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December 1, 2016

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

Attn: Records Center

Re: RG-7. Cascade Natural Gas Corporation Oregon Low-Income Energy Conservation (OLIEC) and Conservation Achievement Tariff (CAT) Annual Report for Program Year 2015-2016

In accordance with Schedule 33 in the Company's Tariff P.U.C. OR. 9, Cascade Natural Gas Corporation (Cascade or Company) encloses for filing its Oregon Low-Income Energy Conservation (OLIEC) and Conservation Achievement Tariff (CAT) programs Annual Report for the 2015-2016 program year.

Please feel free to contact Jim Abrahamson at (503) 230-9607 with any questions or concerns you may have.

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

attachments

Cascade Natural Gas Corporation's Oregon Low Income Energy Conservation Program
Annual Report for Program Year October 1, 2015 through September 30, 2016

This annual report covers both the Oregon Low Income Energy Conservation (OLIEC or Weatherization) program and the Conservation Achievement Tariff (CAT) pilot program. The OLIEC program is Cascade's long-standing Oregon low-income weatherization program. The CAT was initially designed as a two-year pilot which ran from January 1, 2014 through December 31, 2015. On November 30, 2015, the Company filed Advice No. O15-11-02 which requested that the pilot period be extended through December 31, 2017. The Commission approved the Company's request.

The associated outcomes of the CAT and its influence during the pilot period, have been exceptionally informative, particularly within the context of continued external challenges to project implementation. After ongoing dialogue and thoughtful discussion with Public Utility Commission of Oregon (OPUC) Staff, the Company committed to making a series of small changes to the OLIEC/CAT program design and reporting and subsequently filed a revised iteration of the CAT on October 31, 2016, to discontinue the pilot extension and instead offer a permanent version of the program, informed by the three successful years of program operation that have already taken place. The proposed "final" design of CAT was developed to ensure the ongoing efficacy, accountability, and sustainability of the funding mechanism per recommendations from Staff.

The pilot results and findings are covered throughout this report.

Overview of the 2015-2016 Program Year

Cascade Natural Gas Corporation ("Cascade") has completed the tenth year of its Oregon Low Income Energy Conservation program. The OLIEC is designed to increase energy efficiency in low-income households within Cascade's Oregon service area by providing rebates for the installation of certain weatherization and conservation measures following the completion of a home energy evaluation performed by a qualifying Low-Income, 501c3 organization, or a Community Action Agency (CAA). The rebates are determined on the basis of the first year dollar value of the conserved natural gas as reflected by the Company's avoided cost of natural gas. The OLIEC program provides incentives for ten specific measures. In addition to the OLIEC rebates, agencies receive an additional \$225 for administrative and direct program costs incurred.

The CAT pilot-overlay provides a separate mechanism by which the total rebate for installing each measure can increase to cover 100 percent of the cost of each measure as billed to the agency by contractors. In total, during the CAT pilot, agencies can receive rebates of up to 100 percent of the cost of installing OLIEC-qualified measures plus an additional \$225 for their associated administrative and direct program costs. The program also provides a flat fee of \$550 for an audit, and \$300 for an inspection of a dwelling treated under the CAT. These changes were further codified in the most recent iteration of the OLIEC/CAT tariff filed on October 31, 2016, which was approved with an effective of December 1, 2016. These changes signal the end of the pilot and the implementation of the permanent program design which will include:

- Requirement for each Agency participating in the CAT tariff to have an up-to-date, signed Memorandum of Understanding with Cascade Natural Gas to codify existing best practices

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and add further transparency to program guidelines and expectations;

- Expanded guidance on required rebate application documentation, including Agency name, customer name, landlord name and address if applicable, the address of qualifying households, the square footage of the home, a list of the measures installed, the rebate amount per measure, total rebate per household, and a statement of whether or not all eligible measures were installed at the dwelling;
- Requirement that a copy of the REM/Rate auditing report demonstrating savings-to-investment ratio of 1.0 or higher be provided for each individual measure in order to qualify for rebate;
- Placement of a \$10,000 cap on reimbursement per a single dwelling weatherized; and
- Commitment to report the following information as part of the Company's Annual Report:
 - o General
 - Program successes and barriers (if any) to implementation;
 - Associated Program outreach activities;
 - A breakdown of the number of homes served by town and agency;
 - The Company will monitor rebate turn-around time from processing to approval/payment.
 - o Economic
 - Revenue balance from previous year;
 - Program revenue;
 - Accrued interest;
 - Total available funds;
 - Total expenditure of OLIEC funds;
 - Total OLIEC costs allocated by measure;
 - The Company's administrative costs;
 - Funding allocations or changes within the program year;
 - Payments to Agencies for weatherization measures, administration, and program delivery;
 - Average rebate allocated per home served;
 - o Agency Performance
 - Percentage of homes served per Agency for the program year;
 - Total number of homes served;
 - o Program Results
 - Total deemed therm savings attributable to the OLIEC program by year;
 - Total number of measures installed in all homes served during the program year;
 - Average number of measures installed per home;
 - Number of measures installed by type;

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- Number of each allowable measure installed in total during the program year;
- Total therm savings by measure;
- Number of multifamily dwellings treated and observations made about multifamily projects.

As mentioned above, the changes to the CAT tariff and of the change in program status from pilot to a permanent program take effect December 1, 2016. However, this report focuses on the program that was in place as of the 2015-2016 program year with future reports reflecting the changes noted previously.

Since May 2006, Cascade has collected public purpose funds to reduce the energy burden of low income homeowners and renters in its Oregon service territory by providing them with weatherization and bill assistance services. The funding has been collected through a public purpose charge (PPC) applied to residential and commercial customers' bills. As part of the settlement agreement adopted in Docket UG 287, and effective February 1, 2016, all program funding comes from the PPC.

Public purpose monies are collected on a monthly basis to fund the weatherization efforts of the CAAs in Cascade's Service Area. All monies are held in a dedicated, interest-accruing account and are provided to the CAAs upon completion of rebate-qualified energy efficiency improvements. Each qualified CAA in the Company's service territory has access to a specific portion of the weatherization funds accrued in the Company account. In the event an agency exhausts its weatherization funds, the Company is able to transfer monies designated for a less active agency and/or from the accrued interest category.

The 2015-2016 program year was active with continued momentum experienced by the Agencies. To ensure the OLIEC program was able to continue serving qualified Cascade customers on an ongoing basis and to meet the upward momentum of program activity resulting from the CAT pilot's success, the Company requested additional program funding through an increase to Oregon Rate Schedule 31, Public Purposes Funding (PPC).

Historically, Cascade has amended Schedule 31 when Energy Trust of Oregon (ETO) required additional funding. On February 1, during the 2015-2016 program year, PPC funds were adjusted to 3.4% with 3.15% allocated to the ETO and 0.25% allocated to low income conservation and bill assistance activities. This equated to 93% of the PPC funding being directed to ETO-operated energy conservation programs and the remaining 7% funding the bill assistance and OLIEC/CAT program. Of the 7% of the Schedule 31 PPC collections designated for low income conservation and bill assistance, 70% were allocated to OLIEC/CAT, and 30% were directed to bill assistance.

On October 31, 2016, the Company filed another adjustment to Rate Schedule 31, to upwardly adjust the PPC to 4.87% to meet the funding needs of the Energy Trust and to provide additional monies in for the OLIEC/CAT program. With this filing, which was approved on November 22, 2016, with a December 1, 2016, effective date, 88% of the monies collected are transferred to the ETO, with 12% for low income bill assistance and weatherization. Of that 12%, 88% is allocated to OLIEC/CAT, and 12% is designated for bill assistance. This change reflects the successful upward increase in the volume of homes that have received weatherization services through the support of the CAT tariff.

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The Company had initially filed to revise its public purpose charge effective February 1, 2016, so that collections for the CAT program would be \$400,000 over twelve months. On Staff's recommendation, the Commission approved a \$200,000 increase in collections for CAT. Since this amount did not prove sufficient to fund the increased volume of weatherization projects empowered by the CAT mechanism, the Company filed an application for deferred funding on March 15, 2016, which was docketed as UM 1765. While the docket was under consideration, a deficit accrued between pre-committed OLIEC expenditures and available monies under Schedule 31. The shortfall is reflected in Exhibits A & B accompanying this report.

Cascade attended several meetings and had several phone calls with Staff to determine the best direction forward and to share essential feedback regarding the program's success when examined through the lens of efficacy, accountability, and sustainability. These conversations were extremely productive and focused on effective ways to balance the OLIEC's success (achieved through CAT) with additional formalized parameters. The goal was to ensure that the program operation was streamlined to leverage other funding sources prudently, where available, and to achieve the greatest results while managing the program's per-home investment. The Company appreciated the opportunity to engage in these matters with Staff and to further articulate the existing program parameters to offer a clearer understanding of what should be replicated in the final CAT design and areas that could be strengthened or expanded upon.

