



8113 W. GRANDRIDGE BLVD., KENNEWICK, WASHINGTON 99336-7166  
TELEPHONE 509-734-4500 FACSIMILE 509-737-7166  
www.cngc.com

July 31, 2020

Oregon Public Utility Commission  
201 High Street SE  
P.O. Box 1088  
Salem, OR 97308-1088

Re: UM 1336(13) – Reauthorization for Deferred Accounting Treatment of Intervenor Funding

Attn Filing Center:

Cascade Natural Gas files the enclosed Application for Reauthorization to Defer Intervenor Funding Grants.

Should you have any questions regarding this filing, please contact me at (509)734-4593.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Parvinen", with a long horizontal flourish extending to the right.

Michael Parvinen  
Director, Regulatory Affairs  
Cascade Natural Gas Corporation  
8113 W. Grandridge Blvd.  
Kennewick, WA 99336-7166  
michael.parvinen@cngc.com

Enclosures



1 the Intervenor Funding Grants following the Commission’s approval of the Intervenor Funding  
2 Grant and issuance of an Order directing the Company to make payment, pursuant to the  
3 Agreement.

4 At the time of consideration for incorporation into rates, Cascade will propose an  
5 appropriate amortization period for the Intervenor Funding Grants for the Commission’s  
6 consideration.

7 **B. Reason for Deferral – OAR 860-027-0300(3)(b)**

8 This request is made in accordance with ORS 757.259(3) that allows for the deferral  
9 of Intervenor funds, and Commission Order No. 18-017 Docket UM 1929, which directs  
10 Cascade to pay to intervenors the amounts made available as defined and provided for in  
11 the Agreement.

12 **C. Proposed Accounting - OAR 860-027-0300(3)(c)**

13 Cascade Natural Gas proposes to record payment of Intervenor Funding Grants in a  
14 sub-account of Account 186. In the absence of the Commission’s approval of this  
15 Application, Cascade would not incur the cost of Intervenor Funding Grants. Were such  
16 costs incurred, however, they would be recorded in an appropriate sub-account of FERC  
17 Account 401.

18 **D. Estimate of Amounts - OAR 860-027-0300(3)(d)**

19 The table below shows the maximum amounts per the Agreement that may be  
20 deferred during the 12-month period, November 1, 2020, through October 31, 2021:

<b>Fund Type as Defined in Agreement</b>	<b>Maximum Amount</b>
CUB Fund	\$39,500
Preauthorized Matching Fund	\$37,950
Issue Fund	\$34,500
<b>Total</b>	<b>\$111,950</b>

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1 **E. A Description and Explanation of the Entries in the Deferred Accounts – OAR 860-027-**  
2 **0300(4)(a)**

3 Attached as Appendix A to this application are workpapers detailing the amounts  
4 deferred to-date under UM 1336.

5 **F. A Copy of the Notice of Application and Certificate of Service – OAR 860-027-0300(3)(e)**

6 Attached as Appendix B is the copy of the Notice and the Certificate of Service  
7 verifying the Notice was served on parties to the Company’s current general rate case,  
8 UG-390.

9 **G. The Reason for Continuation of Deferred Accounting – OAR 860-027-0300(4)(b)**

10 The continuation of intervenor funds is justified per Commission Order No. 18-017  
11 approving the terms of the Agreement.

12 **H. Requirements per Commission Order No. 09-263**

13 Below is the information required per Commission Order No. 09-263, issued in Docket  
14 UM-1286, Staff’s investigation into purchased gas adjustment mechanism.

15 **1. A complete Summary Sheet, the location in the PGA filing, and an account map that**  
16 **highlights the transfer of dollars from one account to another.**

17 Appendix A includes the Summary Sheet, which shows the amounts deferred  
18 and demonstrates the transfer of dollars from one account to another. Appendix A will  
19 be attached to the Company’s electronic 2020-2021 PGA filing as a file entitled, “CNGC  
20 Non-Gas Cost Deferral Amortization.xlsx.”

21 **2. The effective date of the deferral**

22 This application is for the 12-month period beginning November 1, 2020 and  
23 ending October 31, 2021.

24 **3. Prior Year Order Number approving the deferral**

1 Authorization to defer costs in this docket was most recently granted per  
2 Commission Order No. 19-387.

3 **4. The amount deferred last year**

	<b>CUB Fund</b>	<b>NWIGU Fund</b>
	<u>Acct 20444</u>	<u>Acct 20449</u>
Deferred amounts July 1, 2019, through June 30, 2020	\$52,562.74	\$31,422.03

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5 **5. The amount amortized last year**

	<b>CUB Fund</b>	<b>NWIGU Fund</b>
	<u>Acct 20443</u>	<u>Acct 20448</u>
Amortized amounts July 1, 2019, through June 30, 2020 with interest	(\$66,787.36)	(\$31,058.36)

6 //

7 **6. The interest rate that will be applied to accounts**

8 The deferred balance accrues interest at the rate of 7.270%<sup>1</sup>. The amortized  
9 balance will accrue interest at the rate of 3.74% through October 2020. Beginning  
10 November 2020, the amortized balance will accrue interest at the rate of 2.63%<sup>2</sup>.

