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July 31, 2017

Oregon Public Utility Commission
201 High Street SE
P.O. Box 1088
Salem, OR 97308-1088

Re: UM 1336(10) – Reauthorization for Deferred Accounting Treatment of Intervenor Funding

Attn Filing Center:

Cascade Natural Gas files the enclosed Application for Reauthorization to Defer Intervenor Funding Grants.

Should you have any questions regarding this filing, please contact me at (509)734-4593.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Parvinen".

Michael Parvinen
Director, Regulatory Affairs

Enclosures

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UM 1336**

In the Matter of
Cascade Natural Gas Corporation
For Reauthorization to Defer
Intervenor Funding

APPLICATION FOR
REAUTHORIZATION FOR
DEFERRED ACCOUNTING

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I. INTRODUCTION

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II. APPLICATION FOR REAUTHORIZATION TO DEFER

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A. Description of Utility Expense – OAR 860-027-0300(3)(a)

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1 the Intervenor Funding Grants following the Commission’s approval of the Intervenor Funding
2 Grant and issuance of an Order directing the Company to make payment, pursuant to the
3 Agreement.

4 At the time of consideration for incorporation into rates, Cascade will propose an
5 appropriate amortization period for the Intervenor Funding Grants for the Commission’s
6 consideration.

7 **B. Reason for Deferral – OAR 860-027-0300(3)(b)**

8 This request is made in accordance with ORS 757.259(3) that allows for the deferral
9 of Intervenor funds, and Commission Order No. 16-424 Docket No. UM 1357, which directs
10 Cascade to pay to intervenors the amounts made available as defined and provided for in
11 the Third Amended and Restated Intervenor Funding Agreement.

12 **C. Proposed Accounting - OAR 860-027-0300(3)(c)**

13 Cascade Natural Gas proposes to record payment of Intervenor Funding Grants in a
14 sub-account of Account 186. In the absence of the Commission’s approval of this
15 Application, Cascade would not incur the cost of Intervenor Funding Grants. Were such
16 costs incurred, however, they would be recorded in an appropriate sub-account of FERC
17 Account 401.

18 **D. Estimate of Amounts - OAR 860-027-0300(3)(d)**

19 The table below shows the maximum amounts per the Agreement that may be
20 deferred during the 12-month period, November 1, 2017, through October 31, 2018:

Fund Type as Defined in Agreement	Maximum Amount
CUB Fund	\$34,500
Preauthorized Matching Fund	\$34,500
Issue Fund	\$34,500
Total	\$103,500

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1 **E. A Copy of the Notice of Application and Certificate of Service – OAR 860-027-0300(3)(e)**

2 Attached as Appendix B is the copy of the Notice and the Certificate of Service
3 verifying the Notice was served on parties to the Company’s most current general rate case,
4 UG-305.

5 **F. A Description and Explanation of the Entries in the Deferred Accounts – OAR 860-027-**
6 **0300(4)(a)**

7 Attached as Appendix A to this application are workpapers detailing the amounts
8 deferred to-date under UM 1336.

9 **G. The Reason for Continuation of Deferred Accounting – OAR 860-027-030(4)(b)**

10 The continuation of intervenor funds is justified per Commission Order No. 16-424
11 approving the terms of the Agreement.

12 **H. Requirements per Commission Order No. 09-263**

13 Below is the information required per Commission Order No. 09-263, issued in Docket
14 UM-1286, Staff’s investigation into purchased gas adjustment mechanism.

15 **1. A complete Summary Sheet, the location in the PGA filing, and an account map that**
16 **highlights the transfer of dollars from one account to another.**

17 Appendix A includes the Summary Sheet, which shows the amounts deferred
18 and demonstrates the transfer of dollars from one account to another. Appendix A will
19 be attached to the Company’s electronic 2017-2018 PGA filing as a file entitled, “CNGC
20 Non Gas Cost Deferral Amortization.xlsx.”

21 **2. The effective date of the deferral**

22 This application is for the 12-month period beginning November 1, 2017, and
23 ending October 13, 2018.

24 **3. Prior Year Order Number approving the deferral**

1 Authorization to defer costs in this docket was most recently granted per
2 Commission Order No. 16-424.

3 **4. The amount deferred last year**

	CUB Fund	NWIGU Fund
	<u>Acct 20444</u>	<u>Acct 20449</u>
Deferred amounts July 1, 2016, through June 30, 2017	\$56,898.21	\$30,975.71

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5 **5. The amount amortized last year**

	CUB Fund	NWIGU Fund
	<u>Acct 20443</u>	<u>Acct 20448</u>
Amortized amounts July 1, 2016, through June 30, 2017 with interest	\$80,266.48	\$37,288.31

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7 **6. The interest rate that will be applied to accounts**

8 The deferred balance accrues interest at the rate of 7.468%. The amortized
9 balance will accrue interest at the rate of 2.20% through October 2017. Beginning
10 November 2017, the amortized balance will accrue interest at the rate of 2.38%.