Following an ongoing, productive dialogue, which included a meeting with several representatives from the CAAs providing weatherization services to Cascade customers, Staff recommended collecting a maximum of 0.625% of gross revenues for the low income weatherization programs. This amount is a close equivalent to the electric utilities' collections for low income weatherization plus a .025% premium for the higher costs of serving rural areas. This methodology, 0.625% of gross revenues, gives Cascade a combined 2017 OLIEC and CAT budget of \$361,627, without the overage at the end of program year (PY) 2015-16. This budget will provide a self-limiting parameter to the number of homes served through the program while providing a known and consistent budget for future program operation. The Company's conversations with Staff, and the subsequently revised PPC and program parameters have set the conditions under which the CAT will ultimately transition from a pilot program, to a permanent program design with firmer budget parameters in PY 2016-17.

Under the OLIEC Program, CAAs installing qualifying energy efficiency measures for Cascade's low income customers are reimbursed from the Oregon Low-Income Weatherization (OLIW) fund (the name of the internal Cascade fund account) according to a schedule of incentive payments based on Cascade's OPUC approved avoided costs. Cascade accounts separately for OLIEC and CAT funds. Cascade's participating agencies are:

- NeighborImpact, serving Cascade customers in the Bend/Redmond/Prineville Area
- Community Action Program East Central Oregon (CAPECO), serving Cascade customers in the Pendleton/Umatilla Area
- Community Connection of NE Oregon (CCNO), serving Cascade customers in Baker City
- Community In Action (CINA) serving Cascade customers in Malheur County; and
- Oregon Human Development Corporation (OHDC) serving Cascade customers in Northern Klamath County.

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The OLIEC program is designed to provide a greater reimbursement of funds for those measures that provide greater therm savings. However, the rebates associated with the OLIEC program are not intended to meet the Agency's entire cost of installing approved energy efficiency measures. Faced with the challenge of providing adequate funds to the Agencies to meet the unique challenges of weatherizing natural gas homes, the Company worked with the Agencies, Staff, and other key stakeholders to develop the CAT mechanism. The CAT was introduced to bridge the gap between what could be covered under the parameters of the traditional OLIEC program, and the full cost incurred by the Agency delivering weatherization services to natural gas customers of Cascade Natural Gas. This supplemental program has been successful in removing the remaining barriers to program implementation and has allowed the Agencies to serve more low income natural gas households.

While the Company experienced an initial slow uptake in the number of low-income homes weatherized through OLIEC/CAT, Cascade proactively addressed this situation by engaging in focused discussions at a meeting of the Oregon Energy Coordinator's Association and by conducting additional research on factors inhibiting the program participation. As a result, Cascade was able to identify the primary source of this counterintuitive phenomenon.

Cascade learned that with the cost of natural gas currently lower than the cost of electricity, these homes often end up as a lower priority under the U.S. Department of Energy Weatherization Assistance Program (DOE-WAP). Under the DOE-WAP prioritization list, certain factors are used to determine which household is next to receive weatherization services. Priority is given to:

- Persons 60 years of age or older,
- Persons with disabilities, and
- Families with children six years of age and under.

Priority can also be given to:

- High residential energy users (as measured by total dollars spent annually on base-load and space heat), and
- Households with a high energy burden.

Agencies in Oregon are required to use these five elements for developing a waiting list. Using all five elements, in the current environment, ensures natural gas customers will rarely be served. In addition, other DOE-WAP rules such as daily test-out requirements for natural gas have made it increasingly expensive for agencies to weatherize natural gas homes. Since Oregon agencies are required to apply all DOE -WAP rules and procedures to every project where Department of Energy funds are used for any purpose, the number of natural gas weatherization completions declined. While the Agencies serving low-income Cascade households continue to leverage all available federal funds for completion of weatherization work in these dwellings, the monies provided through CAT allow greater flexibility when needed for the Agencies to reach homes that might not otherwise be served if dependent upon DOE-WAP funding.

Once the barriers to success were clearly understood, Cascade and the Agencies worked together to develop a set of innovations that would have otherwise been unavailable without the CAT mechanism

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already in place. This enabled the Agencies to provide whole home weatherization to Cascade low-income customers without the use of DOE-WAP funds and its accompanying programmatic inflexibility. Cascade then began providing additional administrative funds to the Agencies to pay for dwellings' full diagnostic testing (\$550) as well as the final inspection and approval of the work (\$300) while maintaining the integrity, safety protocols, and overall quality of services for low-income households. Taken together, the identification of significant external program obstacles and the provision of the testing and inspection funds have rapidly enabled the Agencies to increase the number of homes served in a relatively short time frame as the pilot period drew to an end.

As stated earlier in this document, the CAT pilot program has been available to agencies since January 1, 2014. During the first two years of the pilot period, 104 homes were weatherized with a total savings of 15,970 therms. This equated to a total of 24 homes served (3,402 therms saved) in PY 2013-2014 and a total of 80 homes served (12,568 therms saved) in PY 2014-2015.

In the most recent program year, PY 2015-2016, an additional 79 homes were weatherized with a total savings of 13,457 therms. This accomplishment is noteworthy because the bulk of program activity took place in the first eight months of the program year between October 2015 and June 2016. Program activity slowed significantly during the remaining four months of the program year due to the Company awaiting further guidance from OPUC Staff regarding whether or not additional funds would be allowed to meet the increased ability of the Agencies to serve Cascade homes.

With the PPC authorized to collect half of the funds needed to serve the volume of homes anticipated by the agencies, and without authorization for deferred treatment of expanded CAT expenditures, the Company experienced a program deficit beginning in June 2016 and continuing on for the remainder of the program year.

Since additional funding had not been approved, the Agencies focused on OLIEC projects where CAT funds were not necessary for project completion. Projects already committed to before the pause in CAT funding were allowed to continue, as were a small number of projects that would have otherwise left the customers in an emergency no-heat situation. All other projects with CAT monies were put on hold or discontinued. This also meant delaying some of the progress the Company had made in coordinating with Klamath Lake Community Action Services (KLCAS) to provide low-income Cascade customers with access to weatherization services in Northern Klamath County (Crescent, Gilchrist, and Chemult). KLCAS is the new designated low income weatherization agency for Klamath and Lake Counties, replacing the Oregon Human Development Corporation (OHDC) which was mentioned elsewhere in this report and in previous OLIEC annual reports. KLCAS has already identified twenty-two customers that received low income bill assistance during 2015 that are likely eligible for weatherization services. Due to uncertainty of funding availability at the end of PY 2015-16, the Company was not able to authorize moving forward with CAT monies for these projects. However, the Company is greatly appreciative of the effort made by KLCAS in identifying potential weatherization projects and looks forward to working with them in PY 2016-17 under the parameters of the revised OLIEC/CAT tariff and adjusted PPC criteria.

Had the Agencies been able to continue their momentum for the entire program year, and been able to weatherize into the 2016 heating season with the use of CAT funds without budgetary

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limitations, it is reasonable to conclude project completions could exceed 100 homes served based on trends from the beginning of the calendar year.

The Company appreciates the increase to the PPC that has been authorized by the OPUC for PY 2016-2017 and looks forward to enabling comprehensive, whole-home weatherization services in low income Cascade households with the authorized budget of \$361,627. The combination of the increased PPC and redesigned program will allow for a consistent and sustained outcome year over year. Cascade will continue to keep apprised of upward trending to the cost of work performed and will work with Agencies to ensure that the CAT continues as a proactive tool to removing barriers to program implementation.

While the Company fell short of its self-proclaimed goal to weatherize 100 homes per year throughout the CAT pilot period, there is little doubt the program would have fared far worse had the CAT not been in place. And, as described above, it is likely that the Company would have come close, or exceeded this number for PY 2015-2016, had CAT funds remained available during the last five months of PY 2015-2016. Now that the pilot period is over, the Company will center PY 2016-2017 on empowering the Agencies to serve as many homes as possible under the revised budget parameters while maintaining a focus on quality. The impact of work performed and associated per-home energy savings will have equal weight to the number of homes in receipt of services.

The Company has the deepest appreciation for the Agencies providing weatherization services to its customers and commends them for their success in serving its communities. Their open communication and support have enabled a clear path forward to weatherizing natural gas homes. Cascade is also grateful to Staff for their thoughtful feedback and guidance which have led to the final iteration of the CAT program which will be launched in PY 2016-2017.

