ITEM NO. RA4

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
SPECIAL PUBLIC MEETING DATE: October 26, 2023

REGULAR __X__ CONSENT ____ EFFECTIVE DATE __November 1, 2023__

DATE: October 17, 2023

TO: Public Utility Commission

FROM: Anna Kim

THROUGH: Bryan Conway and Marc Hellman **SIGNED**

SUBJECT: CASCADE NATURAL GAS:
(Docket No. UG 463/Advice No. O23-07-01)
Reflects changes in the cost of purchased gas and the amortization rate for the Purchased Gas Adjustment (PGA) balancing account.

CASCADE NATURAL GAS:
(Docket No. UG 466/Advice No. O23-07-04)
Revises multiple schedules to reflect the changes resulting from the annual PGA filing.

STAFF RECOMMENDATION:

Staff recommends that Cascade Natural Gas Corporation's (Cascade, CNG, or Company) Advice No. O23-07-01, which is the Company's 2023 Purchased Gas Adjustment (PGA), and Advice No. O23-07-04, which updates Company tariff sheets to reflect changes resulting from the annual PGA filing, be approved for service rendered on and after November 1, 2023.

DISCUSSION:

Issue

Whether the Commission should approve Cascade's 2023 annual PGA as reflected in its Advice No. O23-07-01, and revisions to multiple rate schedules to reflect changes resulting from the annual PGA filing, as reflected in its Advice No. O23-07-04.

Applicable Rule or Law

ORS 757.205 requires public utilities to file all rates, rules, and charges with the Commission. ORS 757.210 provides that the Commission may approve tariff changes if they are fair, just, and reasonable. ORS 757.220 provides that filings that make any change in rates, tolls, charges, rules, or regulations must be filed with the Commission at least 30 days before the effective date of the changes. The Commission may, for good cause shown, allow changes without requiring 30 days' notice.

ORS 757.259(5) states that unless subject to an automatic adjustment clause, amounts deferred under ORS 757.259 shall be allowed in rates only to the extent authorized by the Commission in a proceeding under ORS 757.210 to change rates and upon review of the utility's earnings at the time of application to amortize the deferral. The Commission may require that amortization of deferred amounts be subject to refund. The Commission's final determination on the amount of deferrals allowable in the rates of the utility is subject to a finding by the Commission that the amount was prudently incurred by the utility.

ORS 757.259(6) states that the overall average rate impact of the amortizations authorized under this section in any one year may not exceed three percent of the utility's gross revenues for the preceding calendar year. ORS 757.259(7) allows the Commission to consider an overall average rate impact greater than that specified in subsection (6) for natural gas commodity and pipeline transportation costs incurred by a natural gas utility, if the Commission finds that allowing a higher amortization rate is reasonable under the circumstances.

OAR 860-022-0025 requires that revised tariff filings include statements showing the change in rates, the number of customers affected and resulting change in annual revenue, and the reasons for the tariff revision.

OAR 860-022-0030 requires that tariff filings which result in increased rates include statements showing the number of customers affected, the annual revenue under existing schedules, the annual revenue under proposed schedules, the average monthly bills under existing and proposed schedules, and the reasons supporting the proposed tariff.

The PGA mechanism was originally established by Order No. 89-1046 to minimize the frequency of gas-cost-related rate changes and the fluctuation of rate levels pursuant to ORS 757.259(2)(e). Since the mechanism's creation in 1989, the Commission has issued a series of orders concerning PGA filings through open-docket UM 1286.[1] Order No. 18-144 is the most recent of these orders and revises the Commission's procedures and requirements of the Natural Gas Portfolio Development Guidelines in Docket No. UM 1286 by adding language concerning review and approval of long-term hedging instruments in a local distribution company's (LDC) natural gas portfolio. No changes were made to the PGA Filing Guidelines previously established in Order No. 14-238.

On December 16, 2021, the Department of Environmental Quality (DEQ) adopted the Oregon Climate Protection Program (CPP) rules, which set a cap on greenhouse gas emissions from transportation fuels and natural gas, and are set forth in OAR 340-271-0010 through OAR 340-271-9000.

<u>Analysis</u>

On July 28, 2023, Cascade submitted Advice No. O23-07-01, which constitutes its annual PGA filing (Initial 2023 PGA Filing). On September 15, 2023, Cascade filed a supplement to its initial filing with updated gas costs and updated tariff sheets. Cascade also submitted revised tariff sheets with Advice No. O23-07-04 (Supplemental 2023 PGA Filing). In aggregate, these filings are commonly referred to as the 2023 PGA filing. The 2023 PGA Filing is comprised of two parts: a forward-looking part for the 2023-2024 Gas Year (Projected Purchased Gas Cost) and a backward-looking part for the 2022-2023 Gas Year (True-Up).

