



8113 W. GRANDRIDGE BLVD., KENNEWICK, WASHINGTON 99336-7166
 TELEPHONE 509-734-4500 FACSIMILE 509-737-9803
www.cngc.com

July 28, 2017

Oregon Public Utility Commission
 201 High Street SE, Suite 100
 Salem, OR 97301-3612

**Re: Advice No. CNG/O17-07-01, UG 335
 UM 1558, Deferred Accounting for Purchased Gas Adjustment Schedule 177,
 Purchased Gas Cost Adjustment and Schedule No. 191 Temporary Gas Cost Rate
 Adjustment**

Attention: Filing Center

Pursuant to OAR 860-022-0070, Docket UM 1286 Order Nos. 11-196 and 14-238, ORS 757.210 and ORS 757.259(5), Cascade hereby submits the following revisions to its Tariff P.U.C. OR No. 10, stated to become effective with service on and after November 1, 2017:

**First Revision of Sheet No. 177.2
 First Revision of Sheet No. 191.1**

The purpose of this filing is to make the annual true up to Cascade's gas cost in accordance with the provisions established in Schedule No. 177, Purchase Gas Adjustment (PGA) Provision. The purchased gas cost proposed in this filing is due to a change in the cost of commodity gas supply, transportation capacity, and realignment of existing firm transportation capacity. In accordance with the PGA methodology, amortization of outstanding deferred gas cost balances is also included in this filing.

Tables 1 through 3 below summarize the changes in the following: 1) Forward looking commodity costs included in Schedule 177.2; 2) Demand costs included in Schedule 177.2; and 3) The combined changes to Schedule 177.2 (both commodity and demand)

Table 1 - Schedule 177.2 Commodity

<u>Rate Schedule</u>	<u>Present</u>	<u>Proposed</u>	<u>Change</u>
101, 104, 105, 111, 170	\$0.26292	\$0.24539	(\$0.01753)

Table 2 - Schedule 177.2 Demand

<u>Rate Schedule</u>	<u>Present</u>	<u>Proposed</u>	<u>Change</u>
101, 104, 105, 111, 170	\$0.16874	\$0.16028	(\$0.00846)

Table 3 - Schedule 177.2 Commodity + Demand

<u>Rate Schedule</u>	<u>Present</u>	<u>Proposed</u>	<u>Change</u>
101, 104, 105, 111, 170	\$0.43166	\$0.40567	(\$0.02599)

Commodity Costs (Schedule 177.2)

As shown in Table 1 above, the estimated commodity cost (WACOG) decreases \$0.01753 per therm. The proposed WACOG is \$0.24539 per therm compared to the present WACOG of \$0.26292 per therm included in rates. The winter of 2016-2017 was significantly colder than previous years, leading to higher customer demand and wholesale natural gas prices due to several extended cold events.

Cascade has been hedging natural gas both on a periodic and discretionary basis throughout 2017 for the forthcoming PGA year (November 2017 through October 2018). Approximately 37% of estimated annual load requirements for the PGA year will be hedged at a fixed price, comprised of physical volumes for periods not to exceed three years. Cascade will continue to execute fixed priced physical transactions for hedging purposes throughout the remainder of calendar year 2017, consistent with our historical procurement practice.

The information contained in the Company's responses to "Natural Gas Portfolio Development Guidelines" describes the Company's Natural Gas Procurement Plan (Procurement Plan). The Company's Procurement Plan uses a diversified approach to procure natural gas for the upcoming year. While the Procurement Plan generally incorporates a structured approach for the hedging portion of the portfolio, the Company exercises flexibility and discretion in all areas of the Plan based on changes in the wholesale market. The Company meets with the Commission Staff quarterly to discuss the state of the wholesale market and the status of the Company's Procurement Plan, among other things. Should the Company deviate from the Procurement Plan due to a change in market dynamics etc., the Company documents and communicates any such changes with the Gas Supply Oversight Committee (GSOC) and provides updates to Commission Staff.

Demand Costs (Schedule 177.2)

Demand costs reflect the cost of pipeline transportation to the Company's system, as well as fixed costs associated with natural gas storage. As shown in Table 2, demand costs are expected to be relatively stable, with the Company proposing only a slight decrease of 0.00846 cents per therm. Including the expected rate settlement with Northwest Pipeline, pipeline demand rates are either expected to remain the same or become somewhat lower due to current rate settlements with several of our Canadian pipelines. In addition, Cascade continues to achieve significant demand cost mitigation through the Company's asset management arrangement with Tenaska Marketing.

Amortization of Deferral Accounts (Schedule 191.1)

Table 4 below summarizes the changes in both the commodity and demand amortization rates included in Schedule 191:

Table 4
Schedule 191 PGA Temporary Gas Cost Rate Adjustment

<u>Rate Schedule</u>	<u>Amortization</u>		
	<u>Present</u>	<u>Proposed</u>	<u>Change</u>
101, 104, 105, 111, 170	(\$0.08611)	(\$0.01955)	\$0.06656

As shown in the Table above, the current overall amortization amount approved in the Company's 2016 PGA is a refund rate of approximately \$0.09 per therm. For reasons discussed earlier in this letter, actual wholesale natural gas prices were higher than the level identified in the Company's 2016 PGA. As a result, commodity costs were undercollected from customers' actual costs and a deferral balance of approximately \$5.3 million or \$0.020 per therm was created.

Three Percent Test

Pursuant to ORS 757.259 and OAR 860-027-0300, 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. As shown on Attachment C of the Company's PGA workpapers, total gross revenue for calendar year 2016 was \$63,881,403. The total amortization revenue requested for the "Prior Period Gas Cost Deferral" as shown in Attachment C is (\$1,550,739). The resulting annual average rate impact from PGA amortization is (2.43%) and falls within the requirements of the statute.

The combination of the "Prior Period Gas Cost Deferral" and the "Non-Gas Cost Amortization" related to the Company's Conservation Alliance Plan filing also made on July 28, 2017, is a total amortization revenue request of (\$6,161,850). The net effect of combining the results of these two filings is an overall revenue change of (\$6,239,745), an average rate impact of (9.77%), which falls within the requirements of the statute.

Other Information

In this filing, the Company is requesting an increase in the Company's annual operating revenues of \$3,218,688 or 5.04%. Table 5 below shows current and proposed gross annual revenues per customer class.

Table 5

Rate Schedule	Description	Total Current Revenues	Total Proposed Revenues	Revenue Incr (Decr)	Percent Incr (Decr)
101	Residential	\$30,813,996	32,531,860	1,717,864	5.57%
104	Commerical	\$9,984,562	11,156,820	1,172,258	11.74%
105	Industrial Firm	\$1,609,820	1,728,044	118,224	7.34%
111	Com-Ind Dual	\$1,191,800	1,286,092	94,292	7.91%
170	Industrial Interr	\$1,344,290	1,460,340	116,050	8.63%

Table 6 below provides an estimated average bill for each rate schedule as well as the average bill impact of the revisions proposed in this filing.

