

In the Community to Serve[®]

8113 W. GRANDRIDGE BLVD., KENNEWICK, WASHINGTON 99336-7166 TELEPHONE 509-734-4500 FACSIMILE 509-737-7166 www.cngc.com

September 18, 2019

Oregon Public Utility Commission P.O. Box 1088 Salem, OR 97308-1088

Re: UG 347-Advice No. CNG/O19-09-02 Revision to Schedule 198

Cascade Natural Gas Corporation ("Cascade") herewith submits the following revisions to its Tariff P.U.C. OR. No. 10, stated to become effective with service on and after November 1, 2019:

First Revision of Sheet No. 198.1

The incorrect unprotected excess deferred income tax amount was initially amortized over five years and this amortized amount has been revised in this filing. The resulting rates from this amortization have been recalculated in this filing to comply with the Order in Docket UG 347.

Attached is an application for waiver from the required thirty-day statutory notice. The application requests that the changes made be effective on October 11, 2019.

If you have any questions about these proposed changes, feel free to call me at (509)-734-4593.

Sincerely,

Michael Parvinen

Director, Regulatory Affairs

Cascade Natural Gas Corporation

8113 W. Grandridge Blvd.

Kennewick, WA 99336-7166

michael.parvinen@cngc.com

Attachment

In the Community to Serve

LESS THAN STATUTORY NOTICE APPLICATION

This document may be electronically filed by sending it as an attachment to an electronic mail message addressed to the Commission's Filing Center at puc.filingcenter@state.or.us.

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IN THE MATTER OF THE APPLICATION OF) UTILITY L.S.N. APPLICATION											
Cascade Natural Gas Corporation) NO.											
(UTILITY COMPANY)) (LEAVE BLANK)											
TO WAIVE STATUTORY NOTICE.).											
NOTE: ATTACH EXHIBIT IF SPACE IS INSUFFICIENT.												
GENERAL DESCRIPTION OF THE PROPOSED SCHEDULE(ALL RATES, TOLLS AND CHARGES FOR SERVICE AND ALL Cascade Natural Gas is revising Schedule 198, Unprotecte were inadvertently calculated incorrectly. The corrected rate	. RULES AND REGULATIONS AFFECTING d Excess Deferred Income Tax (EDIT),	THE SAME) to correct rates that										
2. APPLICANT DESIRES TO CHANGE THE SCHEDULE(S) NOW ON FILE KNOWN AND DESIGNATED AS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE, AND ITEM) Original Sheet No. 198.1												
3. THE PROPOSED SCHEDULE(S) SHALL BE AS FOLLOWS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE AND ITEM) First Revision of Sheet No. 198.1												
4. REASONS FOR REQUESTING A WAIVER OF STATUTORY NOTICE: Cascade requests a waiver to allow the changes to become effective on October 11, 2019 with the correct, updated rates.												
5. REQUESTED EFFECTIVE DATE OF THE NEW SCHEDULE(S) OR CHANGE(S): October 11, 2019												
. AUTHORIZED SIGNATURE	TITLE	DATE										
Makelle	Director, Regulatory Affairs	9/18/19										
PUC USE ONLY												
☐ APPROVED ☐ DENIED	EFFECTIVE DATE OF APPROVED SCHE	EDULE(S) OR CHANGE										
AUTHORIZED SIGNATURE		DATE										

P.U.C. OR. No. 10

SCHEDULE 198 UNPROTECTED EXCESS DEFERRED INCOME TAX (EDIT) RATE ADJUSTMENT SCHEDULE

APPLICABLE

This adjustment is applicable to customers served on Schedules 101, 104, 105, 111, 163, and 170.

PURPOSE

The Tax Cut and Jobs Act (the Act), signed into law by President Trump on December 22, 2017, reduced the federal corporate income tax rate from 35% to 21% effective for tax years beginning after December 31, 2017. This rate adjustment schedule annually returns to customers the unprotected excess deferred income tax (EDIT) amortizations in accordance with the terms and conditions established in the Settlement Agreement filed in UG-347.

RATE

This following adjustment rate will apply on a per therm basis for each rate schedule as listed in the table below:

Rate Schedule	Per Therm Charge
101	(\$0.007203)
104	(\$0.004624)
105	(\$0.003587)
111	(\$0.002755)
163	(\$0.001140)
170	(\$0.002044)

(R) | | | | | | |

TERM

This rate schedule adjustment shall be effective for a term of five years, ending March 31, 2024.

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule No. 100 Municipal Exactions.

GENERAL TERMS

Service under this schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this schedule apply to service under this schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

Canceling

P.U.C. OR. No. 10 Original Sheet No. 198.1

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SCHEDULE 198 UNPROTECTED EXCESS DEFERRED INCOME TAX (EDIT) RATE ADJUSTMENT SCHEDULE

APPLICABLE

This adjustment is applicable to customers served on Schedules 101, 104, 105, 111, 163, and 170.

PURPOSE

The Tax Cut and Jobs Act (the Act), signed into law by President Trump on December 22, 2017, reduced the federal corporate income tax rate from 35% to 21% effective for tax years beginning after December 31, 2017. This rate adjustment schedule annually returns to customers the unprotected excess deferred income tax (EDIT) amortizations in accordance with the terms and conditions established in the Settlement Agreement filed in UG-347.

RATE

This following adjustment rate will apply on a per therm basis for each rate schedule as listed in the table below:

Rate Schedule	Per Therm Charge
101	(\$0.00 1441 7203)
104	(\$0.00 0925 4624)
105	(\$0.00 0717 <u>3587</u>)
111	(\$0.00 0551 2755)
163	(\$0.00 0228 <u>1140</u>)
170	(\$0.00 0409 2044)

TERM

This rate schedule adjustment shall be effective for a term of five years, ending March 31, 2024.

