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August 7, 2026

VIA EMAIL TO

Public Utility Commission of Oregon
Filing Center
201 High Street SE, Suite 100
Salem, Oregon 97301-3398

Re: Docket No. UG 525 – In the Matter of Cascade Natural Gas Corporation, Request for a General Rate Revision.

Attention Filing Center:

Attached for filing in the above-captioned docket, please find the Joint Testimony of Travis R. Jacobson, Jean Falconer, Ed Finklea, Ryan Tran, Emily Dougan, Nora Apter, and Claire Prihoda in Support of the Second Stipulation Resolving All Issues Except Heat Pump Pilot, filed on behalf of Cascade Natural Gas Corporation ("Cascade"), Staff of the Public Utility Commission of Oregon, the Alliance of Western Energy Consumers, the Oregon Citizens' Utility Board, 350 Deschutes, Energize Bend, Oregon Environmental Council, The Environmental Center, Climate Solutions, and Sierra Club.

This filing contains information designated by Cascade as confidential and is provided subject to the provisions in General Protective Order No. 23-132. This filing also contains information designated by Cascade as highly confidential and is provided subject to the provisions in Modified Protective Order No. 26-132. Certificate of service of the highly confidential and confidential filing is attached.

Please contact this office with any questions.

Sincerely,

Hanna Campbell
Paralegal
McDowell Rackner Gibson PC

BEFORE THE

PUBLIC UTILITY COMMISSION OF OREGON

UG 525

JOINT TESTIMONY OF TRAVIS R. JACOBSON, JEAN FALCONER, ED FINKLEA, RYAN TRAN, EMILY DOUGAN, NORA APTER, AND CLAIRE PRIHODA

in Support of Second Stipulation

REDACTED

EXHIBIT 100

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I. INTRODUCTION AND SUMMARY

Q. Who is sponsoring this testimony?

A. This testimony is sponsored by Cascade Natural Gas Corporation ("Cascade" or "Company"), Staff of the Public Utility Commission of Oregon ("Staff"), the Alliance of Western Energy Consumers ("AWEC"), the Oregon Citizens' Utility Board ("CUB"), 350 Deschutes, Energize Bend, Oregon Environmental Council, The Environmental Center, Climate Solutions, and Sierra Club (collectively, the "Stipulating Parties").

Q. Please provide your names, positions, and qualifications.

A. My name is Travis R. Jacobson, and my current position is Vice President of Regulatory Affairs. My qualifications were previously provided in Exhibit CNGC/600.

My name is Jean Falconer, and I am a Senior Utility Analyst employed in the Energy Program of the Public Utility Commission of Oregon ("Commission"). My qualifications were previously provided in Exhibit Staff/1301.

My name is Ed Finklea, and I am a consultant appearing on behalf of AWEC. My qualifications are provided in Exhibit Stipulating Parties/101.

My name is Ryan Tran. I am an Economist employed by CUB. My qualifications were previously provided in Exhibit CUB/301. My name is Emily Dougan. I am a Utility Analyst employed by CUB. My qualifications were previously provided in Exhibit CUB/102.

My name is Nora Apter. I am employed by Climate Solutions in the role of Oregon Director. My qualifications were previously provided in Exhibit Environmental Intervenors/102. My name is Claire Prihoda. I am employed by Climate Solutions in the role of Buildings Policy Manager. My qualifications were previously provided in Exhibit Environmental Intervenors/102.

Q. What is the purpose of this Joint Testimony?

A. This Joint Testimony describes and supports the Second Stipulation ("Stipulation") filed in this docket on July 31, 2026. The Stipulation resolves all issues remaining in this docket except for the details concerning a proposed heat pump pilot, which will be addressed in a forthcoming Third Partial Stipulation. The Stipulation is joined by all parties except the Confederated Tribes of the Umatilla Indian Reservation ("CTUIR") and Oregon Just Transition Alliance ("OJTA"). The CTUIR does not oppose Sections 1-12 and 14-15 of the Stipulation and takes no position on Section 13 of the Stipulation. OJTA takes no position on the Stipulation. The Stipulating Parties support all terms in the Stipulation.

