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COMPANY NAME: Cascade Natural Gas Corporation

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☑ Other CNGC Tariff Schedule 33
(For example, federal regulations, or requested by Staff)

Is this report associated with a specific docket/case? ☐ No ■ Yes, docket number: RG-7

List Key Words for this report. We use these to improve search results.

CNGC Oregon Low-Income Energy Conservation (OLIEC) Annual Report

Send the completed Cover Sheet and the Report in an email addressed to PUC.FilingCenter@state.or.us

Send confidential information, voluminous reports, or energy utility Results of Operations Reports to PUC Filing Center, PO Box 1088, Salem, OR 97308-1088 or by delivery service to 201 High Street SE Suite 100, Salem, OR 97301.

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November 17, 2026

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

Re: RG-7, Cascade Natural Gas Corporation Oregon Low-Income Energy Conservation (OLIEC) Annual Report for Program Year 2025-2026

Cascade Natural Gas Corporation hereby files its Oregon Low-Income Energy Conservation annual report for the 2025-2026 program year in accordance with its Tariff Schedule 33, Oregon Low-Income Energy Conservation Program.

Please contact Noemi Ortiz at (509) 907-7594 with any questions or concerns you may have.

Sincerely,

/s/ Mike Parvinen

Michael Parvinen
Director, Regulatory Affairs
Cascade Natural Gas Corporation
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Kennewick, WA 99336-7166
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Attachment



In the Community to Serve®

OREGON LOW-INCOME ENERGY CONSERVATION
2025-2026 PROGRAM YEAR
ANNUAL REPORT

November 17, 2026

Cascade Natural Gas Corporation's (Cascade's or Company's) Oregon Low-Income Energy Conservation (OLIEC) is a long-standing program that provides income-qualified Cascade customers with an enduring means for reducing gas bills while increasing the comfort of their homes by installing weatherization measures at no direct cost.

OLIEC Overview

This was the twentieth program year (PY) Cascade offered a low-income energy efficiency program in the Company's Oregon service territory. OLIEC is offered in compliance with Schedule 33 of Cascade's Tariff.

In PY 2025-2026, OLIEC was administered by the following Community Action Agencies (Agencies):

- NeighborImpact - Bend/Redmond/Prineville area
- Community Action Program East Central Oregon (CAPECO) - Pendleton/Umatilla area
- Community Connection of NE Oregon (CCNO) - Baker City
- Community in Action (CinA) - Malheur County

The Agency income qualifies a Cascade customer and then completes a home energy evaluation on the customer's home to determine if any health and safety repairs are needed before installing qualifying weatherization measures, which include:

- Ceiling insulation
- Wall insulation
- Floor insulation
- Water heater insulation
- Duct sealing
- Duct insulation
- Infiltration reduction
- Low-flow faucet aerators
- Low-flow showerheads
- Natural gas furnaces
- Furnace tune-up and filter replacement
- Direct vent space heater
- Natural gas water heaters (including tankless)

An overview of program incentives is provided in Table below.

Table : OLIEC Reimbursement and Compensation Structure

Category	Payout
Reimbursement for Installed Measures	100% of cost
Administrative Cost Compensation	20% of Total Project fee
Direct Program Cost Compensation	10% of Total Project fee
Project Cost Cap	None

Program Year Overview

The OLIEC program completed 19 projects during PY 2025-2026, representing a 46 percent increase from the 13 projects completed during PY 2024-2025. The increase in project completions reflects the positive impact of recent program enhancements and stronger utilization of available resources. As participation grows, maintaining cost-effective project delivery and sustainable funding remains essential to continued program success.

Program Administration and Funding

Cost-Effectiveness Requirements

Cascade is committed to delivering an accessible, efficient, and customer-focused energy efficiency program. To support timely project implementation, the Company allowed Agencies in PY 2025-2026 to demonstrate project cost-effectiveness under OLIEC in one of two ways: Agencies could use Oregon Housing and Community Services' (OHCS) REM/Rate software to verify that installed measures achieve a savings-to-investment ratio (SIR) of 1.0 or higher, or they could install measures included on the Energy Services Division's Deemed Measure Priority List (DMPL). By offering multiple compliance options, Cascade reduces administrative burden and streamlines the project review and approval processes.