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule No. 100 Municipal Exactions.

GENERAL TERMS

Service under this schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this schedule apply to service under this schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

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EDIT

									\$ (2,511,655.00)				
	Pro Forma Test Year Revenues			Proposed R	Differen		Average Monthly therms	5	5-Years Amortization				
Customer Class		Present Rate	Revenue	Proposed Rates	Revenue	\$ Amount	% Amount		\$ (502,331.00)				
Residential - 101													
Basic Service Charge	749,913	\$4.00	\$ 2,999,652	\$5.00	\$ 3,749,565	\$ 749,913	25.0000%						
Delivery Charge	42,977,440	\$0.36407		\$0.36997			1.6200%		EDIT Rate	EDIT Refund	Current Rate	Proposed Rate	
Rounding Difference	,,	*******		, , , ,	,,	\$ -							
Total 101 Revenue		-	\$ 18,646,449	\$ 1,003,391	\$ 19,649,840	\$ 1,003,391	5.3811%	57	\$ (0.007203)	(309,570.42)	\$42.29	\$43.53	2.949
Commercial - 104													
Basic Service Charge	120,377	\$4.00	\$ 481,508	\$10.00	\$ 1,203,770	\$ 722.262	150.0000%						
=	30,286,424	\$0.26263		\$0.25377									
Delivery Charge Rounding Difference	30,200,424	\$0.20203	7,954,124	ŞU.23377	\$ 7,000,790	\$ (200,329)	-3.3/3376						
Total 104 Revenue		-	\$ 8,435,632	\$ 453,933	\$ 8,889,565	\$ 453,933	5.3811%	252	\$ (0.0046242)) (140,049.30)	\$146.35	\$149.83	2.389
Total 104 Revenue		=	5 8,435,632	\$ 453,933	\$ 8,889,565	\$ 453,933	5.3811%	252	\$ (0.0046242)	(140,049.30)	\$146.35	\$149.83	2.387
Industrial - 105													
Basic Service Charge	1,776	\$12.00	\$ 21,312	\$30.00	\$ 53,280	\$ 31,968	150.0000%						
Delivery Charge	2,037,630	\$0.20557	\$ 418,876	\$0.22582	\$ 460,131	\$ 41,255	9.8491%						
Rounding Difference													
Total 105 Revenue			\$ 440,188	\$ 73,223	\$ 513,411	\$ 73,223	16.6346%	1,147	\$ (0.0035865)	(7,308.04)	\$615.76	\$655.92	6.52%
Large Volume - 111								1					
Basic Service Charge	216	\$0.00	\$ -	\$125.00	\$ 27,000	\$ 27,000							
Delivery Charge	1,629,956	\$0.16592		\$0.15828			-4.6025%						
Rounding Difference	1,023,330	Q0.1055L	2,0,1.12	Q0.13020	Ų 257,555	\$ (12,117)	11002370						
Total 111 Revenue		- :	\$ 270,442	\$ 14,553	\$ 284,995	\$ 14,553	5.3811%	7,546	\$ (0.0027546)	(4,489.91)	\$3,671.81	\$3,733.40	1.68%
		-					-	-					
General Distribution - 163													
Basic Service Charge	384	\$500.00	\$ 192,000	\$625.00			25.0000%	\$ 1,974,656					
Contract Demand Charge - proposed	1,674,720			\$0.00000		\$ -	n/a	\$ 68,591					
Delivery Charge - first 10,000 therms	3,379,835	\$0.12402		\$0.128328			3.4736%	\$ 2,043,247					
Delivery Charge - next 10,000 therms	2,565,618	\$0.11188	\$ 287,041	\$0.115766	\$ 297,012	\$ 9,971	3.4736%	\$ 1.03					
Delivery Charge - next 30,000 therms	4,423,532	\$0.10512	\$ 465,002	\$0.108771	\$ 481,154	\$ 16,152	3.4736%						
Delivery Charge - next 50,000 therms	4,107,177	\$0.06456	\$ 265,159	\$0.066803	\$ 274,370	\$ 9,210	3.4736%						
Delivery Charge - next 400,000 therms	15,697,119	\$0.03275	\$ 514,081	\$0.033888	\$ 531,938	\$ 17,857	3.4736%						
Delivery Charge - next 500,000 therms	1,379,242	\$0.01755	\$ 24,206	\$0.018160	\$ 25,047	\$ 841	3.4736%						
Delivery Charge - over 1,000,000 therms	-	\$0.01755		\$0.018160	\$ -	\$ -							
Rounding Difference		_				\$ -							
Total 163 Revenue	31,552,523.72		\$ 2,166,656	\$ 116,591	\$ 2,283,247	\$ 116,591	5.3811%	82168	\$ (0.0011400)) (35,971.06)	\$8,138.17	\$8,490.66	4.33%
Interruptible - 170													
Basic Service Charge	48	\$0.00	\$ -	\$300.00	\$ 14,400	\$ 14,400	n/a						
Delivery Charge	2,418,468	\$0.12309	\$ 297,689	\$0.12376	\$ 299,308	\$ 1,619	0.5439%						
Rounding Difference			,			\$ -							
Total 170 Revenue		3	\$ 297,689	\$ 16,019	\$ 313,708	\$ 16,019	5.3811%	50385	\$ (0.0020436)	(4,942.27)	\$22,358.43	\$22,660.95	1.359
* Delivery Charge units are in therms				1				J ———		(502,331.00)			
, ,			\$ 30,257,055		\$ 31,934,765	\$ 1,677,710				-			
			50,257,055		- 31,334,703	- 1,0,7,710		_					