



November 22, 2019

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 2018-2019

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 2018-2019 program year.

Please contact me at (509) 734-4593 with any questions.

Sincerely,

/s/ Michael Parvinen

Michael Parvinen
Director, Regulatory Affairs

Attachment

CASCADE NATURAL GAS CORPORATION
Oregon Low Income Bill Assistance Program (OLIBA)
Annual Report
2018-2019 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 Funding" (now called the "Public Purpose Charge").

The OLIBA program was designed to supplement the Federal Low-Income Energy Assistance Program (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. The percentage is updated annually to meet the requirements of programs funded by the Public Purpose Charge. Currently, 0.52 percent of all core customers' billing revenues fund Cascade's low-income programs.

Program Results

Since the inception of the program in May 2006, a total of 2819 energy assistance pledges have been provided, totaling \$734,303 in direct payments to customers. During the 2018-2019 Program Year, the Community Action agencies (CAAs or Agencies) in Cascade's service territory distributed \$47,226 of OLIBA funds providing energy assistance funding to 168 households.

2018-2019 Program Year Results

The 2018-2019 Program Year marks the 13th full year of the OLIBA program. Public Purpose Charge collections for the OLIBA program funding this Program Year were \$21,957. With recorded interest of \$732 and a carryover balance of \$40,925, total program OLIBA funding was \$63,614. \$9,338 was used to pay Agencies' costs for program administration. \$47,226 was paid to 168 customers at an average pledge of \$281. The Company retained \$7,049 in carryover funds to be used in the 2019-2020 Program Year.

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

2018-2019 OLIBA					
Table 1					
Q4 2018	Recipients	Dollars Distributed	Payments to Agencies	Total	Average Pledge
Oct	2	\$ 463.00	\$ 194.60	\$ 657.60	\$ 231.50
Nov	6	\$ 3,130.00	\$ 92.60	\$ 3,222.60	\$ 521.67
Dec	24	\$ 6,223.49	\$ 626.00	\$ 6,849.49	\$ 259.31
Q4	32	\$ 9,816.49	\$ 913.20	\$ 10,729.69	\$ 306.77
Q1 2019					
Jan	29	\$ 7,183.00	\$ 1,273.20	\$ 8,456.20	\$ 247.69
Feb	15	\$ 4,102.33	\$ 1,438.60	\$ 5,540.93	\$ 273.49
March	6	\$ 1,705.00	\$ 851.20	\$ 2,556.20	\$ 284.17
Q1	50	\$ 12,990.33	\$ 3,563.00	\$ 16,553.33	\$ 259.81
Q2 2019					
April	24	\$ 8,744.00	\$ 341.00	\$ 9,085.00	\$ 364.33
May	8	\$ 2,142.73	\$ 1,748.80	\$ 3,891.53	\$ 267.84
June	9	\$ 2,129.00	\$ 439.20	\$ 2,568.20	\$ 236.56
Q2	41	\$ 13,015.73	\$ 2,529.00	\$ 15,544.73	\$ 317.46
Q3 2019					
July	16	\$ 4,490.70	\$ 425.80	\$ 4,916.50	\$ 280.67
Aug	21	\$ 4,711.21	\$ 924.80	\$ 5,636.01	\$ 224.34
Sept	8	\$ 2,202.00	\$ 982.60	\$ 3,184.60	\$ 275.25
Q3	45	\$ 11,403.91	\$ 2,333.20	\$ 13,737.11	\$ 253.42
Program Year Totals	168	\$ 47,226.46	\$ 9,338.40	\$ 56,564.86	\$ 281.11

Table 2 summarizes the annual results for the life of the OLIBA program as well as for the 2018-2019 Program Year. Additional historical Program Year summaries can be found in annual reports for prior Program Years filed in RG-6.

2018-2019 OLIBA		
Table 2		
	Program Life	2018-2019
No. Customers Served	2819	168
Average Pledge	\$ 260.48	\$ 281.11
Revenues:		
Balance from Prior Year	-	\$ 40,925.28
Program Year Revenues	\$ 820,049	\$ 21,956.55
Accrued Interest	\$ 42,332	\$ 731.99
Total Available Funds	\$ 862,381	\$ 63,613.82
Payments:		
To Customers	\$ 734,303	\$ 47,226.46
To Agencies	\$ 122,728	\$ 9,338.40
Total Payments	\$ 857,031	\$ 56,564.86
Ending Balance in OLIBA Account	\$ 7,049	\$ 7,048.96
% Available Funds Used		
Payments to Customers	85%	74%
Payments to Agencies	14%	15%
Total	99%	89%

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 of East and Central Oregon (Pendleton Area)	29%
Community Connection of NE Oregon (Baker City Area)	19%
Community In Action (Ontario Area)	19%
Klamath Lake Community Action Services	3%

Payment Process

Cascade uses a cashless voucher payment system where OLIBA allocations to Agencies and grants made to customers are 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.

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.