

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UG 287

In the Matter of

CASCADE NATURAL GAS  
CORPORATION,

Request for a General Rate Revision.

ORDER

DISPOSITION: STIPULATION ADOPTED; APPLICATION FOR  
GENERAL RATE REVISION APPROVED AS REVISED

**I. SUMMARY**

Cascade Natural Gas Corporation (Cascade) seeks an overall Oregon revenue increase of \$3,622,770 (5.11 percent over current customer rates). In this order, we adopt a proposed settlement to resolve all issues related to the request and authorize an overall average rate increase of 0.84 percent, or \$590,000 in additional revenues.<sup>1</sup> Effective February 1, 2016, a typical residential bill will increase by \$0.41 per month from \$50.24 to \$50.65.<sup>2</sup>

**II. BACKGROUND AND PROCEDURAL HISTORY**

Cascade is a public utility providing natural gas distribution service within the meaning of ORS 757.005 and is subject to our jurisdiction with respect to the prices and terms of service for its Oregon retail customers. The company serves 68,337 customers in Oregon, mostly in the Bend, Baker, and Pendleton areas.<sup>3</sup>

On March 31, 2015, Cascade filed Advice No. O15-03-01/UG-287 to increase customer rates by 5.11 percent to produce additional revenues of \$3,622,770. Cascade identified the need to replace aging infrastructure throughout the company's system as the main driver for filing this rate case.<sup>4</sup>

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<sup>1</sup> Stipulating Parties/100, Parvinen-Gardner-McGovern-Gorman/22 at n.54 (calculating overall average rate increase as 0.84 percent).

<sup>2</sup> Transmittal Letter with filing of Stipulation (Nov 2, 2015) (based on Cascade's most recent Purchased Gas Adjustment (PGA) update).

<sup>3</sup> CNG/100, Madison/3.

<sup>4</sup> *Id.* at 3-4.

On April 2, 2015, we suspended Cascade's proposed tariff revisions for nine months as authorized by ORS 757.215(1). A prehearing conference was held on April 21, 2015. We adopted a procedural schedule and granted the Northwest Industrial Gas Users (NWIGU)'s petition to intervene. The Citizens' Utility Board of Oregon (CUB) intervened as a matter of right under ORS 774.180.

The parties conducted discovery, filed testimony, and engaged in settlement discussions. On November 2, 2015, the parties filed a stipulation resolving all issues in this proceeding and joint supporting testimony. The stipulation, which has been signed and agreed upon by all parties and the Commission Staff, is attached to this order as Appendix A.

### III. STIPULATION AND SUPPORTING TESTIMONY

The parties were able to settle all issues in the proceeding.

The initially disputed issues that were the subject of the negotiated settlement may be summarized as follows:

#### A. Revenue Requirement

The parties agree to a final revenue requirement increase of \$590,000.

The parties agree to specific downward adjustments (totaling \$3,032,770) to items in Cascade's original calculation. The parties clarify that each adjustment represents a reasonable financial settlement of the issue, and the adjustments result in an overall revenue requirement that will produce rates that are fair, just and reasonable.

The total stipulated adjustments to Cascade's initial proposal are provided below:<sup>5</sup>

Company Filed General Rate Case Required Change to Revenue Requirement		\$3,622,770
Item	Parties' Adjustments	Revenue Requirement Effect
S-1	Revenue Sensitive Uncollectible Rates	(11,883)
S-1	Uncollectibles	(230,149)
S-2	Wages & Salaries	(75,554)
S-6	Gas Storage	(1,846)
S-8	Distribution Operation and Maintenance (O&M)	(351,144)
S-9	Advertising	(59,509)
S-10, C-1 & N-1	Pensions	(315,565)

<sup>5</sup> Stipulation at Appendix A.

