

e-FILING REPORT COVER SHEET

REPORT NAME: Cascade Natural Gas HB 2599 Report

COMPANY NAME: Cascade Natural Gas Corporation

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes

If yes, please submit only the cover letter electronically. Submit confidential information as directed OAR 860-001-0070 or the terms of an applicable protective order.

If known, please select designation: RE (Electric) RG (Gas) RW (Water)
 RO (Other)

Report is required by: OAR
 Statute
 Order
 Other HB 2599

Is this report associated with a specific docket/case? No Yes
If Yes, enter docket number:

Key words: Cascade Natural Gas, HB 2599, Disconnection,

If known, please select the PUC Section to which the report should be directed:

- Corporate Analysis and Water Regulation
- Economic and Policy Analysis
- Electric and Natural Gas Revenue Requirements
- Electric Rates and Planning
- Natural Gas Rates and Planning
- Utility Safety, Reliability & Security
- Administrative Hearings Division
- Consumer Services Section

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November 4, 2015

Public Utility Commission of Oregon
Attn: Filing Center
201 High St SE
PO Box 1088
Salem OR 97308-1088

RE: RG-___, Cascade Natural Gas Corporation's Responses to HB 2599

Cascade Natural Gas Corporation (Cascade or Company) files the following comments which constitute the report the Company is required to submit per House Bill 2599 (HB 2599).

Below in bold text are the sections of HB 2599 followed by the Company's responses.

(2) Each utility that provides electric or natural gas service to residential customers shall prepare a report on the utility's processes that mitigate, for nonpayment of a delinquent account), the termination of electric or natural gas service to a residential customer belonging to a protected class if the termination would occur:

- (a) During the heating season;**
- (b) On any date for which the National Weather Service forecasts that the temperature of a location both within this state and the service territory of the utility will exceed 100 degrees Fahrenheit for a period of 12 or more hours; or**
- (c) On any date for which the National Weather Service forecasts that the temperature of a location both within this state and the service territory of the utility will be less than 32 degrees Fahrenheit for period of 12 hours or more.**

In compliance with ORS 757.325, the Company does not provide undue preference or advantage to any subcategory of customer that it is not specifically identified in laws governing the provision of utility service. ORS 757.315(3) allows a natural gas utility to recognize residential low income customers for the purpose of offering bill payment assistance, and OAR 860-021-0410 allows the Company to offer more leniency when the nonpaying customer has submitted a qualifying certificate verifying a life endangering medical condition. Besides these two examples, the Company does not have the authority to subcategorize customers for the purpose of providing different or advantaged service. As such, the Company does not track or have special offerings for senior citizens, active duty members of the Armed Forces of the United States, customers with household members under the age of 12 month, or a

customer whose household was supported by a member who either lost his/her job in the past six month or who died in the past six months.¹

It is not in the Company's best interest to either have nonpaying customers or to disconnect customers. To prevent residential customers from being disconnected for nonpayment, the Company offers the following programs and assistance:

- In compliance with Chapter 860, Division 021 of Oregon Administrative Rules (OAR), the Company carries the cost of the natural gas service used by the customer for a billing cycle of approximately 30 days.² The bill is issued with a due date that is at least 15 days later.³ If payment is not received, the Company notifies the customer no less than three times prior to disconnecting for nonpayment.⁴ By this time, the Company has been extending credit for service for no less than 60 days.
- The Company tries to make it easy for customers to pay their bills by allowing numerous payment channels including mail, the Company's Customer Service Center, its webpage (CNGC.com), and pay stations (local businesses that process payments for the Company).
- Customers in good standing with the Company are encouraged to enroll in the equal pay plan which levelizes payments over twelve months. This tool can be used to budget money throughout the year so that higher heating bills do not become unmanageable.⁵
- A customer who has fallen behind on his/her payments may call the Company's Customer Service Center and agree to a time payment plan which allows the customer to pay his/her current amount due plus his/her arrearage over time.⁶
- As mentioned above and in accordance with OAR 860-021-0410, the Company offers leniency and time payment plans to residential customers who are able to provide documentation demonstrating that loss of service would significantly endanger the health of a member of the household.
- When an account servicing tenants who are not the customer of record is subject to disconnection for nonpayment, the Company provides a five-day disconnect notice to the tenants.⁷
- The Company does not disconnect for nonpayment on Fridays, Holidays or weekends.⁸
- Qualifying low income customers may apply with community action agencies in the Company's service territory to receive low income bill payment assistance funded by any of the following

¹ This is the description of a "Residential customer belonging to a protected class" as defined in HB 2599 (1)(b)

² OAR 860-021-0120

³ OAR 860-021-0125

⁴ OAR 860-021-0405

⁵ OAR 860-021-0414

⁶ OAR 860-021-0415

⁷ OAR 860-021-0326

⁸ OAR 860-021-0320.

three programs: Low Income Home Energy Assistance Program (LIHEAP), Oregon Low Income Energy Assistance (OLIEC), and Winter Help (WH).⁹

- Rebates for installing qualifying energy efficiency measures are available to all residential customers through the Energy Trust of Oregon. Qualifying low income customers may receive whole home weatherization for no direct cost under the Company's Oregon Low Income Energy Conservation (OLIEC) program.¹⁰ The Company values weatherization as a long term solution to high heating bills.

In response to HB 2599(2)(a), the programs and services described above are not seasonal; they are offered throughout the year.

In response to HB 2599(2)(b), natural gas is primarily a heating fuel but is also used for a few baseline appliances such as water heaters and stove tops. Given how natural gas is used, hot weather events do not create spikes in gas usage.

In response to HB 2599(2)(c), the Company curtails any disconnection for nonpayment of accounts during cold weather periods where the temperatures are forecast to fall below freezing during the next 24 hours.

If you have any questions about this filing, please contact Jennifer Gross at (509)734-4465.

Sincerely,



Michael Parvinen
Director, Regulatory Affairs

⁹ LIHEAP is Federally funded; OLIEC is a rate payer funded program; And Winter Help is donation based.

¹⁰ OLIEC is offered in accordance with Schedule 33 and the rebate conservation program is offered under Schedule 34.