Table 6

Rate Schedule	Avg Therms per Month	Current Avg Bill	Proposed Avg Bill	Monthly Change	Proposed Rates % Change
101	60	\$47.69	\$50.35	\$2.66	5.57%
104	255	\$163.35	\$182.53	\$19.18	11.74%
105	1,813	\$1,014.49	\$1,088.99	\$74.50	7.34%
111	11,386	\$5,844.37	\$6,306.76	\$462.39	7.91%
170	59,290	\$27,893.81	\$30,301.83	\$2,408.02	8.63%

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:

Table 7

Rate Schedule	Number of Customers
101	61,354
104	9,859
105	139
111	18
170	4
163	32

In Advice Nos. O17-07-02, O17-07-03 and O17-07-04, Cascade has also filed its Non-Gas Cost Tracking Filings. The net overall change in revenue is a decrease. Table 8 below shows the net impact to the Company's customers, by rate schedule, inclusive of all the Company's filings made on July 28, 2017:

Table 8

<u>Rate Schedule</u>	<u>Proposed Rate Change</u>
Schedule 101	(5.80%)
Schedule 104	(6.64%)
Schedule 105	7.24%
Schedule 111	7.80%
Schedule 170	8.51%
Schedule 163	(0.92%)

Notice to customers will be made in accordance with OAR 860-022-0017.

The rate adjustments proposed in this filing are consistent with the Public Utility Commission of Oregon Staff's recommendations with regard to rate spread requirements and amortization procedures.

Attached in support of this filing are Exhibits 1, 2, and 3. Exhibit 1 contains schedules supporting the per therm gas cost change consistent with the procedure described in PGA Rate Schedule No. 177. Exhibit 2 contains summary information on the proposed impacts the filings will have on the Company's rates and revenues, and the various rate schedules. A proposed notice to the public is also included. Exhibit 3 contains a summary of the proposed changes to the Company's revenues.

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, 2017 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

Cascade Natural Gas Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day served by electronic mail the foregoing notice of Cascade's Purchase Gas Adjustment Filing upon all parties of record in UG-305, which is the Company's current general rate case.

Citizens' Utility Board dockets@oregoncub.org	Michael Goetz Citizens' Utility Board mike@oregoncub.org
Tommy A Brooks Cable Huston Benedict Haagensen & Lloyd tbrooks@cablehuston.com	Chad M Stokes Cable Huston Benedict Haagensen & Lloyd cstokes@cablehuston.com
Stephanie S Andrus PUC Staff – Dept of Justice stephanie.andrus@state.or.us	Edward Finklea NWIGU efinklea@nwigu.org
Robert Jenks Citizens' Utility Board of Oregon bob@oregoncub.org	Marianne Gardner Public Utility Commission of Oregon marianne.gardner@state.or.us
Kaylie Klein Public Utility Commission of Oregon kaylie.klein@state.or.us	Lisa F Rackner McDowell, Rackner & Gibson PC dockets@mrg-law.com

Dated this 28th day of July 2017.

Maryalice Rosales
Rates and Regulatory Affairs
Cascade Natural Gas Corporation
8113 W Grandridge Blvd
Kennewick, WA 99336
maryalice.rosales@cngc.com

**SCHEDULE 177
PURCHASED GAS COST ADJUSTMENT PROVISION**

DEFINITIONS (continued)

1. Capacity Release Benefits: This component includes revenues associated with pipeline capacity releases. The benefits to customers, through the monthly PGA deferrals, shall be 100% of the capacity release revenues up to the full pipeline rate, and 80% of the capacity release revenues in excess of full pipeline rates. Capacity release revenues shall be quantified on a transaction-by-transaction basis.

2. Estimated Weighted Average Cost of Gas (WACOG): The estimated WACOG for the period November 1st through October 31st is calculated by the following formula: (Forecasted Purchases at Adjusted Contract Prices) divided by (forecasted sales volumes). This WACOG does not include any revenue sensitive factors.
 - a. Forecasted Purchases means this year’s forecasted sales volumes plus a percentage for distribution system LUGF and pipeline fuel in kind.
 - b. Distribution system embedded LUGF means the 5-year average of actual distribution system LUGF, not to exceed 2%.
 - c. Adjusted contract prices means actual and projected contract prices that are adjusted by each associated Canadian pipeline’s published (closest to August 1) fuel use and line loss amount provided for by tariff, and by each associated U.S. pipeline’s tariffed rate.

3. Estimated Non-Commodity Cost: Estimated annual Non-Commodity gas costs shall be equal to estimated annual Demand Costs, less estimated annual Capacity Release Benefits, plus or minus estimated annual pipeline refunds or surcharges.

4. Estimated Non-Commodity Cost per Therm: The Estimated Non-Commodity cost per therm is calculated by the following formula: (Estimated annual Non-Commodity Cost divided by forecasted sales volumes). This estimate does not include any revenue-sensitive factors.

The Estimated Cost of Gas per therm is as follows:

	Cost of Gas Per Therm	Revenue Sensitive Costs	Cost of Gas Per Therm Rate	
WACOG	\$0.238180	2.94%	\$0.245390	(R)
Non-Commodity Cost	\$0.155560	2.94%	\$0.160280	(R)
TOTAL	\$0.393740	2.94%	\$0.405670	(R)

10. Actual Monthly Calendar Sales Volumes: Actual billed sales therms, adjusted for estimated unbilled therms, for firm and interruptible sales schedules.

(continued)

**SCHEDULE NO. 191
TEMPORARY GAS COST RATE ADJUSTMENT**

APPLICABLE

The temporary rate applies to Schedules 101, 104, 105, 111, 112, 126, and 170.

RATES

Each of the charges specified in the schedules for gas service hereinafter listed shall be adjusted by the following per therm increase or (decrease) or appropriate multiple thereof in determining annual minimum bill, if any:

Rate Schedule	Amount
101	(\$0.019550)
104	(\$0.019550)
105	(\$0.019550)
111	(\$0.019550)
112	(\$0.019550)
126	(\$0.019550)
170	(\$0.019550)

(I)
|
(I)

LIMITATION

This temporary rate adjustment shall remain in effect until cancelled pursuant to a Commission order.

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule 100 for Municipal Exactions.

