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November 8, 2023

Oregon Public Utility Commission
201 High Street SE, Suite 100
Salem, OR 97301-3398

Attn: Records Center

Re: RG-6 Cascade Natural Gas Corporation Oregon Low-Income Bill Assistance Program
(OLIBA) Annual Report Program Year 2022-2023

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 OLIBA Annual Report for the 2022-2023 program year.

If you have any questions, please feel free to contact Jennifer Gross at jennifer.gross@cngc.com.

Sincerely,

/s/ Lori A. Blattner

Lori A. Blattner
Director, Regulatory Affairs
Cascade Natural Gas Corporation
8113 W. Grandridge Blvd.
Kennewick, WA 99336-7166
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Attachment

CASCADE NATURAL GAS CORPORATION
Oregon Low Income Bill Assistance Program Annual Report
2022-2023 Program Year

History

Cascade Natural Gas Corporation’s (Cascade’s or the Company’s) Oregon Low Income Bill Assistance (OLIBA) program was first implemented in May 2006 with the Public Utility Commission of Oregon (OPUC) approval of the Company’s Schedule 31, “Public Purposes Charge.”

The OLIBA program was designed to supplement the Federal Low-Income Energy Assistance Program (LIHEAP) by providing additional financial assistance to income-eligible households in Cascade’s service territory. When the Public Purpose Charge (PPC) was established, 0.29% of Oregon residential and commercial gross billing revenues were dedicated to funding Cascade’s low-income programs, which included OLIBA and low-income weatherization. The PPC is updated annually to meet the budgetary requirements of the energy efficiency and low-income programs it funds. OLIBA’s 2022-23 budget was \$190,590. The PPC charged customers 0.303% for low-income programs; of which, 72% was allocated to OLIBA.

Program Overview

OLIBA was initially offered to residential customers who met the qualification of low-income per the LIHEAP/OEA Poverty Guidelines and Payment Matrix from the OHCS/OEA Manual, and qualifying customers were offered grants based on their account balance and billing history. In 2022, the program was redesigned to provide arrearage relief. A residential customer may qualify for the program by self-declaring their household income and the number residents in their home. Upon qualifying, the customer receives a grant to be applied towards their arrearage. That grant amount is based on the customer’s federal poverty level (FPL) or area median income (AMI), whichever is more favorable to the customer. OLIBA offers four tiers of arrearage relief as provided in Table 1 below.

Table 1 OLIBA ARREARAGE RELIEF GRANTS

Tier	Income Level	Arrearage Paid
T1	0-25% FPL, 0-15% SMI	90%
T2	26-50% FPL, 16-30% SMI	86%
T3	51-100% FPL, 31-41% SMI	83%
T4	101-150% FPL, 46-60% SMI	80%

Program Results

Since the inception of OLIBA in May 2006, a total of 4,784 energy assistance pledges have been provided totaling \$1,263,769 in direct payments to residential customers.

In the 2022-2023 Program Year, the Community Action agencies (CAAs or Agencies) in Cascade’s service territory distributed \$38,029 of OLIBA funds to 221 households. The new program design now allows Cascade’s Customer Service Representatives to qualify customers for the program, which has increased customer participation and offers customers another avenue to apply. Customers may call Cascade’s Customer Service or complete an application on the Company’s website. As a result, Cascade directly

qualified an additional 1,041 customers, who received grants totaling \$250,001. The combined efforts of CAAs and Cascade resulted in the enrollment of 1,262 customers who received \$288,031 in arrearage relief.

While customer enrollment dramatically increased over the previous program year, the average grant amount decreased, which was expected because the new program design was coupled with the launching of Cascade’s new Energy Discount Program (EDP) offered under the Schedule 36. EDP reduces qualifying customers’ overall bill for natural gas service. The EDP Annual Report will be filed with the Commission by January 31.

2022-2023 Program Year Results

The 2022-2023 Program Year marks the 17th full year of the OLIBA program. PPC collections for OLIBA this program year totaled \$236,719. With a carryover balance of (\$49,205), total program funding was \$187,514. \$19,072 was used to pay Agencies’ costs for program administration. \$281,915 was credited to 1,262 customers at an average pledge of \$223. Pledge spending exceeded the PPC collections by \$201,156. This overage has been deferred for later recovery in accordance with Commission Order No. 23-111.