Customer Eligibility

The agencies performing weatherization services use the same income eligibility requirements as the Low Income Home Energy Assistance Program (LIHEAP). Customers are eligible for assistance through the OLIEC program if they are owners or renters of a single family home that uses natural gas as the primary space heating fuel and if their household income does not exceed 60% of Oregon's median income, or other income threshold guidelines followed by federal low income weatherization programs. Duplexes, triplexes and four-plex apartments qualify for OLIEC if residents of at least half the units in the structure meet the income qualification test.

The OLIEC/CAT program provides additional funding to supplement existing funding provided by low income weatherization programs governed by federal and state authorities. These existing programs give preference to homes that occupied by the elderly, the disabled and to low-income households with children ages 6-years and younger. Under its current structure, the CAT also enables the Company to fund weatherization efforts performed by CAPs and Low Income Agencies at 100% of their cost up to the cost effective limit. This adaptation during the CAT pilot period has proven essential to clearing a path forward to ensure low income households in Cascade's service area receive essential weatherization services and allows greater programmatic flexibility while ensuring stringent standards of safety and quality are maintained.

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Funds Allocation

Cascade allocates monthly weatherization funding to the participating agencies based on the total funding provided by Oregon Housing and Community Services (OHCS) under the LIHEAP program within Cascade's service territory. Cascade has the discretion to revise the allocation during the year if the Company believes that a different allocation will be the most effective and efficient use of the available funds. The program also has the discretion to transfer funds between agencies, as needed. The 2015-2016 program year allocations were:

NeighborImpact	30.60%
CCNO	19.40%
CAPECO	29.00%
CINA	19.00%
OHDC	2.00%

Actual Agency accomplishments for PY 2014-2015 breakdown as follows:

NeighborImpact	(13)	16.45%
CCNO	(4)	5.06%
CAPECO	(5)	6.32%
CINA	(57)	72.15%
KLCAS	(0)	00.00%

The Agencies stayed reasonably active in PY 2015-2016, especially in light of the five month hold on most CAT-funded projects. As stated earlier, it is anticipated that KLCAS would have served as many as twenty-two customers had momentum continued through expanded PPC or deferral funding for the duration of the program year. However, the Company is appreciative of the guidance from Staff and for the ability to move forward into PY 2016-2017 with a final iteration of the CAT program, which is now no longer in its pilot stage. The Company intends to meet with all the Agencies delivering weatherization services to its customers by the end of December 2016 to discuss its new program parameters, and to strategize on how to ensure each Agency is engaged and empowered to serve as many homes as possible while operating within the budget of \$361,627 for the program year.

Payment Process

Each agency completes and returns rebate application forms provided by Cascade. The rebate amounts are calculated based on the deemed savings per measure published in the Company's Tariff Sheet No. 33. Additional rebates for these measures provided by the CAT pilot are determined in accordance with Tariff Sheet No. 33-D. The rebate form is initially signed by the agency representative and sent to Cascade along with all the receipts, invoices, and the energy savings analysis. The Conservation department next reviews each rebate application form to assure that all paperwork is correct and valid. Finally, the approved form goes to the Accounting department for payment to the appropriate agency at which time the agency's fund balance is reduced. With the introduction of the

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CAT pilot, the Company initiated an electronic funds transfer mechanism which provides funds much more quickly to the agencies. The intent of this modification, developed at agency request, is to enable the agencies to have the funds in hand prior to paying the contractor's invoice on each qualified OLIEC job.

Designated Fund for Additional CAP Agency and Other 501c3 Agencies Energy Efficiency Efforts

As included in the OLIEC tariff effective on January 20, 2010, Cascade was allowed to designate \$25,000 of the OLIEC program funds for use by CAP agencies and 501c3 non-profit agencies for reimbursement on the installation of selected energy conservation measures (high efficiency gas furnaces and water heaters and construction to ENERGY STAR® standards) and custom low income energy efficiency projects (where preference would be given to measures that would qualify for rebate in similar projects offered through ETO).

The Company found it challenging to utilize these funds during the current program year and to date, there have been no reimbursements from this designated fund. The primary problem Cascade has encountered with the utilization of these funds is agencies performing this type of work are already connected to the ETO. In the same sense that low income households would qualify for either the standard incentives available to all customers on a qualified rate schedule, or the income-specific rebates designed to facilitate more substantial conservation services; the 501c3 agencies also have the choice of participating through the low income specific program with higher reimbursement levels, or receiving a rebate through the ETO. It should be noted that the funds for both of these programs are provided through the same source: CNGC ratepayers. Since either program enables Cascade to count therm savings toward annual goals, the Company is neutral as to which source of funding the low income agencies pursue. That being said, the low income program was specifically designed as an opportunity to provide *greater* funding in order to best serve Cascade's most vulnerable populations. Therefore, the Company will continue to negotiate with ETO to determine the best way to maximize resources to these customers/agencies. Finally, it should be noted that reimbursement from Cascade under the OLIEC program cannot be combined with incentives from ETO for the same measure. In addition, some 501c3 agencies that are engaged in the construction of rehabilitation of low income housing are building to code and do not install measures that would qualify under the program's higher energy-efficiency requirements.

Program Results

The OLIEC program experienced a surprisingly stable level of activity in the 2015-2016 program year, serving only one less home than it did in PY 2014-2015. As mentioned earlier, this was impressive in light of the four-month hold on all non-pre-approved CAT projects pending further guidance on program design and reporting modifications from Staff.

In total, agencies completed 79 homes compared to 80 homes in the prior program year. This momentum is significant and directly attributable to the commitment of our Agencies, and the flexibility of our piloted CAT tariff. The 79 completions represents the third highest number of households served in the history of the program, and if CAT had continued in the full program year, unabated, it is likely it would have been the most active year on record.

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Combined OLIEC / CAT rebates for the 79 homes served in 2015-2016 averaged \$6,801.93 per home (\$5,797.65 sans agency administration). With the exception of the \$225 administrative payment under OLIEC, the rest of the administration funds were paid under CAT, which was specifically designed to address these essential program costs. The average rebate per-home increased slightly over the previous program year

During the 2015-16 program year, agencies installed a total of 315 measures, only a slight decrease from the 325 measures installed in PY 2014-2015. The annual therm savings associated with the 79 projects were estimated to be 13,457 therms. Of these projects, 17 occurred in modular homes, sixty in single family, and two in multi-family dwellings. The Company will continue to work with the Agencies to identify additional multi-family projects, as appropriate and feasible.

The OLIW account had a negative balance of -\$104,965 at the close of the 2014-2015 program year, as opposed to \$296,799.99 at the end of 2013-14. This represented the first year-end deficit the program had seen, and reflected the accelerated program activity which resulted from the successful removal of barriers to program implementation.

Now that the pilot period is over, the Company has adjusted its goal from removing barriers to implementation and determining the upward limit of how many homes can be served under the OLIEC/CAT program, to instead operate at a steady rate based on the new parameters of the OLIEC/CAT tariffed and authorized annual funding levels.

Accompanying this report are three exhibits that will provide further insights into program performance for both OLIEC and CAT:

- Exhibit A summarizes the results of the program for each year of the OLIEC program and for the combined six-year period.
- Exhibit B displays the monthly financial metrics for the OLIEC / CAT program for each year of operation.
- Exhibit C displays data relating to the numbers of measures installed through the OLIEC / CAT program and the resulting predicted therm savings for each measure and each year of operation.

Program Outreach

Outreach was ongoing throughout PY 2015-16. Cascade provided information on its low-income energy efficiency program to customers through bill inserts, the Company's newsletter, as well as an Energy Savings Tip brochure that has been provided in both English and Spanish to each agency. Cascade met with its Low Income Advisory Committee on October 22, 2015, and again on March 13, 2015, to discuss the OLIEC / CAT. All agencies, Community Action Partnership of Oregon (CAPO) and OPUC staff are invited to participate and/or submit agenda items at these highly productive meetings. The advisory group meeting schedule for Summer 2016 was postponed due to the emergence of discussions with Staff regarding the then-current status of the program(s) and future program and funding re-design.

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In addition to the outreach efforts listed above, the Company also attended the quarterly Oregon Energy Coordination Association (OECA) where program updates and conversations were held with representatives of each of our agencies. Cascade also held regular calls with agency weatherization managers and OECA to maximize program coordination.

Conclusion

PY 2015-2016 was an extremely productive year. The Company was grateful for the responsiveness of the Agencies, OECA, and OPUC Staff in addressing ways to manage the rapid expenditure of funds resulting from the remarkable success of the CAT pilot. Without a doubt, the CAT has overcome what would have otherwise been insurmountable barriers to serving natural gas customers in CNGC's service area.

