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November 19, 2012

Letter of Support for Northwest Natural's Testimony Regarding Docket UM 1565 The Oregon Public Utility Commission's Investigation into Fuel Switching & Cross Fuel Efficiency Issues

Throughout Docket UM 1565, *The Oregon Public Utility Commission's investigation into Fuel Switching and Cross Fuel Efficiency Issues*, Northwest Natural has taken a lead role in expressing concerns regarding the Energy Trust of Oregon's provision of incentives for space heating and cooling equipment, and the lack of parity between the space heat incentives available for electric versus gas space heating equipment. Cascade Natural Gas Corporation has closely monitored and participated in this docket and is pleased to submit the following letter expressing its agreement with the major issues and concerns outlined in Northwest Natural's testimony.

Due to the overarching similarities between the interests of Cascade Natural Gas and Northwest Natural in regards to UM 1565, and the extensive amount of detailed research provided by the latter, the Company believes that NWN is in the best position to fully articulate the concerns and unintended consequences associated with the Energy Trust of Oregon's marketing and provision of heat pump incentives to natural gas space heat customers.

Furthermore, Cascade concurs with statements and assessments offered by Northwest Natural suggesting that the Energy Trust may currently be providing confusing marketing signals regarding the value of natural gas versus electric equipment. We therefore agree that heat pump incentives should not be provided to customers that use natural gas to heat their homes.

Again, we thank you for the opportunity to provide this letter in support of Northwest Natural's testimony. If you have any questions, please do not hesitate to ask.

Sincerely,

Conservation Manager, Cascade Natural Gas Corporation

Certificate of Service

I certify that I have this day served the foregoing comments upon all parties of record in UM 1565 by emailing an electronic copy to the following parties or attorneys of parties:

Oregon Department of Energy Maureen Bock 625 Marion St., NE Salem, OR 97301 Maureen.p.bock@state.or.us

Oregon Department of Energy Renee M France Senior Assistant Attorney General NATURAL RESOURCES SECTION 1162 COURT ST NE SALEM OR 97301-4096 renee.m.france@doj.state.or.us

Oregon Department of Energy Vijay A Satyal Senior Policy Analyst 625 MARION ST NE SALEM OR 97301 vijay.a.satyal@state.or.us

Avista Corporation
David J Meyer
Vice President & Chief Counsel
Po Box 3727
Spokane WA 99220-3727
david.meyer@avistacorp.com

Avista Utilities Shawn Bonfield Po Box 3727 Spokane WA 99220-3727 Shawn.Bonfield@Avistacorp.Com

Avista Utilities Linda Gervais Sr. Regulatory Analyst Po Box 3727 Spokane WA 99220-3727 Linda.Gervais@Avistacorp.Com

Cascade Natural Gas Jim Abrahamson 8113 W. Grandridge Blvd Kennewick WA 99336 jim.abrahamson@cngc.com Citizens' Utility Board of Oregon OPUC Dockets 610 SW Broadway, Ste 400 Portland OR 97205 Dockets@Oregoncub.Org

Citizens' Utility Board of Oregon Gordon Feighner 610 SW Broadway, Ste 400 Portland OR 97205 gordon@oregoncub.org

Citizens' Utility Board of Oregon G. Catriona McCracken 610 SW Broadway, Ste 400 Portland OR 97205 catriona@oregoncub.org

City of Portland – Attorney's Office Benjamin Walters 1221 SW 4th Ave - Rm 430 Portland OR 97204 ben.walters@portlandoregon.gov

City of Portland – Planning & Sustainability
David Tooze
1900 SW 4th Ste 7100
Portland OR 97201
david.tooze@portlandoregon.gov

Energy Trust of Oregon Steve Lacey 851 SW 6th Ave - Ste 1200 Portland OR 97204 steve.lacey@energytrust.org

Energy Trust of Oregon John M Volkman 421 SW Oak St #300 Portland OR 97204 john.volkman@energytrust.org

Esler Stephens & Buckley John W Stephens 888 SW Fifth Ave Ste 700 Portland OR 97204-2021 <u>stephens@eslerstephens.com</u>; <u>mec@eslerstephens.com</u>

Northwest Natural E-Filing 220 NW 2ND Ave Portland OR 97209 efiling@nwnatural.com

Northwest Natural Jennifer Gross 220 NW 2nd Avenue Portland OR 97209 jennifer.gross@nwnatural.com

NW Energy Coalition Wendy Gerlitz 1205 SE Flavel Portland OR 97202 wendy@nwenergy.org

Pacific Power
Sarah Wallace
825 Ne Multnomah St Ste 1800
Portland OR 97232
sarah.wallace@pacificorp.com

Pacific Power
Mary Wiencke
825 Ne Multnomah St Ste 1800
Portland OR 9723
Mary.wiencke@pacificorp.com

Pacificorp, DBA Pacific Power

Oregon Dockets 825 Ne Multnomah St Ste 1800 Portland OR 9723 oregondockets@pacificorp.com

Portland General Electric Terri Bowman 121 SW Salmon St, 1WTC0702 Portland OR 97204 Pge.opuc.filings@pgn.com

Portland General Electric Douglas C Tingey 121 SW Salmon St, 1WTC0702 Portland OR 97204 Doug.tingey@pgn.com

Portland General Electric Karla Wenzel 121 SW Salmon St, 1WTC0702 Portland OR 97204 Karla.wenzel@pgn.com

Public Utility Commission Juliet Johnson PO box 2148 Salem OR 97308-2148 Juliet.johnson@state.or.us

PUC Staff – Department of Justice Johanna Riemenschneider Business Activities Section 1162 Court St NE Salem OR 97301-4796 Johanna.riemenschneider@doj.state.or.us

Dated at Kennewick, Washington this 19th day of November 2012

Pamela Archer

Spr. Regulatory Analysis

Cascade Natural Gas Corporation

Pamela archer