II. BACKGROUND

Q. Please summarize the background and context of docket UG 525.

A. Cascade filed its request for a general rate revision on November 25, 2025, with rates to become effective October 31, 2026 (the "Initial Filing"). The Initial Filing requested a revision to customer rates that would increase the Company's Oregon revenues by $16.4 million, or approximately 15.82 percent over current rates, and a margin increase of approximately 37.47 percent.[1] The Initial Filing requested a base rate increase of $16.2 million and a requested increase of $228,803 associated with the amortization of previously deferred environmental remediation costs.[2] CUB intervened in this docket on November 26, 2025. AWEC was granted intervention on December 11, 2025. The CTUIR intervened on December 29, 2025. The OJTA, 350 Deschutes, Oregon Environmental Council, the Environmental Center, Energize Bend, Climate

[1] Cascade's Executive Summary at 4 (Nov. 25, 2025).
[2] CNGC/100, Sievert/7-8.

Solutions, and Sierra Club collectively intervened and participated in this case as the "Environmental Intervenors."[3]

Administrative Law Judge Sarah Spruce convened a Prehearing Conference on January 13, 2026, and issued a Prehearing Conference Memorandum on January 26, 2026. The effective date for rates will be October 31, 2026.[4]

Q. Have the Stipulating Parties conducted discovery in this proceeding?

A. Yes. Since the Initial Filing, Cascade has responded to more than 510 data requests from Staff, CUB, and AWEC. Many of these data requests had multiple sub-parts.

Q. Please describe the additional process to date in this docket.

A. On January 13, 2026, the parties participated in a settlement conference to address cost of capital issues, and subsequently continued settlement discussions via email. As a result of the settlement discussions, Cascade, Staff, and AWEC agreed to settle all issues regarding cost of capital, as memorialized in the First Partial Stipulation that was filed with the Commission on March 3, 2026. CUB, CTUIR, and the Environmental Intervenors did not join the First Partial Stipulation.[5] CUB and the Environmental Intervenors did not oppose the First Partial Stipulation.[6] The CTUIR has not taken a position on the First Partial Stipulation.[7]

The non-Company parties filed Opening Testimony on or around March 12, 2026.[8] The parties convened for settlement conferences on March 24, 2026, and April 3, 2026, but did not reach a resolution. Cascade filed Reply Testimony on May 12, 2026.

[3] The Environmental Intervenors petitioned to intervene on December 19, 2026, and amended its petition to intervene to include Sierra Club on January 9, 2026.
[4] Prehearing Conference Order at 3 (Jan. 26, 2026).
[5] First Partial Stipulation at 1.
[6] First Partial Stipulation at 1.
[7] First Partial Stipulation at 1.
[8] With leave from the ALJ, Staff and the CTUIR filed their opening testimony one date late, on March 13, 2026.

The parties subsequently participated in a settlement conference on May 22, 2026, and continued settlement discussions by email and videoconference over the weeks that followed. Through these discussions, the Stipulating Parties agreed to settle all remaining issues except the heat pump pilot. The Stipulation memorializes the Stipulating Parties' agreements.

III. TERMS OF THE STIPULATION

Revenue Requirement

Q. What were the parties' positions regarding revenue requirement?

A. In the Initial Filing, the Company requested a revision to customer rates that would increase the Company's Oregon revenues by $16.4 million, or approximately 15.82 percent.[9] The Company's request included a proposed base rate increase of $16.2 million and a requested increase of $228,803 associated with the amortization of previously deferred environmental remediation costs.[10] In Opening Testimony, revenue requirement modifications were proposed by Staff, AWEC, CUB, and the Environmental Intervenors. Staff's proposed adjustments resulted in a revenue requirement of **[Begin Confidential]** [redacted] **[End Confidential]**,[11] and AWEC's proposed adjustments resulted in a revenue requirement of $9.9 million.[12] CUB and the Environmental Intervenors proposed adjustments to Cascade's revenue requirement in Opening Testimony, but neither provided a comprehensive revenue requirement proposal. The CTUIR filed Opening Testimony, but did not propose any adjustments to revenue requirement.

