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September 20, 2006

**VIA ELECTRONIC MAIL
AND U.S. MAIL**

Oregon Public Utility Commission
Attn: Filing Center
550 Capitol Street, N.E., #215
P.O. Box 2148
Salem, Oregon 97308-2148

**RE: In the Matter of PUBLIC UTILITY COMMISSION OF OREGON's
Staff Request to Open an Investigation into the Earnings of Cascade Natural Gas
Docket No. UG 173**

Dear Filing Center:

Enclosed please find an original and one (1) copy of The Northwest Industrial Gas Users' Petition to Intervene in the above-referenced Docket. This was filed electronically with the OPUC on this date, and will be served both electronically and by U.S. Mail on those parties listed on the OPUC's current Service List.

Thank you for your assistance with this filing.

Respectfully submitted,



Chad M. Stokes

CMS/nh
cc: Current Service List

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UG 173

In the Matter of)
)
PUBLIC UTILITY COMMISSION OF) THE NORTHWEST INDUSTRIAL
OREGON) GAS USERS' PETITION TO
) INTERVENE
)
Staff Request to Open an Investigation)
into the Earnings of Cascade Natural Gas)
)

Pursuant to ORS § 756.525 and OAR § 860-013-0021, the Northwest Industrial Gas Users (“NWIGU”) hereby submit this Petition to Intervene in the above-captioned proceeding and seek party status as provided in OAR § 860-011-0035(5). In support of this Petition, NWIGU states as follows:

1. The name and address of NWIGU as a party of record in this proceeding is:

Paula E. Pyron
Executive Director
Northwest Industrial Gas Users
4113 Wolf Berry Court
Lake Oswego, OR 97035-1827
Telephone: (503) 636-2580
Facsimile: (503) 636-0703
E-Mail: ppyron@nwigu.org

Edward A. Finklea and Chad M. Stokes will represent NWIGU in this proceeding. All documents related to this proceeding should be served on NWIGU’s attorneys at the following address:

Edward A. Finklea
Chad M. Stokes
Cable Huston Benedict Haagensen & Lloyd LLP
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2. NWIGU is a non-profit association comprised of thirty-two end-users of natural gas with major facilities in the States of Oregon, Washington, and Idaho. NWIGU members include diverse industrial interests, including food processing, pulp and paper, wood products, electric generation, aluminum, steel, chemicals, electronics, and aerospace. The Association provides an informational service to its members and participates in various regulatory matters that affect member interests. NWIGU member companies purchase transportation services from Williams Gas Pipeline – West, also known as Northwest Pipeline Corporation and Gas Transmission Northwest Corporation, and purchase sales and transportation services from local distribution companies (“LDCs”) that acquire service from the interstate pipelines. NWIGU member companies acquire natural gas sales and transportation services from Cascade Natural Gas Corporation (“Cascade”) in Oregon.

3. At the Oregon Public Utility Commission’s (“Commission”) August 8, 2006 Public Meeting, Commission Staff requested that the Commission order an investigation of the reasonableness of Cascade’s rates under ORS 756.515. Staff’s initial review of Cascade’s Results of Operations revealed that Cascade has had excessive earnings for the past several years and that these earnings will continue on a forward-looking basis absent a rate reduction. Staff believes that customer rates could be reduced by as much as \$2.309 million, or 3.3 percent.

Based upon Staff's initial investigation, the Commission found sufficient grounds to investigate the reasonableness of Cascade's rates and initiated this proceeding.

4. The issues in this proceeding concern and may impact the rates paid by all Cascade customers in Oregon. Accordingly, as customers of Cascade in Oregon, NWIGU member companies have a direct and substantial interest in this proceeding. No other party can adequately represent NWIGU member companies' interest, and NWIGU will be affected by any Commission determination made in this proceeding.

5. NWIGU's participation in this proceeding will assist the Commission in resolving the issues, and will not unreasonably broaden the issues, unduly burden the record, or delay the proceeding.

WHEREFORE, NWIGU respectfully requests leave to intervene and requests all the rights of a party in this proceeding.

DATED: September 20, 2006

Respectfully submitted,



Edward A. Finklea, OSB # 84216
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Of Attorneys for the
Northwest Industrial Gas Users

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I caused to be served the foregoing **NORTHWEST INDUSTRIAL GAS USERS' PETITION TO INTERVENE** on the attached Service List obtained on September 20, 2006 from the Oregon Public Utility Commission's Website as follows:

[XX] by **MAILING** a full, true and correct copy thereof in a sealed, postage-paid envelope, addressed as shown on the attached Service List, and deposited with the U.S. Postal Service at Portland, Oregon, on the date set forth below;

[XX] **and by electronic mail** ("e-mail") to those parties on the Oregon Public Utility Commission's Website Service List who listed an e-mail address.

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DATED: September 20, 2006.



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