GENERAL TERMS

Service under this schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this schedule apply to service under this schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

Before the
OREGON PUBLIC UTILITY COMMISSION

EXHIBIT 1

Gas Supply Portfolio and Related Transportation

Oregon Summary of Gas Cost Deferrals (Schedule 1 of 9)
Prior Commodity & Demand Amortization (Schedule 2 of 9)
Development of Gas Cost Related PGA Temporary Rate Increments (Schedule 3 of 9)
Core Market Commodity Cost Amortization Supporting 47OR.2530.01272 (Schedule 4 of 9)
Gas Cost Consolidated Accounts Amortization Supporting 47OR.2530.01287 (Schedule 5 of 9)
Core Market Demand Amortization Supporting 47OR.2530.01273 (Schedule 6 of 9)
New WACOG Commodity (Schedule 7 of 9)
Derivation of Oregon per Therm Non-Commodity Charges (Schedule 8 of 9)
Summary of Rate and Revenue Impact (Schedule 9 of 9)

Cascade Natural Gas Corporation

July 28, 2017

**Cascade Natural Gas
Oregon Summary of Gas Cost Deferrals**

Line No.	Jul. 2016 A	Aug. 2016 B	Sept. 2016 C	Oct. 2016 D	Nov. 2016 E	Dec. 2016 F	Jan. 2017 G	Feb. 2017 H	Mar. 2017 I	Apr. 2017 J	May 2017 K	Jun. 2017 L	SUM (All) M
1	\$0.29780	\$0.29780	\$0.29780	\$0.29780	\$0.29780	\$0.25604	\$0.25604	\$0.25604	\$0.25604	\$0.25604	\$0.25604	\$0.25604	\$0.25604
2	\$0.18436	\$0.18436	\$0.18436	\$0.18436	\$0.18436	\$0.16433	\$0.16433	\$0.16433	\$0.16433	\$0.16433	\$0.16433	\$0.16433	\$0.16433
3													
4			7.4680%										
5			90%										
6			90%										
7			90%										
8													
9													
10													
11													
12	2,193,783	2,080,165	2,766,064	5,608,642	7,890,963	16,558,758	15,985,272	12,339,961	8,645,489	6,210,867	5,336,384	1,452,180	87,069,528
13													
14													
15													
16	2,193,783	2,080,165	2,766,064	5,608,642	7,890,963	16,558,758	15,985,272	12,339,961	8,645,489	6,210,867	5,336,384	1,452,180	87,069,528
17													
18	2,193,783	2,080,165	2,766,064	5,608,642	7,890,963	16,558,758	15,985,272	12,339,961	8,645,489	6,210,867	5,336,384	1,452,180	87,069,528
19													
20	6553,309	6619,473	8823,734	11,670,254	2,024,953	44,239,704	44,092,869	33,159,524	22,213,591	15,590,230	11,966,328	3,771,816	22,825,785
21													
22	6553,309	6619,473	8823,734	11,670,254	2,024,953	44,239,704	44,092,869	33,159,524	22,213,591	15,590,230	11,966,328	3,771,816	22,825,785
23													
24	\$404,446	\$383,499	\$509,952	\$1,034,009	\$1,298,905	\$2,721,101	\$2,628,860	\$2,027,826	\$1,420,713	\$1,020,632	\$876,928	\$238,637	14,563,507
25													
26	\$404,446	\$383,499	\$509,952	\$1,034,009	\$1,298,905	\$2,721,101	\$2,628,860	\$2,027,826	\$1,420,713	\$1,020,632	\$876,928	\$238,637	14,563,507
27													
28													
29	\$	486,480	\$	625,652	\$	2,134,073	\$	5,146,837	\$	2,252,187	\$	1,482,415	\$
30	\$653,309	\$619,473	\$823,734	\$1,670,254	\$2,024,953	\$4,239,704	\$4,092,869	\$3,159,524	\$2,213,591	\$1,590,230	\$1,366,328	\$371,816	24,339,987
31													
32													
33													
34													
35													
36													
37													
38													
39													
40													
41													
42													
43													
44													
45													
46													
47													
48													
49													
50													
51													
52													
53													

Line No.	Actual Commodity Cost (w/true us, net of storage injections, bookouts, etc.)	Total Commodity billed (line 22)	Cost versus collection	Customer share (line 31 * applicable deferral percentage)	Storage Adjustment	Other Adjustment	Total Commodity deferral
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44							
45							
46							
47							
48							
49							
50							
51							
52							
53							

State:	Oregon
Description:	Core Market Commodity Costs
Account number:	47OR.2530.01272
Class of Customers:	Core
Deferral Period:	7/1/2016 to 6/30/2017
Deferral Account Order:	N/A
Amortization Period:	
Narrative:	Deferral of 90% of the difference between core commodity gas costs actually incurred and the average monthly base commodity gas cost as defined in rate schedule 177-A.

<i>Debit (Credit)</i>								
Month/Year	Rate	Therms	Deferral	Amortization	Interest Rate	Interest	Adjustments	Deferred Balance
Balance Forward								(4,127,073.82)
Jul-16			(150,145.83)		0.07468	(26,176.73)	(53.77)	(4,303,450.17)
Aug-16			(113,113.75)		0.07468	(27,295.43)	(697.00)	(4,444,556.36)
Sep-16			(178,273.56)		0.07468	(27,281.05)	(1,707.65)	(4,651,818.62)
Oct-16			(275,114.50)		0.07468	(29,505.02)	4,231,920.56	(724,517.59)
Nov-16			98,207.80		0.07468	(4,447.15)	(775.49)	(631,532.42)
Dec-16			549,993.55		0.07468	(4,005.61)		(85,544.49)
Jan-17			948,571.31		0.07468	(542.58)		862,484.25
Feb-17			162,877.66		0.07468	4,941.07		1,030,302.96
Mar-17			34,735.97		0.07468	6,534.89	(181.75)	1,071,392.08
Apr-17			13,092.88		0.07468	6,576.29	(54.45)	1,091,006.80
May-17			104,478.51		0.07468	6,919.91		1,202,405.23
Jun-17			167,481.02		0.07468	7,380.46		1,377,266.72
Jul-17 est.			0.00		0.07468	8,735.57		1,386,002.28
Aug-17 est.			0.00		0.07468	8,790.98		1,394,793.26
Sep-17 est.			0.00		0.07468	8,561.36		1,403,354.62
Oct-17 est.					0.07468	8,901.04		1,412,255.65
Nov-17 est.		9,270,059		(166,606)	0.02380	2,762.60		1,248,412.29
Dec-17 est.		13,086,991		(235,206)	0.02380	2,523.50		1,015,730.07
Jan-18 est.		12,174,954		(218,814)	0.02380	2,053.17		798,969.09
Feb-18 est.		9,989,188		(179,531)	0.02380	1,458.72		620,897.30
Mar-18 est.		8,650,656		(155,474)	0.02380	1,255.06		466,678.59
Apr-18 est.		6,023,020		(108,249)	0.02380	912.90		359,342.87
May-18 est.		4,184,322		(75,203)	0.02380	726.36		284,866.58
Jun-18 est.		2,810,658		(50,515)	0.02380	557.25		234,909.33
Jul-18 est.		2,266,866		(40,741)	0.02380	474.84		194,642.96
Aug-18 est.		2,312,164		(41,555)	0.02380	393.45		153,481.07
Sep-18 est.		2,969,666		(53,372)	0.02380	300.23		100,409.05
Oct-18 est.		5,598,114		(100,612)	0.02380	202.96		0.00