In Reply Testimony, the Company incorporated the results of the First Partial Stipulation and made other corrections and adjustments to its proposed revenue

[9] Cascade's Executive Summary at 4.
[10] CNGC/100, Sievert/7-8.
[11] Staff/200, Chipanera/7.
[12] AWEC/100, Mullins/2.

requirement in response to Staff and intervenors' Opening Testimony. The Company's revised revenue requirement proposal in its Reply Testimony was $13.8 million, reflecting an overall increase of 13.36 percent.[13]

Q. Please summarize the adjustment to revenue requirement agreed upon by the Stipulating Parties.

A. The Stipulating Parties agreed that the total increase in Cascade's annual revenue requirement as a result of this Stipulation should be $12,000,000, or approximately 12.9 percent over current rates, and a margin increase of 27.9 percent.[14] The annual revenue requirement increase in this proceeding is based on the Stipulating Parties' agreement that the Company's requested Oregon-allocated increase to annual revenue requirement shall be reduced by a total of $4.2 million from the Initial Filing amount of $16.2 million.

The Stipulation represents the settlement of all revenue requirement issues. The annual revenue requirement increase provided in the Stipulation includes the adjustment Cascade, Staff, and AWEC previously agreed upon regarding cost of capital in the First Partial Stipulation. Otherwise, the Stipulation does not address the particular adjustments that the parties made to Cascade's initial revenue requirement request. Similarly, the parties' Stipulation does not specify the rate base value used to determine rates, or the particular costs included in rates.

[13] CNGC/1700, Larkin/4-5. The $13.8 million requested in Reply Testimony was for revenue requirement only; the Company also continued to request an increase of $228,803 associated with the amortization of previously deferred environmental remediation costs, which are discussed in the term below regarding environmental remediation.
[14] Stipulation at 3.

Q. Is the $12 million revenue requirement adjustment reasonable and in the public interest?

A. Yes. The Stipulating Parties believe that collectively, the agreed-upon revenue requirement represents a reasonable financial settlement of the issues in this docket, and that the revenue requirement will produce rates that are fair, just, and reasonable. As such, the Stipulating Parties agree that the Stipulation is in the public interest.

Revised Schedule 163 and New Schedule 164

Q. Please describe the parties' positions regarding Cascade's treatment of EITE customers in Schedule 163 and the new Schedule 164.

A. In its Initial Filing, Cascade proposed to revise its Schedule 163 and create a new Schedule 164 to recognize that some costs associated with Climate Protection Program ("CPP") compliance should not be passed on to energy-intensive, trade exposed ("EITE") customers who have their own CPP compliance obligations.[15] In its Opening Testimony, Staff said it was reasonable to separate EITE and non-EITE customers' schedules, but questioned whether some of Cascade's RNG-related investments would provide benefits beyond CPP compliance, which should be shared with EITE customers.[16] In Reply Testimony, the Company provided additional information in Exhibit CNGC/1701 that details the specific CPP-related costs that will not be subject to recovery from EITE customers, and continued to advance the same proposal that was provided in Direct Testimony.[17]

[15] CNGC/700, Larkin/16.
[16] Staff/1300, Falconer/15-16.
[17] CNGC/1700, Larkin/35-36.

Q. Please describe the Stipulating Parties' agreement regarding Cascade's treatment of EITE customers in Schedule 163 and the new Schedule 164.