After an initial period of time where the Agencies were not performing as anticipated, the CAT Pilot finally took hold and began yielding the hoped for increase in the number of low income homes receiving weatherization. Together, Cascade and the Agencies worked to address the remaining barriers to program success including those that existed prior to the development of the CAT Pilot, and other barriers that were "hidden" and needed to be discovered.

By addressing final program barriers, the Agencies stepped up and have produced results in line with original expectations. This would not have been possible had the CAT not been in place as a vehicle for providing essential administrative funds to the Agencies. Now that success has been achieved, the Company must now focus on stabilizing the program to allow for a steady stream of homes to be weatherized while operating within the firmly structured parameters of the final CAT design.

**Cascade Natural Gas Corporation
OLIEC Annual Report for 2015-16 Program Year
Exhibit A**

**Summary of Annual Program Results
Oregon Low Income Conservation Program including Conservation Achievement Tariff**

	2006 to 2016	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Number of Customers Served	570	79	80	24	39	49	113	78	42	42	24
Average Rebate per Project (excluding Admin and Prog Delivery)	\$ 2,612	\$ 5,798	\$ 4,732	\$ 3,878	\$ 1,289	\$ 1,677	\$ 1,767	\$ 1,419	\$ 1,077	\$ 1,037	\$ 1,150
Revenues											
Balance from Prior Year		\$ 297,800	\$ 565,002	\$ 431,881	\$ 409,681	\$ 333,159	\$ 371,451	\$ 303,838	\$ 291,779	\$ 146,713	NA
Program Revenue	\$ 1,423,631	\$ 124,017	\$ 145,516	\$ 184,612	\$ 115,054	\$ 137,326	\$ 156,496	\$ 164,533	\$ 42,377	\$ 181,741	\$ 171,959
Accrued Interest	\$ 298,056	\$ 10,972	\$ 47,963	\$ 47,814	\$ 39,331	\$ 35,287	\$ 31,274	\$ 31,869	\$ 25,487	\$ 20,316	\$ 7,743
Total Available Funds	\$ 1,721,687	\$ 432,789	\$ 758,481	\$ 664,307	\$ 564,066	\$ 505,772	\$ 559,221	\$ 500,241	\$ 359,643	\$ 348,770	\$ 179,702
Payments to Agencies											
For Weatherization Measures	\$ 1,488,804	\$ 458,014	\$ 378,560	\$ 93,072	\$ 50,256	\$ 82,149	\$ 199,712	\$ 110,658	\$ 45,218	\$ 43,577	\$ 27,588
For Administration*	\$ 128,025	\$ 17,550	\$ 18,000	\$ 5,400	\$ 8,775	\$ 11,025	\$ 25,650	\$ 17,325	\$ 9,450	\$ 9,450	\$ 5,400
For CAT Program Delivery **	\$ 125,510	\$ 61,789	\$ 63,721								
CNGC Administration	\$ 84,313	\$ 400	\$ 400	\$ 834	\$ 73,154	\$ 2,917	\$ 700	\$ 806	\$ 1,137	\$ 3,965	\$ -
Total Payments	\$ 1,826,652	\$ 537,753	\$ 460,681	\$ 99,306	\$ 132,184	\$ 96,091	\$ 226,062	\$ 128,790	\$ 55,805	\$ 56,992	\$ 32,988
Ending Balance in OLIEC Account	\$ (104,965)	\$ (104,965)	\$ 297,800	\$ 565,002	\$ 431,881	\$ 409,681	\$ 333,159	\$ 371,451	\$ 303,838	\$ 291,779	\$ 146,713

*Administration includes \$225 OLIEC administration

** CAT Program Delivery includes audit and inspection fees

Cascade Natural Gas Corporation
OLIEC Annual Report 2015-16 Program Year
Monthly Program Revenue and Expenses, 2006 - 2015
Oregon Low Income Energy Conservation Program - Including Conservation Achievement Tariff

Program To Date Summary	Revenues			Expenditures				Balance
	Revenues	Interest	Total Revenues	Rebate Payments	Agency Admin.	CNGC Admin.	Total Expenditures	
	1,423,631.19	298,056.37	1,721,687.56	\$(1,488,804.52)	\$(253,535.08)	\$(84,312.33)	(1,826,651.93)	

2015-2016 Program Year		REVENUES			EXPENDITURES				Ending Balance
Month	Beginning Balance	Program Revenues	Interest Income	Total Revenue Balance	Rebates For Installed Measures	Total Agency Admin and P.D. Payments	CNG Admin	Total Expenditures	
Oct-15	\$ 297,799.99	\$ 7,742.14	\$ 2,456.22	\$ 307,998.35	\$ (7,351.50)	\$ (1,009.68)		\$ (8,361.18)	\$ 299,637.17
Nov-15	\$ 299,637.17	\$ 20,329.53	\$ 2,324.45	\$ 322,291.15	\$ -	\$ -	\$ -	\$ -	\$ 322,291.15
Dec-15	\$ 322,291.15	\$ 35,035.20	\$ 1,909.55	\$ 359,235.90	\$ (75,538.55)	\$ (15,144.36)		\$ (90,682.91)	\$ 268,552.99
Jan-16	\$ 268,552.99	\$ 16,028.13	\$ 1,835.76	\$ 286,416.88	\$ (34,048.14)	\$ (3,384.68)		\$ (37,432.82)	\$ 248,984.06
Feb-16	\$ 248,984.06	\$ 10,824.53	\$ 1,310.67	\$ 261,119.26	\$ (69,063.28)	\$ (12,900.00)		\$ (81,963.28)	\$ 179,155.98
Mar-16	\$ 179,155.98	\$ 9,461.30	\$ 1,284.92	\$ 189,902.20	\$ (25,455.99)	\$ (6,450.00)		\$ (31,905.99)	\$ 157,996.21
Apr-16	\$ 157,996.21	\$ 6,427.94	\$ 743.21	\$ 165,167.36	\$ (71,634.97)	\$ (9,675.00)		\$ (81,309.97)	\$ 83,857.39
May-16	\$ 83,857.39	\$ 4,141.00	\$ 363.14	\$ 88,361.53	\$ (51,165.70)	\$ (12,900.00)		\$ (64,065.70)	\$ 24,295.83
Jun-16	\$ 24,295.83	\$ 3,903.21	\$ (133.53)	\$ 28,065.51	\$ (63,964.25)	\$ (9,675.00)		\$ (73,639.25)	\$ (45,573.74)
Jul-16	\$ (45,573.74)	\$ 3,174.25	\$ (684.68)	\$ (43,084.17)	\$ (10,000.66)	\$ (1,075.00)		\$ (11,075.66)	\$ (54,159.83)
Aug-16	\$ (54,159.83)	\$ 3,012.29	\$ (146.89)	\$ (51,294.43)			\$ (400.00)	\$ (400.00)	\$ (51,694.43)
Sep-16	\$ (51,694.43)	\$ 3,937.46	\$ (291.03)	\$ (48,048.00)	\$ (49,791.37)	\$ (7,125.00)		\$ (56,916.37)	\$ (104,964.37)
program year activity		\$ 124,016.98	\$ 10,971.79	\$ 134,988.77	\$ (458,014.41)	\$ (79,338.72)	\$ (400.00)	\$ (537,753.13)	\$ (104,964.37)