The Projected Purchased Natural Gas Costs for the upcoming gas year (i.e., November 1, 2023 to October 31, 2024) and results in the new rates is set forth in Schedule 177.[2] The True-Up of the 2022-2023 Gas Year trues up the costs of natural gas from the previous gas year (November 1, 2022, to October 31, 2023) by comparing the amount collected from customers in that year with the actual costs incurred by the Company in the same year.[3] Any over or under-collection from customers in the

---

1 Order No. 08-504 established the form of the PGA Mechanism. PGA Guidelines were acknowledged by the Commission in Docket No. UM 1286, Order No. 09-248, on June 23, 2009. The Guidelines in Docket No. UM 1286 have been modified four different times since they were first acknowledged by the Commission, in Order No. 10-197, in Order No. 11-196, in Order No. 14-238, and in Order No. 18-144.

2 Schedule 177 is titled "Purchased Gas Adjustment."

3 The 2022-2023 Gas Year covers the period beginning on November 1, 2022, and ending on October 31, 2023. However, per page 10 of Appendix A to Order No. 14-238 in Docket No. UM 1286 (See: http://apps.puc.state.or.us/orders/2014ords/14-238.pdf), all deferrals to be amortized into rates will be based on June deferral balances plus interest for July-October, and the deferrals that occur after June will be carried forward to the next PGA period.

2022-2023 Gas Year, together with any over or under-collection from previous years,[4] is either given back (in the case of over-collection) or surcharged (in the case of under-collection) to customers in the upcoming gas year. The True-Up results in the new rates set forth in Schedule 191.[5]

Projected Purchased Natural Gas Cost for the 2023-2024 Gas Year (Rate Schedule 177)

The Projected Purchased Natural Gas Cost comprises two rate components: 1) the commodity component rate and 2) the capacity or demand component rate. The rates for these components are represented in Table 1 on the following page in dollar per therm.

Table 1: Projected Purchased Gas Cost for 2023-2024[6]
($/Therm or as otherwise noted)

Item		Current Rate 2022-2023 Gas Year [7]	Proposed Rate 2023-2024 Gas Year[8]	Change
Commodity	(A)	0.44324	0.30114	(0.14210)
Demand	(B)	0.13671	0.17462	0.0379
Total Gas Cost	**(C = A+B)**	**0.57995**	**0.47576**	**(0.1042)**

The commodity component of the Weighted Average Cost of Gas (WACOG) proposed for the 2023-2024 Gas Year decreases by $0.1421 per therm, a decrease of 32 percent from the previous PGA gas year, as shown in Table 1.

Since November 1, 2022, wholesale natural gas prices have declined, and next year's prices are expected to be below the Company's WACOG price projection approved in the Company's 2022 PGA.

---

4 Any over-collection or under-collection from previous years is because actual volumetric sales of natural gas will always be different from forecasted volumetric sales. Since amortizations are intended to be recovered in volumetric forecasted sales, a remaining balance will always be present.

5 Schedule 191 is titled "Temporary Gas Cost Rate Addition."

6 Addressed in work paper UG 463 UG 464 UG 465 UG 466 Supplemental CNGC Gas & Non Gas Cost Model WP 9.15.23, tab: Summary Rate-Rev Impact, filed as part of the Company's September 15, 2023, September Gas Update under Docket No. UG 463.

7 See "Estimated Cost of Gas per therm" section approved by the Public Utility Commission of Oregon in Order No. 22-419 of Docket No. UG 442 and Docket No. UG 445.

8 See the Company's 2023 PGA September Gas Update filed September 15, 2023, for Docket No. UG 463 and Docket No. UG 466.

In 2022, several factors led to increased natural gas prices and elevated price volatility:
- Global market disruption after Russia invaded Ukraine, and Western Countries responded with economic sanctions – Liquefied Natural Gas (LNG) exports from the U.S to Europe surged.
- Surging inflation associated with a healthy job market increased demand for production inputs;
- Storage inventories fell below the five-year average level in 2022 and failed to recover during the 2022 injection season.