11 **7. An estimate of the upcoming PGA-period deferral and/or amortization**

12 The Company estimates that it will not seek to defer more than \$103,500.
13 Cascade will seek to amortize the total deferral balance.

14 **III. COMMUNICATIONS**

15 Cascade hereby waives service by means of other than service by electronic mail. Consistent
16 with that waiver, communications regarding this Application should be addressed to all of the following:

17 Michael Parvinen
18 Cascade Natural Gas
19 8113 W. Grandridge Blvd
20 Kennewick, WA 99336
21 Email: michael.parvinen@cngc.com

Department of Regulatory Affairs
Cascade Natural Gas
8113 W. Grandridge Blvd
Kennewick, WA 99336
Email: CNGCregulatory@cngc.com

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IV. CONCLUSION

Cascade requests that in accordance with ORS 757.259, the Commission authorize the Company to defer the expenses described in this Application.

DATED: July 28, 2017

Sincerely,



Michael Parvinen
Director, Cascade Natural Gas Corporation
8113 W. Grandridge Blvd
Kennewick, WA 99336
michael.parvinen@cngc.com

Appendix A

State:	Oregon
Description:	OR CUB Intervenor Funding
Account number:	47OR.1860.20443
Class of customers:	Core: Rate schedule 101
Deferral period:	Annual
Amortization period:	11/1/2013 through 10/31/2016
Narrative:	Oregon Intervenor funding paid to the Citizens Utility Board of Oregon. Limited to \$30K deferral per calendar year.

Month/Year	Rate	Therms	Deferral	<i>Debit (Credit)</i>		Adjustments	Deferred Balance
				Amortization	Interest		
Jan-15	(0.00133)	6,180,461	34,500.00	(8,220.01)	62.18		67,703.48
Feb-15	(0.00133)	5,370,738		(7,143.08)	91.93		60,652.33
Mar-15	(0.00133)	4,648,017		(6,181.86)	91.18		54,561.65
Apr-15	(0.00133)	3,382,129		(4,498.23)	79.38		50,142.80
May-15	(0.00133)	2,327,959		(3,096.19)	75.38		47,121.99
Jun-15	(0.00133)	1,541,966		(2,050.81)	68.55		45,139.73
Jul-15	(0.00133)	832,424		(1,107.12)	67.86		44,100.47
Aug-15	(0.00133)	891,873		(1,186.19)	66.30		42,980.58
Sep-15	(0.00133)	996,900	3,000.00	(1,325.88)	62.53	(3,000.00)	41,717.23
Oct-15	(0.00133)	1,466,459		(1,950.39)	62.71		39,829.55
Nov-15	Prorated	2,560,909	31,085.00	(3,095.86)	63.18	(31,085.00)	36,796.87
Dec-15	(0.00099)	6,122,305		(6,061.08)	60.32		30,796.11
Jan-16	(0.00099)	7,484,807	34,500.00	(7,409.96)	50.48	(34,500.00)	23,436.63
Feb-16	(0.00099)	5,858,066		(5,799.49)	35.94		17,673.08
Mar-16	(0.00099)	5,201,114		(5,149.10)	28.97		12,552.95
Apr-16	(0.00099)	3,605,420		(3,569.37)	19.91		9,003.49
May-16	(0.00099)	1,919,384		(1,900.19)	14.76		7,118.06
Jun-16	(0.00099)	1,682,515		(1,665.69)	11.29		5,463.66
Jul-16	(0.00099)	1,122,056		(1,110.84)	8.96		4,361.78
Aug-16	(0.00099)	946,520		(937.05)	7.15		3,431.88
Sep-16	(0.00099)	1,053,363		(1,042.83)	5.44		2,394.49
Oct-16	(0.00099)	1,728,611		(1,711.32)	3.92		687.09
				Transfer Balance to 20444		73,109.37	73,796.46
Nov-16	Prorated	2,826,682		(3,477.27)	133.44		70,452.63
Dec-16	(0.00186)	6,059,854		(11,271.33)	131.64		59,312.94
Jan-17	(0.00186)	9,594,883		(17,846.48)	110.83		41,577.29
Feb-17	(0.00186)	7,595,462		(14,127.56)	70.17		27,519.90
Mar-17	(0.00186)	6,661,590		(12,390.56)	51.42		15,180.76
Apr-17	(0.00186)	3,955,503		(7,357.24)	27.45		7,850.97
May-17	(0.00186)	3,345,704		(6,223.01)	14.67		1,642.63
Jun-17	(0.00186)	1,795,189		(3,339.05)	2.97		(1,693.45)