S-12 & C-8	Miscellaneous Administrative and General (A&G)	(302,766)
S-13 & C-7	Plant in Service, Capital Additions & Property Tax	(399,199)
S-16, C-9 & N-6	Environmental Remediation	(480,833)
S-17 & N-4	Depreciation	(482,231)
N-3	Rate Case Costs	(59,851)
N-5	Accumulated Depreciation	(262,239)
Total Proposed Adjustments (Base Rates):		<b>(3,032,770)</b>
Calculated Revenue Requirement Change (Base Rates):		<b>\$590,000</b>

The parties propose to remove certain components of the revenue requirement calculation:

*1. Issues S-16, C-9, and N-6: Environmental Remediation*

The parties agree to remove \$480,833, using Staff's revenue requirement models relating to a manufactured gas plant site in Eugene. Cascade initially proposed including the company's expected remediation costs in rates, reasoning that, with the Oregon Department of Environmental Quality issuing a final Record of Decision the company had an adequate understanding of its remediation obligations.<sup>6</sup> After determining that Staff, CUB, and NWIGU would require more information and time for review, Cascade agrees to withdraw this request and continue to seek deferrals in accordance with docket UM 1636.<sup>7</sup> The parties affirm in their joint testimony that they agree this is a reasonable approach and note that they expect to take this issue up again in a later proceeding.

*2. Issues S-10, C-1, and N-1: Pensions*

The parties agree to remove \$315,565 to reflect removal of the company's prepaid pension asset from the revenue requirement calculation. Cascade had initially proposed including its prepaid pension asset in rate base, but, following the Commission's decision in docket UM 1633 to deny this type of treatment,<sup>8</sup> the company agrees to remove the amount representing the prepaid pension asset. The parties agree that this is reasonable and consistent with our decision in docket UM 1633.

<sup>6</sup> CNG/300, Parvinen/25-27.

<sup>7</sup> See *In the Matter of Cascade Natural Gas Corporation, Application for Reauthorization for Deferral of Environmental Remediation Expenses for the Manufactured Gas Plant in Eugene, Oregon*, Docket No. UM 1636, Order No. 15-010 (Jan 13, 2015) (reauthorizing deferred accounting for 12-month period beginning December 1, 2014).

<sup>8</sup> *In the Matter of Public Utility Commission of Oregon, Investigation into Treatment of Pension Costs in Utility Rates*, Docket No. UM 1633, Order No. 15-226 (Aug 3, 2015) (rejecting joint utilities' (Pacific Power, PGE, NW Natural, Avista, and Cascade) proposal to include their prepaid pension assets and accrued pension liabilities in rate base).

3. *Issues S-12 and C-8: Miscellaneous Administrative and General (A&G)*

Among other adjustments, the parties agree to remove \$302,766 as a reasonable compromise on the amount of A&G expense.

4. *Issues S-13 and C-7: Plant in Service, Capital Additions, and Property Tax*

With respect to 2015 plant additions, after careful evaluation, the parties agree to reduce Cascade's capital addition expense by \$399,199 to reflect removal of a plant not in service by November 30, 2015 from Cascade's proposed revenue requirement.

**B. Cost of Capital**

The parties agree to an overall rate of return of 7.468 percent based on the following stipulated capital structure:

Capital Component	Capitalization	Cost
Long-term Debt	49.00%	5.30%
Common Equity	51.00%	9.55%

The parties agree that the 49 percent debt/51 percent equity ratio, based on the company's long-term debt and equity for the test year and two prior years, represents a sound basis for Cascade's capital structure.

**C. Rate Spread and Rate Design**

The parties agree to the following rate spread:

Schedule		Proposed Increase <sup>9</sup>
Residential	(Sch. 101)	2.30%
Commercial	(Sch. 105)	2.30%
Industrial	(Sch. 105)	6.00%
Large Volume	(Sch. 111)	6.00%
General Distribution	(Schs. 163 and 164)	0.00%
Interruptible	(Sch. 170)	0.00%
Special Contracts	(Sch. 900)	0.00%

The parties further agree that the customer charges contained in the current tariff not be altered. They agree that the basic charges in all schedules will remain the same as current and the revenue increase will be applied to the volumetric or commodity rate.