11 **7. An estimate of the upcoming PGA-period deferral and/or amortization**

12 The Company estimates that it will not seek to defer more than \$111,950.  
13 Cascade will seek to amortize the total deferral balance.

14 **III. COMMUNICATIONS**

15 Cascade hereby waives service by means of other than service by electronic mail. Consistent  
16 with that waiver, communications regarding this Application should be addressed to all of the following:

17 Michael Parvinen Department of Regulatory Affairs  
18 Cascade Natural Gas Cascade Natural Gas

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<sup>1</sup> Authorized Rate of Return as approved in the Company's most recently concluded rate case, Commission Order No. 19-088 in docket No. UG-347.

<sup>2</sup> Modified Blended Treasury (MBT) rates per annual staff calculation authorized in Dockets UM 1147 and UG 221.

1 8113 W. Grandridge Blvd  
2 Kennewick, WA 99336  
3 Email: [michael.parvinen@cngc.com](mailto:michael.parvinen@cngc.com)

8113 W. Grandridge Blvd  
Kennewick, WA 99336  
Email: [CNGCregulatory@cngc.com](mailto:CNGCregulatory@cngc.com)

4 **IV. CONCLUSION**

5 Cascade requests that in accordance with ORS 757.259, the Commission authorize the Company  
6 to defer the expenses described in this Application.

7 DATED: July 31, 2020

8 Sincerely,

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10  
11  


12  
13  
14 Michael Parvinen  
15 Director, Cascade Natural Gas Corporation  
16 8113 W. Grandridge Blvd  
17 Kennewick, WA 99336  
18 [michael.parvinen@cngc.com](mailto:michael.parvinen@cngc.com)

## Appendix A

State:	Oregon
Description:	OR CUB Intervenor Funding Deferral
Account number:	47OR.1860.20444
Class of Customers:	Core: Rate schedule 101
Deferral Period:	Annual
Deferral Account Order:	11/1/18 to - 10/31/19
Amortization Period:	
Narrative:	Oregon intervenor funding paid to the Citizens Utility Board of Oregon. Limited to \$34.5K deferral per calendar year.

Month/Year	Rate	Therms	Deferral	Amortization	Interest	Adjustments	Deferred Balance
				<i>Debit (Credit)</i>			
				TRANSFER BALANCE TO 20443		(58,272.11)	0.00
Nov-17					0.00		0.00
Dec-17					0.00		0.00
Jan-18			39,500.00		0.00		39,500.00
Feb-18					220.72		39,720.72
Mar-18					245.73		39,966.45
Apr-18					239.27		40,205.72
May-18					248.73		40,454.45
Jun-18					242.19		40,696.64
Jul-18					251.77		40,948.41
Aug-18			2,000.00		253.32		43,201.73
Sep-18					258.64		43,460.37
Oct-18					268.86		43,729.23
				TRANSFER BALANCE TO 20443		(41,704.82)	2,024.41
Nov-18					12.12		2,036.53
Dec-18					12.60		2,049.13
Jan-19			39,500.00		12.68		41,561.81
Feb-19					232.24		41,794.05
Mar-19					258.56		42,052.61
Apr-19			27,388.00		251.28		69,691.89
May-19					430.31		70,122.20
Jun-19					419.00		70,541.20
Jul-19					435.56		70,976.76
Aug-19					438.25		71,415.01
Sep-19					426.73		71,841.74
Oct-19					443.59		72,285.33
				TRANSFER BALANCE TO 20443		(72,285.32)	0.01
Nov-19			0.00		0.00		0.01
Dec-19			0.00		0.00		0.01
Jan-20			51,010.00		0.00		51,010.01
Feb-20			0.00		294.64		51,304.65
Mar-20			0.00		316.78		51,621.43
Apr-20			0.00		308.46		51,929.89
May-20			0.00		320.64		52,250.53
Jun-20			0.00		312.21		52,562.74