Table 2 below provides statistics on the program’s performance by the program year, month, and quarter:

Table 2 OLIBA Results for the 2022-2023 Program Year

2022-2023 OLIBA					
	Recipients	Dollars Distributed	Payments to Agencies	Total	Average Pledge
Q4 2022					
Oct	63	\$ 9,580.55	\$ 512.00	\$ 10,092.55	\$ 152.07
Nov	81	\$ 11,291.89	\$ 378.32	\$ 11,670.21	\$ 139.41
Dec	65	\$ 7,415.23	\$ 60.81	\$ 7,476.04	\$ 114.08
Q4	209	\$ 28,287.67	\$ 951.13	\$ 29,238.80	\$ 135.35
Q1 2023					
Jan	194	\$ 35,446.79	\$ 237.22	\$ 35,684.01	\$ 182.72
Feb	195	\$ 44,670.68	\$ 1,742.33	\$ 46,413.01	\$ 229.08
March	181	\$ 42,761.05	\$ 3,707.47	\$ 46,468.52	\$ 236.25
Q1	570	\$ 122,878.52	\$ 5,687.02	\$ 128,565.54	\$ 215.58
Q2 2023					
April	142	\$ 40,487.49	\$ 3,846.26	\$ 44,333.75	\$ 285.12
May	112	\$ 37,193.67	\$ 1,270.03	\$ 38,463.70	\$ 332.09
June	88	\$ 21,117.36	\$ 1,129.14	\$ 22,246.50	\$ 239.97
Q2	342	\$ 98,798.52	\$ 6,245.43	\$ 105,043.95	\$ 288.88
Q3 2023					
July	55	\$ 14,325.77	\$ 5,701.97	\$ 20,027.74	\$ 260.47
Aug	47	\$ 12,847.52	\$ 312.80	\$ 13,160.32	\$ 273.35
Sept	39	\$ 10,892.56	\$ 173.97	\$ 11,066.53	\$ 279.30
Q3	141	\$ 38,065.85	\$ 6,188.74	\$ 44,254.59	\$ 269.97
Totals	1262	\$ 288,030.56	\$ 19,072.32	\$ 307,102.88	\$ 228.23
<i>Does not include refunds/adjustments</i>					

Table 3 below compares the cumulative results for the 17-year life of the OLIBA program with the 2022-2023 Program Year. The 2021-2022 Program Year is also included which shows results using the original program design. Additional historical program year summaries can be found in OLIBA Annual Reports for prior program years, filed in RG-6.

Table 3 OLIBA PROGRAM YEAR COMPARISONS

	Program Life	2022-2023	2021-2022
No. Customers Served	4,784	1,262	317
Average Pledge	\$ 264.17	\$ 223.39	\$ 324.52
Program Year Revenues:			
Balance from Prior Year	-	\$ (49,205.37)	\$ (45,953.00)
Program Year Revenues	\$1,343,706.00	\$ 236,718.73	\$ 162,064.00
Accrued Interest	\$ 42,342.00	\$ -	\$ -
Total Available Funds	\$1,386,048.00	\$ 187,513.36	\$ 116,111.00
Payments to Agencies:			
To Customers*	\$ 1,263,769.00	\$ 281,914.78	\$ 102,872.00
To Agencies	\$ 206,229.00	\$ 19,072.32	\$ 32,364.00
Adjustments/Rounding YTD	\$ 117,763.00	\$ 87,682.94	\$ 30,080.00
Total Payments	\$1,587,761.00	\$ 388,670.04	\$ 165,316.00
Ending Balance in OLIBA Account		\$(201,156.68)	\$ (49,205.37)
<i>*Includes refunds/adjustments</i>			

OLIBA Funding to Agencies

The full annual OLIBA budgeted amount is available to all Agencies to use at the start of the Program Year. All pledges submitted for qualifying customers are honored regardless of whether the funds have been collected at the time the customer grant is issued.

Payment Process

Cascade uses a cashless voucher payment system allowing customers grants to be made without a transfer of actual cash between the Company and Agencies. This process has proven to be efficient for all participants. Cascade believes that this process ensures customers receive their assistance payments in a timely manner.

Advisory Group

The Company’s Advisory Group includes representatives from Agencies, Community Action Partnership of Oregon, OPUC Staff, Citizens Utility Board, and Cascade. The Company meets regularly with its Advisory Group via teleconference to ensure that new issues needing consideration or resolution are given a proper forum. Issues typically discussed include connecting with difficult-to-reach customers, program participation, and program effectiveness.

Program Outlook

The Company believes the new program design is beneficial for customers as it generously addresses arrearage debt and removes barriers to access with the use of self-declaration and the Company's Customer Service department to qualify customers. Cascade believes OLIBA, coupled with EDP, is on track to matching customers in need with the necessary level of assistance. More time and data is needed to better assess the program design, but the Company has plans to improve program participation in the next program year. A recently completed low-income propensity study conducted by Forefront Economics will be used as a tool to target outreach efforts. The Company will continue to refine its understanding of its customer base, especially low-income and vulnerable populations, and will continue collaborating with its Advisory Group on the shared goals of helping low-income customers afford their energy bills and to stay connected to service.