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June 9, 2017

Oregon Public Utility Commission 201 High St SE, Suite 100 P.O. Box 1088 Salem, OR 97308-1088

Re: Advice No. CNG/O17-06-01 Housekeeping Filing

Cascade Natural Gas Corporation (Cascade or the Company) files herewith the following revisions to its Tariff P.U.C. Or. No. 10, stated to become effective with service on and after July 12, 2017

Third Revision of Sheet No. iii First Revision of Sheet No. 9.2 First Revision of Sheet No. 10.1 First Revision of Sheet No. 197.1 First Revision of Sheet No. 800.1

The purpose of this housekeeping filing is to fix a couple errors and add clarifying language. The changes by tariff sheet are described below:

<u>Sheet No. iii</u> – The index is revised to remove the reference to Schedule 112, Compressed Natural Gas Service. This Schedule and the corresponding reference in the index were removed in Advice No. 017-03-01 which became effective May 1, 2017. The reference was erroneously reintroduced in Advice No. 017-04-01, approved by the Commission per Order No. 17-195. Schedule 197, Environmental Remediation Cost Adjustment, a new adjustment schedule per the Company's last rate case (UG-305) is also added.

<u>Sheet Nos. 9.2 and 10.1</u> – Clarifying language on the timing and limitation of the construction of main or line extensions is added to both Rule 9, Service Line Installations and Rule 10, Main Installations. The Company will begin building a service line as soon as possible but is not responsible for delays related to weather, permitting, or receiving necessary information or payment from the new customer.

<u>Sheet No. 197.1</u> – The Applicable section is revised to include Schedule 800, Biomethane Receipt Services, a new schedule that became effective June 1, 2017.

<u>Sheet No. 800.1</u> – The Monthly Charges section is revised to add Schedule 197, Environmental Remediation Cost Adjustment. The applicability of Schedule 197 charges was inadvertently kept off of the initial filing of Schedule 800. The Schedule 192 adder was misstated and is also corrected.

If you have any questions, please call Jennifer Gross at (509) 734-4635.

Sincerely,

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Michael Parvinen Director, Regulatory Affairs

Attachment

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RATE SCHEDULES (continued)

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201	Special Contracts	

RATE ADJUSTMENTS

<u>Schedule</u>	Title	Page
177	Purchased Gas Adjustment	
191	Temporary Rate Addition	
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193	Conservation Alliance Plan Adjustment	
196	UM 903 Oregon Earnings Sharing	
197	Environmental Remediation Cost Adjustment	

OTHER CHARGES

<u>Schedule</u>	Title	Page
200	Various Miscellaneous Charges	200.1

OPTIONAL SERVICES

<u>Schedule</u>	<u>Title</u>	
800	Biomethane Receipt Services	

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P.U.C. OR. No. 10

RULE 9 SERVICE LINE INSTALLATIONS

SERVICE INSTALLATIONS (continued)

If the Company provides additional free footage of service line, beyond the initial 40 feet, based upon gas appliances identified above, Customer shall be required to sign a Customer Commitment Contract. If the customer fails to install any or all of the gas appliances which provided additional free footage and fails to commence gas usage within 60 days from the date that the service line is installed, the Company shall bill the customer for the cost per foot of such additional footage, including 20.33% to compensate for the cost resulting from customer provided construction funds. If requested by the Company, the customer shall provide the Company with a copy of the installation invoice to verify the installation of the gas appliances. In the absence of installation documentation, the customer shall allow reasonable access to customer's premises for the verification of the installation of those appliances, upon the Company's request. If, subsequent to paying for such costs, the customer installs the agreed upon appliances and commences gas usage within five years from the date the extended facilities were installed, the costs paid to the Company by the customer associated with each installed agreed upon appliance shall be refunded without interest.

The Company will commence construction as soon as is reasonably practical, but the Company is not liable for delays due weather conditions, the Company's ability to obtain all necessary easements, permits, and government approvals, or delay in receiving all necessary commitments from the customer.

The Company shall not be required to relocate an existing service line at no cost to customer where such relocation is to be made for the convenience of the customer.

The customer will indemnify and hold the Company harmless from claim, etc., for trespassing or injury to building and property crossed by the installation of the service line except upon negligence of Company personnel.

EXCESS FLOW VALVES

An Excess Flow Valve is available as an added safety feature in the event that the service line is suddenly severed. At the customer's request, the Company will install an Excess Flow Valve for the fees established in Schedule 200.

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P.U.C. OR. No. 10

RULE 10 MAIN INSTALLATIONS

MAIN EXTENSIONS

The Company will furnish an extension of its distribution main system free of charge to provide firm natural gas service to any applicant for such service located beyond the existing main system up to an estimated cost of construction to provide such service equal to four and one-half (4-1/2) times the estimated gross annual revenue less cost of gas to be derived therefrom.

