 per therm</td>
</tr>
</tbody>
</table>

Rate Adjustment:
Service under this schedule is subject to various adjustments as specified in Schedules 581, 582, 590, 593, 594, 595, 596, and 597 (when applicable) as well as any other applicable adjustments as approved by the Washington Utilities and Transportation Commission.

Minimum Charge:
Basic Service Charge: $ 5.00 per month

Terms of Payment:
Above rates are net. Each monthly bill shall be due and payable within twenty-two (22) days from the date of rendition. Past due balances are subject to a late payment charge(s) per Rule 6.

Reconnection Charge:
A reconnection charge of twenty-four dollars ($24.00) during regular business hours or sixty dollars ($60.00) during non-business hours may be made for restoration of service when service has been turned off for nonpayment of any bill due, seasonal turnoff, or for other reasons arising through the action of the customer.

Tax Additions:
The rates named herein are subject to increases as set forth in Schedule No. 500, entitled "Tax Additions".

Special Terms and Conditions:
1. The application of this rate schedule is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.
2. Gas purchased under this schedule shall not be submetered or resold to others without special permission from the Company.

CNG/W21-09-06
Issued September 30, 2021
Effective for Service on and after November 1, 2021

Issued by CASCADE NATURAL GAS CORPORATION

By: Lori A. Blattner
Director, Regulatory Affairs
CASCADE NATURAL GAS CORPORATION

Forty-Ninth Revision Sheet No. 504
Canceling
Forty-Eighth Revision Sheet No. 504

GENERAL COMMERCIAL SERVICE RATE
SCHEDULE NO. 504

AVAILABILITY:
This schedule is available to commercial customers throughout the territory served by the Company under the tariff of which this schedule is a part for natural gas supplied for all purposes provided adequate capacity and supply exist in the Company's system. Service under this schedule may be through one or more meters, billed separately.

RATE:

<table>
<thead>
<tr>
<th></th>
<th>Margin</th>
<th>WACOG</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Service Charge</td>
<td>$13.00</td>
<td></td>
<td>$13.00 per month</td>
</tr>
<tr>
<td>All Therms Used</td>
<td>$0.30790</td>
<td>$0.43558</td>
<td>$0.74348 per therm</td>
</tr>
</tbody>
</table>

RATE ADJUSTMENT:
Service under this schedule is subject to various adjustments as specified in Schedules 581, 582, 590, 593, 594, 595, 596, and 597 (when applicable) as well as any other applicable adjustments as approved by the Washington Utilities and Transportation Commission.

MINIMUM CHARGE:
Basic Service Charge $13.00

TERMS OF PAYMENT:
Above rates are net. Each monthly bill shall be due and payable within twenty-two (22) days from the date of rendition. Past due balances are subject to a late payment charge(s) per Rule 6.

RECONNECTION CHARGE:
A reconnection charge of twenty-four dollars ($24.00) during regular business hours or sixty dollars ($60.00) during non-business hours may be made for restoration of service when service has been turned off for nonpayment of any bill due, seasonal turnoff, or for other reasons arising through the action of the customer.

TAX ADDITIONS:
The rates named herein are subject to increases as set forth in Schedule No. 500, entitled "Tax Additions".

SPECIAL TERMS AND CONDITIONS:

1. The application of this rate schedule is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.

2. Gas purchased under this schedule shall not be submetered or resold to others without special permission from the Company.

CNG/W21-09-06  Effective for Service on and after
Issued September 30, 2021  November 1, 2021

Issued by CASCADE NATURAL GAS CORPORATION

By: [Signature]  Lori A. Blattner  Director, Regulatory Affairs
GENERAL INDUSTRIAL SERVICE RATE
SCHEDULE NO. 505

AVAILABILITY:
This schedule is available to industrial customers throughout the territory served by the Company under the tariff of which this schedule is a part for natural gas supplied for all purposes provided adequate capacity and supply exist in the Company's system. Service under this schedule shall be through one or more meters, billed separately.