Program Funding

Cascade continues to provide financial support to ensure that income-eligible households can access energy efficiency improvements without creating additional financial hardship. The Company reimburses participating Agencies 100 percent of the cost of installing cost-effective energy efficiency measures along with approved health and safety measures. Cascade also compensates Program Administrators for program delivery in an amount not to exceed 30 percent of the total project cost. This reimbursement includes a 10 percent indirect payment of the total project cost to support administrative and overhead expenses, and up to a 20 percent payment for project coordination to cover staff labor associated with energy audits, inspections, project management, and customer service activities.

Program Successes

To better understand program implementation and identify opportunities for improvement, Cascade solicited feedback from participating Agencies regarding their experiences delivering OLIEC services during the PY.

Agency feedback indicates that recent program enhancements contributed to increased program participation and project completions. Agencies continued to report benefits associated with enhancements adopted effective October 1, 2023, including the removal of the project cost cap, streamlined measure qualification requirements, a simplified reimbursement structure, and increased

administrative compensation.[1] According to participating Agencies, these changes improved program accessibility, facilitated coordination with other weatherization funding sources, and supported more efficient project implementation.

Agencies also reported that OLIEC funding remains a valuable resource that can be effectively leveraged with other weatherization funding sources, allowing available resources to reach more income-qualified households. In addition, Agencies highlighted Cascade's collaborative approach to resolving project-specific issues and noted that program flexibility helped facilitate successful project delivery. Together, these factors supported the program's 46 percent increase in completed projects and helped expand delivery of energy efficiency benefits to eligible customers.

Continuing Challenges

While Agencies reported few significant barriers to implementation, several challenges remain. Contractor availability continues to affect project completion timelines in some service territories. Agencies also identified an initial learning curve associated with the new program portal and registration process, although these challenges diminished as staff became more familiar with the system. Isolated project-specific health and safety issues, such as combustion venting deficiencies identified during weatherization activities, required additional attention. In some areas, a limited population of income-qualified natural gas customers continues to constrain project opportunities.

Despite these challenges, Agencies reported that the overall benefits of the program continue to outweigh implementation obstacles, and program enhancements have helped support successful project delivery.

Outreach Efforts

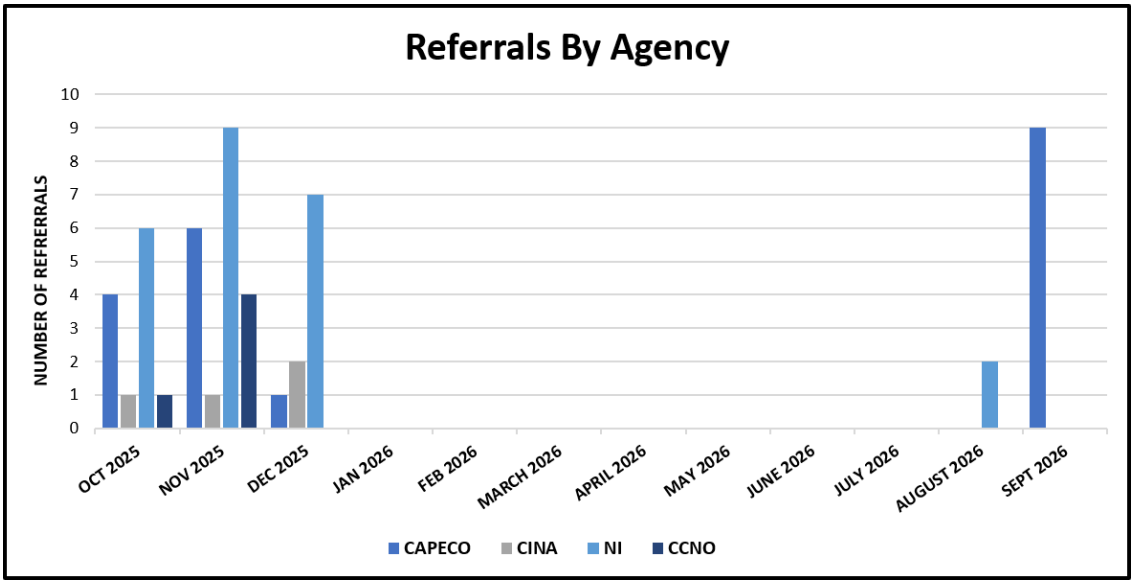
Cascade promoted awareness of the OLIEC program through a variety of communication channels, including bill inserts and onserts, the Company's website, and outreach conducted by participating Agencies. The Company also collaborated with Agencies to enhance its social media presence, increase awareness of OLIEC and related assistance programs, and facilitate customer referrals. Additionally, Cascade continued to develop partnerships with CBOs to expand program outreach, improve awareness among eligible customers, and support increased program participation.

