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September 28, 2017

Oregon Public Utility Commission
Filing Center
201 High St SE, Suite 100
P.O. Box 1088
Salem, OR 97308-1088

Re: RG-79, Bill Error Report

In accordance with OAR 860-021-0170, Cascade Natural Gas Corporation (Cascade or Company) provides the following information about a billing error.

(a) A description and cause, if known, of the billing error;

The billing error that occurred from August 3, 2017, to August 28, 2017, was due to receipt of an incorrect BTU factor from the GTN pipeline for Kosmos, Stanfield, and South Hermiston, Oregon.

At the end of each month, Cascade retrieves the gas quality measurements for the previous month from a GTN website. These factors are used in our billing calculation. An incorrect BTU value was posted on GTN's website.

(b) The number of bills affected by the billing error;

36,206 bills were impacted by the error. (Cascade serves 71,902 customers in Oregon.)

(c) The number of bills adjusted due to the billing error;

17,239 bills were adjusted. Of those adjusted, the average adjustment was a credit of \$1.38. The remaining 18,790 bills in the affected area were analyzed, but the corrected BTU value did not result in a change to the amount previously billed.

(d) The time period in which the billing error affected customer bills;

The billing error occurred from August 3, 2017, to August 28, 2017.

(e) The actions taken to correct the error; and

For customers who were overcharged, bills credits were applied to their September bill.

(f) The actions taken to prevent the same error from occurring in the future.

When reviewing the data, Cascade began questioning the accuracy of the posted BTU value for the gas flowing on the pipeline feeding Kosmos, Stanfield, and South Hermiston, Oregon. The Company contacted GTN and learned they were experiencing maintenance problems with their chromatograph. GTN plans to replace the broken chromatograph, and after they do, they will resume posting accurate values on their website. In the interim period, Cascade is receiving the accurate values directly from the GTN Supervisor of Measurement Services West.

In accordance with OAR 860-021-0170(2), Cascade initially notified you of this error via email on September 11, 2017.

If you have any questions, please call Jennifer Gross at (509) 734-4635.

Sincerely,

/s/ Michael Parvinen

Michael Parvinen
Director, Regulatory Affairs
Cascade Natural Gas Corporation