The parties reached the stipulated rate spread and rate design as a compromise and believe the result is rates that are fair, just and reasonable.

<sup>9</sup> Percent increase to non-gas revenue at current rates. See Stipulation at Appendix B.

**D. Pipeline Cost Recovery Mechanism**

The parties agree that Cascade will withdraw its request for a proposed pipeline cost recovery mechanism and the matter will be addressed in docket UM 1722, the generic investigation docket examining gas utilities' recovery of pipeline safety costs.<sup>10</sup>

**E. Decoupling**

The parties agree to continue Cascade's current decoupling mechanism. They further agree that Staff and CUB will organize a decoupling workshop for September 2016 to explore whether and how Cascade may implement a real-time weather adjustment. They agree to initiate full review of the mechanism on September 30, 2019, with any proposed changes to be effective January 1, 2020. The parties agree that the settlement of this issue is a reasonable compromise that will provide a timely opportunity for review and refinement of the decoupling mechanism.

**F. Tariffs**

The parties agree that Cascade will file revised rate schedules as a compliance filing in this docket to be effective February 1, 2016, reflecting rates as agreed in the stipulation.

**IV. RESOLUTION**

We have reviewed the testimony presented by the parties and adopt the stipulation in its entirety, settling all of the issues in this proceeding. Based on the evidence presented, we find the parties' joint proposals with respect to all of the revenue requirement, capital structure, rate spread, rate design and other issues to be just and reasonable.

We conclude that our decisions in this docket will result in rates that are fair, just and reasonable.

**V. ORDER**

IT IS ORDERED that:

1. The stipulation between Cascade Natural Gas Corporation, Staff of the Public Utility Commission of Oregon, the Citizens' Utility Board of Oregon, and the Northwest Industrial Gas Users, attached as Appendix A is adopted.
2. Advice No. O15-03-01 is permanently suspended.

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<sup>10</sup> See *In the Matter of Public Utility Commission of Oregon, Investigation into Recovery of Safety Costs by Natural Gas Utilities*, Docket Nos. UM 1722, UG 286, Order No. 15-093 (Mar 25, 2015).

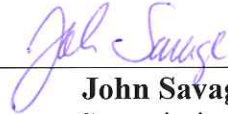
3. Cascade Natural Gas Corporation shall file new tariffs consistent with this order to be effective February 1, 2016.

Made, entered, and effective DEC 28 2015.



**Susan K. Ackerman**  
Chair





**John Savage**  
Commissioner



**Stephen M. Bloom**  
Commissioner

A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.

BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON

UG 287

In the Matter of

CASCADE NATURAL GAS CORPORATION

Application for a General Rate Revision.

STIPULATION

INTRODUCTION

1       The purpose of this Stipulation is to resolve all issues among Cascade Natural Gas  
2       Corporation (Cascade or Company), Staff of the Public Utility Commission of Oregon (Staff),  
3       the Citizens' Utility Board of Oregon (CUB), and the Northwest Industrial Gas Users  
4       (NWIGU) (collectively, the Stipulating Parties) in Docket No. UG 287, Cascade's Application  
5       for a General Rate Revision. The Stipulating Parties are the only parties to this docket, and  
6       they expect this Stipulation to fully resolve this docket.

BACKGROUND

7       On March 31, 2015, Cascade filed a request for a general rate increase and revised  
8       tariff sheets to become effective April 30, 2015. On April 8, 2015, a prehearing conference  
9       was held. In accordance with the prehearing conference order, the effective date for rates  
10      will be February 1, 2016. The Company's March 31, 2015 filing (Initial Filing) requested a  
11      revision to customer rates that would increase the Company's annual Oregon jurisdictional  
12      revenues by approximately \$3.6 million, for an increase of 5.11 percent over current  
13      customer rates.

