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February 1, 2022

**CNG/O22-02-01**

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

Re: Schedule 35 - Temporary COVID-19 Residential Bill Assistance Program Surcharge Revision

Cascade Natural Gas Corporation ("Cascade" or "Company") submits the following revisions to its Tariff P.U.C. Or. No. 10, stated to become effective with service on and after March 3, 2022:

**First Revision of Sheet No. 35.1**

**First Revision of Sheet No. 35.2**

### **Background**

On April 30, 2021, Cascade filed ADV 1246 related to its temporary COVID-19 Residential Bill Assistance ("Big HEART") Program in response to Governor Kate Brown's declared state of emergency due to the public health threat posed by the novel infectious coronavirus on March 8, 2020, and the Oregon Public Utility Commission's ("Commission") Stipulation approved in Order No. 20-401.

On January 1, 2022, Oregon House Bill 2475 ("HB 2475") became effective. The bill expanded language under ORS 757.230 to include additional factors the Commission may consider when establishing rate classifications such as the "differential energy burdens on low-income customers and other economic, social equality or environmental justice factors that affect affordability for certain classes of utility customers."<sup>1</sup> In response to HB 2475, Cascade is currently evaluating a new energy burden discount program ("EBDP") proposal that addresses HB 2475 and will result in additional filings with the Commission in 2022.

In order to perform the analysis, implement, and engage with the appropriate stakeholders who have a shared interest in the efficacy of an EBDP, Cascade is proposing a number of interim revisions to its Big HEART program that provide increased resources available to aid customers most in need of billing assistance, reduces barriers to such customer assistance, and provides a bridge until the EBDP is implemented.

### **Big HEART Funding**

As outlined in the Stipulation, the Big HEART funding is equal to one percent (1%) of the Company's Oregon retail revenues, which was \$707,517, not to be increased without prior Commission approval, as determined by the Company's recent general rate case in Docket UG 390.

Cascade is proposing to revise the current temporary funding target by increasing it by a half a percent (0.5%) to a total of one and a half percent (1.5%) of Cascade's UG 390 retail revenues, which is \$1,061,276. The

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<sup>1</sup> ORS 757.230(2)

proposed increase will be applied to all Cascade customers in Oregon in a future proceeding. The costs associated with this program are currently being deferred by the Company pursuant to Order No. 20-379 in Docket UM 2072.

### **Big HEART Revisions**

In addition to the Company's proposed funding increase to the Big Heart program, Cascade also proposes the following tariff revisions: 1) increase the customer outstanding past due balance eligible for assistance under Big HEART from \$1,500 to \$2,500; 2) allow all outstanding balances to be eligible; 3) remove language limiting Big HEART benefits from being a one-time benefit thus allowing multiple opportunities for assistance up to the program limit; 4) remove barrier language in the tariff requiring customers to express financial hardship due to COVID-19 and allow for declarations of such hardship without a specified reason; and 5) remove the previous sunset date for Big HEART, which was originally set for September 30, 2022, and allow the program termination date to be open-ended until the revised spending limit is reached, or the Commission closes the program, whichever occurs first.

### **Estimated Big HEART Bill Impacts**

The estimated monthly bill impacts to all Cascade customer classes receiving natural gas services in the State of Oregon, to be submitted in a future filing, are below:

Customer Class	Schedule	Average Therms Per Month	Monthly Charge	Per therm Rate	Average Monthly Bill w/o 1.5%	Bill Impact @ 1.5%	Bill Impact @ 1% (Advice No. 021-04-01)	Difference
Residential	101	60	\$6.00	\$0.768600	\$52.12	\$0.78	\$0.52	\$0.26
Commercial	104	252	\$12.00	\$0.648230	\$175.35	\$2.63	\$1.75	\$0.88
Industrial	105	1,693	\$35.00	\$0.627330	\$1,097.07	\$16.46	\$10.97	\$5.49
Large Volume General	111	13,025	\$144.00	\$0.547030	\$7,269.07	\$109.04	\$72.69	\$36.35
Interruptible	163				\$5,671.03	\$85.07	\$56.71	\$28.36
Industrial Interruptible	170	53,459	\$300.00	\$0.510370	\$27,583.87	\$413.76	\$275.84	\$137.92

\*Sch 163 Interruptible Service bill impacts based on total class revenues and customers

### **Work Papers**

The electronic file "CNGC Advice No. 022-02-01 Attachments 02.01.22.xlsx" has the following tab names:

- Attachment No. 1 – This attachment calculates the bill impact for each customer class.
- Attachment No. 2 – This attachment presents demand and customer forecasts.
- Attachment No. 3 – This attachment calculates the average bill of customers on Sch. 163.