2014-2015 Program Year		REVENUES			EXPENDITURES				Ending Balance
Month	Beginning Balance	Program Revenues	Interest Income	Total Revenue Balance	Rebates For Installed Measures	Total Agency Admin and P.D. Payments	CNG Admin	Total Expenditures	
Oct-14	\$ 565,001.63	\$ 7,483.55	\$ 4,469.45	\$ 576,954.63				\$ -	\$ 576,954.63
Nov-14	\$ 576,954.63	\$ 20,984.68	\$ 4,235.31	\$ 602,174.62	\$ (11,259.32)	\$ (225.00)		\$ (11,484.32)	\$ 590,690.30
Dec-14	\$ 590,690.30	\$ 30,141.75	\$ 4,418.96	\$ 625,251.01	\$ (8,553.91)	\$ (2,375.00)		\$ (10,928.91)	\$ 614,322.10
Jan-15	\$ 614,322.10	\$ 22,372.30	\$ 4,297.52	\$ 640,991.92	\$ (37,545.15)	\$ (7,525.00)		\$ (45,070.15)	\$ 595,921.77
Feb-15	\$ 595,921.77	\$ 15,686.76	\$ 4,035.38	\$ 615,643.91	\$ (23,462.06)	\$ (4,048.98)		\$ (27,511.04)	\$ 588,132.87
Mar-15	\$ 588,132.87	\$ 13,849.18	\$ 4,200.17	\$ 606,182.22	\$ (17,681.86)	\$ (3,225.00)		\$ (20,906.86)	\$ 585,275.36
Apr-15	\$ 585,275.36	\$ 11,762.91	\$ 4,270.54	\$ 601,308.81	\$ (6,730.00)	\$ (2,908.66)		\$ (9,638.66)	\$ 591,670.15
May-15	\$ 591,670.15	\$ 6,878.98	\$ 4,543.65	\$ 603,001.78				\$ -	\$ 603,001.78
Jun-15	\$ 603,001.78	\$ 3,390.76	\$ 4,257.93	\$ 610,650.47	\$ (30,660.24)	\$ (3,175.00)		\$ (33,835.24)	\$ 576,815.23
Jul-15	\$ 576,815.23	\$ 4,068.24	\$ 4,066.92	\$ 584,950.39	\$ (42,229.76)	\$ (12,769.36)		\$ (54,999.12)	\$ 529,951.27
Aug-15	\$ 529,951.27	\$ 3,500.10	\$ 2,621.63	\$ 536,073.00	\$ (167,060.71)	\$ (35,634.68)	\$ (400.00)	\$ (203,095.39)	\$ 332,977.61
Sep-15	\$ 332,977.61	\$ 5,487.87	\$ 2,545.99	\$ 341,011.47	\$ (33,376.80)	\$ (9,834.68)		\$ (43,211.48)	\$ 297,799.99
program year activity		\$ 145,516.08	\$ 47,963.45	\$ 193,479.53	\$ (378,559.81)	\$ (81,721.36)	\$ (400.00)	\$ (460,681.17)	\$ 297,799.99

2013-2014 Program Year		REVENUES			EXPENDITURES				Ending Balance
Month	Beginning Balance	Program Revenues	Interest Income	Total Revenue Balance	Rebates For Installed Measures	Agency Admin Payments	CNG Admin	Total Expenditures	
Oct-13	\$ 431,881.38	\$ 11,781.28	\$ 3,417.30	\$ 447,079.96				\$ -	\$ 447,079.96
Nov-13	\$ 447,079.96	\$ 29,251.82	\$ 3,367.35	\$ 479,699.13				\$ -	\$ 479,699.13
Dec-13	\$ 479,699.13	\$ 35,866.23	\$ 3,613.62	\$ 519,178.98		\$ (225.00)		\$ (3,482.16)	\$ 515,696.82
Jan-14	\$ 515,696.82	\$ 25,500.18	\$ 3,841.29	\$ 545,038.29	\$ (3,982.84)	\$ (450.00)		\$ (4,432.84)	\$ 540,605.45
Feb-14	\$ 540,605.45	\$ 26,239.64	\$ 3,698.49	\$ 570,543.58				\$ -	\$ 570,543.58
Mar-14	\$ 570,543.58	\$ 17,045.16	\$ 4,308.99	\$ 591,897.73	\$ (8,467.22)	\$ (450.00)	\$ (200.36)	\$ (9,117.58)	\$ 582,780.15
Apr-14	\$ 582,780.15	\$ 11,480.56	\$ 4,160.15	\$ 598,420.86	\$ (20,309.98)	\$ (1,125.00)		\$ (21,434.98)	\$ 576,985.88
May-14	\$ 576,985.88	\$ 6,446.50	\$ 4,368.59	\$ 587,800.97	\$ (9,939.66)	\$ (225.00)		\$ (10,164.66)	\$ 577,636.31
Jun-14	\$ 577,636.31	\$ 5,205.83	\$ 4,184.91	\$ 587,027.05	\$ (18,773.39)	\$ (1,125.00)		\$ (19,898.39)	\$ 567,128.66
Jul-14	\$ 567,128.66	\$ 6,136.86	\$ 4,260.29	\$ 577,525.81	\$ (17,922.22)	\$ (675.00)	\$ (400.00)	\$ (18,997.22)	\$ 558,528.59
Aug-14	\$ 558,528.59	\$ 4,238.00	\$ 4,332.14	\$ 567,098.73			\$ (83.50)	\$ (83.50)	\$ 567,015.23
Sep-14	\$ 567,015.23	\$ 5,419.84	\$ 4,260.78	\$ 576,695.85	\$ (10,419.22)	\$ (1,125.00)	\$ (150.00)	\$ (11,694.22)	\$ 565,001.63
program year activity		\$ 184,611.90	\$ 47,813.90	\$ 232,425.80	\$ (93,071.69)	\$ (5,400.00)	\$ (833.86)	\$ (99,305.55)	\$ 565,001.63

2012-2013 Program Year		REVENUES			EXPENDITURES				Ending Balance
Month	Beginning Balance	Program Revenues	Interest Income	Total Revenue Balance	Rebates For Installed Measures	Agency Admin Payments	CNG Admin	Total Expenditures	
Oct-12	\$ 409,680.60	\$ 9,122.82	\$ 3,162.51	\$ 421,965.93			\$ (13,504.00)	\$ (13,504.00)	\$ 408,461.93
Nov-12	\$ 408,461.93	\$ 10,719.52	\$ 3,059.28	\$ 422,240.73	\$ (4,839.61)	\$ (225.00)	\$ (1,820.00)	\$ (6,884.61)	\$ 415,356.12
Dec-12	\$ 415,356.12	\$ 20,230.79	\$ 3,199.82	\$ 438,786.73	\$ (2,578.89)	\$ (225.00)	\$ (4,920.00)	\$ (7,723.89)	\$ 431,062.84
Jan-13	\$ 431,062.84	\$ 22,071.85	\$ 3,206.84	\$ 456,341.53	\$ (3,372.09)	\$ (675.00)	\$ (12,300.00)	\$ (16,347.09)	\$ 439,994.44
Feb-13	\$ 439,994.44	\$ 11,618.89	\$ 3,042.22	\$ 454,655.55	\$ (527.25)	\$ (225.00)		\$ (752.25)	\$ 453,903.30
Mar-13	\$ 453,903.30	\$ 10,786.53	\$ 3,537.79	\$ 468,227.62				\$ -	\$ 468,227.62
Apr-13	\$ 468,227.62	\$ 7,569.49	\$ 3,283.58	\$ 479,080.69	\$ (18,975.54)	\$ (2,925.00)	\$ (12,300.00)	\$ (34,200.54)	\$ 444,880.15
May-13	\$ 444,880.15	\$ 4,798.14	\$ 3,387.95	\$ 453,066.24	\$ (3,037.03)	\$ (225.00)	\$ (10,250.00)	\$ (13,512.03)	\$ 439,554.21
Jun-13	\$ 439,554.21	\$ 3,206.26	\$ 3,288.40	\$ 446,048.87	\$ (2,426.39)	\$ (900.00)	\$ (5,183.40)	\$ (8,509.79)	\$ 437,539.08
Jul-13	\$ 437,539.08	\$ 3,870.13	\$ 3,451.83	\$ 444,861.04				\$ -	\$ 444,861.04
Aug-13	\$ 444,861.04	\$ 5,375.69	\$ 3,388.48	\$ 453,625.21	\$ (12,585.27)	\$ (2,700.00)	\$ (5,172.34)	\$ (20,457.61)	\$ 433,167.60
Sep-13	\$ 433,167.60	\$ 5,683.99	\$ 3,322.20	\$ 442,173.79	\$ (1,913.56)	\$ (675.00)	\$ (7,703.85)	\$ (10,292.41)	\$ 431,881.38
program year activity		\$ 115,054.10	\$ 39,330.90	\$ 154,385.00	\$ (50,255.63)	\$ (8,775.00)	\$ (73,153.59)	\$ (132,184.22)	\$ 431,881.38

2011-2012 Program Year		REVENUES			EXPENDITURES				Ending Balance
Month	Beginning Balance	Program Revenues	Interest Income	Total Revenue Balance	Rebates For Installed Measures	Agency Admin Payments	CNG Admin	Total Expenditures	