Appendix A

State:	Oregon
Description:	OR CUB Intervenor Funding Deferral
Account number:	47OR.1860.20444
Class of Customers:	Core: Rate schedule 101
Deferral Period:	Annual
Deferral Account Order:	06/01/2015 - Current
Amortization Period:	
Narrative:	Oregon intervenor funding paid to the Citizens Utility Board of Oregon. Limited to \$30K deferral per calendar year.

Month/Year	Rate	Therms	Deferral	Debit (Credit)		Deferred Balance
				Amortization	Interest	
						Balance forward 06/01/2015 0.00
Jun-15					0.00	0.00
Jul-15					0.00	0.00
Aug-15					0.00	0.00
Sep-15			3,000.00		0.00	3,000.00
Oct-15					22.19	3,022.19
Nov-15			31,085.00		21.63	34,128.82
Dec-15					252.44	34,381.26
Jan-16			34,500.00		254.31	69,135.57
Feb-16					410.21	69,545.78
Mar-16					441.11	69,986.89
Apr-16					429.59	70,416.48
May-16					446.63	70,863.11
Jun-16					434.96	71,298.07
Jul-16					452.22	71,750.29
Aug-16					455.09	72,205.38
Sep-16			8,480.00		443.20	81,128.58
Oct-16			6,613.00		514.57	88,256.15
					TRANSFER BALANCE TO 20443 (73,109.37)	15,146.78
Nov-16					92.97	15,239.75
Dec-16					96.66	15,336.41
Jan-17			39,750.00		97.27	55,183.68
Feb-17					316.14	55,499.82
Mar-17					352.02	55,851.84
Apr-17					342.82	56,194.66
May-17					356.43	56,551.09
Jun-17					347.12	56,898.21

Appendix A

State:	Oregon
Description:	OR 11/01/12 Consolidated Accounts: Non Gas Cost Related PGA Temporary Rate Increments UM1336 Industrial Intervenor Funding
Account number:	47OR.1860.20448
Class of customers:	105, 111, 170, 163, 164
Deferral period:	Annual
Amortization period:	11/01/2013 through 10/31/2016
Narrative:	This records consolidated deferral accounts for industrial intervenor funding corresponding to the temporary technical adjustments included in the PGA tracker effective 11/1/12 that are incorporated in the customers' per therm gas rates.

Month/Year	Rate	Therms	Deferral	Debit (Credit)		Adjustments	Deferred Balance
				Amortization	Interest		
Jan-15	(0.00019)	4,045,132	2,455.15	(768.58)	8.99		7,672.84
Feb-15	(0.00019)	3,446,483		(654.83)	10.42		7,028.43
Mar-15	(0.00019)	3,472,142		(659.71)	10.57		6,379.29
Apr-15	(0.00019)	3,314,321		(629.72)	9.28		5,758.85
May-15	(0.00019)	2,714,476		(515.75)	8.66		5,251.76
Jun-15	(0.00019)	2,979,734		(566.15)	7.64		4,693.25
Jul-15	(0.00019)	2,755,199		(523.49)	7.06		4,176.82
Aug-15	(0.00019)	2,857,928		(543.01)	6.28		3,640.09
Sep-15	(0.00019)	3,174,754		(603.20)	5.30		3,042.19
Oct-15	(0.00019)	3,037,057	9,122.03	(577.04)	4.57	(9,122.03)	2,469.72
Nov-15	Prorated	3,312,052		(222.55)	3.92		2,251.09
Dec-15	(0.00006)	3,412,860		(204.77)	3.69		2,050.01
Jan-16	(0.00006)	3,887,606		(233.26)	3.36		1,820.11
Feb-16	(0.00006)	3,463,630	34,283.50	(207.82)	2.79	(34,283.50)	1,615.08
Mar-16	(0.00006)	3,486,315	4,941.43	(209.18)	2.65	(4,941.43)	1,408.55
Apr-16	(0.00006)	3,344,304		(200.66)	2.23		1,210.12
May-16	(0.00006)	3,117,217		(187.03)	1.98		1,025.07
Jun-16	(0.00006)	3,085,946		(185.16)	1.63		841.54
Jul-16	(0.00006)	3,092,381	5,581.46	(185.54)	1.38	(5,581.46)	657.38
Aug-16	(0.00006)	3,088,624		(185.32)	1.08		473.14
Sep-16	(0.00006)	3,221,665		(193.30)	0.75		280.59
Oct-16	(0.00006)	3,632,518		(217.95)	0.46		63.10
				Transfer Balance to 20449		51,061.78	51,124.88
Nov-16	Prorated	3,304,728		(3,889.80)	92.44		47,327.52
Dec-16	(0.00128)	3,865,789		(4,948.21)	88.43		42,467.74
Jan-17	(0.00128)	4,296,028		(5,498.92)	79.35		37,048.17
Feb-17	(0.00128)	3,852,316		(4,930.96)	62.53		32,179.74
Mar-17	(0.00128)	3,832,564		(4,905.68)	60.13		27,334.19
Apr-17	(0.00128)	3,408,439		(4,362.81)	49.43		23,020.81
May-17	(0.00128)	3,368,720		(4,311.97)	43.01		18,751.85
Jun-17	(0.00128)	3,258,406		(4,170.75)	33.91		14,615.01