## Appendix A

State:	Oregon
Description:	OR 11/01/12 Consolidated Accounts: Non Gas Cost Related PGA Temporary Rate Increments
Account number:	UM1336 Industrial Intervenor Funding
Class of Customers:	47OR.1860.20449
Deferral Period:	105, 111, 170, 163, 164
Deferral Account Order:	Annual
Amortization Period:	11/1/18 to 10/31/19
Narrative:	This records consolidated deferral accounts for industrial intervenor funding

Month/Year	Rate	Therms	Deferral	Debit (Credit)	Interest	Adjustments	Deferred Balance
				TRANSFER BALANCE TO 20448		(31,728.12)	0.00
Nov-17					0.00		0.00
Dec-17					0.00		0.00
Jan-18			2,756.75		0.00		2,756.75
Feb-18					15.40		2,772.15
Mar-18					17.15		2,789.30
Apr-18					16.70		2,806.00
May-18					17.36		2,823.36
Jun-18					16.90		2,840.26
Jul-18					17.57		2,857.83
Aug-18					17.68		2,875.51
Sep-18					17.22		2,892.73
Oct-18			6,975.58		17.90		9,886.21
				TRANSFER BALANCE TO 20448		(2,910.63)	6,975.58
Nov-18					41.76		7,017.34
Dec-18					43.41		7,060.75
Jan-19					43.68		7,104.43
Feb-19					39.70		7,144.13
Mar-19					44.20		7,188.33
Apr-19			33,609.26		42.95		40,840.54
May-19					252.17		41,092.71
Jun-19					245.54		41,338.25
Jul-19					255.24		41,593.49
Aug-19					256.82		41,850.31
Sep-19					250.07		42,100.38
Oct-19			5,186.30		259.95		47,546.63
				TRANSFER BALANCE TO 20448		(42,360.33)	5,186.30
Nov-19			0.00		30.99		5,217.29
Dec-19			0.00		32.21		5,249.50
Jan-20			19,880.00		32.41		25,161.91
Feb-20			0.00		145.34		25,307.25
Mar-20			0.00		156.26		25,463.51
Apr-20			5,428.05		152.15		31,043.71
May-20			0.00		191.68		31,235.39
Jun-20			0.00		186.64		31,422.03

## Appendix A

State:	Oregon
Description:	OR CUB Intervenor Funding
Account number:	47OR.1860.20443
Class of customers:	Core: Rate schedule 101
Deferral period:	Annual
Amortization period:	11/1/2018 through 10/31/2019
Narrative:	Oregon intervenor funding paid to the Citizens Utility Board of Oregon. Limited to \$30K deferral per calendar year.

<i>Debit (Credit)</i>							
Month/Year	Rate	Therms	Deferral	Amortization	Interest	Adjustments	Deferred Balance
				Transfer Balance to 20444		58,272.11	47,095.64
Nov-17	Prorated	3,798,196		(6,094.87)	92.13		41,092.90
Dec-17	(0.00108)	6,111,528		(6,600.45)	83.06		34,575.51
Jan-18	(0.00108)	8,181,009		(8,835.49)	69.89		25,809.91
Feb-18	(0.00108)	5,567,397		(6,012.79)	47.12		19,844.24
Mar-18	(0.00108)	6,791,785		(7,335.13)	40.11		12,549.22
Apr-18	(0.00108)	4,645,914		(5,017.59)	24.55		7,556.18
May-18	(0.00108)	2,831,718		(3,058.26)	15.27		4,513.19
Jun-18	(0.00108)	1,463,528		(1,580.61)	8.83		2,941.41
Jul-18	(0.00108)	1,108,143		(1,196.79)	5.95		1,750.57
Aug-18	(0.00108)	963,653		(1,040.75)	3.54		713.36
Sep-18	(0.00108)	1,020,288		(1,101.91)	1.40		(387.15)
Oct-18	(0.00108)	2,155,861		(2,328.33)	(0.78)		(2,716.26)
				Transfer Balance to 20444		41,704.82	38,988.56
Nov-18	Prorated	3,510,105		(3,556.37)	93.57		35,525.76
Dec-18	(0.00088)	6,653,548		(5,855.12)	88.10		29,758.74
Jan-19	(0.00088)	7,738,415		(6,809.81)	73.80		23,022.73
Feb-19	(0.00088)	7,170,026		(6,309.62)	51.57		16,764.68
Mar-19	(0.00088)	8,099,998		(7,128.00)	41.58		9,678.26
Apr-19	(0.00088)	5,502,916		(4,842.57)	23.23		4,858.92
May-19	(0.00088)	2,820,144		(2,481.73)	12.05		2,389.24
Jun-19	(0.00088)	1,895,388		(1,667.94)	5.73		727.03
Jul-19	(0.00088)	1,265,691		(1,113.81)	1.80		(384.98)
Aug-19	(0.00088)	1,029,904		(906.32)	(0.95)		(1,292.25)
Sep-19	(0.00088)	1,038,921		(914.25)	(3.10)		(2,209.60)
Oct-19	(0.00088)	2,833,011		(2,493.05)	(5.48)		(4,708.13)
				Transfer Balance to 20444		72,285.32	67,577.19
Nov-19	Prorated	4,475,726		(5,028.53)	207.73		62,756.39
Dec-19	(0.00152)	6,669,859		(10,138.19)	199.34		52,817.54
Jan-20	(0.00152)	8,293,264		(12,605.76)	167.77		40,379.55
Feb-20	(0.00152)	6,449,971		(9,803.96)	119.99		30,695.58
Mar-20	(0.00152)	6,306,664		(9,586.13)	97.50		21,206.95
Apr-20	(0.00152)	5,170,204		(7,858.71)	65.19		13,413.43
May-20	(0.00152)	2,687,053		(4,084.32)	42.61		9,371.72
Jun-20	(0.00152)	2,089,168		(3,175.54)	28.81		6,224.99