Therms Nov-Oct 2018	79,336,658	Balance at end of Amort Period:	0.00
Development of Amortization Rate		Amort Rate to Achieve This:	(0.01797)

June 30, 2017 Balance	1,377,266.72
Interest through Oct 31, 2017	34,988.94
Interest During Amortization Period (Nov 1, 2017 through Oct 31, 2018)	13,621.05
Balance to Amortize	<u>1,425,876.70</u>
	(0.01797)

State:	Oregon
Description:	OR 11/01/16 Consolidated Accounts: Gas Cost Related PGA Temporary Rate Increments
Account number:	47OR.2530.01287
Class of Customers:	Core
Deferral Period:	
Deferral Account Order:	
Amortization Period:	11/1/2016 through 10/31/2017
Narrative:	This records the consolidated deferral accounts corresponding to the temporary technical adjustments included in the PGA tracker effective 11/1/2015 that are incorporated into the customers' per therm gas rates through schedule 191.

Month/Year	Rate	Therms	Deferral	Amortization	Interest Rate	Interest	Adjustments	Deferred Balance
							(4,231,920.56)	
							(1,960,664.13)	
							487.69	
							(77,337.79)	
								(6,269,434.79)
Nov-16	Prorated	5,293,244		219,829.68	0.02200	(11,336.51)		(6,060,941.62)
Dec-16	0.08385	10,829,084		908,018.70	0.02200	(11,324.83)		(5,164,247.76)
Jan-17	0.08385	17,619,193		1,477,369.33	0.02200	(9,649.36)		(3,696,527.79)
Feb-17	0.08385	13,908,062		1,166,191.00	0.02200	(6,238.52)		(2,536,575.31)
Mar-17	0.08385	12,027,100		1,008,472.33	0.02200	(4,739.57)		(1,532,842.55)
Apr-17	0.08385	7,120,759		597,075.64	0.02200	(2,771.72)		(938,538.63)
May-17	0.08385	6,088,836		510,548.90	0.02200	(1,753.65)		(429,743.38)
Jun-17	0.08385	3,617,050		303,289.64	0.02200	(777.07)		(127,230.81)
Jul-17 est.	0.08385	2,165,698		181,593.78	0.02200	(237.73)		54,125.23
Aug-17 est.	0.08385	2,251,946		188,825.67	0.02200	101.13		243,052.04
Sep-17 est.	0.08385	2,845,002		238,553.42	0.02200	439.49		482,044.95
Oct-17 est.	0.08385	5,511,852		462,168.79	0.02200	900.70		945,114.44
Nov-17 est.	(0.01203)	9,270,059		(111,496.61)	0.02380	1,848.80		835,466.63
Dec-17 est.	(0.01203)	13,086,991		(157,405.15)	0.02380	1,688.79		679,750.26
Jan-18 est.	(0.01203)	12,174,954		(146,435.53)	0.02380	1,374.03		534,688.75
Feb-18 est.	(0.01203)	9,989,188		(120,146.00)	0.02380	976.21		415,518.96
Mar-18 est.	(0.01203)	8,650,656		(104,046.67)	0.02380	839.92		312,312.21
Apr-18 est.	(0.01203)	6,023,020		(72,442.50)	0.02380	610.93		240,480.64
May-18 est.	(0.01203)	4,184,322		(50,327.37)	0.02380	486.10		190,639.37
Jun-18 est.	(0.01203)	2,810,658		(33,805.48)	0.02380	372.92		157,206.81
Jul-18 est.	(0.01203)	2,266,866		(27,264.97)	0.02380	317.77		130,259.61
Aug-18 est.	(0.01203)	2,312,164		(27,809.79)	0.02380	263.30		102,713.12
Sep-18 est.	(0.01203)	2,969,666		(35,717.97)	0.02380	200.92		67,196.07
Oct-18 est.	(0.01203)	5,598,114		(67,331.90)	0.02380	135.83		0.00
2017/18 PGA Year Therms		79,336,658					Balance at end of Amort Period:	0.00
							Amort Rate to Achieve This:	(0.01203)

Development of Amortization Rate

June 30, 2017 Balance	(127,230.81)
Interest through Oct 31, 2017	1,203.59
Amortizations through Oct 31, 2017	1,071,141.66
Interest During Amortization Period (Nov 1, 2017 through Oct 31, 2018)	9,115.52
Balance to Amortize	<u>954,229.96</u>
	(0.01203)

State:	Oregon
Description:	Core Market Demand & Gas Storage Mitigation Costs
Account number:	47OR.2530.01273
Class of Customers:	Core
Deferral Period:	7/1/2016 to 6/30/2017
Deferral Account Order:	N/A
Amortization Period:	N/A
Narrative:	This records the deferral of the differences between core demand costs actually incurred and the embedded demand costs collected in the tariffs as well as the Tenaska capacity reservation and gas storage mitigation costs based on therms.