14      On July 31, 2015, Staff, CUB, and NWIGU filed opening testimony proposing various  
15      adjustments to Cascade's filed case. The parties convened an initial settlement conference  
16      on August 11, 2015, which did not result in a settlement. Cascade filed its reply testimony  
17      on September 3, 2015. In its reply testimony (Reply Filing), the Company provided

1 corrections and updates to its Initial Filing, and responded to and accepted certain  
2 adjustments proposed by Staff, CUB, and NWIGU, resulting in a revised increase to  
3 Cascade's annual Oregon jurisdictional revenue requirement of \$756,009. The Stipulating  
4 Parties convened a second settlement conference on September 8, 2015. As a result of  
5 those discussions, the Stipulating Parties reached a settlement of all issues in this  
6 proceeding. This Stipulation memorializes the Stipulating Parties' agreement.

#### TERMS OF AGREEMENT

7 The Stipulation resolves the issues addressed below:

8 1. Revenue Requirement. The Stipulating Parties agree that the total increase  
9 to Cascade's annual Oregon jurisdictional revenue requirement amount is \$590,000, as  
10 summarized in the table in Appendix A to this Stipulation. This is based on the Stipulating  
11 Parties' agreement that the Oregon-allocated increase to annual revenue requirement  
12 shall be reduced by a total of \$3,032,770 from the Initial Filing of \$3,622,770, based on the  
13 following adjustments to Cascade's Initial Filing:

14 (a) S-1. Revenue Sensitive Uncollectible Rate and Uncollectibles. A reduction of  
15 \$242,032 to reflect the three year average of uncollectibles and removing an  
16 anomalous year. This adjustment also revises the uncollectible rate to 0.4776  
17 percent calculated on a three-year historical average;

18 (b) S-2. Wages and Salaries. A reduction of \$75,554 to reflect use of Staff's  
19 model for wages and salaries and to reflect the actual test period employee  
20 count;

21 (c) S-6. Gas Storage. A reduction of \$1,846 to reflect an average level of storage  
22 inventory rather than the 2014 year-end amount;



- 1 (d) S-8. Distribution O&M. A reduction of \$351,144 to reflect removal of pipeline  
2 inspection expense that will not be incurred for the benefit of Oregon customers  
3 until 2016;
- 4 (e) S-9. Advertising. A reduction of \$59,509 to reflect an adjustment to advertising  
5 costs;
- 6 (f) S-10, C-1, & N-1. Pensions. A reduction of \$315,565 to reflect the  
7 Commission's Order No. 15-226 in Docket No. UM 1633;
- 8 (g) S-12 & C-8. Miscellaneous Administrative and General (A&G). A reduction of  
9 \$302,766 to reflect a reduction to miscellaneous A&G expenses;
- 10 (h) S-13 & C-7. Plant in Service, Capital Additions, Property Tax. A reduction of  
11 \$399,199 to reflect removal of plant that will not be in service and used and  
12 useful by November 30, 2015;
- 13 (i) S-16, C-9, & N-6. Environmental Remediation. A reduction of \$480,833 to  
14 reflect the Stipulating Parties' agreement that Cascade will remove its request  
15 for recovery of expenses associated with environmental remediation from this  
16 case;
- 17 (j) S-17 & N-4. Depreciation. A reduction of \$482,231 to reflect the revised  
18 depreciation rates per proposed settlement in Docket No. UM 1727;
- 19 (k) N-3. Rate Case Costs. A reduction of \$59,851 to reflect a three-year  
20 amortization of rate case costs; and
- 21 (l) N-5. Accumulated Depreciation. A reduction of \$262,239 to reflect the impact  
22 of an additional year of depreciation expense on existing plant.
- 23 2. Cost of Capital. The Stipulating Parties agree to a rate of return (ROR) of  
24 7.468%, which is based on a 51.0 percent common equity ratio with a Return on Equity  
25 (ROE) of 9.55% and a debt cost of 5.30%.

1           3. Rate Spread and Rate Design. The agreed upon rate spread and rate design  
2 is shown in Appendix B to this Stipulation.