## Appendix A

State:	Oregon
Description:	OR 11/01/12 Consolidated Accounts: Non Gas Cost Related PGA Temporary Rate Increments UM1336 Industrial Intervenor Funding
Account number:	47OR.1860.20448
Class of customers:	105, 111, 170, 163, 164
Deferral period:	Annual
Amortization period:	11/01/2018 through 10/31/2019
Narrative:	This records consolidated deferral accounts for industrial intervenor funding corresponding to the temporary technical adjustments included in the PGA tracker effective 11/1/12 that are incorporated in the customers' per therm gas rates.

Month/Year	Rate	Therms	Deferral	<i>Debit (Credit)</i>		Adjustments	Deferred Balance
				Amortization	Interest		
				Transfer Balance to 20449		51,061.78	51,124.88
Nov-16	Prorated	3,304,728		(3,889.80)	92.44		47,327.52
Dec-16	(0.00128)	3,865,789		(4,948.21)	88.43		42,467.74
Jan-17	(0.00128)	4,296,028		(5,498.92)	79.35		37,048.17
Feb-17	(0.00128)	3,852,316		(4,930.96)	62.53		32,179.74
Mar-17	(0.00128)	3,832,564		(4,905.68)	60.13		27,334.19
Apr-17	(0.00128)	3,408,439		(4,362.81)	49.43		23,020.81
May-17	(0.00128)	3,368,720		(4,311.97)	43.01		18,751.85
Jun-17	(0.00128)	3,258,406		(4,170.75)	33.91		14,615.01
Jul-17	(0.00128)	3,210,866		(4,109.92)	27.31		10,532.40
Aug-17	(0.00128)	2,925,747		(3,744.96)	19.68		6,807.12
Sep-17	(0.00128)	3,269,371		(4,184.80)	12.31		2,634.63
Oct-17	(0.00128)	3,771,419		(4,827.42)	4.92		(2,187.87)
				Transfer Balance to 20449		31,728.12	29,540.25
Nov-17	Prorated	3,845,060		(2,914.92)	57.79		26,683.12
Dec-17	(0.00071)	3,761,576		(2,670.73)	53.94		24,066.33
Jan-18	(0.00071)	3,977,423		(2,823.97)	48.65		21,291.01
Feb-18	(0.00071)	3,128,805		(2,221.45)	38.87		19,108.43
Mar-18	(0.00071)	3,977,274		(2,823.87)	38.63		16,323.19
Apr-18	(0.00071)	3,229,034		(2,292.62)	31.93		14,062.50
May-18	(0.00071)	2,904,330		(2,062.08)	28.43		12,028.85
Jun-18	(0.00071)	3,131,813		(2,223.60)	23.53		9,828.78
Jul-18	(0.00071)	2,922,482		(2,074.95)	19.87		7,773.70
Aug-18	(0.00071)	2,794,718		(1,984.25)	15.71		5,805.16
Sep-18	(0.00071)	3,022,210		(2,145.77)	11.36		3,670.75
Oct-18	(0.00071)	3,624,540		(2,573.43)	7.42		1,104.74
				Transfer Balance to 20449		2,910.63	4,015.37
Nov-18	Prorated	3,409,116		(451.44)	9.64		3,573.57
Dec-18	(0.00008)	3,546,496		(283.71)	8.86		3,298.72
Jan-19	(0.00008)	3,787,317		(302.99)	8.18		3,003.91
Feb-19	(0.00008)	3,524,295		(281.95)	6.73		2,728.69
Mar-19	(0.00008)	3,914,447		(313.16)	6.77		2,422.30
Apr-19	(0.00008)	3,249,451		(259.96)	5.81		2,168.15
May-19	(0.00008)	3,561,925		(284.96)	5.38		1,888.57
Jun-19	(0.00008)	3,485,791		(278.86)	4.53		1,614.24
Jul-19	(0.00008)	3,441,921		(275.36)	4.00		1,342.88
Aug-19	(0.00008)	3,363,185		(269.05)	3.33		1,077.16
Sep-19	(0.00008)	3,377,243		(270.18)	2.59		809.57
Oct-19	(0.00008)	4,329,521		(346.35)	2.01		465.23
				Transfer Balance to 20449		42,360.33	42,825.56
Nov-19	Prorated	3,997,035		(3,920.77)	131.64		39,036.43
Dec-19	(0.00108)	4,040,424		(4,363.67)	124.00		34,796.76
Jan-20	(0.00108)	4,039,138		(4,362.26)	110.53		30,545.03
Feb-20	(0.00108)	3,937,673		(4,252.68)	90.76		26,383.11
Mar-20	(0.00108)	3,956,251		(4,272.74)	83.80		22,194.17
Apr-20	(0.00108)	2,725,354		(2,943.39)	68.22		19,319.00
May-20	(0.00108)	3,115,703		(3,364.96)	61.37		16,015.41
Jun-20	(0.00108)	2,915,216		(3,148.43)	49.23		12,916.21

