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July 20, 2022

CNG/O22-06-01

Oregon Public Utility Commission
Attn: Filing Center
P.O. Box 1088
Salem, OR 97308-1088

**Re: Advice No. O22-06-01 – Cascade’s Arrearage Management Program and Energy Discount
ADV 1409**

Cascade Natural Gas Corporation (Cascade or Company) submits the following substitute tariff sheets to the Oregon Public Utility Commission (Commission or OPUC) under Cascade’s Advice filing No. O22-06-01. This filing includes the following previously submitted tariff sheets in docket No. ADV 1409 filed on June 1, 2022, originally proposed to become effective with service on and after July 1, 2022. The revised service is now proposed to become effective on and after August 1, 2022, for the following tariff sheets:

Original Sheet 36.1	Energy Discount Program
Original Sheet 36.2	Energy Discount Program
Original Sheet 37.1	Low Income Cost Recovery
Second Revision of Sheet No. ii	Index

In its original filing, Cascade had proposed the implementation of a comprehensive program to include both arrearage management and energy discount. After reviewing the proposals of the other utilities and following several discussions with Staff and Stakeholders, the Company believes it is appropriate in this interim period to rethink its approach. Rather than trying to stand up a comprehensive program at this point, the Company believes it is more appropriate to leave the arrearage management program in the current Oregon Low-Income Bill Assistance (OLIBA) framework, and create a separate, interim Energy Discount Program (EDP). Once the EDP is fully operational and any necessary revisions have been made in consultation with the Commission and Stakeholders, the Company will then file a comprehensive program to merge the fully developed EDP and arrearage management programs.

The revisions being submitted are the result of removing the Arrearage Management Program and accompanying cost recovery portion of the originally submitted tariff sheets. The program design portion of the EDP included in the original filing remains unchanged. However, the proposed tariff has been updated to include important feedback including the authorization of self-attestation by customers that go through a Community Action Agency in addition to self-attestation for customers that contact the Company, risk-free participation in the program, a revision in the cost recovery structure for residential customers to a fixed monthly charge, and it is now clear that Schedule 37 only recovers direct costs associated with the EDP.

Cascade estimates the direct costs for the revised EDP for the first program year, assuming 25% participation and the use of SMI percentages, will be approximately \$1.1 million. The Company estimates

the program will initially serve roughly 5,285 customers. At full enrollment, the EDP program could reach a total program cost of \$4.2 million annually.

A residential customer on Schedule 101 will experience a bill increase of \$0.81 per month based on initial program cost. An average core commercial customer on Schedule 104 will see a bill increase of approximately \$2.24 per month. Other industrial, large volume, interruptible, and transport customer bill impacts are shown in the table below:

<i>OR</i>	<i>Sch. 101</i>	<i>Sch. 104</i>	<i>Sch. 105</i>	<i>Sch. 111</i>	<i>Sch. 163</i>	<i>Sch. 170</i>
Energy Discount Direct	\$660,165	\$275,097	\$23,255	\$14,444	\$78,053	\$6,986
Avg. Bills	\$50.77	\$174.06	\$1,141.60	\$7,717.41	\$7,041.09	\$20,689.21
\$ Increase	\$0.81	\$2.24	\$12.83	\$60.18	\$175.79	\$145.55
% Increase	1.6%	1.3%	1.1%	0.8%	2.5%	0.7%
\$ per Therm	\$0.01378	\$0.00889	\$0.00727	\$0.00479	\$0.00207	\$0.00364

The EDP at full enrollment could cost the average residential customer an additional \$3.25 per month.

In the original filing, Cascade had proposed some enhancements to the current OLIBA program that were well-received by Staff and Stakeholders. Cascade plans to convene its Stakeholder group to further discuss possible enhancements to improve the existing OLIBA program that can be implemented before the beginning of the next program year.

Given the timing of this submittal, the statutory notice requirement cannot be met. Accordingly, the Company requests less than statutory notice to permit approval by the requested effective date. Enclosed is a Less than Statutory Notice requesting approval of the proposed tariff sheets by August 1, 2022.