RATE:

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Margin</th>
<th>WACOG</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Service Charge</td>
<td>$60.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>First 500 therms/month</td>
<td>$0.23747</td>
<td>$0.42197</td>
<td>$0.65944 per therm</td>
</tr>
<tr>
<td>Next 3,500 therms/month</td>
<td>$0.19440</td>
<td>$0.42197</td>
<td>$0.61637 per therm</td>
</tr>
<tr>
<td>All over 4,000 therms/month</td>
<td>$0.18788</td>
<td>$0.42197</td>
<td>$0.60985 per therm</td>
</tr>
</tbody>
</table>

RATE ADJUSTMENT:
Service under this schedule is subject to various adjustments as specified in Schedules 581, 582, 590, 593, 594, 595, 596, and 597 (when applicable) as well as any other applicable adjustments as approved by the Washington Utilities and Transportation Commission.

MINIMUM CHARGE:
Basic Service Charge $60.00

TERMS OF PAYMENT:
Above rates are net. Each monthly bill shall be due and payable within twenty-two (22) days from the date of rendition. Past due balances are subject to a late payment charge(s) per Rule 6.

RECONNECTION CHARGE:
A reconnection charge of twenty-four dollars ($24.00) during regular business hours or sixty dollars ($60.00) during non-business hours may be made for restoration of service when service has been turned off for nonpayment of any bill due, seasonal turnoff, or for other reasons arising through the action of the customer.

TAX ADDITIONS:
The rates names herein are subject to increases as set forth in Schedule No. 500 entitled "Tax Additions".

SPECIAL TERMS AND CONDITIONS:
1. The application of this rate schedule is subject to the General Rules and Regulations of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.
2. Gas purchased under this schedule shall not be submetered or resold to others without special permission from the Company.

CNG/W21-09-06 Effective for Service on and after November 1, 2021
Issued September 30, 2021
Issued by CASCADE NATURAL GAS CORPORATION

By: Lori A. Blattner Director, Regulatory Affairs
CASCADE NATURAL GAS CORPORATION

SCHEDULE 511
LARGE VOLUME GENERAL SERVICE

AVAILABILITY:
This schedule is available to customers throughout the territory served by the Company under the tariff of which this schedule is a part provided adequate capacity and supply exist in the Company’s system. Service under this schedule shall be for natural gas supplied for all purposes to customers having an annual fuel requirement of not less than 50,000 therms.

RATE:

<table>
<thead>
<tr>
<th>Basic Service Charge</th>
<th>Margin</th>
<th>WACOG</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0.125.00</td>
<td>$0.42197</td>
<td>$0.61132</td>
</tr>
<tr>
<td>First 20,000 therms/month</td>
<td>$0.18935</td>
<td>$0.42197</td>
<td>$0.61132</td>
</tr>
<tr>
<td>Next 80,000 therms/month</td>
<td>$0.14689</td>
<td>$0.42197</td>
<td>$0.56886</td>
</tr>
<tr>
<td>All over 100,000 therms/month</td>
<td>$0.04187</td>
<td>$0.42197</td>
<td>$0.46384</td>
</tr>
</tbody>
</table>

RATE ADJUSTMENT:
Service under this schedule is subject to various adjustments as specified in Schedules 581, 582, 590, 593, 594, 595, 596, and 597 (when applicable) as well as any other applicable adjustments as approved by the Washington Utilities and Transportation Commission.

SERVICE AGREEMENT:
Customers receiving service under this rate schedule shall execute a service agreement for an Annual Minimum Quantity of 50,000 therms a year.

ANNUAL DEFICIENCY BILL:
In the event customer purchases less than the Annual Minimum Quantity as stated in the service agreement, customer shall be charged an Annual Deficiency Bill. The annual Deficiency Bill shall be calculated as the difference between the Annual Minimum Quantity and the actual purchase or transport therms times per therm rates in this schedule except WACOG plus all per therm rates for all adjustment schedules that would apply to service procured under this rate schedule.

TERMS OF PAYMENT:
Each monthly bill shall be due and payable within twenty-two (22) days from the date of rendition. Past due balances are subject to a late payment charge(s) per Rule 6.

TAX ADDITIONS:
The rates named herein are subject to increases as set forth in Schedule No. 500, Municipal Taxes.