A. Ultimately, the Stipulating Parties agreed to Cascade's proposal to revise Schedule 163 and create a new Schedule 164, with Schedule 163 designated for service to non-EITE customers and Schedule 164 designated for service to EITE customers.[18]

Q. Please describe the Stipulating Parties' support for the Stipulation term concerning EITE customers.

A. The Stipulating Parties agree that the proposed treatment of EITE customers is reasonable and consistent with the public interest.

New Rate Schedules 161 and 162

Q. Please describe the parties' positions regarding new schedules for firm transportation service.

A. Prior to this case, Cascade's transportation service Schedule 163 only allowed for interruptible service. In its Initial Filing, Cascade proposed to create new Schedules 161 and 162 to provide firm transportation service to non-EITE and EITE customers, respectively.[19] Staff did not oppose the creation of Schedules 161 and 162, but expressed concern that customers switching from interruptible to firm service could require additional investment, and that costs from the new schedules should not be shifted to other rate schedules.[20]

In Reply Testimony, the Company explained that the intent behind Cascade's firm transportation proposal is to ensure that as the system becomes more constrained, transportation customers that want increased certainty of service pay their fair share to maintain that certainty.[21] The Company further explained that

[18] Stipulation at 3.
[19] CNGC/1100, Harris/11-12.
[20] Staff/1300, Falconer/8-9.
[21] CNGC/1500, Jacobson/34-35.

providing firm transportation service allows Cascade to incorporate transportation customers' demand into planning, and that these rate schedules are an important step to meeting customer needs and better planning for system usage, and that the proposed rate schedules will allow Cascade to better align costs and benefits of system usage by transportation customers.[22] The Company continued to advance its proposal in Reply Testimony, noting that Transportation customers are businesses, and curtailments can have detrimental impacts on Oregon's economy. Schedules 161 and 162 will allow those businesses an option to manage their risk.[23]

Q. Please describe the Stipulating Parties' agreement regarding new schedules for firm transportation service.

A. The Stipulating Parties agreed to Cascade's proposal to create new, firm transportation customer classes for both non-EITE customers (Schedule 161) and EITE customers (Schedule 162), provided that the new schedules limit a customer's ability to opportunistically switch between firm and non-firm schedules.[24] Cascade further agreed to propose allocated capacity costs for the new schedules in its next general rate case.[25]

Q. Please describe the Stipulating Parties' support for the New Rate Schedules 161 and 162.

A. The Stipulating Parties agree that this term represents a reasonable compromise of the parties' positions and contributes to the overall resolution of issues in this proceeding.

[22] CNGC/1500, Jacobson/35.
[23] CNGC/1500, Jacobson/37.
[24] Stipulation at 3.
[25] Stipulation at 3.

Studies, Data Tracking, and Reporting

Q. In addition to the financial and policy issues resolved above, the Stipulating Parties also agree to terms governing the preparation of data that will be used in Cascade's next general rate case. Please provide an overview of those terms.

A. To aid parties' analyses in Cascade's next general rate case, the Stipulating Parties agreed that Cascade should perform three additional studies that would inform the parties' cost of service analyses and a potential new rate class. Additionally, the Stipulating Parties agreed Cascade should update its analysis of the cumulative impact of the rates agreed upon in the Stipulation and other rate changes scheduled to take effect on October 31, 2026. Finally, the Stipulating Parties agreed Cascade should provide annual updates on growth-related projects.

Q. Please describe the three studies that Cascade would perform before its next general rate case.

A. First, the Stipulating Parties agreed that Cascade should study the impacts of interruptible loads on potential avoided distribution system investments and operational benefits. Cascade's long run incremental cost ("LRIC") study in its next general rate case would address findings from this interruptible load study. Second, the Stipulating Parties agreed that Cascade should perform a mains separation study for review in its next general rate case. Finally, the Stipulating Parties agreed that Cascade should perform a multi-family rate study.