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

# CASCADE NATURAL GAS CORPORATION

P.U.C. OR. No. 10

First Revision of Sheet 35.1

Canceling

Original Sheet 35.1

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## Schedule 35 TEMPORARY COVID-19 RESIDENTIAL BILL ASSISTANCE PROGRAM

### PURPOSE:

Implement a temporary residential bill assistance program (“Big HEART grant” or “program”) to help with financial hardship due to the COVID-19 pandemic, as required by Commission Order No. 20-401. The Big HEART grant is intended to help alleviate bad debt accumulation on customer accounts.

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### AVAILABILITY:

Applies to any customer receiving natural gas service for domestic purposes under the Company’s Rate Schedule 101, general residential service, within the Company’s service territory and who has a household income up to 300 percent (300%) of the Federal Poverty Level (“FPL”).

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Eligible customers may receive a Big HEART grant by calling Cascade’s Customer Service at (888) 522-1130 during business hours (Monday – Friday, 7:30 A.M. – 6:30 P.M.); or by reaching out to their local Community Action Agency (“CAA”).

### BIG HEART GRANT:

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#### 1. Automatic Hardship Grant

Customers with a documented history of low-income program eligibility in which the customer has received energy assistance within the previous 24 months will automatically receive a Big HEART grant equal to the amount of their outstanding past due balance, not to exceed \$2,500 and not to result in an account credit. The Company will administer the Big HEART grants in chronological order from oldest to most recent balance based on eligibility reports starting April 2021 and periodically thereafter.

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#### 2. Financial Hardship Grant

Customers who have not received energy assistance within the past 24 months but express financial hardship to Cascade, either verbally or in written form, may qualify for the Big HEART grant. Cascade will work with customer to determine which payments or arrangements can be made before a grant credit is provided for the remaining balance. Any payments made by the customer will be deducted from the customer’s account balance to be paid with a Big HEART grant.

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For customers who apply for energy assistance with CAAs and have not received energy assistance within the previous 24 months, but verbally express financial hardship to CAA employees during the application process, CAAs will attempt to qualify the applicant for traditional bill pay assistance (LIHEAP, WEA, OLIBA, and Winter Help) before utilizing the Big HEART grant.

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Whether through Cascade or CAAs, a benefit curve based on household size, monthly income, and account balance will be used to determine the Big HEART grant amount. Monthly income would be provided verbally by the customer where documentation is not required and shall be the combined current income amounts of all adult household members. The grant will be equal to the amount of their outstanding past due balance not to exceed \$2,500 and not to result in an account credit.

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CNG/O22-02-01

Issued February 1, 2022

Effective for Service on and after

March 3, 2022

**Schedule 35**  
**TEMPORARY COVID-19 RESIDENTIAL BILL ASSISTANCE PROGRAM**

**FUNDING:**

Funding to be distributed at one and a half percent (1.5%) of the Company's Oregon retail revenues, not to be increased without prior OPUC approval, as determined by the Company's recent general rate case in Docket UG 390, which the amount is \$1,061,276. Majority of the funding will be to assist customers for bill and debt relief with a portion of the funding used to promote the availability of financial assistance throughout the Company's service area. This outreach may include, but not be limited to, emails, print, and digital advertisements.

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**TERM:**

The Big HEART program, as described above, will be in operation from April 2021 until the Company reaches its spending limit, or until the OPUC closes the program.

