

**PUBLIC UTILITY COMMISSION OF OREGON  
INTEROFFICE CORRESPONDENCE**

DATE: January 29, 2021  
TO: John Crider through Matt Muldoon  
FROM: Brian Fjeldheim, Curtis Dlouhy, Moya Enright, John Fox, and Michelle Scala  
SUBJECT: Verification of Cascade Natural Gas Corp. (Cascade or Company) Tariff Rates Effective February 1, 2021.  
Compliance Filing Advice No. O21-01-01.

In Order No. 21-001 (the Order) entered January 1, 2021, in Docket No. UG 390, the Public Utility Commission of Oregon (Commission) adopted a number of revenue requirement and rate spread/rate design stipulations. As a result of UG 390, the Company's revenue requirement is set to increase by \$2.905 million or 4.3% on a billed revenue basis. In Order 21-005 (revised Order), the Commission corrected the rate effective date to February 1, 2021. In response to the orders, Cascade submitted its Compliance Filing Advice No. O21-01-01 on January 21, 2021, and filed a replacement filing letter with a corrected billing impact summary table on January 29, 2021, following direction from Staff.

Staff has reviewed the advice filing and finds it complies with the Commission's orders. The checks and analytic tasks required to affirm the accuracy of rates included:

- Confirm the revenue target is correctly calculated in the Company's revenue requirement workpapers based on the Commission directed amounts found on page 1 of the Order and the adjusted rate base resulting from page 4 and 5 of Cascade's attestation for plant in service due to project cost downward adjustments. Cascade's plant/project attestation was submitted separately on January 21, 2021.
- Confirm from the Rate Spread and Design spreadsheet that the proposed tariff prices produce revenue increases that match what are proposed for base rate Schedules according to pages 5 - 7 of the Order and appropriately updated due to downward adjustments.
- Confirm the calculation of rate spread for base schedules as found on page 5 and 6 of the Order, is properly reflected in the Company's Rate Spread and Design workpaper and resulting Tariff sheets.
- Confirm that the tariff sheets are properly updated with the rates present in the Rate Spread and Design worksheet, advice number, revision number, date, and any other appropriate language changes.

Staff verified that the specific impacts authorized by the Order will be achieved by the changed tariff pages as filed. Staff utilized the provided workpapers and discussions with the Company to verify the accuracy of the tariffs and found only one minor issue.<sup>1</sup>

---

<sup>1</sup> Schedule 800 was revised as part of the Company's compliance filing and is now rounding base rates to five decimal places. However, the block 1, 2 and 5 Billing Rates in the Schedule 800 tariff sheet are slightly off when compared to the calculated total using the figures provided in the tariff sheet. This is due primarily to multiple other tariff schedules that "layer" over the Schedule 800 Base Rate and result in the Billing Rate. The other schedule rates range from five to seven decimal places and it

Staff finds that the filed tariff sheets will produce rates which are fair, just, reasonable, and conform to the Commission's orders. Therefore, Staff recommends that the Commission approve the tariff sheets and allow them to go into effect on February 1, 2021.

---

is the varying rounding regimens that produce a difference between the calculated and the stated Billing Rate. Cascade prefers to use the Billing Statement rates provided in the original compliance filing, despite the minute errors. Staff discussed this internally with management. Because the stated rates err slightly in favor of customers, and because Cascade is aware of the error in favor of customers and still prefers to use the tariff sheet provided in the initial filing, Staff posed no objection in this specific instance.