GENERAL TERMS:
Service under this rate schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this rate schedule apply to service under this rate schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

CNG/W21-09-06
Issued September 30, 2021
Effective for Service on and after November 1, 2021

Issued by CASCADE NATURAL GAS CORPORATION

By: Lori A. Blattner
Director, Regulatory Affairs
SCHEDULE 570

INTERRUPTIBLE SERVICE

AVAILABILITY:
This schedule is available throughout the territory served by the Company under the tariff of which this schedule is a part provided adequate capacity and supply exist in Company's system. Service under this schedule shall be for natural gas delivered for all purposes to customers having an annual fuel requirement of not less than 50,000 therms per year, which shall include all firm gas delivered, if any, and where customer agrees to maintain standby fuel burning facilities and an adequate supply of standby fuel to replace the entire supply of natural gas delivered hereunder. Service under this schedule shall be subject to curtailment by the Company when, in the judgment of the Company, such curtailment or interruption of service is necessary. Company shall not be liable for damages for, or because of, any curtailment of natural gas deliveries hereunder.

RATE:

<table>
<thead>
<tr>
<th></th>
<th>Margin</th>
<th>WACOG</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Service Charge</td>
<td>$163.00</td>
<td></td>
<td>$163.00 per month</td>
</tr>
<tr>
<td>First 30,000 therms/month</td>
<td>$0.10591</td>
<td>$0.40840</td>
<td>$0.51431 per therm</td>
</tr>
<tr>
<td>All over 30,000 therms/month</td>
<td>$0.03424</td>
<td>$0.40840</td>
<td>$0.44264 per therm</td>
</tr>
</tbody>
</table>

RATE ADJUSTMENT:
Service under this schedule is subject to various adjustments as specified in Schedules 581, 582, 590, 593, 594, 595, 596, and 597 (when applicable) as well as any other applicable adjustments as approved by the Washington Utilities and Transportation Commission.

ANNUAL DEFICIENCY BILL:
In the event customer purchases less than the Annual Minimum Quantity as stated in the service agreement, customer shall be charged an Annual Deficiency Bill. Annual Deficiency Bill shall be calculated as the difference between the Annual Minimum Quantity and the actual purchase or transport therms times per therm rates in this schedule except WACOG plus all per therm rates for all adjustment schedules that would apply to service procured under this rate schedule.

SERVICE AGREEMENT:
Customers receiving service under this rate schedule shall execute a service agreement for an Annual Minimum Quantity of 50,000 therms a year.

TERMS OF PAYMENT:
Each monthly bill shall be due and payable within twenty-two (22) days from the date of rendition. Past due balances are subject to a late payment charge(s) per Rule 6.

TAX ADDITIONS:
The rates named herein are subject to increases as set forth in Schedule No. 500, Municipal Taxes.

GENERAL TERMS:
Service under this rate schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this rate schedule apply to service under this rate schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.
SCHEDULE 663
DISTRIBUTION SYSTEM TRANSPORTATION SERVICE
(Continued from Previous Page)

Rates (continued):
D. Delivery Charge for all therms delivered per month

<table>
<thead>
<tr>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>First 100,000</td>
</tr>
<tr>
<td>Next 200,000</td>
</tr>
<tr>
<td>Next 200,000</td>
</tr>
<tr>
<td>Over 500,000</td>
</tr>
</tbody>
</table>

E. Gross Revenue Fee:
The total of all charges shall be subject to a Gross Revenue Fee of 4.423% to cover state utility tax and other governmental levies imposed upon Company.

F. Fuel Use Requirements:
Customers served on Schedule 663 shall provide Company with in-kind fuel for lost and unaccounted for gas on Company’s distribution system. The fuel use factor is 0.2479%.

All other terms and conditions of service shall be pursuant to the rules and regulations set forth in this Tariff.

RATE ADJUSTMENTS:
Service under this schedule is subject to various adjustments including Schedules 581, 582, 590, 593, 594, 595, 596 and 597.

TAX ADDITIONS:
The rates named herein are subject to increases as set forth in Schedule 500, Municipal Taxes.

(continued)