The Company will commence construction as soon as is reasonably practical, but the Company is not liable for delays due weather conditions, the Company's ability to obtain all necessary easements, permits, and government approvals, or delay in receiving all necessary commitments from the customer.

The Company may require a customer to sign a Customer Commitment Contract prior to the installation of a main extension. If the Company provides a main extension and the customer fails to install any or all of the gas appliances which were included in the extension analysis and fails to commence gas usage within 6 (six) months from the date of the Customer Commitment Contract, the Company shall bill the customer for the costs and expenses associated with its extension of the distribution main, including 20.33% to compensate for the cost resulting from customer provided construction funds, based upon the feasibility of the extension with the actually installed appliances. If requested by the Company, the customer shall provide the Company with a copy of the installation invoice to verify the installation of the gas appliances. In the absence of installation documentation, the customer shall allow reasonable access to customer's premise for the verification of installation of those appliances, upon the Company's request. If, subsequent to paying for such costs, the customer installs the agreed upon appliances and commences gas usage within five years from the date of the Customer Commitment Contract, the costs of the distribution facilities paid to the Company by the customer associated with each installed agreed upon appliance shall be refunded without interest.

The Company may deny any extension if conditions relative to the extension indicate that such service will not be of such permanence as to warrant the expenditure required. The Company may require from the applicant(s) the advance of funds, including 20.33% to compensate for the cost resulting from customer provided construction funds, which may be required in excess of the free allowance; such advance subject to refund without interest on the following basis:

 An amount equal to four and one-half (4-1/2) times the estimated annual gross margin (gross revenue less cost of gas) to be derived from each additional customer, in excess of the number of customers on which the advance was predicated, whose service line is connected directly to the main extension upon which the advance was made. Such refund shall be granted within thirty (30) days of setting of a meter for such additional customer or customers.

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P.U.C. OR. No. 10

SCHEDULE 197 ENVIRONMENTAL REMEDIATION COST ADJUSTMENT

APPLICABLE

This adjustment is applicable to customers served on Schedule 101, 104, 105, 111, 163, 170, and 800.

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PURPOSE

This schedule recovers environmental remediation costs for a former manufactured gas plant in Eugene, Oregon. The Company is authorized per Order No. 16-477 to recover \$162,000 over a three-year period of time.

<u>RATE</u>

The following rate shall be applied to all applicable customers on an equal cents per therm basis:

\$0.000514 per therm

LIMITATION

This temporary rate addition shall remain in effect until cancelled pursuant to order of the Oregon Public Utility Commission.

SPECIAL TERMS AND CONDITIONS

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.

Schedule 800 Biomethane Receipt Services

PURPOSE:

This Schedule establishes terms and conditions whereby qualifying producers of biomethane (Biomethane Producer) may request either a newly constructed interconnection to the Company's distribution system or increased capacity at an existing interconnection point for the purpose of injecting qualifying biomethane on the Company's distribution system.

APPLICABILITY:

Service under this Schedule is available to Biomethane Producers who meet all of the following conditions:

- 1) The Biomethane Producer must meet the following credit screening criteria as established for nonresidential customers in Rule 2;
- 2) The raw biogas from which the biomethane is produced must be from one or a mix of the following feedstocks: a) agricultural byproducts; b) wastewater; c) landfill waste; or d) food and beverage waste;
- 3) The Company, in its sole opinion, has determined that injection of biomethane will not jeopardize or interfere with normal operation of the Company's distribution system and its provision of gas service to its customers;
- 4) Prior to the Company's building an interconnection, the Biomethane Producer must demonstrate to the satisfaction of Company that it has secured end user(s) that are Company's customers who agree to purchase all the estimated biomethane production; and
- 5) The Biomethane Producer must comply with all terms and conditions preceding biomethane receipt services as established herein, including:
 - a. Paying all costs for the Interconnection Capacity Study and the Engineering Study as well as all interconnect costs; and
 - b. Executing a Biomethane Receipt Services Agreement for ongoing receipt services under this Schedule.

MONTHLY CHARGES

A Biomethane Producer receiving service under this Schedule shall receive the following monthly charges:

Blocks	By Therms	Base Rate	Odorant	Sch. 192	Sch. 197	Billing Rate
First	10,000	\$0.12402	\$0.0002125	\$0.00131	\$0.000514	\$0.126057
Next	10,000	\$0.11188	\$0.0002125	\$0.00131	\$0.000514	\$0.113917
Next	30,000	\$0.10512	\$0.0002125	\$0.00131	\$0.000514	\$0.107157
Next	50,000	\$0.06456	\$0.0002125	\$0.00131	\$0.000514	\$0.066597
Next	400,000	\$0.03275	\$0.0002125	\$0.00131	\$0.000514	\$0.034787
Over	500,000	\$0.01755	\$0.0002125	\$0.00131	\$0.000514	\$0.019587

Basic Service Charge \$2,500.00

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