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January 22, 2025

Jeff Killip  
Executive Director and Secretary  
Washington Utilities & Transportation Commission  
P.O. Box 47250  
Olympia, WA 98504-7250

RE: NEW, Cascade Advice No. W25-01-01  
Schedule 700, Temporary Climate Commitment Act (CCA) Rate Adjustment

Director Killip

Cascade Natural Gas Corporation ("Cascade" or "Company") submits to the Washington Utilities and Transportation Commission ("Commission") the following revisions to its Tariff WN U-3, stated to become effective with service on and after February 28, 2024:

First Revision of Sheet No. 700.2

This filing seeks to extend the end date of the term of its Schedule 700, Temporary Climate Commitment Act ("CCA") Rate Adjustment charge and credit from March 31, 2025, to May 31, 2025.

On March 1, 2024, Cascade filed Advice No. W24-03-01, docketed as UG-240141, to establish a Schedule 700 charge and credit related to 2023 and 2024 compliance to Washington's CCA, which is codified as Chapter 70A.65 of the Revised Code of Washington ("RCW"). After submission of a supplemental filing, the Commission approved Schedule 700 with a stated term of June 1, 2024, through March 31, 2025.<sup>1</sup>

Cascade is now seeking to extend the end date of the first term of its Schedule 700, CCA Rate Adjustment to May 31, 2025, for the following reasons:

- First, parties to the settlement agreement filed on December 11, 2024, in Cascade's multi-year rate plan ("MYRP"), docketed as UG-240008, agreed to remove plant associated with Renewable Natural Gas ("RNG") production from the MYRP. However, the settling parties agreed that,

Cascade may file a request to include the plant associated with RNG production in its Climate Commitment Act (Schedule 700) annual recovery filing. Cascade will ensure only

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<sup>1</sup> See WUTC Order No. 01 issued in UG-240141.

customers included under Cascade's compliance obligation will pay for the RNG production-related plant. In such a filing, Cascade will address the allocation of RNG production-related plant costs between jurisdictions. The noncompany parties may take any position regarding this filing.<sup>2</sup>

- The Commission has not yet deliberated on the Cascade MYRP but is expected to do so prior to March 1, 2025. Extending the term of Schedule 700 will provide the time necessary for the Commission to issue an order in UG-240008, and for Cascade's subsequent proposed Schedule 700 revision to incorporate this if the settlement is accepted by the Commission.
- Second, extending the term will also allow the Company to evaluate carbon market and potential auction results when available. This information will provide Cascade with price expectations that can be used to better inform the 2025 compliance forecast.

Cascade's requested extension will allow the Company to consider the Commission's ruling in its MYRP and incorporate the knowledge gained from the first allowance auction of 2025, while providing Staff with ample time to review Cascade's revised Schedule 700 charges and credits, which will be submitted as a future advice filing prior to the end of the requested Schedule 700 extended term.

Prior to the end of the requested term extension and no later than March 31, 2025, Cascade will file a separate advice filing to update the CCA cost recovery charge and credit with a June 1, 2025, effective date. The updated CCA Rate Adjustment charge will be based on a forecast of 2025 compliance costs, a true-up of any over- or under collections related to 2024, as well as a proposal on the treatment of RNG production-related plant that is consistent with the Commission's ruling in Cascade's MYRP.

This electronic filing is comprised of the following files:

- NEW-CNGC-Advice-No.-W25-01-01-Sch700-CLtr-01-22-2025.pdf
- NEW-CNGC-Advice-No.-W25-01-01-Sch700-Trf-01-22-2025.pdf

Please direct any questions regarding this filing to me at (208) 377-6015 or Zach Harris at (208) 870-2476.

Sincerely,

*/s/ Lori Blattner*

Lori Blattner  
Director, Regulatory Affairs  
Cascade Natural Gas Corporation  
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Attachment

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<sup>2</sup> See 240008-CNGC-Full Multiparty Settlement Stipulation-12-11-24, Page 7 at 20.

**TEMPORARY CLIMATE COMMITMENT ACT (CCA) RATE ADJUSTMENT  
SCHEDULE NO. 700**

**MONTHLY RATES (continued)**

**Table 2 – Non-Low-Income Residential and General Commercial WA Climate Act Credit**

Maximum WA Climate Act Credit <sup>1</sup>										
	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March
Sch. 503, Residential <sup>2</sup>	(\$4.51)	(\$3.88)	(\$3.83)	(\$4.85)	(\$12.01)	(\$20.75)	(\$27.98)	(\$27.36)	(\$23.05)	(\$18.58)
Sch. 504, General Commercial	(\$27.35)	(\$25.87)	(\$25.82)	(\$28.19)	(\$56.58)	(\$95.25)	(\$132.37)	(\$132.58)	(\$111.46)	(\$89.49)

1. The WA Climate Act Credit shall be the lesser of 80% of the WA Climate Act Fee as charged in the billing month or the maximum WA Climate Act Credit amount as listed in the table above.
2. The Maximum WA Climate Act Credit is not applicable to Low-Income Residential Customers, who receive a monthly WA Climate Act Credit equal to the customer’s total monthly WA Climate Act Fee.

**TERM**

These rates will be in effect until May 31, 2025.

(C)

**EXEMPTIONS**

1. With the exception of Low-Income Residential Customers, the WA Climate Act Credit will not be applicable to customers served on accounts where the gas service line and meter was installed after July 25, 2021. The installation of a gas service line and meter does not include maintenance or repairs to an existing service, relocated service lines, or where service was temporarily disconnected per WAC 480-90-128.
2. The following customers are exempt from the WA Climate Act Fee and WA Climate Act Credit established in this schedule if they notify the Company of their exempt status and provide evidence from Department of Ecology verifying that they should be exempt from this schedule:
  - a. Customers with emissions from facilities with North American Industry Classification System code 928110 (National Security).
  - b. Customers that are designated as covered entities by the Washington State Department of Ecology (Ecology) as subject to RCW 70A.65.060 through 70A.65.210 as noted in RCW 70A.65.010(23).
  - c. Customers identified by Ecology as an Emissions-Intensive Trade-Exposed (EITE) under RCW 70A.65.110. It is the responsibility of the Customer to ensure that the Company has received such evidence of the Customer’s status as an EITE.

**TERMS AND CONDITIONS**

1. The rates established herein are subject to increases as set forth in Schedule 500, Municipal Taxes.
2. Service under this adjustment schedule is governed by the terms and conditions outlined in this schedule, the Rules contained in this Tariff, any other applicable schedules, and all rules and regulation prescribed by regulatory authorities, subject to amendments from time to time.

CNG/W25-01-01  
Issued January 22, 2025

Effective for Service on and after  
February 28, 2025

Issued by **CASCADE NATURAL GAS CORPORATION**

By:  Lori A. Blattner

Director, Regulatory Affairs