3           4. Plant Additions. The Stipulating Parties agree to include in Cascade's rate  
4 base all 2015 plant additions that are in service by November 30, 2015. Cascade will  
5 provide an update regarding plant in service via attestation of a Company officer by  
6 December 15, 2015.

7           5. Labor Additions. The Stipulating Parties agree to use actual 2015 FTEs as  
8 verified at the end of September 2015, as the basis for the Company's labor additions,  
9 which was 83.25 FTEs. The Company verified that the FTE count used in the wage  
10 analysis is accurate, as shown in Appendix C to the Stipulation.

11          6. Pipeline Recovery Mechanism. The Stipulating Parties agree that Cascade  
12 will address the Pipeline Recovery Mechanism in the Commission's generic docket  
13 regarding this matter, Docket No. UM 1722.

14          7. Allocations. The Stipulating Parties agree that Cascade will file an updated  
15 Allocations Manual each year with the previous year's Affiliated Interest report.

16          8. Decoupling Mechanism. The Stipulating Parties agreed to continue the  
17 current Decoupling Mechanism, and agreed to initiate review of the Decoupling  
18 Mechanism on September 30, 2019, with any proposed changes be effective January 1,  
19 2020.

20          9. Decoupling Workshop in 2016. Staff and CUB will organize a decoupling  
21 workshop to be held in September 2016. In the workshop, parties will explore whether  
22 and how Cascade may implement a real-time adjustment for the weather component of its  
23 decoupling mechanism.

24          10. Peak Methodology. The Stipulating Parties agree to Cascade's proposed  
25 peak methodology for purposes of this docket.

1           11. Tariffs. Upon approval of this Stipulation, Cascade will file revised rate  
2 schedules as a compliance filing in docket UG 287, to be effective February 1, 2016,  
3 reflecting rates as agreed in this Stipulation.

4           12. The Stipulating Parties recommend and request that the Commission  
5 approve the adjustments and provisions described herein as appropriate and reasonable  
6 resolutions of the identified issues in this docket.

7           13. The Stipulating Parties agree that this Stipulation is in the public interest, and  
8 will result in rates that are fair, just and reasonable, consistent with the standard in ORS  
9 756.040.

10           14. This Stipulation will be offered into the record as evidence pursuant to OAR  
11 860-001-350(7). The Stipulating Parties agree to support this Stipulation throughout this  
12 proceeding and any appeal, provide witnesses to sponsor this Stipulation at hearing, and  
13 recommend that the Commission issue an order adopting the Stipulation. The Stipulating  
14 Parties also agree to cooperate in drafting and submitting joint testimony or a brief in  
15 support of the Stipulation in accordance with OAR 860-001-0350(7).

16           15. If this Stipulation is challenged, the Stipulating Parties agree that they will  
17 continue to support the Commission's adoption of the terms of this Stipulation. The  
18 Stipulating Parties agree to cooperate in cross-examination and put on such a case as  
19 they deem appropriate to respond fully to the issues presented, which may include raising  
20 issues that are incorporated in the settlements embodied in this Stipulation.

21           16. The Stipulating Parties have negotiated this Stipulation as an integrated  
22 document. If the Commission rejects all or any material portion of this Stipulation or  
23 imposes additional material conditions in approving this Stipulation, any of the Stipulating  
24 Parties are entitled to withdraw from the Stipulation or exercise any other rights provided in  
25 OAR 860-001-0350(9). To withdraw from the Stipulation, a Stipulating Party must provide

1 written notice to the Commission and other Stipulating Parties within five days of service of  
2 the final order rejecting, modifying or conditioning this Stipulation.

3 17. By entering into this Stipulation, no Stipulating Party approves, admits, or  
4 consents to the facts, principles, methods, or theories employed by any other Stipulating  
5 Party in arriving at the terms of this Stipulation, other than those specifically identified in  
6 the body of this Stipulation. No Stipulating Party shall be deemed to have agreed that any  
7 provision of this Stipulation is appropriate for resolving issues in any other proceeding,  
8 except as specifically identified in this Stipulation.

