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September 15, 2014

Oregon Public Utility Commission
 3930 Fairview Industrial Drive SE
 Salem, OR 97302

Re: Advice No. **CNG/O14-08-02/UG 280**
(UM 1336)
SUPPLEMENTAL

Modify Schedule No. 192 Intervenor Funding Adjustment Rates

Attention: Filing Center

Pursuant to Docket UM 1336, ORS 757.210 and ORS 757.259(5), Cascade hereby submits three copies of the following revisions to Cascade’s P.U.C. OR No. 9 Tariffs containing an effective date on and after November 1, 2014:

Eleventh Revision Sheet No. 192, Canceling Tenth Revision Sheet No. 192.

This filing proposes to update the Company’s Intervenor Funding amortization rates currently in effect pursuant to Section 7.9 of the Second Amended and Restated Intervenor Funding Agreement previously adopted by the Public Utilities Commission of Oregon (“Commission”) in Order No. 12-452. In this filing, the Company is requesting an increase in revenues of \$60,566, or .15 %, effective on and after November 1, 2014. The current amortization rates and the proposed changes, both inclusive of the gross revenue factor, are as follows:

<u>Schedule</u>	<u>Current Amortization Rates</u>	<u>Proposed Rate Change</u>	<u>Updated Amortization Rate</u>
101	0.00104	0.00033	0.00137
105	0.00014	0.00005	0.00019
111	0.00014	0.00005	0.00019
170	0.00014	0.00005	0.00019
163	0.00014	0.00005	0.00019
164	0.00014	0.00005	0.00019

In Order 13-297 in Docket No. UM 1336, the Commission approved Cascade Natural Gas's request for reauthorization to defer costs related to Intervenor Funding grants for the period November 2013 through October 2014. The Company made that filing under ORS 757.259 and OAR 860-027-0300(4). This filing is in compliance with ORS 757.210 which authorizes deferred utility expenses or revenues to be allowed (amortized) in rates to the extent authorized by the Commission in a proceeding to change rates. All of the deferrals included in this filing occurred with appropriate application by Commission authorization, as rate orders or under approved tariffs.

Pursuant to ORS 757.259(5-7) and OAR 860-027-0300(9), the overall annual average rate impact of the amortizations authorized under the statutes may not exceed three percent of the natural gas utility's gross revenues for the preceding calendar year, unless the Commission finds that allowing a higher amortization rate is reasonable under the circumstances. However, per ORS 757.259(4), the amortization of Intervenor Funding is not subject to an earnings review, and the Intervenor Funding amortization balance is not included in the three percent test.

Pursuant to OAR 860-022-0025 and OAR 860-022-0030, the total number of customers affected by this filing, the annual revenue before and after the impact of the rate change, and the average monthly use and resulting bills under existing and proposed rates are as follows:

<u>Rate Schedule</u>	<u>Number of Customers</u>
101	56,831
105	108
111	13
170	4
163	29
164	3

Rate Schedule	Description	Current Revenues	Proposed Revenues	Revenue Incr (Decr)	Percent Incr (Decr)	Therms per Month	Current Avg Bill	Proposed Avg Bill	Monthly Change	Proposed Rates % Change
101	Residential	\$34,854,642	\$34,907,684	\$53,042	0.15%	54	\$51.61	\$51.69	\$0.08	0.15%
105	Industrial Firm	\$2,194,239	\$2,194,811	\$572	0.03%	2,349	\$1,723.29	\$1,723.74	\$0.45	0.03%
111	Com-Ind Dual	\$974,822	\$975,089	\$267	0.03%	9,554	\$6,634.01	\$6,635.83	\$1.82	0.03%
170	Industrial Interr	\$1,879,774	\$1,880,306	\$532	0.03%	58,674	\$39,387.27	\$39,398.42	\$11.15	0.03%
163	Dist Trans	\$1,063,391	\$1,066,950	\$3559	0.33%	53,825	\$6,409.85	\$6,431.30	\$21.45	0.33%
164	Dist Trans	\$543,883	\$546,477	\$2594	0.48%	379,284	\$18,353.03	\$18,440.56	\$87.53	0.48%

After combining the impact of this filing along with three other regulatory filings made today¹, the overall effect of the proposed rate adjustments on the monthly bill of a residential customer with consumption of 54 therms will be a net increase of \$.37 or .72%, for a revised monthly bill of \$51.99 effective November 1, 2014.

The Company has issued a media release coincident with this update annual Purchased Gas Cost Adjustment ("PGA") filing and will provide notice to customers via a bill insert following the approval of this filing.

Attached in support of this filing is Exhibit 1 which contains a development of intervenor funding temporary rate increments and a summary of proposed intervenor funding.

The Company agrees to rate adjustments and refunds should the Commission determine that these rates have been inappropriately calculated. Any rate adjustments and refunds will be retroactive to November 1, 2014 provided that the Commission advises the Company of the necessity for such rate adjustments or refunds within 30 days after the effective date of these rates.

Please direct any questions regarding this filing to me at (509) 734-4593.

Sincerely,



Michael Parvinen
Director, Regulatory Affairs

Enclosures

¹On September 15, 2014, Cascade Natural Gas filed to update effective November 1, 2014, Advice Nos. O14-08-01, O14-08-03, and O14-08-04.

