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May 1, 2007

BY ELECTRONIC MAIL AND U.S. MAIL

Honorable Patrick Power Administrative Law Judge Oregon Public Utility Commission PO Box 2148 Salem, OR 97208

Re: Docket No. UG 173

Dear Judge Power:

I am pleased to report that we have filed on this date a Stipulation to resolve all issues in this proceeding, which has been signed by all parties to this proceeding. The parties that have signed the Stipulation agree that the Commission should approve the terms of the Stipulation.

The parties have agreed to the following process for approval of the Stipulation. The parties intend to file joint testimony in approximately two weeks. It is our expectation that upon submission of the joint testimony, this matter would be ripe for a Commission decision.

Please let us know if you have any comments or concerns about this proposed procedure. We would certainly be willing to participate in a status or scheduling conference if that is your preference.

Honorable Patrick Power May 1, 2007 Page 2

Thank you for your attention to this matter.

Sincerely yours,

Lawrence Reichman

LR:ac Enclosure

cc: Service List

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UG 173

In the Matter of the

PUBLIC UTILITY COMMISSION OF OREGON

Staff Request to Open an Investigation into the Earnings of Cascade Natural Gas.

WITHDRAWAL OF MOTION FOR SUMMARY JUDGMENT BY CASCADE NATURAL GAS CORPORATION

On March 14, 2007, Cascade Natural Gas Corporation ("Cascade") filed a motion for summary judgment in this docket, requesting that the Commission close this proceeding (the "Motion"). Subsequently, all parties to this docket have reached an agreement on terms to settle all issues in this case, which are reflected in the Stipulation filed on this date. As agreed in the Stipulation, Cascade hereby withdraws the Motion.

DATED: May 1, 2007

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Attorneys for Cascade Natural Gas Corporation

CERTIFICATE OF SERVICE

I hereby certify that on the 1st day of May, 2007, I served the foregoing Withdrawal of Motion for Summary Judgment by Cascade Natural Gas Corporation upon all parties on the service list in this docket by causing to be mailed a copy properly addressed with first class postage prepaid and/or via electronic mail.

Lawrence Reichman

DEPARTMENT OF JUSTICE

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