## Appendix A

### Intervenor Payments

Date	CUB	Pre Match	Issue Fund	Order	Docket	Paid
1/9/20	\$39,500			20-003	UM 1929	CUB
1/9/20			\$ 11,510	20-011	UM 2026	CUB
1/9/20			\$ 19,880	20-010	UM 2026	AWEC
4/13/20		\$5,428.05		20-117	UM 1929	AWEC

**Appendix B**

**Cascade Natural Gas Corporation**

July 31, 2020

**NOTICE OF APPLICATION TO DEFER COSTS  
FOR INTERVENOR FUNDING**

To All Parties Who Participated in UG-390

Please be advised that today, Cascade Natural Gas Corporation (“Cascade” or the “Company”) applied for reauthorization to defer intervenor funding. Copies of the Company’s application are available for inspection at the Company’s main office.

Parties who would like additional information or would like a copy of the filing, or notice of the time and place of any hearing, if scheduled, should contact the Company or the Public Utility Commission of Oregon as follows:

Cascade Natural Gas  
Attn: Michael Parvinen  
8113 W Grandridge Blvd  
Kennewick, WA 99336  
509-734-4593  
CNGCregulatory@cngc.com

Public Utility Commission of Oregon  
Attn: Marianne Gardner  
201 High Street SE, Suite 100  
Salem, OR 97301-3398

Any person may submit to the Commission written comments on the application no sooner than 25 days from the date of this notice.

The Company’s application will not authorize a change in rates, but will permit the Commission to consider allowing such deferred amount in rates in a subsequent proceeding.

Appendix B

**Cascade Natural Gas Corporation**

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served by electronic mail the foregoing NOTICE OF APPLICATION FOR REAUTHORIZAION TO DEFER INTERVENOR FUNDING upon all parties of record in UG-390, which is the Company's current general rate case.

Oregon Citizens' Utility Board dockets@oregoncub.org	Michael Goetz Oregon Citizens' Utility Board mike@oregoncub.org
Tommy A Brooks Cable Huston LLP tbrooks@cablehuston.com	Chad M Stokes Cable Huston LLP cstokes@cablehuston.com
Jocelyn C Pease McDowell, Rackner & Gibson PC jocelyn@mrg-law.com	Edward Finklea Alliance of Western Energy Consumers efinklea@awec.solutions
Stephanie S Andrus PUC Staff – Dept of Justice Stephanie.andrus@state.or.us	Marianne Gardner Public Utility Commission of Oregon marianne.gardner@state.or.us
William Gehrke Oregon Citizens' Utility Board will@oregoncub.com	Lisa F Rackner McDowell, Rackner & Gibson PC dockets@mrg-law.com

Dated this 31st day of July 2020.

/s/ Maryalice Peters  
Maryalice Peters  
Regulatory Analyst III  
Cascade Natural Gas Corporation  
8113 W Grandridge Blvd  
Kennewick, WA 99336  
maryalice.peters@cngc.com