



December 22, 2016

CNG/O16-12-01

Oregon Public Utility Commission
Attn: Filing Center
P.O. Box 1088
Salem, OR 97308-1088

Re: Housekeeping to Schedule 33, Conservation Achievement Tariff (CAT)

Cascade Natural Gas Corporation (Cascade or the Company) files the following revision to its Tariff P.U.C. Or. No. 9, stated to become effective with service on and after January 22, 2017:

Third Revision Sheet No. 33-D

This housekeeping filing corrects an inadvertent error in language that was adopted as part of the Advice No. O16-10-02 wherein the Company revised Schedule 33 to add parameters to its Conservation Achievement Tariff (CAT) program. The Company added a \$10,000 spending cap per project; unfortunately the language adopted defining the cap explicitly states that the \$10,000 cap does not include rebates from the Oregon Low Income Energy Conservation (OLIEC) program, the OLIEC administrative fees, and CAT reimbursements for the home audit and post work inspection. The intention was that the cap would include all of these costs. The error was discovered through the agencies review of the newly revised tariff and the memorandum of understanding (MOU) for program administration. The Company herein corrects the tariff language so that it is consistent with the MOU and the initial intent.

If you have any questions regarding this filing, please contact Jennifer Gross at (509)734-4635

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Parvinen", with a long horizontal flourish extending to the right.

Michael Parvinen
Director, Regulatory Affairs

Attachment

CASCADE NATURAL GAS CORPORATION

**CONSERVATION ACHIEVEMENT TARIFF (CAT)
SCHEDULE NO. 33-D**

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PROGRAM DESCRIPTION:

The Conservation Achievement Tariff (CAT) operates alongside of, and in conjunction, with the OLIEC Program. This provision defines the terms and conditions under which funds designated for low-income energy conservation programs under Schedule No. 33 are administered and delivered to eligible residential customers within Cascade Natural Gas' service territory in Oregon.

CAT funding may be accessed by any of the qualifying Low-Income, 501c3 or Community Action Agencies (Agencies) that administer the OLIEC program for the purpose of providing programmatic funding for the completion and performance of qualified weatherization work authorized through the OLIEC tariff. The intent CAT is to provide essential monies to bridge the gap between the Company's payments associated with customer energy savings via the traditional OLIEC program and the funds necessary for full delivery of this essential program to qualified customers. The funds are available to Agencies on a first come, first serve basis for the purpose of providing Total Installed Costs for weatherization measures approved under Schedule No. 33, Oregon Low Income Energy Conservation (OLIEC) program, but the Total Installed Costs reimbursed under CAT for a single dwelling may not exceed \$10,000. This \$10,000 cap on CAT reimbursements includes OLIEC rebates, the OLIEC administrative fee, and CAT reimbursements for the audit and inspection.

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"Total Installed Costs" are defined as all costs incurred for materials and contractor labor necessary to fully perform tariff-eligible natural gas weatherization work at a qualified customer premise. In order to qualify for CAT funding, the participating Agency shall provide all associated invoices and receipts as evidence of expenditures for authorized weatherization work provided to the Company for validation.

All measures currently defined as eligible under OLIEC shall be eligible for funds to cover Total Installed Costs under CAT. In the event that additional measures become eligible for funding under the OLIEC, the CAT shall also apply.

Agencies that complete projects under OLIEC, and install one or more of the eligible energy efficiency measures, are eligible to receive their normal reimbursement under that program. Agencies are also eligible to receive an additional CAT allocation that equates to the difference between the OLIEC rebate for each eligible measure installed and the invoiced amount for the Total Installed Cost of each measure. These monies shall be available upon receipt of documentation verifying the final incremental costs between those covered under the traditional OLIEC program and the remaining Total Installed Costs.

PROGRAM FUNDING

At its sole discretion, the Company may allocate funds collected under Schedule 31, Public Purposes Funding for low income energy conservation programs to a separate pool (CAT pool) if funding for OLIEC is sufficient to meet the needs of agencies qualified to provide weatherization services to Cascade customers under the OLIEC Schedule 33.

PROGRAM ADMINISTRATION AND DELIVERY COSTS:

The OLIEC program will remain a separate low-income energy conservation program that operates in conjunction with OLIEC. The OLIEC program contains a listing of program administration and delivery costs. There are no additional program administration and delivery costs associated with the Conservation Achievement Tariff.

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CNG/O16-12-01

Issued December 22, 2016

Effective with Service On and After January 22, 2017

Issued by CASCADE NATURAL GAS CORPORATION

By: Mark Chiles

Title: Vice President
Regulatory Affairs and Customer Service