Interruptible Load Study

Q. Please describe the parties' positions on the interruptible load study.

A. As discussed above regarding the Stipulation term for New Rate Schedules 161 and 162, Cascade proposed two new rate schedules to provide firm service to the

Company's transportation customers.[26] Although the Stipulating Parties ultimately agreed that the new firm service schedules should go into effect, parties also had concerns regarding the impact of the new schedules on the Company's other customers and on the cost of maintaining and upgrading the gas system to accommodate firm service for those customers.[27]

Q. Please describe the Stipulating Parties' agreement on the interruptible load study.

A. The parties agree that Cascade will study the impacts of interruptible loads on potential avoided distribution system investments and operational benefits. Cascade's LRIC study in its next general rate case will address findings from this interruptible load study.[28]

Q. Please describe the Stipulating Parties' support for the interruptible load study.

A. The parties' agreement that Cascade will conduct an interruptible load study is a reasonable avenue to address parties' positions and concerns. This study is in the public interest because it will provide Cascade, Staff, and intervening stakeholders with information concerning the impact of that change and any needed adjustment to avoid unfair distribution of costs among the Company's customer classes.

Mains Separation Study

Q. Please describe the parties' positions on the mains separation study.

A. In reviewing Cascade's filed LRIC study, AWEC argued that the study was inaccurate because it did not account for the diameter of mains primarily used to serve large customer classes as distinct from smaller mains primarily used to serve all other customers.[29] In Reply Testimony, Cascade explained how the Company's LRIC

[26] CNGC/1100, Harris/11-12.
[27] Staff/1300, Falconer/8-9; CUB/200, Tran/25-27.
[28] Stipulation at 4.
[29] AWEC/100, Mullins/2-3.

methodology does incorporate consideration of main diameter when allocating costs between customer classes, and maintained that the Company's methodology was appropriate.[30]

Q. Please describe the Stipulating Parties' agreement on the mains separation study.

A. The parties agree that Cascade will perform a mains separation study for review in its next general rate case.[31]

Q. Please describe the Stipulating Parties' support for the mains separation study.

A. The parties' agreement that Cascade will perform this study is a reasonable compromise between the Company's and AWEC's views of LRIC methodologies. This term is consistent with the public interest because it may provide additional data to support fair allocation of system costs between rate classes in the Company's next rate case.

Multi-family Cost of Service Study

Q. Please describe the parties' positions on the multi-family rate study.

A. Cascade does not currently have a customer class specifically tailored to multi-family residences and did not propose to create one in its Initial Filing. In their Opening Testimony, several parties argued that multi-family residences should be subject to different rates. Staff recommended that Cascade identify and track multi-family customers, investigate cost-to-serve differences for single- versus multi-family customers in its LRIC study, and establish a separate basic charge if supported by the evidence.[32] Staff also recommended considering separate load forecasts and possibly different volumetric charges for single- and multi-family customers.[33] CUB argued that

[30] CNGC/1700, Larkin/39-42.
[31] Stipulation at 4.
[32] Staff/1300, Falconer/17-19.
[33] Staff/1300, Falconer/19.

multi-family service should in theory cost less and that a separate rate would be more equitable, and recommended a $2 basic service charge differential pending a full cost-of-service study in Cascade's next general rate case.[34] Environmental Intervenors also favored the creation of multi-family rates, arguing that less fixed costs were required to serve multi-family residences.[35] In its Reply Testimony, Cascade opposed creating a new, multi-family rate class, arguing that multi-family buildings are a small fraction of the Company's customers; Cascade's rural service area means that the building characteristics and economies of scale that may result in lower cost of service in metropolitan areas may not be present in Cascade's service area; creating a new class would create new administrative costs; and the costs of creating a new class would likely outweigh the benefits.[36]

