



222 FAIRVIEW AVENUE N., SEATTLE, WASHINGTON 98109-5312 206-624-3900  
FACSIMILE 206-654-4039

**CNG/O07-08-02-B**

October 23, 2007

Oregon Public Utility Commission  
550 Capitol Street NE  
Salem, OR 97310-1380

Attention: Ms. Vikie Bailey-Goggins

Dear Ms. Bailey-Goggins:

Submitted herewith are three (3) copies of the following revision to Cascade's P.U.C. OR No. 9 Tariffs containing an effective date of November 1, 2007:

**Second Substitute First Revision Sheet No. 194, Canceling Substitute First Revision Sheet No. 194.**

Second Substitute First Revision Sheet No. 194 replaces Substitute First Revision Sheet No. 194, which was sent as part of Cascade's revised Purchase Gas Adjustment (PGA) rate application filing on October 12, 2007, under Docket UG179. The revision corrects the tariff to include a rate adjustment for Rate Schedule 164 customers who use over 500,000 therms. In addition, a second revision of Cascade's Exhibit 4, Schedule 2 of 4, is included to fix an error in calculating the proposed rates and revenues.

Since these substitute sheets are replacing substitute sheets that were originally filed under a Waiver of Statutory Notice on October 12, 2007, another Waiver of Statutory Notice is not required.

Please direct any questions regarding this filing to Katherine Barnard at (206) 381-6824.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon T. Stoltz", is written over the typed name and title.

Jon T. Stoltz  
Issuing Officer

JTS/ cl  
Enclosures

*We make warm neighbors*

www.cngc.com

CASCADE NATURAL GAS CORPORATION

TEMPORARY RATE ADDITION  
SCHEDULE NO. 194

**APPLICABLE:**

This temporary rate addition applies to gas service rendered by the Company under the tariff of which this schedule is a part for service on and after the effective date hereof and shall be in addition to all rates and charges specified in this tariff.

**RATES:**

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 in determining annual minimum bill, if any:

<u>Core Rate Schedules</u>	<u>Amount</u>
Schedule 101	(\$03652)
Schedule 104	(\$03375)
Schedule 105	(\$03281)
Schedule 111	(\$03200)
Schedule 112	(\$02895)
Schedule 126	(\$02895)
Schedule 170	(\$02895)

<u>Interruptible Distribution Transportation Rate Schedules</u>	<u>Amount</u>
Schedule 163 -All Rate Blocks	(\$00259)
Schedule 164	
First 10,000 Therms	(\$00259)
Next 10,000 Therms	(\$00259)
Next 30,000 Therms	(\$00259)
Next 50,000 Therms	(\$00259)
Next 400,000 Therms	(\$00259)
Over 500,000 Therms	(\$00259)
Schedule 185 -All Commodity Therms	\$00000
Schedule 186 -All Commodity Therms	\$00000

(D)

(D)

**LIMITATION:**

This temporary rate addition shall remain in effect until cancelled pursuant to order of the Oregon Public Utility Commission.

**SPECIAL TERMS AND CONDITIONS:**

The rates named herein are subject to increases as set forth in Schedule No. 100 Municipal Exactions.

CNG/O07-08-02-B

ISSUED October 23, 2007

EFFECTIVE November 1, 2007

ISSUED BY CASCADE NATURAL GAS CORPORATION

BY Jon T. Stoltz

TITLE Senior Vice President  
Regulatory and Gas Supply

CASCADE NATURAL GAS CORPORATION  
Summary of Proposed Rates and Revenues  
Effective 11/01/07