Over the course of the last 12 months, the wholesale market price of gas has declined overall.
- Natural gas production increased in 2023, leading to lower prices now than forecast and going forward.
- The volume of natural gas exports remains high, which may increase gas prices.
- The amount of natural gas in storage is high nationally and available storage space will increase next year with the expansion of Aliso Canyon. Starting the winter with a high balance combined with normal winter temperatures should lead to lower prices for Winter 2023-2024.
- Last year was a low hydro year, forcing power generation to rely more on gas fired generators.
- This may change due to the recent conflict between Israel and Hamas, though the impacts currently are unclear.

However,
- Unlike other LDCs, in the region Cascade does not own any storage. Cascade holds leases at Jackson Prairie, Mist, and Plymouth LNG. This storage limitation leaves Cascade more susceptible to market fluctuations.
- Prices along the west coast remain relatively high in contrast to gas purchased at AECO. Limited and fully subscribed import capacity from AECO to PNW causes a disconnect between AECO and west coast prices during times of high demand.
- Cascade relies on Sumas and Rockies for part of its supply and is subject to their price volatility.
- Cold events last winter led to higher gas usage in last PGA period than forecast. This had more of an impact on Cascade due to a combination of limited storage and some reliance on Sumas and Rockies fuel.

The proposed demand component reflects an increase of approximately $0.0379 per therm and is an increase of 28 percent from the previous PGA gas year.[9] Cascade anticipates an average growth rate of 0.86 percent, driven by growth in Bend and Prineville. An increase in growth in Cascade's service territory also increases Oregon-allocated demand costs from 18.1 percent to 21.9 percent.

Current Impact of Oregon DEQ Climate Protection Plan (CPP)
Cascade reports no immediate impact of the CPP herein.

Current Impact of Cascade Investment in Renewable Natural Gas (RNG)
Cascade reports no immediate impact of RNG investment herein.

Current Impact of Cascade Investment in Hydrogen
Cascade reports no immediate impact of hydrogen investment herein.

Staff notes that SB 98 programs are voluntary. Cascade does not yet have a SB 98 program approved by the Commission.

Sharing Election
Cascade again elects 90/10 sharing. For more detail, see Schedule 177.3, Section: Calculation of Monthly Gas Cost for Deferrals Purposes. For the true-up of the 2022-2023 Gas Year, see Schedule 191.1.

Filing and Portfolio Guidelines
Cascade's 2023 PGA Filing meets the PGA Filing Guidelines and the Natural Gas Portfolio Guidelines. Cascade has demonstrated its adherence to these Guidelines with regard to natural gas supplies and financial hedges.[10] Staff's conclusions are supported by the Company's comprehensive work papers and by review and discussion as part of the quarterly PGA meetings.

---

[9] Addressed in work paper UG 463 UG 464 UG 465 UG 466 Supplemental CNGC Gas & Non Gas Cost Model WP 9.15.23, tab: Summary Rate-Rev Impact, filed as part of the Company's September 15, 2023, September Gas Update under Docket No. UG 463.

[10] Accepted "best practices" for the purchase of natural gas supply by local distribution companies (LDCs) is portfolio construction that balances the objectives of reliability, cost, and price volatility using the tools of diversity, flexibility, and balance. The "Natural Gas Portfolio Development Guidelines" (Portfolio Guidelines) implement these "best practices" for Oregon LDCs. The Portfolio Guidelines require gas utilities to include certain information related to their gas supply portfolio with their annual PGA filing. This information allows the Commission to determine the prudence of the utility's costs. Staff's analysis of and conclusions regarding the Company's natural gas supply portfolio and related purchasing strategies and actions are based on the Portfolio Guidelines in Docket No. UM 1286.

Cascade's portfolio preparation and planning process meets the standards in Section III of the Portfolio Guidelines related to portfolio planning, as do Cascade's physical gas contracts and financial transactions related to natural gas pricing. Cascade has also demonstrated its adherence to the Portfolio Guidelines with regards to natural gas supplies and financial hedges. In addition, the Company has provided all the information called for in Section IV (Information and Work Papers), and Section V (Supporting Data and Analysis) of the Portfolio Guidelines.