Participating Agencies further supported these efforts through a range of customer engagement activities, including referrals from Cascade, social media, direct mail, traditional media, online application portals, Agency websites, community events, and senior centers. Collectively, these outreach activities increase awareness of weatherization and energy assistance services and connect eligible households with energy efficiency improvements that reduce energy costs, improve comfort, and enhance long-term housing durability.

Cascade also continued to leverage its income-qualified bill assistance program, the Energy Discount Program (EDP), as a source of potential OLIEC participants. Customers enrolled in EDP are informed

[1] *See* CNGC Advice No. O23-07-05, OPUC Docket ADV 1531.

about OLIEC and offered the opportunity to be referred to a participating Agency for weatherization services. During PY 2025-2026, Agencies received a total of 53 EDP referrals. Of those referrals, one OLIEC project was completed during the PY. Cascade will continue utilizing EDP as a pathway to connect eligible customers with energy efficiency resources and program opportunities.



Economic Overview

In compliance with Order No. 06-191, issued in Docket UG 167 effective May 1, 2006, all program funding comes from the Public Purpose Charge (PPC) applied to residential, commercial, and core industrial customers' bills. Funds are provided to the Agencies upon completion of rebate-qualified, energy efficiency improvements.

Table 1 below shows OLIEC's financials for the 2025-2026 PY.

Table 1: OLIEC Economic Overview for PY 2025-2026

Revenue Balance from Prior PY	$157,684
PY 2025-2026	
Balance at the end PY	$92,605
Total OLIEC Installed Project Expenditures	$266,099
OLIEC costs per measure	See Table 3
Total Agency Admin Costs	$79,830
Total Cascade Admin Costs	$0
Payments to Agencies	$345,929
Average Rebate per Home Served	$18,207

Agency Performance

Four Agencies administered OLIEC in PY 2025-2026. Figure 1 below provides a breakdown of Agency accomplishments.

Figure 1: Agency Accomplishments

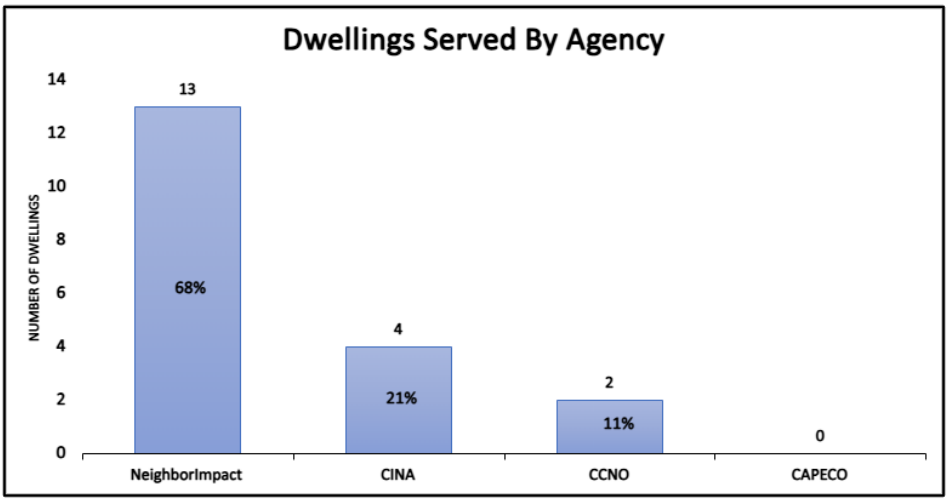
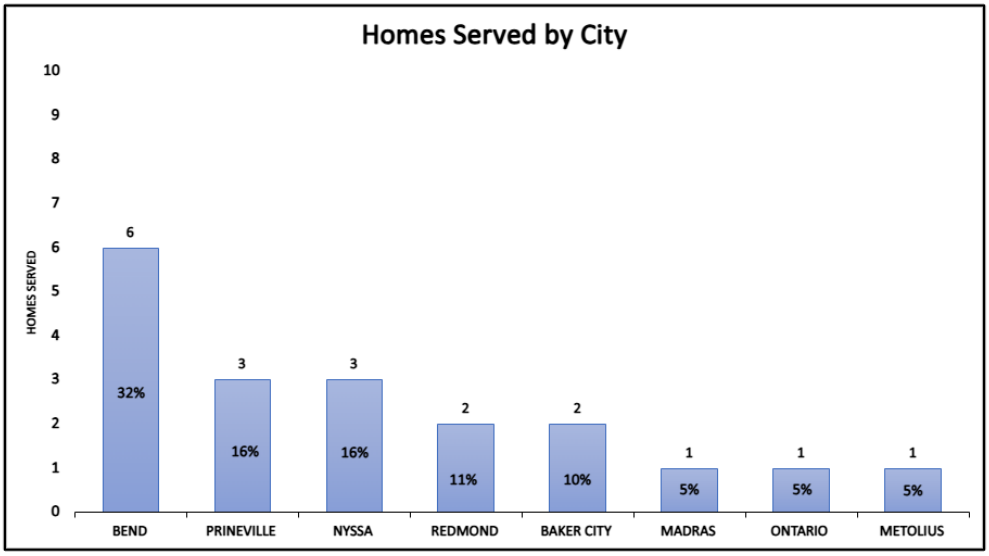


