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January 31, 2022

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

Re: Cascade Natural Gas Corporation's Application for Authorization for Deferred Accounting for Costs and Revenues Associated with House Bill 2475 Energy Affordability Act

Cascade Natural Gas Corporation ("Cascade") files the attached Application for Authorization for Deferred Accounting for Costs and Revenues Associated with House Bill 2475 Energy Affordability Act. Cascade will make a filing later in 2022 detailing an interim discount rate proposal and related tariff changes to provide for program cost recovery.

If you have any questions regarding this filing, please contact me at (208) 377-6015.

Sincerely,

/s/ Lori Blattner

Lori Blattner Director, Regulatory Affairs

Attachments

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM _____

In the Matter of

CASCADE NATURAL GAS CORPORATION

Application for Approval of Deferred Accounting for Costs and Revenues Associated with House Bill 2475 Energy Affordability Act

APPLICATION FOR DEFERRED ACCOUNTING

I. INTRODUCTION

In accordance with Oregon Revised Statutes (ORS) 757.259(2)(e) and Oregon Administrative Rule (OAR) 860-027-0300(3), Cascade Natural Gas Corporation (Cascade or Company) files this application (Application) to the Public Utility Commission of Oregon (Commission) for an order authorizing deferred accounting treatment for all costs and revenues associated with Oregon House Bill (HB) 2475, The Energy Affordability Act. Cascade will make a filing later in 2022 detailing an interim discount rate proposal and related tariff changes to provide for program cost recovery.

Cascade requests authorization to defer the incremental costs and revenues associated with implementation and administration of HB 2475 for the 12-month period commencing on March 1, 2022.

II. APPLICATION FOR AUTHORIZATION TO DEFER

In compliance with the requirements established in OAR 860-027-0300(3), and Commission Order No 09-263, Cascade submits the following:

A. Description of Utility Expense or Revenue - OAR 860-027-0300(3)(a)

Cascade requests authorization to defer the incremental costs and revenues associated

with implementation and administration of HB 2475. The Company plans to file a proposal providing for a bill discount program later in 2022 that will be available to eligible residential customers. Cascade requests authorization to defer the costs for administering such a bill discount program in the deferral account along with the revenue received to fund the program. Cascade will make a filing later in 2022 detailing an interim discount rate proposal and related tariff changes to provide for program cost recovery revenues.

B. Reasons for Deferral - OAR 1 860-027-0300(3)(b)

As discussed above, Cascade requests authorization to defer the costs and revenues to administer HB 2475. The deferral may be authorized under ORS 759.259(2)(e) in order to minimize the frequency of rate changes or the fluctuation of rate levels or to match approximately the costs borne by and benefits received by ratepayers.

Cascade's application is consistent with the Commission's previous approval of deferred accounting applications.

C. Proposed Accounting - OAR 860-027-0300(3)(c)

If this application is approved, Cascade proposes to record deferred amounts in the deferral sub-account 242.9, which is the same account in which its Public Purpose Charge deferral amounts are recorded. In the absence of deferred accounting, Cascade would record such expenses in the appropriate sub-account for FERC Account 908.

D. Estimate of Amounts - OAR 860-027-0300(3)(d)

Cascade is currently working on the design of the low-income bill assistance program and is developing an administrative budget. An estimate of the total expected deferral is not known at this time.

E. Notice - OAR 860-27-0300(3)(e)

A copy of the Notice of Application and a list of persons served with the notice are attached as Exhibit A to this application.

III. COMMUNICATIONS

Communications regarding this application should be addressed to:

Lori Blattner	Department of Regulatory Affairs
Cascade Natural Gas Corporation	Cascade Natural Gas Corporation
8113 W. Grandridge Blvd	8113 W. Grandridge Blvd
Kennewick, WA 99336	Kennewick, WA 99336
Lori.Blattner@intgas.com	CNGCregulatory@cngc.com

For the reasons set forth above, in accordance with ORS 757.259(2)(e) and OAR 860-

027-0300(3), Cascade respectfully requests authorization for a deferred account beginning

on January 31, 2022, to track the incremental costs and revenues for associated with HB 2475.

Respectfully submitted this 31st day of January, 2022.

Sincerely,

<u>/s/ Lori Blattner</u> Lori Blattner Director, Cascade Natural Gas Corporation 8113 W. Grandridge Blvd Kennewick, WA 99336 Lori.Blattner@intgas.com

Cascade Natural Gas Corporation

January 31, 2022

NOTICE OF APPLICATION FOR AUTHORIZATION TO DEFER COSTS AND REVENUES ASSOCIATED WITH HOUSE BILL 2475

To All Parties Who Participated in UG-390:

Please be advised that today, Cascade Natural Gas Corporation ("Company") filed an application for Authorization to Defer Costs and Revenues Associated with House Bill 2475 Energy Affordability Act. Copies of the Company's application are available for inspection at the Company's main office.

Parties who would like additional information or would like a copy of the filing, or notice of the time and place of any hearing, if scheduled, should contact the Company or the Public Utility Commission of Oregon as follows:

Cascade Natural Gas Corporation Attn: Lori Blattner 8113 W Grandridge Blvd Kennewick, WA 99336 (208) 377-6015 Public Utility Commission of Oregon Attn: Filing Center 201 High Street SE, Suite 100 Salem, OR 97308-1088 503-378-6678

Any person may submit to the Commission written comments on the application no sooner than 25 days from the date of this notice.

The Company's application will not authorize a change in rates, but will permit the Commission to consider allowing such deferred amounts in rates in a subsequent proceeding.

Cascade Natural Gas Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day served by electronic mail the foregoing NOTICE OF APPLICATION FOR AUTHORIZATION TO DEFER COSTS AND REVENUES ASSOCIATED WITH HOUSE BILL 2475 upon all parties of record in UG-390, which is the Company's most recent general rate case.

Oregon Citizens' Utility Board dockets@oregoncub.org	Michael Goetz Oregon Citizens' Utility Board mike@oregoncub.org
William Gehrke	Chad M Stokes
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Jocelyn C Pease	Lisa F Rackner
McDowell, Rackner & Gibson PC	McDowell, Rackner & Gibson PC
jocelyn@mrg-law.com	dockets@mrg-law.com

Dated this 31ST day of January 2022.

<u>/s/ Isaac Myhrum</u> Isaac Myhrum Rates and Regulatory Affairs Cascade Natural Gas Corporation 8113 W Grandridge Blvd Kennewick, WA 99336 Isaac.myhrum@cngc.com