Ln	Customer Class (a)	Schedule (b)	Proposed Changes				Current Average Total Rate /1 (d)	Proposed Changes				Proposed Average Total Rate /2 (l)=d+k	Proposed Tariff Commodity Rate (m)=c+k	Normalized Therm Sales/Throughput (n)
			PGA Base Gas Cost (e)	CAP Baseline Adj. (f)	CAP Temporary Adj. Remove 06 (g)	Add New (h)		Temporary Rate Adj. Remove 06 (i)	Add New (j)	Total Change (k)=e thru j				
<b>CORE MARKET SERVICE</b>														
1	Residential	101	1,405	1,693	0,000	1,538	124,939	1,810	(5,462)	0,984	125,923	120,884	36,661,929	
2	Commercial	104	1,405	0,934	0,000	1,538	111,462	1,810	(5,185)	0,502	111,964	110,819	26,447,306	
3	Com-Ind Dual	111	1,405	0,000	0,000	0,000	103,040	1,810	(5,010)	(1,795)	101,245	101,245	2,153,058	
4	Industrial Firm	105	1,405	0,000	0,000	0,000	106,808	1,810	(5,091)	(1,876)	105,032	104,579	2,730,850	
5	Industrial Interr.	170	1,405	0,000	0,000	0,000	100,732	1,810	(4,705)	(1,490)	99,242	99,242	0	
<b>NONCORE MARKET SERVICE</b>														
6	Distribution Transportation	Schedule Nos. 163 & 164											27,426,381	
<b>Blocking</b>														
7	R/S 163 & 164	First 10,000	0,000	0,000	0,000	0,000	12,402	0,000	(0,259)	(0,259)	12,143	12,143	2,666,823	
8	R/S 163 & 164	Next 10,000	0,000	0,000	0,000	0,000	11,188	0,000	(0,259)	(0,259)	10,929	10,929	2,258,428	
9	R/S 163 & 164	Next 30,000	0,000	0,000	0,000	0,000	10,512	0,000	(0,259)	(0,259)	10,253	10,253	4,240,126	
10	R/S 163 & 164	Next 50,000	0,000	0,000	0,000	0,000	6,456	0,000	(0,259)	(0,259)	6,197	6,197	3,803,712	
11	R/S 163 & 164	Next 100,000	0,000	0,000	0,000	0,000	3,275	0,000	(0,259)	(0,259)	3,016	3,016	12,502,668	
12	R/S 164 ONLY	Over 500,000	0,000	0,000	0,000	0,000	1,755	0,000	(0,259)	(0,259)	1,496	1,496	1,954,626	

**REVENUES (in dollars)**

Customer Class (a)	Schedule (b)	Proposed Changes				Revenue at Current Avg Rates /1 (c)	Proposed Changes				Revenue at Proposed Avg Rates /1 (k)=c+j	Percent Change /1 (l)=k/c
		PGA Base Gas Cost (d)	CAP Baseline Adj. (e)	CAP Temporary Adj. Remove 06 (f)	Add New (g)		Temporary Rate Adj. Remove 06 (h)	Add New (i)	Total Change (j)=d thru i			
<b>CORE MARKET SERVICE</b>												
13	Residential	101	\$515,100	\$620,686	\$0	\$563,860	\$663,581	(\$2,002,475)	\$360,753	\$46,165,854	0.79%	
14	Commercial	104	\$371,585	\$247,018	\$0	\$406,760	\$478,696	(\$1,371,293)	\$132,765	\$29,611,364	0.45%	
15	Com-Ind Dual	111	\$30,250	\$0	\$0	\$0	\$38,970	(\$107,868)	(\$38,647)	\$2,179,864	-1.74%	
16	Industrial Firm	105	\$38,368	\$0	\$0	\$0	\$49,428	(\$139,028)	(\$51,231)	\$2,668,280	-1.75%	
17	Industrial Interr.	170	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	
<b>NONCORE MARKET SERVICE</b>												
18	Dist Transportation	163/164	\$0	\$0	\$0	\$0	\$0	(\$71,034)	(\$71,034)	\$1,815,434	-3.77%	
19	Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,711,599	0.00%	
20	Total Revenues		\$955,304	\$867,704	\$0	\$970,620	\$1,230,676	(\$3,691,697)	\$332,606	\$95,352,394	0.35%	

1/ Reflects inclusion of monthly customer service charges, which does not change in this tracking filing, as well as division of costs by normalized therms sales.