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July 28, 2017

Oregon Public Utility Commission
 201 High Street SE, Suite 100
 Salem, OR 97301-3612

**Re: Advice No. CNG/O17-07-02, UG 336
 UM 1336, Deferred Accounting for Intervenor Funding
 Schedule No. 192, Intervenor Funding Adjustment**

Attention: Filing Center

Pursuant to Docket UM 1336, ORS 757.210 and ORS 757.259(5), Cascade hereby submits the following revisions to Cascade's P.U.C. OR No. 10 Tariffs containing an effective date on and after November 1, 2017:

Second Revision of Sheet No. 192.1

This filing updates the Company's Intervenor Funding rates currently in effect pursuant to Section 7.9 of the Third Amended and Restated Intervenor Funding Agreement previously adopted by the Public Utilities Commission of Oregon ("Commission") in Order No. 15-335. In this filing, the Company is requesting a decrease in revenues of (\$57,806), or (.09 %), effective on November 1, 2017. The current amortization rates and the proposed changes, both inclusive of the gross revenue factor, are as follows:

<u>Schedule</u>	<u>Current Amortization Rates</u>	<u>Proposed Amortization Rates</u>	<u>Difference in Amortization Rate</u>
101	0.00191	0.00112	(0.00079)
105	0.00131	0.00073	(0.00058)
111	0.00131	0.00073	(0.00058)
170	0.00131	0.00073	(0.00058)
163	0.00131	0.00073	(0.00058)

In the Community to Serve®

In Order 16-424 in Docket No. UM 1336, the Commission approved Cascade Natural Gas request for reauthorization to defer costs related to Intervenor Funding grants for the period November 1, 2016 through October 31, 2017. The Company made that filing pursuant to ORS 757.259 and OAR 860-027-0300(4). This filing is in compliance with ORS 757.210 which authorizes deferred utility expenses or revenues to be allowed (amortized) in rates to the extent authorized by the Commission in a proceeding to change rates. All of the deferrals included in this filing occurred with appropriate application by Commission authorization, as rate orders or under approved tariffs.

Three Percent Test

Pursuant to ORS 757.259(5-7) and OAR 860-027-0300(9), the overall annual average rate impact of the amortizations authorized under the statutes may not exceed three percent of the natural gas utility's gross revenues for the preceding calendar year, unless the Commission finds that allowing a higher amortization rate is reasonable under the circumstances. However, per ORS 757.259(4), the amortization of Intervenor Funding is not subject to an earnings review, and the Intervenor Funding amortization balance is not included in the three percent test.

Other Information

Pursuant to OAR 860-022-0025 and OAR 860-022-0030, the total number of customers affected by this filing by rate schedule are as follows:

<u>Rate Schedule</u>	<u>Number of Customers</u>
101	61,354
105	139
111	18
170	4
163	32

The Table below provides the annual revenue before and after the impact of the rate change, and the average monthly use and resulting bills under existing and proposed rates:

Rate Schedule	Description	Total Current Revenues	Total Proposed Revenues	Revenue Incr (Decr)	Percent Incr (Decr)	Avg Therms per Month	Current Avg Bill	Proposed Avg Bill	Monthly Change	Proposed Rates % Change
101	Residential	\$30,813,996	\$30,780,544	-\$33,452	-0.11%	60	\$47.69	\$47.64	-\$0.05	-0.11%
105	Industrial Firm	\$1,609,820	\$1,608,130	-\$1,690	-0.10%	1,813	\$1,014.49	\$1,013.42	-\$1.07	-0.10%
111	Com-Ind Dual	\$1,191,800	\$1,190,452	-\$1,348	-0.11%	11,386	\$5,844.37	\$5,837.76	-\$6.61	-0.11%
170	Industrial Interr	\$1,344,290	\$1,342,631	-\$1,659	-0.12%	59,290	\$27,893.81	\$27,859.39	-\$34.42	-0.12%
163	Dist Trans	\$2,142,575	\$2,122,918	-\$19,657	-0.92%	88,264	\$8,643.92	\$8,546.15	-\$79.30	-0.92%

After combining the impact of this filing along with three other regulatory filings made today,¹ the overall effect of the proposed rate adjustments on the monthly bill of a residential customer with consumption of 60 therms will be a net decrease of (\$2.53) or (5.31%), for a revised monthly bill of \$45.16 effective November 1, 2017.

The Company will issue a media release coincident with the update annual Purchased Gas Cost Adjustment ("PGA") filing in mid-September and provide notice to customers via a bill insert following the approval on this filing.

Attached in support of this filing is Exhibit 1 which contains a development of intervenor funding temporary rate increments and a summary of proposed intervenor funding.

The Company agrees to rate adjustments and refunds should the Commission determine that these rates have been inappropriately calculated. Any rate adjustments and refunds will be retroactive to November 1, 2017 provided that the Commission advises the Company of the necessity for such rate adjustments or refunds within 30 days after the effective date of these rates.