EXHIBIT B

Oct-11	\$ 333,158.64	\$ 9,957.41	\$ 2,591.68	\$ 345,707.73					\$ -	\$ 345,707.73
Nov-11	\$ 345,707.73	\$ 29,017.65	\$ 2,358.55	\$ 377,083.93	\$ (3,101.09)	\$ (450.00)			\$ (3,551.09)	\$ 373,532.84
Dec-11	\$ 373,532.84	\$ 10,040.15	\$ 2,496.32	\$ 386,069.31	\$ (14,153.85)	\$ (2,025.00)			\$ (16,178.85)	\$ 369,890.46
Jan-12	\$ 369,890.46	\$ 22,366.05	\$ 2,628.17	\$ 394,884.68	\$ (9,763.62)	\$ (900.00)	\$ (2,500.00)		\$ (13,163.62)	\$ 381,721.06
Feb-12	\$ 381,721.06	\$ 15,647.65	\$ 2,568.65	\$ 399,937.36	\$ (6,483.18)	\$ (900.00)			\$ (7,383.18)	\$ 392,554.18
Mar-12	\$ 392,554.18	\$ 16,958.02	\$ 2,780.07	\$ 412,292.27	\$ (8,771.61)	\$ (1,575.00)			\$ (10,346.61)	\$ 401,945.66
Apr-12	\$ 401,945.66	\$ 9,265.19	\$ 4,389.84	\$ 415,600.69	\$ (15,694.69)	\$ (1,800.00)			\$ (17,494.69)	\$ 398,106.00
May-12	\$ 398,106.00	\$ 6,320.12	\$ 3,230.66	\$ 407,656.78	\$ (14,665.62)	\$ (2,025.00)			\$ (16,690.62)	\$ 390,966.16
Jun-12	\$ 390,966.16	\$ 5,723.78	\$ 3,030.17	\$ 399,720.11	\$ (9,515.56)	\$ (1,350.00)		\$ (66.86)	\$ (10,932.42)	\$ 388,787.69
Jul-12	\$ 388,787.69	\$ 3,209.34	\$ 3,058.53	\$ 395,055.56				\$ (350.00)	\$ (350.00)	\$ 394,705.56
Aug-12	\$ 394,705.56	\$ 4,716.14	\$ 3,116.89	\$ 402,538.59						\$ 402,538.59
Sep-12	\$ 402,538.59	\$ 4,104.39	\$ 3,037.62	\$ 409,680.60						\$ 409,680.60
program year activity		\$ 137,325.89	\$ 35,287.15	\$ 172,613.04	\$ (82,149.22)	\$ (11,025.00)	\$ (2,916.86)	\$ (96,091.08)		\$ 409,680.60

2010-2011 Program Year		REVENUES			EXPENDITURES				
Month	Beginning Balance	Program Revenues	Interest Income	Total Revenue Balance	Rebates For Installed Measures	Agency Admin Payments	CNG Admin	Total Expenditures	Ending Balance
Oct-10	\$ 371,451.15	\$ 10,049.55	\$ 2,815.09	\$ 384,315.79			\$ (350.00)	\$ (350.00)	\$ 383,965.79
Nov-10	\$ 383,965.79	\$ 19,921.14	\$ 2,705.04	\$ 406,591.97	\$ (1,928.00)	\$ (450.00)		\$ (2,378.00)	\$ 404,213.97
Dec-10	\$ 404,213.97	\$ 22,923.33	\$ 2,917.06	\$ 430,054.36	\$ (123,343.65)	\$ (13,275.00)		\$ (136,618.65)	\$ 293,435.71
Jan-11	\$ 293,435.71	\$ 24,365.20	\$ 2,547.39	\$ 320,348.30	\$ (6,376.77)	\$ (1,125.00)		\$ (7,501.77)	\$ 312,846.53
Feb-11	\$ 312,846.53	\$ 20,185.99	\$ 2,801.23	\$ 335,833.75	\$ (4,804.52)	\$ (1,125.00)		\$ (5,929.52)	\$ 329,904.23
Mar-11	\$ 329,904.23	\$ 16,038.31	\$ 3,303.79	\$ 349,246.33	\$ (14,879.64)	\$ (2,025.00)		\$ (16,904.64)	\$ 332,341.69
Apr-11	\$ 332,341.69	\$ 14,585.04	\$ 2,531.25	\$ 349,457.98	\$ (14,906.40)	\$ (1,800.00)		\$ (16,706.40)	\$ 332,751.58
May-11	\$ 332,751.58	\$ 8,527.50	\$ 1,617.08	\$ 342,896.16	\$ (5,338.95)	\$ (900.00)		\$ (6,238.95)	\$ 336,657.21
Jun-11	\$ 336,657.21	\$ 7,084.34	\$ 2,231.95	\$ 345,973.50	\$ (11,262.60)	\$ (1,800.00)		\$ (13,062.60)	\$ 332,910.90
Jul-11	\$ 332,910.90	\$ 4,167.64	\$ 2,702.65	\$ 339,781.19	\$ (2,614.58)	\$ (675.00)	\$ (350.00)	\$ (3,639.58)	\$ 336,141.61
Aug-11	\$ 336,141.61	\$ 4,395.55	\$ 2,568.06	\$ 343,105.22	\$ (860.00)	\$ (225.00)		\$ (1,085.00)	\$ 342,020.22
Sep-11	\$ 342,020.22	\$ 4,252.43	\$ 2,533.33	\$ 348,805.98	\$ (13,397.34)	\$ (2,250.00)		\$ (15,647.34)	\$ 333,158.64
program year activity		\$ 156,496.02	\$ 31,273.92	\$ 187,769.94	\$ (199,712.45)	\$ (25,650.00)	\$ (700.00)	\$ (226,062.45)	\$ 333,158.64

2009-2010 Program Year		REVENUES			EXPENDITURES				
Month	Beginning Balance	Program Revenues	Interest Income	Total Revenue Balance	Rebates For Installed Measures	Agency Admin Payments	CNG Admin	Total Expenditures	Ending Balance
Oct-09	\$ 303,838.39	\$ 14,737.30	\$ 2,302.06	\$ 320,877.75	\$ -	\$ -		\$ -	\$ 320,877.75
Nov-09	\$ 320,877.75	\$ 18,306.98	\$ 2,239.36	\$ 341,424.09	\$ -	\$ -		\$ -	\$ 341,424.09
Dec-09	\$ 341,424.09	\$ 31,148.81	\$ 2,443.43	\$ 375,016.33	\$ (613.45)	\$ (450.00)		\$ (1,063.45)	\$ 373,952.88
Jan-10	\$ 373,952.88	\$ 20,539.45	\$ 2,630.61	\$ 397,122.94	\$ (1,499.25)	\$ (225.00)		\$ (1,724.25)	\$ 395,398.69
Feb-10	\$ 395,398.69	\$ 18,927.69	\$ 2,510.56	\$ 416,836.94	\$ (5,611.46)	\$ (1,125.00)		\$ (6,736.46)	\$ 410,100.48
Mar-10	\$ 410,100.48	\$ 15,361.39	\$ 2,859.42	\$ 428,321.29	\$ (10,823.78)	\$ (2,025.00)		\$ (12,848.78)	\$ 415,472.51
Apr-10	\$ 415,472.51	\$ 13,499.39	\$ 2,810.00	\$ 431,781.90	\$ (12,427.21)	\$ (1,800.00)		\$ (14,227.21)	\$ 417,554.69
May-10	\$ 417,554.69	\$ 9,739.15	\$ 2,770.68	\$ 430,064.52	\$ (31,319.91)	\$ (4,500.00)		\$ (35,819.91)	\$ 394,244.61
Jun-10	\$ 394,244.61	\$ 6,744.82	\$ 2,748.42	\$ 403,737.85	\$ (4,925.20)	\$ (450.00)		\$ (5,375.20)	\$ 398,362.65
Jul-10	\$ 398,362.65	\$ 3,821.30	\$ 2,891.97	\$ 405,075.92	\$ (14,215.02)	\$ (1,575.00)		\$ (15,790.02)	\$ 389,285.90
Aug-10	\$ 389,285.90	\$ 5,580.23	\$ 2,944.78	\$ 397,810.91	\$ (13,125.87)	\$ (2,700.00)		\$ (15,825.87)	\$ 381,985.04
Sep-10	\$ 381,985.04	\$ 6,126.91	\$ 2,717.63	\$ 390,829.58	\$ (16,096.98)	\$ (2,475.00)	\$ (806.45)	\$ (19,378.43)	\$ 371,451.15
program year activity		\$ 164,533.42	\$ 31,868.92	\$ 196,402.34	\$ (110,658.13)	\$ (17,325.00)	\$ (806.45)	\$ (128,789.58)	\$ 371,451.15