9 18. This Stipulation is not enforceable by any Stipulating Party unless and until  
10 adopted by the Commission in a final order. Each signatory to this Stipulation avers that  
11 they are signing this Stipulation in good faith and that they intend to abide by the terms of  
12 this Stipulation unless and until the Stipulation is rejected or adopted only in part by the  
13 Commission. The Stipulating Parties agree that the Commission has exclusive jurisdiction  
14 to enforce or modify the Stipulation. If the Commission rejects or modifies this Stipulation,  
15 the Stipulating Parties reserve the right to seek reconsideration or rehearing of the  
16 Commission order under ORS 756.561 and OAR 860-001-0720 or to appeal the  
17 Commission order under ORS 756.610.

18 19. This Stipulation may be executed in counterparts and each signed  
19 counterpart shall constitute an original document.

20 This Stipulation is entered into by each Stipulating Party on the date entered below  
21 such Stipulating Party's signature.

22 DATED this 2<sup>nd</sup> day of November, 2015.

CASCADE NATURAL GAS  
CORPORATION

By: \_\_\_\_\_

Date: \_\_\_\_\_

CITIZENS' UTILITY BOARD OF  
OREGON

By: \_\_\_\_\_

Date: \_\_\_\_\_

STAFF OF PUBLIC UTILITY  
COMMISSION OF OREGON

By: \_\_\_\_\_

Date: \_\_\_\_\_

NORTHWEST INDUSTRIAL GAS USERS

By: \_\_\_\_\_

Date: \_\_\_\_\_

CASCADE NATURAL GAS  
CORPORATION

By: \_\_\_\_\_

Date: \_\_\_\_\_

STAFF OF PUBLIC UTILITY  
COMMISSION OF OREGON

By: Mike for Stephanie

Date: 11/2/15 Arbuz

CITIZENS' UTILITY BOARD OF  
OREGON

By: \_\_\_\_\_

Date: \_\_\_\_\_

NORTHWEST INDUSTRIAL GAS USERS

By: \_\_\_\_\_

Date: \_\_\_\_\_

ORDER NO. 15 412

CASCADE NATURAL GAS  
CORPORATION

By: \_\_\_\_\_

Date: \_\_\_\_\_

STAFF OF PUBLIC UTILITY  
COMMISSION OF OREGON

By: \_\_\_\_\_

Date: \_\_\_\_\_

CITIZENS' UTILITY BOARD OF  
OREGON

By: Summer N. N. N.

Date: 10/30/15

NORTHWEST INDUSTRIAL GAS USERS

By: \_\_\_\_\_

Date: \_\_\_\_\_

CASCADE NATURAL GAS  
CORPORATION

By: \_\_\_\_\_

Date: \_\_\_\_\_

CITIZENS' UTILITY BOARD OF  
OREGON

By: \_\_\_\_\_

Date: \_\_\_\_\_

STAFF OF PUBLIC UTILITY  
COMMISSION OF OREGON

By: \_\_\_\_\_

Date: \_\_\_\_\_

NORTHWEST INDUSTRIAL GAS USERS

By:  \_\_\_\_\_

Date: 11/2/15 \_\_\_\_\_



**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UG 287**

**Appendix A**

**to**

**Stipulation**

**Settlement Summary Table**

ORDER NO. **15 412**  
Appendix A to Stipulation

**Cascade Natural Gas – Docket UG 287  
Settlement Summary  
Twelve Months Ended December 31, 2015**

Company Filed General Rate Case Required Change to Revenue Requirement	<b>\$3,622,770</b>
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Item	Parties Adjustments	Revenue Requirement Effect
S-1	Revenue Sensitive Uncollectible Rate	(11,883)
S-1	Uncollectibles	(230,149)
S-2	Wage & Salaries	(75,554)
S-6	Gas Storage	(1,846)
S-8	Distribution O&M	(351,144)
S-9	Advertising	(59,509)
S-10, C-1, & N-1	Pensions	(315,565)
S-12 & C-8	Misc. A&G	(302,766)
S-13 & C-7	Plant in Service, Capital Additions & Property Tax	(399,199)
S-16, C-9, & N-6	Environmental Remediation	(480,833)
S-17 & N-4	Depreciation	(482,231)
N-3	Rate Case Costs	(59,851)
N-5	Accumulated Depreciation	(262,239)

