



e-FILING REPORT COVER SHEET

COMPANY NAME:

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes If yes, submit a redacted public version (or a cover letter) by email. Submit the confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

Select report type: RE (Electric) RG (Gas) RW (Water) RT (Telecommunications)
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Did you previously file a similar report? No Yes, report docket number:

Report is required by: OAR
Statute
Order

Note: A one-time submission required by an order is a compliance filing and not a report (file compliance in the applicable docket)

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List Key Words for this report. We use these to improve search results.

Send the completed Cover Sheet and the Report in an email addressed to PUC.FilingCenter@state.or.us

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October 10, 2018

Oregon Public Utility Commission
P.O. Box 1088
Salem, OR 97308-1088

Attn: Records Center

Re: RG-6 Cascade Natural Gas Corporation Oregon Low-Income Bill Assistance Program
(OLIBA) Annual Report Program Year 2017-2018

In compliance with the terms established in Cascade Natural Gas Corporation's (Company) Tariff Schedule 32, "Oregon Low Income Bill Assistance Program", the Company herewith files its Oregon Low Income Bill Payment Assistance Program (OLIBA) Annual Report for the 2017-2018 program year.

Please contact Isaac Mhyrum at (509) 734-4684 with any questions.

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

attachment

**Cascade Natural Gas Corporation's
Oregon Low Income Bill Assistance Program (OLIBA)
Annual Report
2017-2018 Program Year**

History

Cascade Natural Gas Corporation's (Cascade's or the Company's) Oregon Low Income Bill Assistance (OLIBA) program was implemented in May 2006, with the Public Utility Commission of Oregon (OPUC) approval of the Company's Schedule 31, "Public Purpose Funding." The OLIBA program was designed to supplement the Federal Low Income Energy Assistance (LIHEAP) funds by providing assistance to income-eligible households in Cascade's service territory. When the Public Purpose Charge was established, 0.29 percent of Oregon residential and commercial gross billing revenues were dedicated to low income programs. This has changed from year to year as the budgets of the various programs funded through the public purpose charge have changed. Currently, 0.60 percent of all core customers' bills fund Cascade's low income programs.

Program Results

Since the inception of the program in May 2005, a total of 2651 energy assistance pledges have been provided, totaling \$687,076 in direct payments to customers. During the 2017-2018 Program Year, the Community Action Agencies (CAAs or Agencies) in Cascade's service territory distributed \$31,762 of OLIBA funds, providing energy assistance funding to 114 households.

2017-2018 Program Year Results

The 2017-2018 Program Year marks the twelfth full year of the OLIBA program. Public Purpose charge collections for the OLIBA program funding this Program Year were \$43,574. With recorded interest of \$2,294 and a carry-over balance of \$31,840, total program OLIBA funding was \$86,793. \$6,453 was used to pay Agency's costs for program administration. \$31,762 was paid to 114 customers at an average pledge of \$279. The Company retained \$40,925 in carryover funds to be used in the 2018-2019 Program Year.

Table 1 below provides statistics on the program's performance on a month by month basis.

OLIBA Annual Report – 2017-2018 Program Year

2017-2018 OLIBA					
		Dollars	Payments	Total	Average
Q4 2017	Recipients	Distributed	to Agencies		Pledge
Oct	4	\$ 1,530.00	\$ 190.47	\$ 1,720.47	\$ 382.50
Nov	9	\$ 2,972.00	\$ 306.00	\$ 3,278.00	\$ 330.22
Dec	7	\$ 1,895.00	\$ 582.60	\$ 2,477.60	\$ 270.71
Q4	20	\$ 6,397.00	\$ 1,079.07	\$ 7,476.07	\$ 319.85
Q1 2018					
Jan	18	\$ 5,771.00	\$ 379.00	\$ 6,150.00	\$ 320.61
Feb	9	\$ 1,986.00	\$ 1,154.20	\$ 3,140.20	\$ 220.67
March	31	\$ 6,586.84	\$ 397.20	\$ 6,984.04	\$ 212.48
Q1	58	\$ 14,343.84	\$ 1,930.40	\$16,274.24	\$ 247.31
Q2 2018					
April	12	\$ 4,229.54	\$ 1,322.40	\$ 5,551.94	\$ 352.46
May	8	\$ 2,112.71	\$ 845.91	\$ 2,958.62	\$ 264.09
June	4	\$ 1,078.00	\$ 422.44	\$ 1,500.44	\$ 269.50
Q2	24	\$ 7,420.25	\$ 2,590.75	\$10,011.00	\$ 309.18
Q3 2018					
July	5	\$ 1,772.00	\$ 215.60	\$ 1,987.60	\$ 354.40
Aug	3	\$ 1,206.40	\$ 354.40	\$ 1,560.80	\$ 402.13
Sept	4	\$ 623.00	\$ 282.80	\$ 905.80	\$ 155.75
Q3	12	\$ 3,601.40	\$ 852.80	\$ 4,454.20	\$ 300.12
Season Totals	114	\$ 31,762.49	\$ 6,453.02	\$38,215.51	\$ 278.62

Table 2 summarizes the annual program results for the life of the OLIBA program as well as for the 2017-2018 Program Year. Additional historical program year summaries can be found in annual reports for prior program years filed in RG-6.

OLIBA Annual Report – 2017-2018 Program Year

2017-2018 OLIBA		
Table 2		
	2005-2017	2017-2018
No. Customers Served	2731	114
Average Pledge	\$ 239.95	\$ 278.62
Revenues:		
Balance from Prior Year		\$ 31,840
Program Year Revenues	\$720,294	\$ 43,574
Accrued Interest	\$ 38,626	\$ 2,594
Total Available Funds	\$758,920	\$ 78,008
Payments to Agencies:		
To Customers	\$655,314	\$ 31,762
To Agencies	\$106,937	\$ 6,453
Total Payments	\$762,251	\$ 38,216
Ending Balance in OLIBA Account	\$ 31,840	\$ 40,925
% Available Funds Used		
Payments to Customers	86%	41%
Payments to Agencies	14%	8%
Total	100%	49%

OLIBA Allocations

Cascade allocates monthly OLIBA funding to Agencies using the following methodology, which Oregon Housing and Community Services (OHCS) used for distributing LIHEAP in the previous year:

Neighbor Impact (Bend Area)	30%
Community Action Program East Central Oregon (Pendleton Area)	29%
Community Connection of NE Oregon (Baker City Area)	19%
Community Connection of NE Oregon (Ontario Area)	19%
Klamath and Lake Community Services (Klamath Falls Area)	3%

Payment Process

Cascade uses a cashless voucher payment system where OLIBA allocations to Agencies and awards to customers are made without a transfer of actual cash between the Company and agencies. This process has proved to be an effective and efficient process for all participants. Cascade believes that this process ensures customers receive their assistance payment in a very timely manner.

Agency Coordination

The Company believes the program is working well. We coordinate with the Agencies quarterly via teleconference to ensure that any new issues needing consideration or resolution are given a proper forum. Issues we discuss include timely processing of customer pledges, adherence to program guidelines, OLIBA allocations, and reaching applicable customers.