Figure 2 illustrates the geographic distribution of work completed by Cascade through the OLIEC program, spanning seven cities with homes served relatively evenly across the participating communities.

Figure 2: Cities Served



Note – The following cities were part of OLIEC program with no homes served during the project duration (*Athena, Boardman, Chemult, Crescent, Echo, Gilchrist, Hermiston, Huntington, Irrigon, Milton-Freewater, Mission, Pendleton, Pilot Rock, Powell Butte, Stanfield, Sunriver, Umatilla, Vale, Weston*)

Detailed Program Results

The OLIEC Program continued to deliver energy efficiency benefits to income-qualified customers during PY 2025-2026. Table 3 summarizes program activity and outcomes, including homes served, measures installed, program expenditures, and deemed therm savings.

Table 23: OLIEC Program Results Overview for PY 2025-2026

Homes Served	**19**
MultiFamily Homes Served	**0**
Average Cost Per Home	**$18,207**
Average Number of Measures Per Home	**4**
Average Therms Saved Per Home	**236**

2025-2026 Totals					
Measures	**Measure Count**	**Therm Savings**	**Measure Cost**	**Project Coor. Indirect Fee**	**TOTAL**
Attic	12	931	$57,752	$17,325	$75,077
Floor	13	582	$52,690	$15,807	$68,497
Wall	7	214	$16,089	$4,827	$20,916
Duct Insulation	10	224	$10,479	$3,144	$13,623
Duct Sealing	12	924	$9,021	$2,706	$11,728
Air Infiltration	15	195	$33,794	$10,138	$43,932
H-E Furnace	11	1,221	$68,663	$20,599	$89,262
Furnace Tune Up	0	0	$0	$0	$0
H-E Tankless Water Heater	3	162	$15,411	$4,623	$20,034
H-E Water Heater	1	33	$2,200	$660	$2,860
Water Heater Insulation	0	0	$0	$0	$0
[A] CAP Admin & Prog. Del.	84	4,487	$266,099	$79,830	$345,929
[B] Payment Adjustment/Correction					
Net All Up [A + B]	**84**	**4,487**	**$266,099**	**$79,830**	**$345,929**

Conclusion

The OLIEC Program demonstrated strong performance during PY 2025-2026, completing 19 projects and achieving a 46 percent increase in project completions compared to the prior PY. This growth reflects the positive impact of recent program enhancements, continued collaboration with participating Agencies, and effective use of OLIEC funding to support energy efficiency improvements for income-qualified households.

Agency feedback indicates that the program is providing meaningful benefits to customers while remaining adaptable to local needs and implementation considerations. Agencies reported that OLIEC funding complements other weatherization resources, enabling them to maximize energy savings, address health and safety needs, and extend services to eligible households. Agencies also highlighted

Cascade's collaborative approach and responsiveness in addressing project-specific issues and supporting successful project delivery.

While some challenges remain, including contractor availability, administrative learning curves associated with new program systems, and customer eligibility limitations in certain service territories, these challenges did not significantly impede overall program performance. Cascade will continue working with Agencies, stakeholders, and the Commission to build on the program's progress, support continued participation, and expand access to cost-effective energy efficiency opportunities for income-qualified customers.