Appendix A

State:	Oregon
Description:	OR 11/01/12 Consolidated Accounts: Non Gas Cost Related PGA Temporary Rate Increments
Account number:	UM1336 Industrial Intervenor Funding
Class of Customers:	47OR.1860.20449
Deferral Period:	105, 111, 170, 163, 164
Deferral Account Order:	Annual
Amortization Period:	06/01/2015 - Current
Narrative:	This records consolidated deferral accounts for industrial Intervenor funding

Month/Year	Rate	Terms	Deferral	Amortization	Interest	Adjustments	Deferred Balance
							Debit (Credit)
							Balance forward 10/31/2013
							0.00
Jun-15					0.00		0.00
Jul-15					0.00		0.00
Aug-15					0.00		0.00
Sep-15					0.00		0.00
Oct-15			9,122.03		0.00		9,122.03
Nov-15					65.30		9,187.33
Dec-15					67.96		9,255.29
Jan-16					68.46		9,323.75
Feb-16			34,283.50		55.32		43,662.57
Mar-16			4,941.43		276.94		48,880.94
Apr-16					300.04		49,180.98
May-16					311.94		49,492.92
Jun-16					303.79		49,796.71
Jul-16			5,581.46		315.84		55,694.01
Aug-16					353.25		56,047.26
Sep-16					344.02		56,391.28
Oct-16					357.67		56,748.95
						TRANSFER BALANCE TO 20448	(51,061.78)
Nov-16					34.91		5,687.17
Dec-16			9,565.00		36.29		5,722.08
Jan-17			853.15		97.19		15,323.37
Feb-17					93.23		16,273.71
Mar-17					103.81		16,366.94
Apr-17			14,020.85		101.10		16,470.75
May-17					194.04		30,592.70
Jun-17					188.97		30,786.74
							30,975.71

Appendix B

Cascade Natural Gas Corporation

July 28, 2017

**NOTICE OF APPLICATION TO DEFER COSTS
FOR INTERVENOR FUNDING**

To All Parties Who Participated in UG-305

Please be advised that today, Cascade Natural Gas Corporation ("Cascade" or the "Company") applied for reauthorization to defer intervenor funding. Copies of the Company's application are available for inspection at the Company's main office.

Parties who would like additional information or would like a copy of the filing, or notice of the time and place of any hearing, if scheduled, should contact the Company or the Public Utility Commission of Oregon as follows:

Cascade Natural Gas
Attn: Michael Parvinen
8113 W Grandridge Blvd
Kennewick, WA 99336
509-734-4593
CNGCregulatory@cngc.com

Public Utility Commission of Oregon
Attn: Judy Johnson
201 High Street SE, Suite 100
Salem, OR 97308-1088

Any person may submit to the Commission written comments on the application no sooner than 25 days from the date of this notice.

The Company's application will not authorize a change in rates, but will permit the Commission to consider allowing such deferred amount in rates in a subsequent proceeding.

Appendix B

Cascade Natural Gas Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day served by electronic mail the foregoing NOTICE OF APPLICATION FOR REAUTHORIZAION TO DEFER INTERVENOR FUNDING 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