Total Proposed Adjustments (Base Rates):

**(3,032,770)**

Calculated Revenue Requirements Change  
(Base Rates):

**\$590,000**

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UG 287**

**Appendix B**

**to**

**Stipulation**

**Rate Spread and Rate Design**

Appendix B to Stipulation

Cascade Natural Gas - Docket UG 287  
Rate Spread

	<u>Total</u>	101 Residential <u>Service</u> Core	105 Commercial <u>Service</u> Core	105 Industrial <u>Service</u> Core	111 Large Volume <u>Service</u> Core	163+164 General <u>Distribution</u> Non-Core	170 <u>Interruptible</u> Core	900 Special <u>Contracts</u> Non-Core
Non-Gas Revenue at Current Rates	\$28,954,127	\$16,312,863	\$7,513,446	\$472,884	\$230,926	\$2,295,862	\$340,717	\$1,787,429
Increase \$	\$590,000	\$375,036	\$172,736	\$28,373	\$13,856			
Increase %	2.04%	2.30%	2.30%	6.00%	6.00%	0.00%	0.00%	0.00%

Rate Design:

The basic charges in all schedules will remain the same as current. The revenue increase will be applied to the volumetric or commodity rate.

ORDER NO. 15 4 12

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UG 287**

**Appendix C  
to  
Stipulation  
Employee Count**

ORDER NO. 15 412

**From:** [Parvinen, Michael](#)  
**To:** [HELLMAN Marc](#); [Bob Jenks \(Bob@oregoncub.org\)](#); [cstokes@cablehuston.com](#); [Jocelyn Pease](#); [Lisa Rackner](#);  
[GARDNER Marianne](#); ["sommer@oregoncub.org"](#); [Andrus Stephanie](#); ["tbrooks@cablehuston.com"](#)  
**Subject:** UG 287 - Employee Count Verification  
**Date:** Friday, October 09, 2015 1:44:28 PM  
**Attachments:** [20151008162405534.pdf](#)

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All,

As agreed upon in the Settlement Cascade would provide verification that all employees included in the rate case are indeed hired and working full time. Attached is our September 30 actual employee counts. As you remember Staff used 83.25 FTEs in its calculation. The attached highlighted figures support that number as follows:

Southern Region (Oregon)	61	(60 regular employees with 1 open position, the open position had an offer out to a candidate as of the end of Septmeber. Also, it was filling a vacancy (someone left) not one of the new positions as those were filled quite a while ago).
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General Office (allocated)	22.6	(93 * 24.3% (Oregon's allocation))
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Total	83.6	
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# CNGC CUSTOMER & EMPLOYEE COUNT BY REGION/DISTRICT/OPERATING CENTER