If you have any questions regarding this information, please feel free to contact me at (208) 377-6015.

Sincerely,

/s/ Lori Blattner

Lori A. Blattner
 Director, Regulatory Affairs
 8113 W. Grandridge Blvd.
 Kennewick, WA 99336
 Lori.blattner@intgas.com

Attachments

LESS THAN STATUTORY NOTICE APPLICATION

This document may be electronically filed by sending it as an attachment to an electronic mail message addressed to the Commission's Filing Center at puc.filingcenter@state.or.us.

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

IN THE MATTER OF THE APPLICATION OF Cascade Natural Gas Corporation _____ (UTILITY COMPANY) TO WAIVE STATUTORY NOTICE.)))))	UTILITY L.S.N. APPLICATION NO. _____ (LEAVE BLANK)
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NOTE: ATTACH EXHIBIT IF SPACE IS INSUFFICIENT.

1. GENERAL DESCRIPTION OF THE PROPOSED SCHEDULE(S) ADDITION, DELETION, OR CHANGE. (SCHEDULE INCLUDES ALL RATES, TOLLS AND CHARGES FOR SERVICE AND ALL RULES AND REGULATIONS AFFECTING THE SAME)
 Cascade Natural Gas is revising proposed Schedules 36 (OR Energy Discount Program) and Schedule 37 (Low Income Assistance Cost Recovery) originally submitted on June 1, 2022. It is also revising Sheet No. ii (Index). Schedules 36 and 37 are new schedules introducing our new Energy Discount program and the Index lists them in our index of tariff sheets.

2. APPLICANT DESIRES TO CHANGE THE SCHEDULE(S) NOW ON FILE KNOWN AND DESIGNATED AS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE, AND ITEM)
 First Revision of Sheet No. ii

3. THE PROPOSED SCHEDULE(S) SHALL BE AS FOLLOWS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE AND ITEM)
 Second Revision of Sheet No. ii
 Original Sheet 36.1 Energy Discount Program
 Original Sheet 36.2 Energy Discount Program
 Original Sheet 37.1 Energy Discount Program Cost Recovery

4. REASONS FOR REQUESTING A WAIVER OF STATUTORY NOTICE:
 The filing is scheduled to be on the docket July 26, 2022 so that the tariff sheets become implemented on August 1, 2022. We have been working with OPUC Staff and intervenors on this filing since the original filing date of June 1, 2022.

5. REQUESTED EFFECTIVE DATE OF THE NEW SCHEDULE(S) OR CHANGE(S): August 1, 2022

. AUTHORIZED SIGNATURE 	TITLE Director, Regulatory Affairs	DATE 7/20/2022
PUC USE ONLY		
<input type="checkbox"/> APPROVED <input type="checkbox"/> DENIED	EFFECTIVE DATE OF APPROVED SCHEDULE(S) OR CHANGE	
AUTHORIZED SIGNATURE	DATE	

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RULES

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32	Oregon Low-Income Assistance Program	32.1
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34	Energy Efficiency Services and Programs	34.1
35	Temporary COVID-19 Residential Bill Assistance Program.....	35.1
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RATE SCHEDULES

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**SCHEDULE 36
ENERGY DISCOUNT PROGRAM**

TERMS AND CONDITIONS

The program is effective on and after October 1, 2022.

The purpose of this schedule is to define the mechanism for providing low-income billing assistance to qualifying residential customers under the Company’s Energy Discount Program (EDP).

This schedule is for qualifying residential customers served on Schedule 101 or household members of a dwelling served on Schedule 101. An applicant for service under this schedule must demonstrate their household income is less than or equal to 150% of the Federal Poverty Level (FPL) or less than or equal to 60% Oregon State Median Income (SMI). Qualifications under EDP:

1. Customers enrolled in EDP, based on their qualifying household income and household size, will have their monthly natural gas bill discounted by the percentage of their qualifying income percentage tier listed below.
2. Customers may enroll in EDP by calling Cascade’s customer service number at (888) 522-1130 (Monday - Friday, 7:30 A.M. - 6:30 P.M.) Customers may also apply for EDP energy assistance by scheduling an appointment with a local Community Action Agency (CAA). Monthly income and household size will be provided verbally by the customer and the customer will be automatically enrolled in the EDP within the qualifying tier. Customers who are not income verified will be subject to a post-enrollment audit. Cascade will audit up to 3 percent of non-income verified customers. Customers found to be ineligible for the rate discount they are receiving will be prospectively removed from the program or adjusted to the correct tier.
3. The CAA will execute a contract with Cascade establishing roles and responsibilities consistent with this Schedule. Failure to comply with requirements in the contract may result in termination from the role of program administrator.
4. Customers enrolled in EDP must reapply two years after the date of their most recent enrollment. Any annual application of LIHEAP, OLIBA, or Winter Help will reset the enrollment application reapply deadline.
5. A customer who is enrolled in EDP and who moves or re-establishes service within the Company’s service territory within fifteen (15) business days, may have the program transferred to the new account for the service address.
6. Customers who qualify for LIHEAP, OLIBA, or Winter Help will be auto enrolled in EDP based on their qualifying income percentage eligibility.
7. At implementation, all low-income customers who have received energy assistance in the last twelve months will be auto enrolled into the EDP. If the customer’s qualifying income percentage is known, then they will be placed in the appropriate energy discount tier level. If the customer’s income percentage is not known, then the customer will be placed in the lowest energy discount tier level at 101-150% FPL or 46-60% SMI.

The annual program year begins October 1. Service under this schedule is subject to the rules and regulations contained in the Company’s tariff.

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ENERGY DISCOUNT PROGRAM TIERS

Income-qualified customers under EDP will receive the following monthly energy discounts:

Tier Levels	Energy Discount
0-25% FPL, 0-15% SMI	95%
26-50% FPL, 16-30% SMI	70%
51-100% FPL, 31-45% SMI	45%
101-150% FPL, 46-60% SMI	15%

PROGRAM FUNDING

Program costs incurred for this program and outreach will be recovered through tariff rates presented on Schedule 37, Low-Income Assistance Cost Recovery.

LOW-INCOME ADVISORY GROUP

A low-income advisory group comprised of key stakeholders including but not limited to Company, Oregon Public Utilities Commission, Oregon Citizens' Utility Board, and CAA representatives shall discuss and advise Cascade on program related matters such as the evaluation, program specifics, performance obligations, regulatory filings, rate impacts, and program outreach efforts. This advisory group will meet at least twice annually.

REPORTING

By January 31 of each year, the Company will file with the Commission an annual report on its EDP performance that will detail total customers enrolled, customers' average therm usage, total dollars spent, grant dollars awarded to customers, number of households served per CAA, and program dollars spent on outreach and administration that is done by Cascade, CBOs, or CAAs. After the first year, the report will include a comparison of the program's performance to prior years.

(N)

(N)

**SCHEDULE 37
ENERGY DISCOUNT PROGRAM COST RECOVERY**

(N)

TERMS AND CONDITIONS:

Recovery is effective on and after October 1, 2022.

The purpose of this schedule is to recover direct costs associated with the Company’s Energy Discount Program (EDP) billing assistance to qualifying residential Cascade customers.

Service under this adjustment 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 adjustment schedule apply to service under this schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

APPLICABILITY:

This adjustment applies to the following rate schedules: 101, 104, 105, 111, 163 and 170.

ADJUSTMENT TO RATE:

The Company will file to change this adjustment schedule annually so that forecast collections under this schedule will be targeted to meet actual program expenses including annual true-up.

RATES:

The following charges will apply for each rate schedule as listed in the table below:

Rate Schedule	Rate	
101	\$0.81	per month
104	\$0.00889	per therm
105	\$0.00727	per therm
111	\$0.00479	per therm
163	\$0.00207	per therm
170	\$0.00364	per therm

(N)

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The annual program year begins October 1. Service under this schedule is subject to the rules and regulations contained in the Company’s tariff.

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(N)

(N)

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APPLICABILITY:

This adjustment applies to the following rate schedules: 101, 104, 105, 111, 163 and 170.

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(N)