True-Up of the 2022-2023 Gas Year (Schedule 191)[11]

Table 2: True-Up of the 2022-2023 Gas Year[12, 13]
($/Therm or as noted otherwise)

Item		Current Rate	Proposed Rate	Change
Commodity Amortization[14]	(D)	0.13649	0.32413	0.18764
Demand Amortization[15]	(E)	0.0014	(0.02146)	(0.02286)
Total Amortization	**(F=D+E)**	**0.13789**	**0.30267**	**0.16478**

Commodity and amortization of residual gas costs from the current and previous PGA periods results in a ratepayer surcharge of approximately $29.3 million due to under-collections in the period from November 2022 to June 2023.[16] This surcharge will increase the gas commodity amortization price by $0.18764 per therm after accounting for the commodity cost variance sharing between the Company and customers.

The Company's current demand amortization is a surcharge of $0.0014 per therm to customers (except Interruptible customers). In order to return over-collections from the prior PGA gas year, the Company proposes a credit of $0.02286 per therm. This new

11 Addressed in work paper UG 463 UG 464 UG 465 UG 466 Supplemental CNGC Gas & Non Gas Cost Model WP 9.15.23, tab: Gas Cost Rate Increments (Tempo, filed as part of the Company's September 15, 2023, September Gas Update under Docket No. UG 463.
12 Positive numbers represent surcharges; negative numbers represent refunds.
13 The Company's revenue sensitive calculation used an aggregate total of the commodity and demand deferral balances. Staff calculated the commodity and demand amortization dollar amounts separately using the revenue sensitive factor of 3.0267 percent provided by Cascade in work paper UG 463 UG 464 UG 465 UG 466 Supplemental CNGC Gas & Non Gas Cost Model WP 9.15.23, tab: Gas Cost Rate Increments (Tempo, filed as part of the Company's September 15, 2023, September Gas Update under Docket No. UG 463.
14 These figures are for Weighted Average Cost of Gas (WACOG) Deferral only.
15 These figures are for Firm Demand Deferral only.
16 The dollar amount is not adjusted for revenue sensitive costs.

rate will return approximately $1.9 million in total during the November 2023 to October 2024 period.[17]

Three Percent Test

Pursuant to ORS 757.259(6), ORS 757.259(7), and OAR 860-027-0300, the annual average rate impact of the amortizations authorized under the statutes may not exceed three percent of the natural gas utility's gross revenues for the preceding calendar year unless the Commission finds that allowing a higher amortization rate is reasonable under the circumstances.

As shown in Attachment C of this public meeting memo, the resulting annual average rate impact from the PGA amortization and two other filings[18] is an increase in rates that represents 26.53 percent of the Company's 2022 total gross revenues, which exceeds the 3.0 percent amortization limitation specified in ORS 757.259(6).[19] However, pursuant to ORS 7257.259(7):

> The Commission may allow an overall average rate impact greater than that specified in subsection (6) of this section for natural gas commodity and pipeline transportation costs incurred by a natural gas utility if the Commission finds that allowing a higher amortization rate is reasonable under the circumstances.

Staff recommends the Commission approve the 26.53 percent amortization requested by Cascade pursuant to ORS 757.259(7), due to a sizable and unforeseen increase in gas commodity and transportation costs that exceeded the Company's predictions last year.

The percentage changes in Table 3 on the following page reflect the change in revenues related to the gas commodity and temporary rates portion of the Company's gross revenues for the 2023-2024 gas year, based on projected customer usage.

---

17 Addressed in work paper: UG 463 UG 464 UG 465 UG 466 Supplemental CNGC Gas & Non Gas Cost Model WP 9.15.23, tab: Gas Cost Rate Increments (Tempo. The dollar amount is not adjusted for revenue sensitive costs.

18 Intervenor Funding – Schedule 192, Docket No. UG 464/Advice No. O23-07-02; Decoupling – Schedule 193, Docket No. UG 465/Advice No. O23-07-03.

19 Addressed in work paper: UG 463 UG 464 UG 465 UG 466 Supplemental CNGC Gas & Non Gas Cost Model WP 9.15.23, tab: tab: C-3% Test, filed as part of the Company's September 15, 2023, September Gas Update under Docket No. UG 463.

Table 3: Overall Commodity and Related Schedule Revenue and Rate Impact [20]
($ or as noted otherwise)

Schedule	Description	Total PGA and Temporary Revenues at Current Rates	Revenue Increase / (Decrease)	Change (%)[21]
101	Residential	$56,057,159	$1,998,486	3.57%
104	Commercial	$32,621,934	$1,475,840	4.52%
105	Industrial	$3,088,567	$194,160	6.29%
111	Large Volume - General Service	$2,809,412	$192,908	6.87%
170	Interruptible - Service	$2,164,762	$155,242	7.17%
163	Interruptible - Transport	$2,026,455	($8,331)	(0.41%)
Total		$98,768,289	$4,008,305	4.06%

Please note that Table 3 looks at the impacts for both PGA and associated dockets. In contrast, Tables 4 and 5 on the following page look at just the impact of the PGA.