Month/Year	Rate	Therms	Debit (Credit)				Deferred Balance	
			Deferral	Amortization	Interest Rate	Interest		Adjustments
Balance Forward							(1,912,088.25)	
Jul-16			326,469.72		0.07468	(12,127.77)	(1,597,746.31)	
Aug-16			350,813.16		0.07468	(10,134.00)	(1,257,067.15)	
Sep-16			187,613.64		0.07468	(7,715.98)	(1,077,169.50)	
Oct-16			(313,591.38)		0.07468	(6,832.15)	1,960,664.13	
Nov-16			(173,917.68)		0.07468	3,456.18	392,609.62	
Dec-16			(1,568,744.81)		0.07468	2,490.20	(1,173,644.99)	
Jan-17			(1,472,151.74)		0.07468	(7,444.06)	(2,653,240.79)	
Feb-17			(949,028.39)		0.07468	(15,200.09)	(3,617,469.27)	
Mar-17			(261,719.27)		0.07468	(22,944.47)	(3,902,133.01)	
Apr-17			72,137.23		0.07468	(23,951.61)	(3,853,947.41)	
May-17			(239,301.18)		0.07468	(24,444.37)	(4,117,692.96)	
Jun-17			390,167.00		0.07468	(25,274.74)	(3,752,800.70)	
Jul-17 est.					0.07468	(23,802.83)	(3,776,603.53)	
Aug-17 est.					0.07468	(23,953.81)	(3,800,557.33)	
Sep-17 est.					0.07468	(23,328.13)	(3,823,885.47)	
Oct-17 est.					0.07468	(24,253.70)	(3,848,139.17)	
Nov-17 est.		9,270,059		453,970.90	0.02380	(7,527.59)	(3,401,695.86)	
Dec-17 est.		13,086,991		640,892.69	0.02380	(6,876.09)	(2,767,679.26)	
Jan-18 est.		12,174,954		596,228.66	0.02380	(5,594.50)	(2,177,045.10)	
Feb-18 est.		9,989,188		489,187.90	0.02380	(3,974.75)	(1,691,831.94)	
Mar-18 est.		8,650,656		423,637.66	0.02380	(3,419.82)	(1,271,614.10)	
Apr-18 est.		6,023,020		294,957.76	0.02380	(2,487.49)	(979,143.82)	
May-18 est.		4,184,322		204,913.52	0.02380	(1,979.21)	(776,209.50)	
Jun-18 est.		2,810,658		137,642.81	0.02380	(1,518.39)	(640,085.09)	
Jul-18 est.		2,266,866		111,012.37	0.02380	(1,293.85)	(530,366.59)	
Aug-18 est.		2,312,164		113,230.69	0.02380	(1,072.07)	(418,207.96)	
Sep-18 est.		2,969,666		145,429.71	0.02380	(818.08)	(273,596.33)	
Oct-18 est.		5,598,114		274,149.37	0.02380	(553.04)	0.00	
2017/18 PGA Year Therms		79,336,658						
				Balance at end of Amort Period:			0.00	
				Amort Rate to Achieve This:			0.04897	
Development of Amortization Rate								
June 30, 2017 Balance							(3,752,800.70)	
Interest through Oct 31, 2017							(95,338.47)	
Interest During Amortization Period (Nov 1, 2017 through Oct 31, 2018)							(37,114.88)	
Balance to Amortize							<u>(3,885,254.05)</u>	
							0.04897	

Cascade Natural Gas Corporation
2017-2018 PGA
New WACOG Commodity

SYSTEM COSTS

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
	1	2	3	4	5	6	7	8	9	10	11	12	11	10	TOTAL
	November	December	January	February	March	April	May	June	July	August	September	October	September	October	TOTAL
1															
2															
3															
4	COSTS														
5	Supply Commodity Cost	\$3,166,297	\$2,907,577	\$2,448,318	\$2,139,488	\$1,239,796	\$805,329	\$563,517	\$457,142	\$468,612	\$608,353	\$1,169,341	\$608,353	\$1,169,341	\$18,197,476
6	Tab Supply All Schedule & Cost, row 912, columns G to S														
7	Volumetric Pipeline Chgs	\$62,400.28	\$64,342.82	\$64,053.20	\$61,957.12	\$58,724.95	\$2,317.71	\$1,845.85	\$1,705.53	\$1,720.14	\$1,886.45	\$3,082.93	\$1,886.45	\$3,082.93	\$385,908.51
8	tab OR Pipeline Comm Costs by Month, row 30 D to O														
9	Commodity Cost from Storage	\$27,496	\$77,386	\$148,972	\$43,289	\$15,791	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$312,934
10	tab Storage Cost and Flow, row 88, column e through p														
11	Other Costs & Miscellaneous Changes														
12															
13	Total Commodity Cost	\$3,308,026	\$3,120,602	\$2,553,564	\$2,217,150	\$1,298,521	\$807,646	\$565,363	\$458,847	\$470,332	\$610,240	\$1,172,424	\$610,240	\$1,172,424	\$18,896,318
14															
15	VOLUMES														
16	Pipeline Commodity at Receipt Points	9,316,677	13,152,823	12,236,859	10,039,453	6,051,885	4,204,107	2,824,569	2,278,480	2,323,968	2,984,521	5,625,767	2,984,521	5,625,767	79,732,674
17	Pipeline Fuel Use	(31,622)	(44,662)	(42,210)	(34,106)	(19,122)	(13,016)	(9,365)	(7,947)	(8,063)	(10,051)	(18,597)	(10,051)	(18,597)	(267,677)
18	Total Pipeline Gas Arriving at City Gate	9,285,055	13,108,161	12,194,649	10,005,347	6,032,763	4,191,091	2,815,204	2,270,533	2,315,905	2,974,470	5,607,170	2,974,470	5,607,170	79,464,997
19	Storage Gas Deliveries														
20	Total Gas At Citygate (Storage and Pipeline)	9,285,055	13,108,161	12,194,649	10,005,347	6,032,763	4,191,091	2,815,204	2,270,533	2,315,905	2,974,470	5,607,170	2,974,470	5,607,170	79,464,997
21															
22	Unaccounted for Gas	(14,996)	(21,170)	(19,695)	(16,159)	(9,743)	(6,769)	(4,546)	(3,667)	(3,741)	(4,804)	(9,056)	(4,804)	(9,056)	(128,339)
23															
24	Load Served	9,270,059	13,086,991	12,174,954	9,989,188	6,023,020	4,184,322	2,810,658	2,266,866	2,312,164	2,969,666	5,598,114	2,969,666	5,598,114	79,336,658
25															
26	Annual Sales WACOG														
27															
28	OREGON Sales WACOG with Revenue Sensitive														
															\$0.238179
															\$0.245390

Cascade Natural Gas Corporation
2017-2018 PGA - OREGON
Derivation of Oregon per Therm Non-Commodity Charges

Oregon Derivation of Demand Increments

		Without Revenue Sensitive	With Revenue Sensitive
	(a)	(c)	(d)
1			
2			
3			
4	System Demand for Allocation	\$51,638,814	
5	Oregon Allocation Factor (Based on Peak Day)	20.09%	
6	Oregon Allocated Demand Costs	\$10,372,616	
7	Ruby Demand for Allocation	\$2,025,000	
8	Oregon Allocation Factor (Based Non-NWP Allocation)	87.74%	
9	Oregon Ruby Allocated System Demand	\$1,776,693	
10	Plus Demand Costs -Central Oregon	\$1,606,262	
11	Less Oregon Capacity Release Credits	(\$1,413,685)	
12	OREGON DEMAND COSTS	\$12,341,887	\$ 12,715,729
13			
14	Oregon Sales Forecasted Normal Volumes	79,336,658	79,336,658
15			
16	Proposed Demand Increment Per Therm (line 12/line 14)	\$0.155560	\$0.160280
17			
18	Current Firm Demand Per Therm	\$0.16433	\$0.168740
19			
20	Percent Change in Firm Demand	-5.34%	-5.01%
21			
22			
23	1/Allocation Factor: Forecasted Peak Volumes (excl. Central Oregon):		
24		<u>Washington</u>	<u>Oregon</u>
25			<u>System</u>
26	Total Peak	2,021,377	877,716
27	Less Central Oregon		595,212
28	Peak Day Capacity	2,021,377	282,503.87
29	Allocation Factor	87.74%	12.26%
			100.00%

