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November 28, 2017

Oregon Public Utility Commission
P.O. Box 1088
Salem, OR 97308-1088

Attention: Filing Center

Re: UM 1636(6) - Request for Deferral Accounting for the Cost of Expenses for Manufactured Gas Plant in Eugene - Supplemental

In discussions with Commission staff, it was pointed out that the total expected deferral associated with the site is unclear in the application. Cascade hereby provides the following supplemental information to provide clarity.

As of September 30, 2017, the date used in the current deferral application, the current deferral balance is \$137,591.04. This amount includes preliminary investigation costs, outside legal costs, interest, etc., and is net of insurance proceeds. Cascade expects to begin and complete actual remediation costs in 2018 at an anticipated cost of \$1.7 million.

Total expected deferral balance at the end of 2018 is anticipated to be the beginning balance of \$137,591.04, plus estimated remediation costs of \$1,700,000, plus interest on the balance, plus any residual preliminary investigation costs, less any potential insurance proceeds. At this point the total estimated deferral balance at the end of 2018 will be approximately \$1,900,000. Cascade anticipates, beyond the completion of the remediation efforts, that only ongoing testing and monitoring costs plus outside legal costs to pursue insurance recovery will be included in the deferral balance.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Parvinen", with a long horizontal flourish extending to the right.

Michael Parvinen
Director, Regulatory Affairs