09/30/15

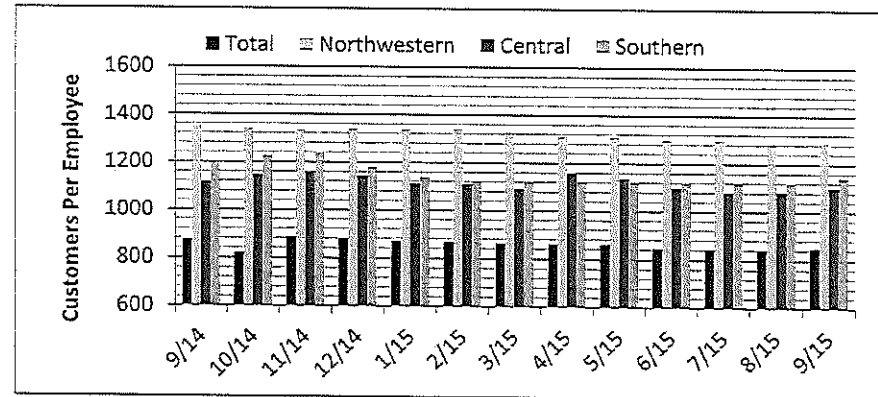
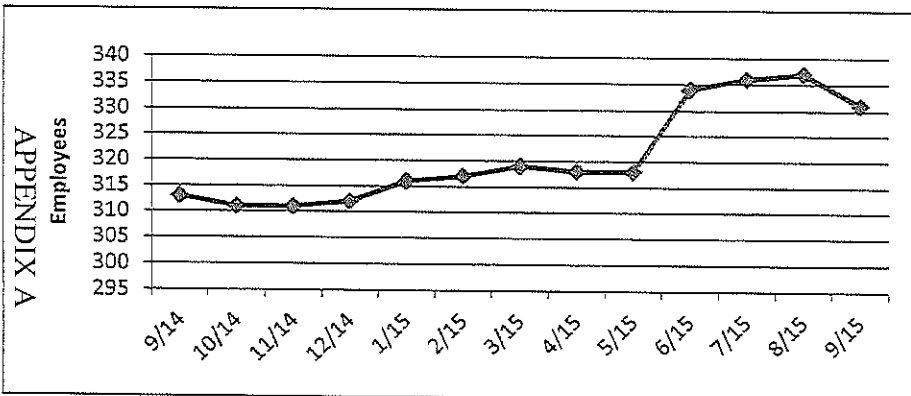
REGIONS			EMPLOYEE COUNTS				CUSTOMERS PER REG/PT EMP
	GAS	TOTAL	REGULAR	PART TIME	TEMPORARY	TOTAL	COUNT
Northwest Region	131,567	131,567	102	0	5	107	1290
Central Region	72,831	72,831	66	0	1	67	1104
Southern Region	68,614	68,614	60	0	4	64	1144
<b>TOTAL</b>	<b>273,012</b>	<b>273,012</b>	<b>228</b>	<b>0</b>	<b>10</b>	<b>238</b>	<b>1197</b>

DISTRICTS	GAS	TOTAL	REGULAR	PART TIME	TEMPORARY	TOTAL	COUNT
Bellingham	47,495	47,495	29	0	2	31	1638
Bremerton	32,043	32,043	23	0	0	23	1393
Aberdeen	6,200	6,200	11	0	0	11	564
Longview	3,868	3,868	11	0	0	11	352
Mt Vernon	41,961	41,961	28	0	3	31	1499
Tri-Cities	27,122	27,122	21	0	1	22	1292
Walla Walla	12,015	12,015	10	0	0	10	1202
Wenatchee	4,641	4,641	12	0	0	12	387
Yakima/Sunnyside	29,053	29,053	23	0	0	23	1263
Central Oregon	47,874	47,874	32	0	1	33	1496
Eastern Oregon	8,311	8,311	14	0	2	16	594
Pendleton	12,429	12,429	14	0	1	15	888
General Office	0	0	93	0	0	93	0
<b>TOTAL</b>	<b>273,012</b>	<b>273,012</b>	<b>321</b>	<b>0</b>	<b>10</b>	<b>331</b>	<b>851</b>

OPEN POSITIONS		
POSITION	LOCATION	FTE
Service Mechanic	Bremerton	1
Engineer Associate	Kennewick	1
Utility	Bend	1
Financial Technician	Kennewick	1

YTD TERMINATIONS	COUNT
Financial Analyst	1
Central Meter Shop Leader	1
HR Generalist	1
Backhoe Operator	1
Combination Welder	2
Laborer	1
Mgr, District Ops	1
HR Manager	1
Mgr, Safety & Tech Trng	1
Service Mechanic	1
Temporary Laborer	5
Engineer Associate	1
<b>Total</b>	<b>17</b>

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