Cascade Natural Gas Corporation
2017-2018 PGA - OREGON
Summary of Rate and Revenue Impact

(a)	(b)	Without Revenue Sensitive (c)	With Revenue Sensitive (d)
PROPOSED PER THERM RATE CHANGES			
1 Proposed Commodity WACOG		0.238180	0.245390
2 Current Commodity WACOG		0.256040	0.262920
3 Proposed Rate Change-Commodity WACOG		(0.017860)	(0.017530)
4			
5 Proposed Firm Demand Per Therm		0.155560	0.160280
6 Current Firm Demand Per Therm		0.164330	0.168740
7 Proposed Rate Change-Firm Demand WACOG		(0.008770)	(0.008460)
8			
9 Proposed Temporary Rate Increment		(0.018970)	(0.019550)
Current Temporary Rate Increment		(0.083850)	(0.086110)
Proposed Rate Change-Temporary Rate Increment		0.064880	0.066560
10			
11 TOTAL PROPOSED PGA RATE CHANGE			0.040570
12			
13 Oregon Forecasted Therm Sales		79,336,658	
14			
15 REVENUE IMPACT			
16			
17 Commodity Cost Change			(1,390,772)
18 Demand Cost Change			(671,188)
19			
20 Amortization of Commodity and Demand Cost Differences			5,280,647.96
21			
22 Total Revenue Impact Due to PGA Filing			3,218,688
23			
24 Operating Revenues for 12 Month Period Ending 12/31/16			63,881,403
25			
26 PERCENTAGE CHANGE IN REVENUES DUE TO PGA FILING			5.04%

Before the
OREGON PUBLIC UTILITY COMMISSION

EXHIBIT 2

Summary of Proposed Changes

Summary of Total Proposed Rates (Schedule 1 of 3)
Total Proposed Rates Impact on Average Bill by Rate Schedule (Schedule 2 of 3)
Notice to the Public (Schedule 3 of 3)

Cascade Natural Gas Corporation

July 28, 2017

Cascade Natural Gas Corporation
SUMMARY OF TOTAL PROPOSED RATES
STATE OF OREGON

Ln No.	Customer Class (a)	Schedule (b)	Block (c)	Current 3/1/2017 Rate (d)	Total Proposed Changes				Total Change (i) = e thru h	Proposed 11/1/2017 Rate (j) = d + i
					PGA Base Gas Cost (e)	CAP Baseline Adj (f)	Non Gas Cost Temporary Rate Adj Remove 16 (g)	Add New (h)		
CORE MARKET SERVICE										
1	Residential	101		\$0.728234	\$0.04057		(\$0.01810)	(\$0.06470)	(\$0.04223)	\$0.686004
2	Commercial	104		\$0.624884	\$0.04057		(\$0.01619)	(\$0.06582)	(\$0.04144)	\$0.583444
3	Com-Ind Dual	111		\$0.513294	\$0.04057		(\$0.00131)	\$0.00073	\$0.03999	\$0.553284
4	Industrial Firm	105		\$0.552944	\$0.04057		(\$0.00131)	\$0.00073	\$0.03999	\$0.592934
5	Industrial Interruptible	170		\$0.470464	\$0.04057		(\$0.00131)	\$0.00073	\$0.03999	\$0.510454
NONCORE MARKET SERVICE										
6	Distribution Transportation	163	First 10,000	\$0.125844	\$0.00000		(\$0.00131)	\$0.00073	(\$0.00058)	\$0.125264
7	Distribution Transportation	163	Next 10,000	\$0.113704	\$0.00000		(\$0.00131)	\$0.00073	(\$0.00058)	\$0.113124
8	Distribution Transportation	163	Next 30,000	\$0.106944	\$0.00000		(\$0.00131)	\$0.00073	(\$0.00058)	\$0.106364
9	Distribution Transportation	163	Next 50,000	\$0.066384	\$0.00000		(\$0.00131)	\$0.00073	(\$0.00058)	\$0.065804
10	Distribution Transportation	163	Next 400,000	\$0.034574	\$0.00000		(\$0.00131)	\$0.00073	(\$0.00058)	\$0.033994
11	Distribution Transportation	163	Over 500,000	\$0.019374	\$0.00000		(\$0.00131)	\$0.00073	(\$0.00058)	\$0.018794

Cascade Natural Gas Corporation
TOTAL PROPOSED RATES IMPACT ON AVERAGE BILL BY RATE SCHEDULE
 STATE OF OREGON

Ln No.	Customer Class (a)	Schedule (b)	Therms in Block (c)	Normalized Volumes (d)	Average Customers (e)	Therms Per Month (f) = d / e	Monthly Charge (g)	Current 3/1/2017 Rate (h)	Current Avg Bill (i) = g + (f * h)	Total Proposed 11/1/2017 Rate (j)	Total Proposed Avg Bill (k) = g + (f * j)	Monthly Change in Avg Bill (l)	Proposed Rates (m)	% Change = l / i
CORE MARKET SERVICE														
1	Residential	101		44,031,060	61,354	60	\$4.00	\$0.728234	\$47.69	\$0.686004	\$45.16	(\$2.53)	-5.31%	
2	Commercial	104		30,112,857	9,859	255	\$4.00	\$0.624884	\$163.35	\$0.583444	\$152.78	(\$10.57)	-6.47%	
3	Com-Ind Dual	111		2,459,420	18	11,386	\$0.00	\$0.513294	\$5,844.37	\$0.553284	\$6,299.69	\$455.33	7.79%	
4	Industrial Firm	105		3,023,521	139	1,813	\$12.00	\$0.552944	\$1,014.49	\$0.592934	\$1,086.99	\$72.50	7.15%	
5	Industrial Interruptible	170		2,845,912	4	59,290	\$0.00	\$0.470464	\$27,893.81	\$0.510454	\$30,264.82	\$2,371.01	8.50%	
NONCORE MARKET SERVICE														
6	Distribution Transportation	163	10,000	3,345,238	32		\$500.00	\$0.125844	\$1,758.44	\$0.125264	\$1,752.64			
7	Distribution Transportation	163	10,000	2,610,063				\$0.113704	\$1,137.04	\$0.113124	\$1,131.24			
8	Distribution Transportation	163	30,000	4,863,706				\$0.106944	\$3,208.32	\$0.106364	\$3,190.92			
9	Distribution Transportation	163	50,000	4,748,472				\$0.066384	\$2,540.12	\$0.065804	\$2,517.92			
	Distribution Transportation	163	400,000	16,567,848				\$0.034574		\$0.033994				
	Distribution Transportation	163	Over 500,000	1,757,998				\$0.019374		\$0.018794				
11	Total			33,893,325		88,264			\$8,643.92		\$8,592.72	(\$51.19)	-0.59%	

Cascade Natural Gas Corporation

NOTICE TO THE PUBLIC

Oregon Service Area

Cascade Natural Gas Corporation is on this date filing with the Oregon Public Utility Commission (OPUC) at Salem, Oregon, revisions to Rate Schedule Nos. 177, 191, 192, and 193, which upon approval by the Commission will become effective November 1, 2017.