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

Sincerely,



Michael Parvinen
Director, Regulatory Affairs

Enclosures

¹ On July 28, 2017, Cascade Natural Gas filed Advice Nos. O17-07-01 and O17-07-03; both are effective November 1, 2017, subject to Commission approval.

**SCHEDULE NO. 192
INTERVENOR FUNDING ADJUSTMENT**

APPLICABLE

Applicable to customers served on Schedules 101, 104, 105, 111, 112, 126, 163, 170, and 800.

PURPOSE

The purpose of this schedule is to recover the cost of Intervenor Funding Grants provided to various entities to cover their costs of advocating on behalf of customers. The awarding of such grants is governed by Section 7.3 of the First Amended and Restated Intervenor Funding agreement adopted by the Public Utility Commission of Oregon in Order No. 07-564.

MONTHLY RATES, MINIMUM BILLS AND OTHER CHARGES

Each of the charges specified in the schedules for gas service hereinafter listed shall be adjusted by the following per therm increase or (decrease) or appropriate multiple thereof:

Rate Schedule	Amount
101	\$0.001120
104	\$0.000000
105	\$0.000730
111	\$0.000730
112	\$0.000000
126	\$0.000000
163*	\$0.000730
170	\$0.000730
800*	\$0.000730
*all rate blocks	

(R)

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TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule 100 for Municipal Exactions.

GENERAL TERMS

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

**Before the
OREGON PUBLIC UTILITY COMMISSION**

EXHIBIT 1

Intervenor Funding

Development of Intervenor Funding Temporary Rate Increments (Schedule 1 of 2)
Summary of Proposed Intervenor Funding (Schedule 2 of 2)

Cascade Natural Gas Corporation

July 28, 2017

Cascade Natural Gas Corporation
SUMMARY OF PROPOSED INTERVENOR FUNDING
State of Oregon

Ln No.	Description (a)	Rate Schedule (b)	Reversal	Proposed	R/S 192
			15/16 UM-1336 Intervenor Funding Temp. Rate Adj. (c)	UM-1336 Intervenor Funding Temp. Rate Adj. (d)	Rate Change Total (e)
CORE MARKET RATE SCHEDULES					
1	Residential	101	\$ (0.00191)	\$ 0.00112	\$ (0.00079)
2	Commercial	104	\$ -	\$ -	\$ -
3	Com-Ind Dual Service	111	\$ (0.00131)	\$ 0.00073	\$ (0.00058)
4	Industrial Firm	105	\$ (0.00131)	\$ 0.00073	\$ (0.00058)
5	Industrial Interr.	170	\$ (0.00131)	\$ 0.00073	\$ (0.00058)
NONCORE MARKET CUSTOMERS					
6	Distribution	163	\$ (0.00131)	\$ 0.00073	\$ (0.00058)
7					
8			\$ -	\$ -	\$ -

Cascade Natural Gas
DEVELOPMENT OF INTERVENOR FUNDING TEMPORARY RATE INCREMENTS
UM 1336 Related Balances

Ln No.	Account Description (a)	Order (b)	Class (c)	New or Residual (d)	Account Balance 06-30-17 (e)	Estimated Thru 10/31/17 Interest Accruals (f)	Amortizations (g)	Interest Accruals Thru Amortization (h)	Balance for Amortization (i)	Forecasted Terms (j)	TEMPORARY INCREMENT FOR ALL RATE SCHEDULES					
											101 (l)	105 (m)	111 (n)	170 (o)	163 (p)	
1	UM-1336 -- CUB Intervenor Deferral (47OR-1862.20444)	16-424	101	New	\$ 56,898	\$ 1,445		\$	\$ 58,889	42,343,204	\$0.00139					
	UM-1336 -- CUB Intervenor Funding (47OR-1862.20443)	16-424	101	Residual	\$ (1,693)	(34)	\$ (11,127)	\$ (120)	\$ (12,974)	42,343,204	(0.00031)					
2	UM-1336 -- NWIGU Intervenor Deferral (47OR-1860.20449)	16-424	105/111/170/163	New	\$ 30,976	787		\$ 399	\$ 32,161	41,992,085	0.00077					
	UM-1336 -- NWIGU Intervenor Funding (47OR-1860.20448)	16-424	105/111/170/163	Residual	\$ 14,615	64	\$ (17,120)	\$ (31)	\$ (2,471)	41,992,085	(0.00006)					
3	SUBTOTAL AMORTIZATION RATES BEFORE REVENUE SENSITIVE COSTS										\$0.00071				\$0.00071	
4	REVENUE REQUIREMENT BEFORE REVENUE SENSITIVE COSTS				\$ 100,795	\$ 2,263	\$ (28,247)	\$ 793	\$ 75,605			2.940%			2.940%	
5	REVENUE SENSITIVE COST PERCENTAGES:								\$ 2,940%							
6	REVENUE REQUIREMENT AFTER REVENUE SENSITIVE COSTS								\$ 77,895							
7	PROPOSED AMORTIZATION RATE INCLUDING REVENUE SENSITIVE COSTS										\$ 0.00112	\$ 0.00073	\$ 0.00073	\$ 0.00073	\$ 0.00073	\$ 0.00073