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June 29, 2020

Oregon Public Utility Commission
Attn: Filing Center
201 High Street SE, Suite 100
Salem, OR 97301-3612

Re: Advice No. O20-06-01 – Cascade’s Low-Income Assistance Program Tariff Revision

Cascade Natural Gas Corporation (Cascade or Company) submits the following tariff sheet to replace its current tariff sheet and is submitted under Cascade’s Advice No. O20-06-01. This filing includes the following portion of the Company’s P.U.C OR No. 10 tariff for natural gas service.

First Revision of Sheet 32.2

The purpose of this filing is to modify Cascade’s Rule 32, Oregon Low-Income Assistance Program (OLIBA) to incorporate modifications that mitigate the economic impact of the COVID-19 pandemic for Cascade’s customers. The stated effective date of the proposed change is August 1, 2020. As the COVID-19 pandemic’s true economic impacts on customers is not yet known, the Company cannot yet estimate what total amounts will accrue on its low-income assistance deferral balances. The current OLIBA program is administered with deferral authorization and an annual true-up competent. Therefore, additional bill assistance deferrals related to COVID19 support will be included in future program true-ups through the Company’s Public Purpose Charge.

I. Introduction

Cascade’s OLIBA program is funded from revenues collected by its natural gas customers on schedules 101 (residential), 104 (firm commercial), 105 (general industrial), 111 (large volume), and 170 (interruptible service). The revenues are included in the Company’s Public Purpose Charge which applies a charge to utility bills equal to a percentage of customers' total charges for gas service. The current charge is equal to 4.928% for the 2020 calendar year. At the time of this filing, most of the Public Purpose Charge collections fund natural gas energy efficiency programs offered by Energy Trust of Oregon (Energy Trust) to sales customers in Cascade’s Oregon service areas, as well as to the Company’s low-income programs for its Oregon customers. The low-income programs include the OLIBA program, the Oregon Low Income Energy Conservation (OLIEC) program, and the Conservation Achievement Tariff (CAT) program.

OLIBA funds collected under the designated schedule rates are administered and delivered to qualifying residential customers through agreements established with Community Action

Agencies (Agencies) that serve Oregon counties in Cascade's authorized service areas. The funds are distributed by Agencies in a manner similar to the Federal and State-sponsored Low Home Energy Assistance Program (LIHEAP).

II. Proposed OLIBA Modifications

Due to the COVID-19 public and health and economic crisis, Cascade expects that customer need for energy assistance may increase exponentially as customers experience loss of income, coupled with increased energy utilization as individuals isolate in their homes. Such occurrences may result in a higher energy burden, inability to pay bills due to lack of monetary resources, or insurmountable arrears. To meet this potential influx of need and help alleviate COVID-19 related hardships the Company proposes modifications to the OLIBA program to assist customers.

The modifications presented herein were developed after Public Utility Commission of Oregon's (OPUC) workshop entitled, "Impact to Utility Customers during the COVID-19 Pandemic and Future Recovery," which occurred on June 9, 2020.

OLIBA Modification Summary:

Allow the Company and partnering OLIBA Agencies to separately choose to make eligible for assistance any household of which the account holder is a recipient of Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), benefits under the Supplemental Nutritional Assistance Program (SNAP, formerly Food Stamps), or other state or federal programs that meet the eligibility guidelines of OLIBA. Agencies will document enrollment into adjacent poverty programs in client files.

III. Conclusion

Cascade knows that the current COVID-19 pandemic is an unprecedented and difficult time for many of its customers. As many of the economic ramifications are yet unknown the Company wants to be responsive to the emerging needs of customers by providing flexible assistance to customers experiencing financial need in the wake of the crisis. Cascade appreciates the ongoing work of the Agencies to provide OLIBA-related assistance to customers in Oregon. The Company respectfully requests the tariff change be approved by the Commission. If you have any questions, please call me at (509)734-4549.

Sincerely,

/s/ Chris Mickelson

Chris Mickelson
Manager, Regulatory Affairs
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Attachments

RULE 32

OREGON LOW-INCOME ASSISTANCE PROGRAM

SPECIAL TERMS AND CONDITIONS (continued)

- 4. Each participating Agency will have sole responsibility to screen and approve applicants for eligibility. Each Agency shall follow the established protocols for the qualification of and disbursement to eligible participants in accordance with the guidelines promulgated by OHCS. The Oregon Low-Income Bill Assistance Program (OLIBA) or agencies may separately choose to make eligible for assistance any household of which the account holder is a recipient of Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), benefits under the Supplemental Nutritional Assistance Program (SNAP, formerly Food Stamps), or other state or federal programs that meet the eligibility guidelines of OLIAP. Agencies will document enrollment into adjacent poverty programs in client files. The amount of assistance for eligible participants shall be based on the LIHEAP/OEA Poverty Guidelines and Payment Matrix from the OHCS/OEA Manual for these programs. Any voucher authorization received by the Company that exceeds these guidelines will be appropriately adjusted. If a customer has a credit balance due to the receipt of low-income assistance and the customer's service is disconnected, the credit balance will be redirected to the Agency's allocation fund for distribution to other clients.
- 5. Each Agency will be reimbursed from the Oregon Low-Income Bill Assistance Program account for certain administrative costs and direct program costs incurred by them in the administration and delivery of the program to Cascade's customers. Total program administration and delivery costs shall not exceed 20 percent of the total low-income bill payment assistance funds applied to customers' utility accounts. Should actual administrative and program delivery costs be lower than the 20 percent, the remaining funds shall be allocated into the program fund to support direct services.
- 6. Each Agency will provide a summary report providing information on the prior month's program activities. The report must identify the number of families assisted and their location, as well as the amount of funds dispersed. The Company must receive all reports by the 20th business day of each month.
- 7. The Bill Payment Program year will extend from October 1 through September 30. Any amounts not disbursed in the program year will carry over to the next program year. The Company will provide an annual summary evaluation report on the progress of the program for review by the Commission by December 1 following the end of each program year.

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RULE 32

OREGON LOW-INCOME ASSISTANCE PROGRAM

SPECIAL TERMS AND CONDITIONS (continued)

4. Each participating Agency will have sole responsibility to screen and approve applicants for eligibility. Each Agency shall follow the established protocols for the qualification of and disbursement to eligible participants in accordance with the guidelines promulgated by OHCS, ~~and the Low Income Energy Assistance Act of 1981 and subsequent amendments, as outlined in the OHCS Omnibus Contract.~~ The Oregon Low-Income Bill Assistance Program (OLIBA) or agencies may separately choose to make eligible for assistance any household of which the account holder is a recipient of Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), benefits under the Supplemental Nutritional Assistance Program (SNAP, formerly Food Stamps), or other state or federal programs that meet the eligibility guidelines of OLIAP. Agencies will document enrollment into adjacent poverty programs in client files. The amount of assistance for eligible participants shall be based on the LIHEAP/OEA Poverty Guidelines and Payment Matrix from the OHCS/OEA Manual for these programs. Any voucher authorization received by the Company that exceeds these guidelines will be appropriately adjusted. If a customer has a credit balance due to the receipt of low-income assistance and the customer's service is disconnected, the credit balance will be redirected to the Agency's allocation fund for distribution to other clients.
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