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November 15, 2006

**VIA FEDERAL EXPRESS  
AND ELECTRONIC FILING**

Carol Washburn  
Executive Secretary  
Washington Utilities & Transportation  
Commission  
1300 S. Evergreen Park Drive, S.W.  
P.O. Box 47250  
Olympia, WA 98504-7250

Re: *Cost Management Services, Inc. v. Cascade Natural Gas Corporation*  
WUTC Docket No. UG-061256

Dear Ms. Washburn:

Enclosed please find an original and 10 copies of the Initial Brief of the Northwest Industrial Gas Users (NWIGU) in the above-referenced docket. An electronic submission will be sent to the Records Center on November 15, 2006 as well as to all parties listed on the service list.

Thank you for your assistance.

Very truly yours,



Edward A. Finklea

EAF/tr  
Enclosures  
cc: Service List

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

COST MANAGEMENT SERVICES,	)	
INC.,	)	
	)	
Complainant,	)	
	)	DOCKET NO. UG-061256
v.	)	
	)	
CASCADE NATURAL GAS	)	
CORPORATION,	)	
	)	
Respondent.	)	
	)	

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**INITIAL BRIEF  
OF THE  
NORTHWEST INDUSTRIAL GAS USERS**

November 15, 2006

1. Pursuant to the schedule adopted in Prehearing Conference Order 01, the Northwest Industrial Gas Users (“NWIGU”) hereby submit this Initial Brief in the above-captioned proceeding.
2. This dispute involves a complaint by Cost Management Services, Inc. (“CMS”) alleging that Cascade Natural Gas Corporation (“Cascade”) has violated state and federal law in connection with its sales of natural gas to certain customers under its distribution Rate Schedules 663 and 664. CMS asks the Washington Utilities and Transportation Commission (“Commission”) to order Cascade to cease and desist from making such sales and to determine whether certain contracts Cascade has entered into with some customers are “void or voidable.”
3. NWIGU does not take a position in support or in opposition to the merits of CMS’s complaint against Cascade. NWIGU’s interest in this proceeding is focused solely upon seeking the Commission’s protection of the interests of existing Cascade customers, regardless of the outcome of this Complaint proceeding. NWIGU member companies include members that take service under Rate Schedules 663 and 664, and that have current natural gas supply contracts with Cascade as their marketer/supplier. In the event the Commission determines that there is merit to any of the issues raised by CMS, NWIGU urges the Commission to fashion a remedy that protects current Cascade distribution system customers’ interests under any existing natural gas sales contracts with Cascade.
4. If the Commission determines that a remedy is appropriate upon CMS’s complaint, NWIGU asks that the Commission either: (1) protect customers by applying any remedy prospectively only so that existing natural gas contract rights are not impaired; or, (2) fashion a remedy making Cascade and its shareholders responsible for any and all consequences of any

Commission determination in this matter so that current customers under natural gas contracts with Cascade receive the benefit of their respective bargains.

5. NWIGU is concerned that impacted customers not be harmed financially or operationally in the reliability of their supplies. It is particularly important for the Commission to address these equities given that the winter heating season is underway, and that impacted customers should not be compelled to seek new contractual arrangements at the start of winter. To the extent a remedy is ordered, it is imperative that it be at the cost of Cascade's shareholders and not its customers.

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CONCLUSION

6. NWIGU does not take any position in this proceeding other than to ask the Commission to protect the rights of 663/664 customers who have a current contract with Cascade as their marketer/supplier. In the event the Commission determines any issue on the complaint in CMS's favor, the Commission should protect customers from any financial harm or supply risk. Regardless of the Commission's determination in this Complaint proceeding, NWIGU urges the Commission to hold customers of Cascade harmless.

Dated: November 15, 2006.

Respectfully submitted,



Edward A. Finklea

Chad M. Stokes

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Of Attorneys for the  
Northwest Industrial Gas Users

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing **NORTHWEST INDUSTRIAL GAS USER'S INITIAL BRIEF** upon all parties of record in these proceedings, as indicted below, by electronic mail and/or mailing a copy properly addressed with first class postage prepaid.

SERVICE LIST

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Dated in Portland, Oregon this 15th day of November, 2006.

*Edward A Finklea*

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