

**Exh. DJP-6
Docket UG-170929
Witness: David J. Panco**

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

**CASCADE NATURAL GAS
CORPORATION,**

Respondent.

DOCKET UG-170929

**EXHIBIT TO
TESTIMONY OF**

David J. Panco

**ON BEHALF OF STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Cascade's Response to Public Counsel Data Request No. 20

February 15, 2018

Request No. 20

Date prepared: November 30, 2017

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PC-20 Re: Compliance Department.

Refer to the Direct Testimony of Michael P. Parvinen, Exhibit MPP-1T, page 8, lines 8 – 17, and MPP WP-1.16.

- a. Please provide a detailed description of the current status of the new System Integrity/System Management Department. As part of the description, please indicate if it has already been formed, and if so, when it was formed. If not already formed, indicate when it will be formed.
- b. Have the new Director – MAOP Validation and the two new system integrity engineers been hired yet? If no, explain why not. If yes, indicate when each were hired and provide the actual agreed to wage for each of the positions.
- c. If the new director and two engineering positions have been filled by already existing employees that were assigned to other departments, identify what position the employee(s) previously held and provide a detailed description of the status of their prior position (i.e., filled by new employee, vacant, actively recruiting to fill position, position no long exists, etc.).

Please explain and show, in detail, how the 45 percent loading factor used in the adjustment was determined. Please also identify all costs included in the loading factor (i.e., health care, retirement benefits, etc.).

Response:

- a. The System Integrity Department was established February 2017 with the hiring of a Director, System Integrity and moving two existing engineers from Engineering Services to System Integrity. System Integrity took over

activities which were being performed by Engineering Services and Operation. The System Integrity Department is primarily responsible for Distribution Integrity Management Program (DIMP), Transmission Integrity Management Program (TIMP), MAOP Validation, and Corrosion Control.

- b. Yes, Director was hired February 2017 and the two engineers for System Integrity Department were established in February 2017 from two existing engineers which were moved from Engineering Services to System Integrity. The salaries are \$76,133 and \$73,140.
- c. Director, System Integrity was filled by the Manager, Corrosion Control and the Manager, Corrosion Control was filled by a new employee. The two engineers within the System Integrity Department consists of two engineers which were moved from Engineering Services to System Integrity. Engineering Services hired one new engineer to fill the void created by the two engineers moving to System Integrity.

The 45% loading factor rate was provided by The Human Resources' Department. Please see the attached document PC-20.pdf which shows how the most recent loading factor rate of 46% is determined.