CASCADE NATURAL GAS CORPORATION

UM 1336 INTERVENOR FUNDING ADJUSTMENT
SCHEDULE NO. 192

APPLICABLE:

To all of the below listed schedules for gas service of tariff P.U.C. Or. No. 9.

PURPOSE:

The purpose of this schedule is to recover the cost of Intervenor Funding Grants provided to various entities to cover their costs of advocating on behalf of customers. The awarding of such grants is governed by Section 7.9 of the Second Amended and Restated Intervenor Funding agreement adopted by the Public Utility Commission of Oregon in Order No. 12-452.

(T)

MONTHLY RATES, MINIMUM BILLS AND OTHER CHARGES:

Each of the charges specified in the schedules for gas service hereinafter listed shall be adjusted by the following per term increase or (decrease) or appropriate multiple thereof:

<u>Rate Schedule</u>	<u>Amount</u>	
Schedule 101	\$.00137	(I)
Schedule 104	\$.00000	
Schedule 105	\$.00019	(I)
Schedule 111	\$.00019	(I)
Schedule 112	\$.00000	
Schedule 126	\$.00000	
Schedule 170	\$.00019	(I)
 Schedule 163 All Rate Blocks	 \$.00019	 (I)
Schedule 164 All Rate Blocks	\$.00019	(I)

GENERAL RULES AND REGULATIONS:

This schedule is subject to the Rules and Regulations contained in this tariff and to those prescribed by regulatory authorities.

CNG/O14-08-02

Issued September 15, 2014

Effective with Service on and After November 1, 2014

ISSUED BY CASCADE NATURAL GAS CORPORATION

BY Scott W. Madison

TITLE Executive Vice President
and General Manager

Before the
OREGON PUBLIC UTILITY COMMISSION

EXHIBIT 1

Intervenor Funding

Development of Intervenor Funding Temporary Rate Increments (Schedule 1 of 2)
Summary of Proposed Intervenor Funding (Schedule 2 of 2)

Cascade Natural Gas Corporation

September 15, 2014

Cascade Natural Gas
DEVELOPMENT OF INTERVENOR FUNDING TEMPORARY RATE INCREMENTS
UM 1336 Related Balances

Ln No.	Account Description (a)	Order (b)	Class (c)	New or Residual (d)	Account Balance 06-30-14 (e)	Estimated Thru 10/31/14		Interest Accruals Thru Amortization (h)	Balance for Amortization (i)	Forecasted Terms (k)	Increment (l)	TEMPORARY INCREMENT FOR ALL RATE SCHEDULES					
						Estimated Interest Accruals (f)	Amortizations (g)					101 (m)	105 (n)	111 (o)	170 (p)	163 (q)	164 (r)
1	UM-1336 -- CUB Intervenor Funding (47OR.1862.20443)		101	Residual \$	\$ 55,797	\$ 256	\$ (4,760)	\$ 362	\$ 51,654	38,717,055	0.00133	\$0.00133	0.00019	0.00019	0.00019	0.00019	0.00019
2	UM-1336 -- NWGU Intervenor Funding (47OR.1860.20448)		105/111/170 163/164	Residual \$	\$ 9,015	\$ 39	\$ (1,646)	\$ 68	\$ 7,477	39,883,934	0.00019	\$0.00019	0.00019	0.00019	0.00019	0.00019	0.00019
3	SUBTOTAL AMORTIZATION RATES BEFORE REVENUE SENSITIVE COSTS				\$ 64,813	\$ 295	\$ (6,407)	\$ 430	\$ 59,132			\$0.00137	2.883%	2.883%	2.883%	2.883%	2.883%
4	REVENUE REQUIREMENT BEFORE REVENUE SENSITIVE COSTS								\$ 2,883%								
5	REVENUE SENSITIVE COST PERCENTAGES								\$ 60,887								
6	REVENUE REQUIREMENT AFTER REVENUE SENSITIVE COSTS																
7	PROPOSED AMORTIZATION RATE INCLUDING REVENUE SENSITIVE COSTS											\$ 0.00137	2.883%	2.883%	2.883%	2.883%	2.883%

Cascade Natural Gas Corporation
SUMMARY OF PROPOSED INTERVENOR FUNDING
State of Oregon

Ln No.	Description (a)	Rate Schedule (b)	Reversal	Proposed	R/S 192
			13/14 UM-1336 Intervenor Funding Temp. Rate Adj. (c)	UM-1336 Intervenor Funding Temp. Rate Adj. (d)	Rate Change Total (e)
CORE MARKET RATE SCHEDULES					
1	Residential	101	\$ (0.00104)	\$ 0.00137	\$ 0.00033
2	Commercial	104	\$ -	\$ -	\$ -
3	Com-Ind Dual Service	111	\$ (0.00014)	\$ 0.00019	\$ 0.00005
4	Industrial Firm	105	\$ (0.00014)	\$ 0.00019	\$ 0.00005
5	Industrial Interr.	170	\$ (0.00014)	\$ 0.00019	\$ 0.00005
NONCORE MARKET CUSTOMERS					
6	Distribution	163	\$ (0.00014)	\$ 0.00019	\$ 0.00005
7	Lg. Vol Distribution	164	\$ (0.00014)	\$ 0.00019	\$ 0.00005
8	Special Contract	902	\$ -	\$ -	\$ -