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November 17, 2020

Oregon Public Utility Commission
201 High Street SE, Suite 100
Salem, OR 97301-3398

Attn: Records Center

Re: RG-6 Cascade Natural Gas Corporation Oregon Low-Income Bill Assistance Program
(OLIBA) Annual Report Program Year 2019-2020

In compliance with the terms established in Cascade Natural Gas Corporation's (Company) Tariff Schedule 32, "Oregon Low Income Bill Assistance Program", the Company herewith files its OLIBA Annual Report for the 2019-2020 program year.

Please contact me at (509) 734-4593 with any questions.

Sincerely,

/s/ Michael Parvinen

Michael Parvinen
Director, Regulatory Affairs
Cascade Natural Gas Corporation
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Kennewick, WA 99336-7166
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Attachment

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CASCADE NATURAL GAS CORPORATION
Oregon Low Income Bill Assistance Program Annual Report
2019-2020 Program Year

History

Cascade Natural Gas Corporation's (Cascade's or the Company's) Oregon Low Income Bill Assistance (OLIBA) program was first implemented in May 2006 with the Public Utility Commission of Oregon (OPUC) approval of the Company's Schedule 31, "Public Purposes Funding" (now called the "Public Purpose Charge").

The Oregon Low-Income Bill Assistance (OLIBA) program was designed to supplement the Federal Low-Income Energy Assistance Program (LIHEAP) by providing additional financial assistance to income-eligible households in Cascade's service territory. When the Public Purpose Charge was established, 0.29 percent of Oregon residential and commercial gross billing revenues were dedicated to the program. The percentage is updated annually to meet the requirements of programs funded by the Public Purpose Charge. At the beginning of this program year, Cascade's low-income program had a positive balance which was refunded to customers at a rate of 0.005% of all core customers' billing revenues.

Program Results

Since the inception of the program in May 2006, a total of 2945 energy assistance pledges have been provided totaling \$778,761 in direct payments to residential customers. During the 2019-2020 Program Year, the Community Action agencies (CAAs or Agencies) in Cascade's service territory distributed \$44,458 of OLIBA funds to 126 households.

2019-2020 Program Year Results

The 2019-2020 Program Year marks the 14th full year of the OLIBA program. Public Purpose Charge collections for OLIBA funding this Program Year totaled \$30,160. With a carryover balance of \$7,049, total program funding was \$37,209. \$7,288 was used to pay Agencies' costs for program administration. \$44,458 was credited to 126 customers at an average pledge of \$353. Pledge spending was allowed to exceed the funding level in response to the needs of our customers during the COVID-19 pandemic and because the account is a deferral account which provides a simple method of recovery.

Table 1 below provides statistics on the program's performance on a month by month basis.

2019-2020 OLIBA					
Q4 2019	Recipients	Dollars Distributed	Payments to Agencies	Total	Average Pledge
Oct	5	\$ 1,760.00	\$ 440.40	\$ 2,200.40	\$ 352.00
Nov	6	\$ 2,092.97	\$ 352.00	\$ 2,444.97	\$ 348.83
Dec	6	\$ 2,030.00	\$ 482.00	\$ 2,512.00	\$ 338.33
Q4	17	\$ 5,882.97	\$ 1,274.40	\$ 7,157.37	\$ 346.06
Q1 2020					
Jan	2	\$ 603.00	\$ 406.00	\$ 1,009.00	\$ 301.50
Feb	9	\$ 2,476.00	\$ 120.60	\$ 2,596.60	\$ 275.11
March	7	\$ 3,040.00	\$ -	\$ 3,040.00	\$ 434.29
Q1	18	\$ 6,119.00	\$ 526.60	\$ 6,645.60	\$ 339.94
Q2 2020					
April	13	\$ 4,085.00	\$ 1,103.20	\$ 5,188.20	\$ 314.23
May	9	\$ 3,943.00	\$ 817.00	\$ 4,760.00	\$ 438.11
June	6	\$ 2,580.00	\$ 788.60	\$ 3,368.60	\$ 430.00
Q2	28	\$ 10,608.00	\$ 2,708.80	\$ 13,316.80	\$ 378.86
Q3 2020					
July	14	\$ 5,260.00	\$ 516.00	\$ 5,776.00	\$ 375.71
Aug	20	\$ 8,140.00	\$ 1,052.00	\$ 9,192.00	\$ 407.00
Sept	29	\$ 8,448.16	\$ 1,210.00	\$ 9,658.16	\$ 291.32
Q3	63	\$ 21,848.16	\$ 2,778.00	\$ 24,626.16	\$ 346.80
Season Totals	126	\$ 44,458.13	\$ 7,287.80	\$ 51,745.93	\$ 352.84

Table 2 summarizes the results for the life of the OLIBA program as well as for the 2019-2020 Program Year. Additional historical Program Year summaries can be found in annual reports for prior Program Years filed in RG-6.

2019-2020 OLIBA		
Table 2		
	Program Life	2019-2020
No. Customers Served	2945	126
Average Pledge	\$ 264.43	\$ 352.84
Revenues:		
Balance from Prior Year	\$ -	\$ 7,049
Program Year Revenues	\$ 850,209	\$ 30,160
Accrued Interest	\$ 42,332	\$ -
Total Available Funds	\$ 892,541	\$ 37,209
Payments to Agencies:		
To Customers	\$ 778,761	\$ 44,458
To Agencies	\$ 130,016	\$ 7,288
Total Payments	\$ 908,777	\$ 51,746
Ending Balance in OLIBA Account	\$ -	
% Available Funds Used		
Payments to Customers	87%	119%
Payments to Agencies	15%	20%
Total	102%	139%

OLIBA Funding to Agencies

Cascade has discontinued the practice of allocating monthly OLIBA funding to Agencies. We have replaced this practice with making the full balance available to all Agencies at the first of each month to use as need demands. Because the fund is deferred, all pledges submitted for qualifying customers will be honored and the collection rate will be adjusted at the end of the program year should spending exceed the available funding level.

Payment Process

Cascade uses a cashless voucher payment system where OLIBA allocations to Agencies and grants made to customers are made without a transfer of actual cash between the Company and Agencies. This process has proven to be efficient for all participants. Cascade believes that this process ensures customers receive their assistance payments in a timely manner.

Agency Coordination

The Company believes the program is working well. We coordinate with the Agencies quarterly via teleconference to ensure that any new issues needing consideration or resolution are given a proper forum. Issues we discuss include timely processing of customer pledges, adherence to program guidelines, OLIBA funding, and reaching applicable customers.