Q. Please describe the parties' agreement on the requested multi-family cost of service study ("COSS").

A. The Stipulating Parties agreed that Cascade will conduct a COSS that addresses possible rates for multi-family residential dwellings.[37] The parties further agreed that, for purposes of the COSS and any follow-up on rate schedule development efforts, the term "Multi-Family Premises" means two or more attached residential dwelling units where each unit receives natural gas service through a separate meter.[38]

Q. How will Cascade develop the multi-family COSS consistent with the parties' agreement in the Stipulation?

A. Beginning approximately five months before the Company's next general rate case is filed, Cascade will conduct a scheduling survey of parties from this docket, CAPO and

[34] CUB/300, Tran/31-32.
[35] Environmental Intervenors/100, Apter-Prihoda/29.
[36] CNGC/1500, Jacobson/40-41.
[37] Stipulation at 4.
[38] Stipulation at 4.

Community Action Agencies, and CBO partners and other parties with the purpose of selecting a date and agenda for a COSS scoping meeting. In this initial outreach, Cascade will provide invited participants—particularly those representing low-income and environmental justice communities—with a clear description of the meeting objectives, expected outcomes, and any questions tailored to their interests or expertise.[39]

Approximately four months before the Company's next general rate case is filed, Cascade will host the COSS scoping meeting with interested parties to discuss the scope and process for a COSS that addresses multi-family costs. This meeting will discuss methodologies and feedback from interested parties.[40] Cascade will send relevant pre-meeting materials to invitees one week before the meeting.[41] The Company will then prepare a methodology for conducting the COSS following the meeting.[42]

Approximately three months before the next general rate case, Cascade will host a workshop with interested parties to discuss its preliminary COSS and its identification of low-income and bill assistance participation among multi-family customers. Cascade will send invitees relevant pre-meeting materials one week before the workshop.[43] Additional feedback from participants may be used to adjust the final COSS.[44] Following the workshop, the Company will provide an accessible summary of discussions and next steps.[45] The Company will be open to receiving

[39] Stipulation at 4-5.
[40] Stipulation at 5.
[41] Stipulation at 5.
[42] Stipulation at 5.
[43] Stipulation at 5.
[44] Stipulation at 5.
[45] Stipulation at 5.

feedback on both the COSS and its potential implementation, which may include making rate schedule adjustments.[46]

Q. Once Cascade has completed the multi-family COSS, how will the Company communicate the results?

A. Cascade will file the results of the completed multi-family COSS (inclusive of analysis and supporting work papers) with its application in its next general rate case.[47]

Q. Why is the Stipulating Parties' agreement that Cascade will develop and conduct a multi-family COSS reasonable and in the public interest?

A. The parties' agreement that Cascade will conduct a COSS to inform the Company's cost to serve multi-family premises represents a reasonable compromise among the parties' positions in this case. The agreement to study multi-family costs before Cascade's next general rate case is in the public interest because it will facilitate further discussions on the issue of multi-family residential customers based in data gathered by the Company in consultation with community stakeholders.

Updates to Growth-Related Plant

Q. Did parties propose that Cascade provide updates regarding tracking and reporting on growth-related plant investments on the record in this case?

A. No. As discussed above, the parties did not recommend in testimony that Cascade provide updates regarding tracking and reporting on growth-related plant investments. Instead, this proposal was made through parties' exchanges in settlement.

Q. Please describe the Stipulating Parties' agreement regarding tracking and reporting on growth-related plant investments.

A. The Stipulating Parties agreed that Cascade will track growth-related plant additions and provide updates to the responses to OPUC Data Request No. 340 and total

[46] Stipulation at 5.
[47] Stipulation at 5.

customer class usage by region.[48] By April 1 of each year until the filing of its next general rate case, Cascade will file in this docket annual updates to OPUC Data Request No. 340 as a spreadsheet with all plant additions including additions under $150,000, Minor Plant Additions between $150,000-$1,000,000, and Major Plant Additions above $1,000,000.[49] Cascade will provide information for each project including (a) whether the project is directly attributed to customer growth; (b) the cost of the project; (c) a narrative description of why the Company considers the project to be attributable to customer growth; and (d) the actual or expected in-service date for the project.[50]

Q. Why is the Stipulating Parties' agreement that Cascade track and report on growth-related plant investments reasonable and in the public interest?