2008-2009 Program Year		REVENUES			EXPENDITURES				
Month	Beginning Balance	Program Revenues	Interest Income	Total Revenue Balance	Rebates For Installed Measures	Agency Admin Payments	CNG Admin	Total Expenditures	Ending Balance
Oct-08	\$ 291,778.85	\$ -	\$ 2,158.20	\$ 293,937.05	\$ -	\$ -		\$ -	\$ 293,937.05
Nov-08	\$ 293,937.05	\$ -	\$ 2,104.03	\$ 296,041.08	\$ (1,202.58)	\$ (225.00)		\$ (1,427.58)	\$ 294,613.50
Dec-08	\$ 294,613.50	\$ -	\$ 2,189.72	\$ 296,803.22	\$ -	\$ -		\$ -	\$ 296,803.22
Jan-09	\$ 296,803.22	\$ -	\$ 2,205.92	\$ 299,009.14	\$ (6,391.90)	\$ (1,800.00)		\$ (8,191.90)	\$ 290,817.24
Feb-09	\$ 290,817.24	\$ -	\$ 1,948.44	\$ 292,765.68	\$ (120.00)	\$ (225.00)		\$ (345.00)	\$ 292,420.68
Mar-09	\$ 292,420.68	\$ -	\$ 1,948.44	\$ 294,369.12	\$ (3,039.73)	\$ (450.00)		\$ (3,489.73)	\$ 290,879.39
Apr-09	\$ 290,879.39	\$ 11,318.27	\$ 2,088.97	\$ 304,286.63	\$ (7,414.68)	\$ (2,025.00)		\$ (9,439.68)	\$ 294,846.95
May-09	\$ 294,846.95	\$ 9,559.54	\$ 2,145.77	\$ 306,552.26	\$ (6,129.84)	\$ (1,350.00)		\$ (7,479.84)	\$ 299,072.42
Jun-09	\$ 299,072.42	\$ 5,280.74	\$ 2,124.45	\$ 306,477.61	\$ (5,267.49)	\$ (1,125.00)		\$ (6,392.49)	\$ 300,085.12
Jul-09	\$ 300,085.12	\$ 4,925.91	\$ 2,171.12	\$ 307,182.15	\$ (12,060.31)	\$ (1,575.00)		\$ (13,635.31)	\$ 293,546.84
Aug-09	\$ 293,546.84	\$ 5,219.65	\$ 2,219.18	\$ 300,985.67	\$ (450.47)	\$ (225.00)	\$ (152.79)	\$ (828.26)	\$ 300,157.41
Sep-09	\$ 300,157.41	\$ 6,072.75	\$ 2,182.99	\$ 308,413.15	\$ (3,140.84)	\$ (450.00)	\$ (983.92)	\$ (4,574.76)	\$ 303,838.39
program year activity		\$ 42,376.86	\$ 25,487.23	\$ 67,864.09	\$ (45,217.84)	\$ (9,450.00)	\$ (1,136.71)	\$ (55,804.55)	\$ 303,838.39

2007-2008 Program Year		REVENUES			EXPENDITURES				
Month	Beginning Balance	Program Revenues	Interest Income	Total Revenue Balance	Rebates For Installed Measures	Agency Admin Payments	CNG Admin	Total Expenditures	Ending Balance
Oct-07	\$ 146,713.67	\$ 13,437.70	\$ 1,055.02	\$ 161,206.39		\$ -		\$ -	\$ 161,206.39
Nov-07	\$ 161,206.39	\$ 23,234.90	\$ 1,059.92	\$ 185,501.21	\$ (3,724.92)	\$ (450.00)		\$ (4,174.92)	\$ 181,326.29
Dec-07	\$ 181,326.29	\$ 26,754.62	\$ 1,230.33	\$ 209,311.24				\$ -	\$ 209,311.24
Jan-08	\$ 209,311.24	\$ 32,821.90	\$ 1,420.53	\$ 243,553.67				\$ -	\$ 243,553.67
Feb-08	\$ 243,553.67	\$ 22,876.16	\$ 1,644.87	\$ 268,074.70				\$ -	\$ 268,074.70
Mar-08	\$ 268,074.70	\$ 21,681.50	\$ 1,873.70	\$ 291,629.90				\$ -	\$ 291,629.90
Apr-08	\$ 291,629.90	\$ 15,486.02	\$ 1,805.28	\$ 308,921.20	\$ (18,898.95)	\$ (6,075.00)		\$ (24,973.95)	\$ 283,947.25
May-08	\$ 283,947.25	\$ 9,215.79	\$ 2,024.13	\$ 295,187.17			\$ (303.00)	\$ (303.00)	\$ 294,884.17
Jun-08	\$ 294,884.17	\$ 6,249.82	\$ 1,979.68	\$ 303,113.67	\$ (10,599.94)	\$ (1,575.00)		\$ (12,174.94)	\$ 290,938.73
Jul-08	\$ 290,938.73	\$ 4,670.81	\$ 2,079.25	\$ 297,688.79	\$ (4,685.45)	\$ (900.00)	\$ (214.36)	\$ (5,799.81)	\$ 291,888.98
Aug-08	\$ 291,888.98	\$ 5,311.91	\$ 2,095.03	\$ 299,295.92	\$ (2,188.80)		\$ (3,447.50)	\$ (5,636.30)	\$ 293,659.62
Sep-08	\$ 293,659.62	\$ -	\$ 2,048.56	\$ 295,708.18	\$ (3,479.33)	\$ (450.00)		\$ (3,929.33)	\$ 291,778.85
program year activity		\$ 181,741.13	\$ 20,316.30	\$ 202,057.43	\$ (43,577.39)	\$ (9,450.00)	\$ (3,964.86)	\$ (56,992.25)	\$ 291,778.85

2006-2007 Program Year		REVENUES			EXPENDITURES				
Month	Beginning Balance	Program Revenues	Interest Income	Total Revenue Balance	Rebates For Installed Measures	Agency Admin Payments	CNG Admin	Total Expenditures	Ending Balance
Oct-06	\$ -	\$ 11,036.22		\$ 11,036.22				\$ -	\$ 11,036.22
Nov-06	\$ 11,036.22	\$ 22,420.24	\$ 32.20	\$ 33,488.66				\$ -	\$ 33,488.66
Dec-06	\$ 33,488.66	\$ 26,003.49	\$ 156.41	\$ 59,648.56				\$ -	\$ 59,648.56

EXHIBIT B

Jan-07	\$ 59,648.56	\$ 31,447.94	\$ 345.03	\$ 91,441.53	\$ (679.54)	\$ (225.00)	\$ (904.54)	\$ 90,536.99
Feb-07	\$ 90,536.99	\$ 22,171.18	\$ 577.53	\$ 113,285.70	\$ -	\$ -	\$ -	\$ 113,285.70
Mar-07	\$ 113,285.70	\$ 16,418.83	\$ 769.68	\$ 130,474.21	\$ (4,012.53)	\$ (1,350.00)	\$ (5,362.53)	\$ 125,111.68
Apr-07	\$ 125,111.68	\$ 13,046.44	\$ 908.32	\$ 139,066.44	\$ -	\$ -	\$ -	\$ 139,066.44
May-07	\$ 139,066.44	\$ 8,429.19	\$ 949.42	\$ 148,445.05	\$ (12,217.90)	\$ (1,800.00)	\$ (14,017.90)	\$ 134,427.15
Jun-07	\$ 134,427.15	\$ 5,183.28	\$ 997.04	\$ 140,607.47	\$ (652.13)	\$ (225.00)	\$ (877.13)	\$ 139,730.34
Jul-07	\$ 139,730.34	\$ 4,446.44	\$ 982.42	\$ 145,159.20	\$ (5,009.30)	\$ (900.00)	\$ (5,909.30)	\$ 139,249.90
Aug-07	\$ 139,249.90	\$ 5,031.59	\$ 1,008.77	\$ 145,290.26	\$ -	\$ -	\$ -	\$ 145,290.26
Sep-07	\$ 145,290.26	\$ 6,323.97	\$ 1,015.99	\$ 152,630.22	\$ (5,016.55)	\$ (900.00)	\$ (5,916.55)	\$ 146,713.67
program year activity	\$ -	\$ 171,958.81	\$ 7,742.81		(27,587.95)	(5,400.00)	-	\$ 146,713.67