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# CASCADE NATURAL GAS CORPORATION

P.U.C. OR. No. 10

First Revision of Sheet 35.1

Canceling

Original Sheet 35.1

## Schedule 35 TEMPORARY COVID-19 RESIDENTIAL BILL ASSISTANCE PROGRAM

### PURPOSE:

Implement a temporary residential bill assistance program (“Big HEART grant” or “program”) to help with financial hardship due to the COVID-19 pandemic, as required by Commission Order No. 20-401. The Big HEART grant is intended to help ~~alleviate prevent~~ bad debt accumulation on customer accounts ~~by identifying, waiving, and managing residential customer arrearages.~~

### AVAILABILITY:

Applies to any customer receiving natural gas service for domestic purposes under the Company’s Rate Schedule 101, general residential service, within the Company’s service territory and who has a household income up to 300 percent (300%) of the Federal Poverty Level (“FPL”).

### ENROLLMENT:

Eligible customers may receive a Big HEART grant by calling Cascade’s Customer Service at (888) 522-1130 during business hours (Monday – Friday, 7:30 A.M. – 6:30 P.M.); or by reaching out to their local Community Action Agency (“CAA”).

### BIG HEART GRANT ASSISTANCE OPTIONS:

#### 1. Automatic Hardship Grant

Customers with a documented history of low-income program eligibility in which the customer has received energy assistance within the previous 24 months will automatically receive a ~~one-time~~ Big HEART grant equal to the amount of their outstanding past due balance, ~~(all past due charges)~~ not to exceed \$~~21~~,500 and not to result in an account credit. The Company will administer the Big HEART grants in chronological order from oldest to most recent balance based on eligibility reports starting April 2021 and periodically thereafter.

#### 2. Financial Hardship Grant

~~For e~~Customers who have not received energy assistance within the past 24 months but express financial hardship ~~due to COVID-19~~ to Cascade, either verbally or in written form, may qualify for the Big HEART grant. Cascade will work with customer to determine which payments or arrangements can be made before a grant credit is provided for the remaining balance. Any payments made by the customer will be deducted from the customer’s account balance to be paid with a Big HEART grant.

For customers who apply for energy assistance with CAAs and have not received energy assistance within the previous 24 months, but verbally expressing express financial hardship ~~due to COVID-19~~ to CAA employees during the application process, ~~-~~CAAs will attempt to qualify the applicant for traditional bill pay assistance (LIHEAP, WEAFF, OLIBA, and Winter Help) before utilizing the Big HEART grant.

Whether through Cascade or CAAs, a benefit curve based on household size, monthly income, and account balance will be used to determine the Big HEART grant amount. Monthly income would be provided verbally by the customer where documentation is not required and shall be the combined current income amounts of all adult household members. The grant will be equal to the amount of their outstanding past due balance ~~(all past due charges)~~ not to exceed \$~~21~~,500 and not to result in an account credit.

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CNG/O21-~~02-01~~2-02-01  
Issued February 19, 2021

Effective for Service on and after  
~~March~~April-3, 2021

CASCADE NATURAL GAS CORPORATION

P.U.C. OR. No. 10

First Revision of Sheet 35.2

Canceling

Original Sheet 35.2

Schedule 35

TEMPORARY COVID-19 RESIDENTIAL BILL ASSISTANCE PROGRAM

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**FUNDING:**

Funding to be distributed ~~at is one~~ and a half percent (1.5%) of the Company's Oregon retail revenues, not to be increased without prior OPUC approval, as determined by the Company's recent general rate case in Docket UG 390, which the amount is ~~\$707,5171,061,276~~. Majority of the funding will be to assist customers for bill and debt relief with a portion of the funding used to promote the availability of financial assistance throughout the Company's service area. This outreach may include, but not be limited to, emails, print, and digital advertisements.