A. The agreement in the stipulation that Cascade will track and report on growth-related plant investments is reasonable and in the public interest because it represents a compromise between the parties' positions and will inform discussions on the issue in future cases.

Rate Spread

Q. Please describe the parties' positions regarding rate spread.

A. In its Initial Filing, Cascade used a LRIC study to determine each customer class's cost of service[51] and revenue-to-cost ratios to determine each class's existing revenues as a percentage of cost-of-service.[52] Staff argued parity ratios are a better guide than revenue-to-cost ratios and criticized Cascade's proposal for moving parity ratios toward unity for only limited schedules.[53] CUB offered an alternative rate spread

[48] Stipulation at 5.
[49] Stipulation at 5-6.
[50] Stipulation at 6.
[51] CNGC/700, Larkin/15.
[52] CNGC/800, Menhorn/6.
[53] Staff/1300, Falconer/22-24, 30-31.

proposal and recommended rejecting Cascade's banding in favor of CUB's banding.[54] AWEC recommended a moderated rate spread based on a modified LRIC study, and although AWEC's modified study showed that Schedules 163 and 170 should decrease, AWEC recommended limiting those schedules to an increase equal to 50 percent of the average approved increase, with the remaining schedules receiving an equal percentage increase of the balance.[55] In Reply Testimony, the Company maintained the same rate spread methodology in relation to the revised revenue requirement, with the exception of an adjustment related to the class cost of service study ("COSS") change to Schedule 170.[56]

Q. Please describe the Stipulating Parties' agreement regarding rate spread.

A. The Stipulating Parties have agreed to the rate spread shown in Exhibit A to the Stipulation.[57]

Q. Why did the Stipulating Parties agree to the rate spread described above?

A. The Stipulating Parties agree that, in the context of this Stipulation, the agreed-upon rate spread is reasonable and consistent with the public interest, as it moves many rate schedules closer to parity according to Cascade's LRIC and fairly distributes the increase among rate schedules.

Basic Service Charges

Q. Please describe the parties' positions regarding basic service charges for existing and new rate schedules.

A. In its Initial Filing, Cascade proposed to increase the basic service charges for all customer classes.[58] Staff proposed different basic charge increases for each schedule,

[54] CUB/300, Tran/28-29.
[55] AWEC/100, Mullins/23.
[56] CNGC/1800, Menhorn/8.
[57] Stipulation at 6.
[58] CNGC/1104.

separate single and multi-family basic charges, and a phased increase in basic charges.[59] CUB opposed Cascade's proposal and argued the residential basic service charge should be kept at $6.[60] Environmental Intervenors argued that Cascade's proposed residential basic service charge would provide less incentive to invest in conservation and energy efficiency.[61] CTUIR argued the increase in the basic service charge will disproportionately and negatively impact low-income households.[62] In Reply Testimony, the Company continued to advance the basic service charge proposal presented in the Initial Filing.[63]

Q. Please describe the Stipulating Parties' agreement regarding basic service charges for existing and new rate schedules.

A. The Stipulating Parties agreed to the basic service charges shown in Table 1, below.

Table 1: Stipulated Basic Service Charges[64]

Rate Schedule	Basic Service Charge
101 – Residential	$7.00
104 – Commercial	$24.00
105 – Industrial	$70.00
111 – Large Volume	$288.00
161 – Firm Transport Non-EITE	$900.00
162 – Firm Transport EITE	$900.00
163 – Interruptible Transport Non-EITE	$900.00
164 – Interruptible Transport EITE	$900.00
170 – Core Interruptible	$600.00