20 Addressed in work paper: UG 463 UG 464 UG 465 UG 466 Supplemental CNGC Gas & Non Gas Cost Model WP 9.15.23, tab: A - Rate Schedule Summary, filed as part of the Company's September 15, 2023, September Gas Update under Docket No. UG 463.

21 Here, the percentage change denotes the percentage change in revenues by Rate Schedule.

Table 4: PGA ONLY Commodity Revenue and Bill Impact
($ or as noted otherwise) [22]

Schedule	Description	Total Revenues at Current Rates	Revenue Increase / (Decrease)	Change (%)[23]
101	Residential	$56,057,159	$3,073,319	5.53%
104	Commercial	$32,621,934	$2,029,998	6.30%
105	Industrial	$3,088,567	$194,867	6.27%
111	Large Volume	$2,809,412	$193,612	6.95%
170	Interruptible	$2,164,762	$155,807	7.20%
Overall Commodity Only		**$96,741,834**	**$5,647,603**	**5.83%[24]**

Table 5: Total Customers Impacted by PGA[25]

Description	Customer Count
Residential	71,755
Commercial	10,466
Industrial	18
Industrial Firm	160
Industrial Interruptible	4

22 Addressed in work paper: UG 463 UG 464 UG 465 UG 466 Supplemental CNGC Gas & Non Gas Cost Model WP 9.15.23, tab: B – Detail by Adjustment Schd, filed as part of the Company's September 15, 2023, September Gas Update under Docket No. UG 463. Note: One must add rows K3-K7 to rows K10-K14 to determine the incremental revenue.

23 Here, the percentage change denotes the percentage change in revenues by Rate Schedule.

24 The overall percentage change is calculated based on operating revenues for the 12-month period ending December 31, 2022, as seen on the Summary Rate-Rev tab in work paper: UG 463 UG 464 UG 465 UG 466 Supplemental CNGC Gas & Non Gas Cost Model WP 9.15.23 filed as part of the Company's September 15, 2023, September Gas Update under Docket No. UG 463.

25 See Total Proposed Average Bill Tab in work paper: UG 463 UG 464 UG 465 UG 466 Supplemental CNGC Gas & Non Gas Cost Model WP 9.15.23 filed as part of the Company's September 15, 2023, September Gas Update under Docket No. UG 463.

Table 6: 2023-2024 **PGA**
Proposed Rate & Bill Increases
Residential Bill Impacts

	Residential Bill Impacts					
Rate Schedule	**Average Therms**	**Customer Charge**	**Current Monthly Bill**	**Proposed Monthly Bill**	**Change Monthly Bill**	**% Change Monthly Bill**
January						
101	110	$6.81	$129.74	$134.07	$4.33	3.34%
Annual / Monthly						
101	65	$6.81	$79.45	$82.01	$2.56	3.22%

Credits from NW Pipeline
On August 18, 2017, the Federal Energy Regulatory Commission (FERC) approved a Northwest Pipeline (NW Pipeline) Stipulation and Settlement Agreement in Docket No. RP17-346-000. Section 12.4 of the 2017 Settlement required NW Pipeline to file a Natural Gas Act (“NGA”) Section 4 general rate case for rates to become effective not later than January 1, 2023, unless NW Pipeline entered a pre-filing settlement effectively satisfying the NGA Section 4 general rate case filing requirement. From September 2021 through June 2022 NW Pipeline worked with their shippers to resolve issues to avoid filing a full Section 4 general rate case.

On August 26, 2022, Northwest Pipelines filed a stipulation and settlement agreement. As part of this settlement, NW Pipeline would issue credits to shippers of record (2018-2022) to refund monies due to a reduction in the federal corporate income tax rate per the Tax cuts and Jobs Act signed into law on December 22, 2017. During last year’s PGA, the stipulation was known but did not get approved until after the PGA was finalized. FERC issued the approval on November 15, 2022. In response to the pending order, Cascade agreed to flow the benefits to customers at a later date. Cascade is now returning these credits through this PGA.

