

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WUTC v. Cascade Natural Gas Corp.
Docket UG-170929
Public Counsel
UG-170929**

Request No. 78

Date prepared: December 20, 2017

Preparer: Jennifer Gross

Contact: Michael Parvinen

Telephone: 509-734-4593

PC-78 Re: Miscellaneous Charges.

In the Direct Testimony of Ms. Jennifer G. Gross at page 5, line 24 through page 6, line 3, she states, “The Company has reviewed the charges and concluded that the five charges identified above—Reconnect Charge (business hours), Reconnect Charge (after hours), Disconnect Charge, Returned Check Charge, and Pilot Light Service Charge—are currently set at rates which no longer accomplish Cascade’s objective of influencing customer behavior.”

Please provide all documents, work papers, and calculations used to arrive at this conclusion for each of the charges listed.

Response:

Cascade arrived at its conclusion based on conversations with the Company’s Credit Manager, who related his experience and the feedback he has received from the call center representatives. Cascade’s credit department strives to minimize bad debt and to encourage customers to call the Company to discuss payment plans early in the process before a technician knocks on their door to notify them of pending disconnection for nonpayment. Cascade’s credit department has implemented a number of changes in an effort to reduce bad debt and minimize collections work. For instance, the Company has revised its methodology for assessing risk of past due amounts. The Company’s internal process changes have done quite a bit to “train customers” and minimize the incurrence of miscellaneous charges. It stands to reason that the fee amounts are the final lever available for influencing customer behavior. Since these fees have not changed in over ten years, they are not keeping pace with the cost of money; and, therefore, the fees in real terms are less expensive and less of a deterrent to customers than they were in 2006.