**Cascade Natural Gas Corporation
OLIEC Annual Report for 2015-16 Program Year
Exhibit C**

**Program Summary
Oregon Low Income Energy Conservation Program including Conservation Achievement Tariff**

- Homes Served
- Rebates & Agency
Admin Per Home

					79
					\$ 6,802
2015-2016 Totals					
Measures	# of Jobs	Therm Savings	OLIEC Dollars	CAT Dollars	Total Program
Ceiling	49	2,529	\$ 29,488	\$ 46,134	\$ 75,622
Floor	44	2,183	\$ 25,139	\$ 65,161	\$ 90,299
Wall	6	348	\$ 4,059	\$ 3,803	\$ 7,862
Duct Ins.	20	369	\$ 3,402	\$ 12,299	\$ 15,701
Duct Seal	45	3,465	\$ 13,460	\$ 3,340	\$ 16,800
Air Infiltration	76	988	\$ 9,057	\$ 23,196	\$ 32,253
H-E Furnace	42	2,988	\$ 28,980	\$ 151,585	\$ 180,565
Furnace Tune Up	16	336	\$ 1,040	\$ 2,742	\$ 2,742
H-E Space Heater	3	69	\$ 1,188	\$ 3,855	\$ 5,043
H-E Water Heater	14	182	\$ 1,190	\$ 28,899	\$ 30,089
Total Measures	315	13,457	\$ 117,003	\$ 341,011	\$ 458,014
CAP Admin & Prog. Del.			\$ 17,550	\$ 61,789	\$ 79,339
			\$ 134,553	\$ 402,800	\$ 537,353

					80
					\$ 5,754
2014-2015 Totals					
Measures	# of Jobs	Therm Savings	OLIEC Dollars	CAT Dollars	Total Program
Ceiling	33	1,431	\$ 16,684	\$ 31,539	\$ 48,223
Floor	31	1,630	\$ 18,418	\$ 53,309	\$ 71,727
Wall	12	731	\$ 8,528	\$ 15,214	\$ 23,742
Duct Ins.	34	398	\$ 3,837	\$ 10,740	\$ 14,577
Duct Seal	51	3,927	\$ 13,755	\$ (1,238)	\$ 12,517
Air Infiltration	75	975	\$ 8,968	\$ 21,696	\$ 30,664
H-E Furnace	36	2,556	\$ 24,840	\$ 101,436	\$ 126,276
Furnace Tune Up	23	483	\$ 1,495	\$ 3,450	\$ 4,945
H-E Space Heater	2	86	\$ 792	\$ 6,866	\$ 7,658
H-E Water Heater	28	351	\$ 2,380	\$ 35,851	\$ 38,231
Total Measures	325	12,568	\$ 99,697	\$ 278,862	\$ 378,560
CAP Admin & Prog. Del.			\$ 18,000	\$ 63,721	\$ 81,721
			\$ 117,697	\$ 342,584	\$ 460,281

					24
					\$ 4,103
2013-2014 Totals					
Measures	# of Jobs	Therm Savings	OLIEC Dollars	CAT Dollars	Total Program
Ceiling	17	551	\$ 6,427	\$ 16,584	\$ 23,011
Floor	15	653	\$ 7,611	\$ 18,488	\$ 26,099
Wall	9	609	\$ 7,105	\$ 5,757	\$ 12,862
Duct Ins.	4	39	\$ 358	\$ 1,140	\$ 1,498
Duct Seal	10	770	\$ 4,042	\$ 59	\$ 4,101
Air Infiltration	22	286	\$ 2,592	\$ 5,634	\$ 8,226
H-E Furnace	4	284	\$ 2,760	\$ 11,290	\$ 14,050
Furnace Tune Up	10	210	\$ 650	\$ 2,573	\$ 3,223
H-E Space Heater	0	-	-	-	\$ -
H-E Water Heater	0	-	-	-	\$ -
Total Measures	91	3,402	\$ 31,545	\$ 61,526	\$ 93,071
CAP Admin & Prog. Del.			\$ 5,400	\$ -	\$ 5,400
			\$ 36,945	\$ 61,526	\$ 98,471

					39
					\$ 1,514
2012-2013 Totals					
Measures	# of Jobs	Therm Savings	Rebate Dollars		
Ceiling	19	875	\$ 11,849		
Floor	23	1,171	\$ 12,011		
Wall	8	666	\$ 7,769		
Duct Ins.	17	267	\$ 2,460		
Duct Seal	15	1,166	\$ 5,504		
Air Infiltration	30	390	\$ 3,308		
H-E Furnace	10	710	\$ 6,900		
Furnace Tune Up	7	147	\$ 455		
H-E Space Heater	0	-	\$ -		
H-E Water Heater	0	-	\$ -		
Total Measures	129	5,392	\$ 50,256		
CAP Admin & Prog. Del.			\$ 8,275		
			\$ 59,031		

- Homes Served
- Rebates & Agency
Admin Per Home

					49
					\$ 1,902
2011-2012 Totals					
Measures	# of Jobs	Therm Savings	Rebate Dollars		
Ceiling	35	1,542	\$ 20,355		
Floor	36	1,614	\$ 21,310		
Wall	20	843	\$ 11,122		
Duct Ins.	13	143	\$ 1,529		
Duct Seal	20	1,540	\$ 9,287		
Air Infiltration	42	546	\$ 5,625		
H-E Furnace	12	852	\$ 10,320		
Furnace Tune Up	13	273	\$ 1,106		
H-E Space Heater	3	129	\$ 1,383		
H-E Water Heater	1	13	\$ 112		
Total Measures	195	7,495	\$ 82,149		
CAP Administration			\$ 11,025		
			\$ 93,174		

					113
					\$ 1,994
2010-2011 Totals					
Measures	# of Jobs	Therm Savings	Rebate Dollars		
Ceiling	84	2,862	\$ 38,093		
Floor	32	1,349	\$ 17,814		
Wall	17	994	\$ 14,391		
Duct Ins.	20	301	\$ 3,215		
Duct Seal	82	6,314	\$ 58,477		
Air Infiltration	102	1,326	\$ 14,006		
H-E Furnace	56	3,976	\$ 47,800		
Furnace Tune Up	5	105	\$ 514		
H-E Space Heater	2	86	\$ 922		
H-E Water Heater	40	520	\$ 4,480		
Total Measures	440	17,833	\$ 199,712		
CAP Administration			\$ 25,650		
			\$ 225,362		

					78
					\$ 1,641
2009-2010 Totals					
Measures	# of Jobs	Therm Savings	Rebate Dollars		
Ceiling	52	2,298	\$ 28,325		
Floor	39	2,165	\$ 27,539		
Wall	17	1,229	\$ 13,830		
Duct Ins.	17	254	\$ 2,559		
Duct Seal	34	2,618	\$ 13,709		
Air Infiltration	64	832	\$ 8,366		
H-E Furnace	18	1,278	\$ 13,680		
Furnace Tune Up	9	189	\$ 655		
H-E Space Heater	4	172	\$ 1,660		
H-E Water Heater	3	39	\$ 336		
Total Measures	257	11,074	\$ 110,658		
CAP Administration			\$ 17,325		
			\$ 127,983		

					42
					\$ 1,302
2008-2009 Totals					
Measures	# of Jobs	Therm Savings	Rebate Dollars		
Ceiling	24	1,489	\$ 13,477		
Floor	25	1,191	\$ 10,797		
Wall	16	682	\$ 6,176		
Duct Ins.	6	92	\$ 836		
Duct Seal	21	1,617	\$ 7,791		
Air Infiltration	34	442	\$ 4,080		
H-E Furnace	2	142	\$ 1,000		
Furnace Tune Up	14	294	\$ 784		
H-E Space Heater	1	43	\$ 277		
H-E Water Heater	-	-	\$ -		
Total Measures	143	5,992	\$ 45,218		
CAP Administration			\$ 9,450		
			\$ 54,668		

					42
					\$ 1,263
2007-2008 Totals					
Measures	# of Jobs	Therm Savings	Rebate Dollars		
Ceiling	23	1,182	\$ 10,702		
Floor	23	1,151	\$ 10,421		
Wall	7	592	\$ 5,358		
Duct Ins.	13	309	\$ 2,800		
Duct Seal	21	1,643	\$ 7,791		
Air Infiltration	31	403	\$ 3,720		
H-E Furnace	3	213	\$ 1,500		
Furnace Tune Up	18	378	\$ 1,008		
H-E Space Heater	1	43	\$ 277		
H-E Water Heater	-	-	\$ -		
Total Measures	140	5,914	\$ 43,577		
CAP Administration			\$ 9,450		
			\$ 53,027		

					24
					\$ 1,374
2006-2007 Totals					
Measures	# of Jobs	Therm Savings	Rebate Dollars		
Ceiling	13	869	\$ 7,887		
Floor	16	774	\$ 6,475		
Wall	3	185	\$ 1,648		
Duct Ins.	9	109	\$ 959		
Duct Seal	9	693	\$ 3,060		
Air Infiltration	19	247	\$ 2,280		
H-E Furnace	8	568	\$ 4,000		
Furnace Tune Up	8	-	\$ 448		
H-E Space Heater	2	129	\$ 831		
H-E Water Heater	-	-	\$ -		
Total Measures	87	3,573	\$ 27,588		
CAP Administration			\$ 5,400		
			\$ 32,988		