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**TERM:**

The Big HEART program, as described above, will be in operation from April 2021 ~~through September 2022,~~ ~~or~~ until the Company reaches its spending limit, or until the OPUC closes the program. ~~Funding not spent by September 30, 2022, will be used to reduce any remaining residential bad debts starting in chronological order from oldest to most recent balance, then any remaining funds will be rolled into the Company's low-income program.~~

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**ATTACHMENT 1 - ADVICE NO. O22-02-01**

Retail Revenue (UG 390)	CNGOR
Natural Gas Sales	\$65,842,937
Gas Transportation Revenue	\$4,671,057
Other Operating Revenues	\$237,738
Total Retail Revenue	\$70,751,732

TEMPORARY COVID-19 RATE      **1.50%**      \$1,061,276

**BILL IMPACT PER RATE SCHEDULE**

Customer Class	Schedule	Average			Average	Bill Impact	Bill Impact @	Difference
		Therms Per Month	Monthly Charge	Per therm Rate	Monthly Bill w/o 1.5%	@ 1.5%	1% (Advice No. 021-04-01)	
Residential	101	60	\$6.00	\$0.768600	\$52.12	\$0.78	\$0.52	\$0.26
Commercial	104	252	\$12.00	\$0.648230	\$175.35	\$2.63	\$1.75	\$0.88
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Interruptible	163				\$5,671.03	\$85.07	\$56.71	\$28.36
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\*Sch 163 Interruptible Service bill impacts based on total class revenues and customers



**ATTACHMENT 2 - ADVICE NO. O22-02-01**

2021 Demand Forecast							2021 Customer Forecast						
	101	104	105	111	163	170		101	104	105	111	163	170
6/1/2021	2,089,168	1,147,534	110,081	238,223	2,450,306	116,606	1/1/2021	68,953	10,308	152	18	33	3
7/1/2021	1,193,801	807,795	90,221	161,194	2,736,339	87,088	2/1/2021	69,084	10,311	152	18	33	3
8/1/2021	1,119,253	816,946	96,331	170,254	3,038,204	116,866	3/1/2021	69,244	10,323	153	18	33	3
9/1/2021	1,330,429	986,550	135,659	213,183	3,136,791	135,033	4/1/2021	69,336	10,335	153	18	33	3
10/1/2021	2,762,687	1,810,195	256,882	600,808	3,461,365	311,514	5/1/2021	69,362	10,320	153	18	33	3
11/1/2021	5,852,692	3,393,023	472,046	462,676	2,779,914	415,412	6/1/2021	69,359	10,304	153	18	33	3
12/1/2021	8,546,745	5,263,817	502,431	408,345	3,307,601	407,282	7/1/2021	69,398	10,284	153	18	33	3
1/1/2022	8,058,732	4,813,966	402,902	324,368	3,329,900	332,613	8/1/2021	69,459	10,263	153	18	33	3
2/1/2022	6,378,519	3,891,137	330,328	265,820	3,066,909	282,429	9/1/2021	69,453	10,252	153	18	33	3
3/1/2022	4,894,847	3,103,110	264,542	208,394	3,148,512	178,719	10/1/2021	69,855	10,270	154	18	33	3
4/1/2022	3,620,408	2,138,565	198,101	183,504	1,992,084	131,864	11/1/2021	70,202	10,310	154	18	33	3
5/1/2022	2,429,430	1,274,410	130,299	222,376	2,585,544	126,654	12/1/2021	70,566	10,368	155	18	33	3
	48,276,711	29,447,048	2,989,823	3,459,145	35,033,469	2,642,080		834,272	123,650	1,837	216	396	36
	58	238	1,628	16,015	88,468	73,391							

### ATTACHMENT 3 - ADVICE NO. O22-02-01

Schedule 163 revenues

Accounting Year	Accounting Rate Schedule	Total Amount	Customers	Ave Bill
2020	04 CNGOR163	\$ 195,086.67		
2020	05 CNGOR163	\$ 155,547.68		
2020	06 CNGOR163	\$ 173,101.32		
2020	07 CNGOR163	\$ 172,720.35		
2020	08 CNGOR163	\$ 183,319.46		
2020	09 CNGOR163	\$ 187,796.12		
2020	10 CNGOR163	\$ 192,621.45		
2020	11 CNGOR163	\$ 207,560.50		
2020	12 CNGOR163	\$ 182,515.29		
2021	01 CNGOR163	\$ 199,526.72		
2021	02 CNGOR163	\$ 202,173.14		
2021	03 CNGOR163	\$ 193,757.29		
12-month total		\$ 2,245,725.99	396	\$ 5,671.03