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January 13, 2009

Oregon Public Utilities Commission Attn: Ms. Vikie Bailey-Goggins 550 Capitol Street NE, Suite 215 Salem, OR 97310-2551

Dear Ms. Vikie Bailey-Goggins:

In compliance with Order No. 07-566, Item No. CA12, #3, Cascade Natural Gas is filing its annual report to the Commission showing outstanding balances of its revolving credit facility and the outstanding letters of credit issued under the credit agreement. Following are the outstanding balances as of 12/31/08:

Short-term debt outstanding on Cascade's line of credit: \$48.1M Letter of credit outstanding against Cascade's line of credit: \$1,862,532

Please direct any questions regarding this filing to me at 206-381-6824.

Sincerely,

Katherine Barnard Senior Director

Regulatory & Gas Supply