The rate adjustments proposed in this filing are designed to pass on 1.) changes in the cost of gas and transportation services paid by Cascade to gas suppliers and interstate natural gas pipelines, temporary differences in purchased gas costs, that occur over time, as a result of differences between the actual cost of gas paid by the Company and the amount allowed for in Core customer rates, and removal of certain technical deferral refunds that have expired; and 2.) changes resulting from the Company's Conservation Alliance Plan.

The overall effect of the proposed rate adjustments on the monthly bill of a residential customer with consumption of 60 therms will be a net decrease of (\$2.53) or (5.31%). For small commercial customers, the decrease in the monthly bill for consumption of 255 therms will be (\$10.57) or (6.47%). Large volume core customers will experience an average increase of 7.15% depending on monthly volumes consumed. Large volume interruptible customers will experience an average increase of 8.50%. Large volume non-core customers will experience an average decrease of (.59%) for distribution service from Cascade depending on the monthly volumes consumed.

By: Michael Parvinen
Director, Regulatory Affairs

Date: July 31, 2017

Before the
OREGON PUBLIC UTILITY COMMISSION

EXHIBIT 3

Attachments to Staff's Public Meeting Memos

Attachment A - Incremental Change to Revenue by Rate Schedule

Attachment B - Incremental Change to Revenue by Adjustment

Attachment C - Three Percent Test

Attachment D - Bill Impacts

Cascade Natural Gas Corporation

July 28, 2017

**Cascade Natural Gas
2016 PGA
Incremental Revenue Change by Customer Rate Schedule
Attachment A**

Customer Rate Schedule	Description	Gas Cost & Adjustment Schedule Total Revenue at Current ¹	Gas Cost & Adjustment Schedule Total Revenue at Proposed	Total Incremental Change in Revenue	Incremental Percentage Change by Rate Schedule	Percent Contribution to Total Incremental Change
101	Residential	30,813,996	29,025,843	(1,788,154)	-5.80%	66.69%
104	Commercial	18,040,980	16,843,584	(1,197,396)	-6.64%	44.66%
105	Industrial	1,609,820	1,726,354	116,534	7.24%	-4.35%
111	Large Volume	1,191,800	1,284,745	92,945	7.80%	-3.47%
112	Compressed Natural Gas					0.00%
126	Emergency Institution					0.00%
170	Interruptible	1,344,290	1,458,681	114,391	8.51%	-4.27%
163	Transportation	2,142,575	2,122,916	(19,658)	-0.92%	0.73%
		55,143,461	52,462,123	(2,681,338)	-4.86%	100.00%

Notes:

¹ Revenue at "Current" does not reflect current revenues, but rather what the revenues would be if existing rates continued to be in effect during the upcoming year (i.e. current rates times forecasted therms). There will be small differences with the Advice filings.

Customer Schedule No.	Rate Class Type	Block	Current Rate	Proposed Rate	Current Rate	Proposed Rate	Current Rate	Proposed Rate	Current Rate	Proposed Rate	Forecast Therms	Revenue at Current	Revenue at Proposed	Change in Revenue	% Change
101	Residential		\$ 0.43166	0.40567	\$ 0.36407	0.36407	\$ (0.08611)	(0.01955)	\$0.00191	0.00112	\$ 0.01619	\$30,813,996	\$29,025,843	(\$1,788,154)	-5.80%
104	Commercial		\$ 0.43166	0.40567	\$ 0.26263	0.26263	\$ (0.08611)	(0.01955)	\$ -	0.00000	\$ 0.01619	\$18,040,980	\$16,843,584	(\$1,197,396)	-6.64%
105	Industrial		\$ 0.43166	0.40567	\$ 0.20557	0.20557	\$ (0.08611)	(0.01955)	\$0.00131	0.00073	\$ -	\$1,609,820	\$1,726,354	\$116,534	7.24%
111	Large Volume		\$ 0.43166	0.40567	\$ 0.16592	0.16592	\$ (0.08611)	(0.01955)	\$0.00131	0.00073	\$ -	\$1,191,800	\$1,284,745	\$92,945	7.80%
112	Compressed Natural Gas		\$ 0.43166	0.40567	\$ 0.22600	0.22600	\$ (0.08611)	(0.01955)	\$ -	0.00000	\$ -	\$0	\$0	\$0	0.00%
126	Emergency Institution		\$ 0.43166	0.40567	\$ 0.26670	0.26670	\$ (0.08611)	(0.01955)	\$ -	0.00000	\$ -	\$0	\$0	\$0	0.00%
170	Intaruptible		\$ 0.43166	0.40567	\$ 0.12309	0.12309	\$ (0.08611)	(0.01955)	\$0.00131	0.00073	\$ -	\$1,344,290	\$1,458,681	\$114,391	8.51%
163	Transportation	Block 1	\$ -	0.00000	\$ 0.12402	0.12402	\$ -	0.00000	\$0.00131	0.00073	\$ -	\$419,259	\$417,318	(\$1,940)	-0.46%
		Block 2	\$ -	0.00000	\$ 0.11188	0.11188	\$ -	0.00000	\$0.00131	0.00073	\$ -	\$293,919	\$293,919	(\$1,514)	-0.51%
		Block 3	\$ -	0.00000	\$ 0.10512	0.10512	\$ -	0.00000	\$0.00131	0.00073	\$ -	\$517,644	\$514,823	(\$2,821)	-0.54%
		Block 4	\$ -	0.00000	\$ 0.06456	0.06456	\$ -	0.00000	\$0.00131	0.00073	\$ -	\$312,782	\$310,028	(\$2,754)	-0.88%
		Block 5	\$ -	0.00000	\$ 0.03275	0.03275	\$ -	0.00000	\$0.00131	0.00073	\$ -	\$564,301	\$554,692	(\$9,609)	-1.70%
		Block 6	\$ -	0.00000	\$ 0.01755	0.01755	\$ -	0.00000	\$0.00131	0.00073	\$ -	\$33,156	\$32,136	(\$1,020)	-3.08%

**Cascade Natural Gas
2016 PGA
Incremental Revenue Change by Adjustment Schedule
Attachment B**

Adjustment Schedule No. & Description	Gas Cost & Adjustment Schedule Revenue at Current ¹	Gas Cost & Adjustment Revenue at Proposed	Total Incremental Change in Revenue	% Contribution to Total Incremental Change
177-A PGA	\$34,246,462	\$32,184,503	(\$2,061,959)	76.90%
191 Temporary Gas Cost Adj	(\$6,831,679)	(\$1,551,032)	\$5,280,647	-196.94%
192 Intervenor Funding	\$135,884	\$78,078	(\$57,806)	2.16%
193 CAP	\$1,153,341	(\$4,688,879)	(\$5,842,220)	217.88%
194-B Other Residual	\$0	\$0	\$0	0.00%
Margin	\$26,439,451	\$26,439,451	\$0	0.00%
			\$0	0.00%
			\$0	0.00%
Total	\$55,143,459	\$52,462,121	(\$2,681,338)	100.00%

Note:

¹ Revenue at "Current" does not reflect current revenues, but rather what the revenues would be if existing rates continued to be in effect during the upcoming year (i.e. current rates times forecasted therms). There will be small differences with the Advice filings.