Conclusion

Cascade’s requested natural gas true-up of $5.6 million in incremental revenues is due to gas costs (Purchased Gas Cost Adjustment Provision; Schedule 177) and amortization of previous deferrals (Temporary Gas Cost Rate Adjustment; Schedule 191). Cascade’s 2023 PGA Filings reflect a combined revenue increase of $5,647,603 or approximately 5.83 percent, effective November 1, 2023. This follows an increase of 29.42 percent in the last PGA.

With all PGA and non-PGA changes, effective November 1, 2023, the monthly bill of a residential customer using an average of 65 therms per month will increase by $2.56, or 3.22 percent, from $79.45 to $82.01.

Cascade has reviewed this memo and agrees with its contents.

PROPOSED COMMISSION MOTION:

Approve Cascade's Advice No. O23-07-01, which is the Company's 2023 annual PGA filing, and Advice No. O23-07-04, which updates Company tariff sheets to reflect changes resulting from the annual PGA filing, for services rendered on and after November 1, 2023.

Attachment A: Cascade Natural Gas 2023 **PGA and Related Dockets**
Incremental Revenue Change by Customer Rate Schedule

Customer Rate Schedule	Description	Gas Costs and Adjustment Schedule Revenues $ at Current Rates	Gas Costs and Adjustment Revenues $ at Proposed Rates	Incremental Change in $ Revenue	% Change by Rate Schedule	% Contribution to Total Incremental Change
101	Residential	$56,057,159	$58,055,645	$1,998,486	4%	50%
104	Commercial	$32,621,934	$34,097,775	$1,475,840	5%	37%
105	Industrial	$3,088,567	$3,282,726	$194,160	6%	5%
111	Large Volume	$2,809,412	$3,002,320	$192,908	7%	5%
170	Interruptible	$2,164,762	$2,320,004	$155,242	7%	4%
163	Transportation	$2,026,455	$2,018,125	($8,331)	(0.4%)	(0.2%)
	Overall	$98,768,289	$102,776,595	$4,008,305	4%	100%

Attachment B: Cascade Natural Gas 2023 **PGA and Related Dockets**
Incremental Revenue Change by Adjustment Schedule
(Red) indicates negative numbers

Adjustment Schedule	Description	Gas Cost & Adjustment Schedule Total Revenue at Current Rates	Gas Cost & Adjustment Schedule Total Revenue at Proposed Rates	Total Incremental Change in Revenue	% Change by Rate Schedule	% Contribution to Total Incremental Change
177-A	PGA	$54,057,625	$44,345,988	($9,711,637)	-18%	-242%
191	Temporary Gas Cost Adj	$12,852,843	$28,212,083	$15,359,240	120%	383%
192	Intervenor Funding	$54,945	$50,216	($4,729)	(9%)	(0.1%)
193	CAP	($987,197)	($2,621,766)	($1,634,569)	166%	(41%)
	Overall	**$65,978,216**	**$69,986,521**	**$4,008,305**	**6%**	**100%**

Attachment C: Cascade Natural Gas 2023-2024 **PGA**
Three Percent Test
(Red) indicates negative numbers

	Surcharge	**Rebate**
Prior Period Gas Cost Deferral True-Up	$28,212,131	
Non-Gas Cost Amortization		
Intervenor Funding	$50,272	
Other Residuals		
Decoupling		($2,621,719)
Subtotal	$50,272	($2,621,719)
Total	$28,262,403	($2,621,719)

Total Proposed Amortization (Surcharge Less Credits)	$25,640,684
Less intervenor Funding1	($50,272)
Net Proposed Amortization (subject to the 3% test)	$25,590,412
Utility Gross Revenue 20222	$96,467,596
3% of Utility Gross Revenue	$2,894,028
Allowed Amortization	$25,590,412
Allowed Amortization as % of Gross Revenues	26.53%

Attachment D: 2023-2024 **PGA**
Proposed Rate & Bill Increases by Class of Service

		Rate Impacts[26]			
Class of Service	**Rate Schedule**	**Current Rate per Therm**	**Proposed Rate per Therm**	**Change Rate per Therm**	**% Change Rate per Therm**
Residential					
Cascade	101	1.11753	1.15693	0.03940	3.53%
Commercial					
Cascade	104	0.98467	1.02872	0.04405	4.47%
Industrial					
Cascade	105	0.97065	1.03102	0.06037	6.22%
Interruptible					
Cascade	170	0.84926	0.90963	0.06037	7.11%

[26] The residential rates illustrated above do not include pass-through charges included on customer bills that utilities are required to collect and distribute to the appropriate third parties, such as for franchise fees or the Public Purposes Charge.