Adjustment
Schedule No.

2017-2018

Advice No.	Description	Schedule No.	Rate Class Type	Block	Proposed		Revenue at		Change in Revenue			
					Rate	Therms	Current	Proposed				
O17-07-01	177-A PGA	101	Residential		\$ 0.43166	42,343,204	\$18,277,867	\$17,177,368	(\$1,100,499)			
		104	Commercial		\$ 0.43166	28,894,694	\$12,472,684	\$11,721,711	(\$750,973)			
		105	Industrial	Revised	\$ 0.43166	2,914,071	\$1,257,888	\$1,182,151	(\$75,737)			
		111	Large Volume		\$ 0.43166	2,324,194	\$1,003,262	\$942,856	(\$60,406)			
		112	Compressed Natural Gas		\$ 0.43166	0	\$0	\$0	\$0			
		126	Emergency Institution		\$ 0.43166	0	\$0	\$0	\$0			
		170	Interruptible		\$ 0.43166	2,860,495	\$1,234,761	\$1,160,417	(\$74,344)			
		Total						\$34,246,462	\$32,184,503	(\$2,061,959)		
		O17-07-01	191 Temp Gas Cost	101	Residential		\$ (0.08611)	42,343,204	(\$3,646,173)	(\$827,810)	\$2,818,363	
				104	Commercial		\$ (0.08611)	28,894,694	(\$2,488,122)	(\$564,891)	\$1,923,231	
				105	Industrial		\$ (0.08611)	2,914,071	(\$250,931)	(\$56,970)	\$193,961	
				111	Large Volume		\$ (0.08611)	2,324,194	(\$200,136)	(\$45,438)	\$154,698	
				112	Compressed Natural Gas		\$ (0.08611)	0	\$0	\$0	\$0	
				126	Emergency Institution		\$ (0.08611)	0	\$0	\$0	\$0	
				170	Interruptible		\$ (0.08611)	2,860,495	(\$246,317)	(\$55,923)	\$190,394	
				Total						(\$6,831,679)	(\$1,551,032)	\$5,280,647
				O17-07-02	192 Intervenor	101	Residential		\$ 0.00191	42,343,204	\$80,876	\$47,424
104	Commercial						\$ -	28,894,694	\$0	\$0	\$0	
105	Industrial						\$ 0.00131	2,914,071	\$3,817	\$2,127	(\$1,690)	
111	Large Volume						\$ 0.00131	2,324,194	\$3,045	\$1,697	(\$1,348)	
112	Compressed Natural Gas						\$ -	0	\$0	\$0	\$0	
126	Emergency Institution						\$ -	0	\$0	\$0	\$0	
170	Interruptible						\$ 0.00131	2,860,495	\$3,747	\$2,088	(\$1,659)	
Total							\$135,884	\$78,078	(\$57,806)			
O17-07-02	193 CAP					101	Residential		\$ 0.01619	42,343,204	\$685,536	(\$2,787,030)
		104	Commercial				\$ 0.01619	28,894,694	\$467,805	(\$1,901,849)	\$2,369,654	
Total							\$1,153,341	(\$4,688,879)	(\$5,842,220)			

Adjustment
Schedule No.

2017-2018

Advice No.	Description	Schedule No.	Rate Class Type	Block	Current		Proposed		Proposed Therms	Revenue at		Change in Revenue
					Rate	Rate	Rate	Rate		Current	Proposed	
101	Residential				\$ 0.36407	0.36407	0.36407		42,343,204	\$15,415,890	\$15,415,890	\$0
104	Commercial				\$ 0.26263	0.26263	0.26263		28,894,694	\$7,588,613	\$7,588,613	\$0
105	Industrial				\$ 0.20557	0.20557	0.20557		2,914,071	\$599,046	\$599,046	\$0
111	Large Volume				\$ 0.16592	0.16592	0.16592		2,324,194	\$385,630	\$385,630	\$0
112	Compressed Natural Gas				\$ 0.22600	0.22600	0.22600		0	\$0	\$0	\$0
126	Emergency Institution				\$ 0.26670	0.26670	0.26670		0	\$0	\$0	\$0
170	Interruptible				\$ 0.12309	0.12309	0.12309		2,860,495	\$352,098	\$352,098	\$0
163	Distribution			Block 1	\$ 0.12402	0.12402	0.12402		3,345,238	\$414,876	\$414,876	\$0
				Block 2	\$ 0.11188	0.11188	0.11188		2,610,063	\$292,014	\$292,014	\$0
				Block 3	\$ 0.10512	0.10512	0.10512		4,863,706	\$511,273	\$511,273	\$0
				Block 4	\$ 0.06456	0.06456	0.06456		4,748,472	\$306,561	\$306,561	\$0
				Block 5	\$ 0.03275	0.03275	0.03275		16,567,848	\$542,597	\$542,597	\$0
				Block 6	\$ 0.01755	0.01755	0.01755		1,757,998	\$30,853	\$30,853	\$0
								Total	\$26,439,451	\$26,439,451	\$26,439,451	\$0

Margin

**Cascade Natural Gas
2017-2018 PGA
Three Percent Test
Attachment C**

	<u>Surcharge</u>	<u>Credit</u>	
Prior Period Gas Cost Deferral True-Up	(1,550,739)		
 <u>Non-Gas Cost Amortizations</u>			
Intervenor Funding	\$77,895		
Other Residuals			
Decoupling		(4,689,006)	
		\$0	
		\$0	
		0	
Subtotal	<u>77,895</u>	<u>(4,689,006)</u>	
Total	(1,472,844)	(4,689,006)	
Total Proposed Amortization			(\$6,161,850)
Less: Intervenor Funding ¹			\$77,895
Net Proposed Amortizations (subject to the 3% test)			(\$6,239,745)
Utility Gross Revenues (2016)			\$63,881,403
3% of Utility Gross Revenues²			\$1,916,442
Allowed Amortization			(\$6,239,745)
Allowed Amortization as % of Gross Revenues			-9.77%

¹ Intervenor Funding is excluded from the result of the 3% test pursuant to ORS 757.259(4)

² Unadjusted general revenues as shown in the most recent Results of Operation.