Q. Why did the Stipulating Parties agree to the basic service charges shown above?

A. The Stipulating Parties agree that the stipulated basic service charges represent a fair and reasonable balance of the interests involved, including progress towards cost-of-

[59] Staff/1300, Falconer/44-46.
[60] CUB/200, Tran/21-23.
[61] Environmental Intervenors/100, Apter-Prihoda/31.
[62] CTUIR/100, Zimmerman/5-6.
[63] CNGC/1800, Menhorn/15.
[64] Stipulation at 6.

service principles and preservation of price signals provided in the volumetric portion of rates. Accordingly, the Stipulating Parties agree that the stipulated basic service charges are reasonable and consistent with the public interest.

Cumulative Impact Updates

Q. In their testimony, did the parties address the cumulative impacts of the revenue requirement increase with the impacts from the rate changes associated with the Purchased Gas Adjustment ("PGA") and the Public Purpose Charge ("PPC")?

A. No. While parties expressed concerns about equity and affordability in Opening Testimony, no party specifically commented on the cumulative impacts associated with the revenue requirement increase and the rate changes associated with the PGA and the PPC.

Q. Please describe the Stipulating Parties' agreement regarding updates to the cumulative impact of the stipulated rates.

A. On September 15, 2026, Cascade will file updates on the cumulative impact of the rate changes agreed to in this Stipulation, along with updated rates from the PPC and PGA that are the subject of separate dockets before the Commission.[65] The Company made a similar filing in this docket on July 31, 2026. As part of its compliance filing in this case, the Company will also provide an update with any changes resulting from the incorporation of the Purchased Gas Adjustment into rates.[66] The updates will include:

1. A bill impact analysis and affordability analysis in the form shown in Exhibit B to the Stipulation;

[65] Stipulation at 6.
[66] Stipulation at 6-7.

2. An updated version of Exhibit CNGC/1803 that reflects adjustments made as a result of this Stipulation to all line items listed in CNGC/1803 and incorporates any changes to Cascade rate schedules that have occurred since Cascade filed its Opening Testimony; and,

3. A sample bill insert summarizing the effect of the implementation of this Stipulation on Cascade customers similar to that Cascade prepared and distributed in connection with Commission docket ADV 1866.[67]

Q. Why is the Stipulating Parties' agreement that Cascade will provide updates regarding cumulative impacts for all rate adjustments reasonable and in the public interest?

A. The agreed-upon cumulative rate impact updates represent a reasonable compromise between the parties and will provide the Commission with additional information regarding the cumulative impact of requested rate increases on customers.

Line Extension Allowances ("LEAs")

Q. Please describe the parties' positions with respect to LEAs.

A. In its Initial Filing, Cascade proposed to consolidate the tariffs for Rules 9 (service LEA) and 10 (main LEA) and move toward one allowance based on 4 times the anticipated margin for new residential, commercial, and industrial customers and 4.5 times margin for large volume and transportation customers.[68] Staff argued LEAs should be phased down and recommended a residential LEA of 4 times annual margin in the first year, 2 times in the second year, and no LEA by October 31, 2028.[69] CUB likewise argued Cascade's LEA should be sunset.[70] Environmental Intervenors

[67] Stipulation at 7.
[68] CNGC/600, Jacobson/21.
[69] Staff/1200, Wheeler/14-19.
[70] CUB/200, Tran-Dougan/15; CUB/300, Tran/3-4.

opposed Cascade's proposed LEA and advocated for eliminating the LEA entirely.[71] In Reply Testimony, the Company continued to advance the LEA proposal included in its Initial Filing.[72]

Q. Please describe the Stipulating Parties' agreement regarding LEAs.

A. The Stipulating Parties agreed the tariffs for service line LEAs (current Rule 9) and mains LEAs (currently Rule 10) should be consolidated into a single LEA as Cascade proposed,[73] but with certain modifications to implement a phase-out for residential and small commercial customers. Under the terms of the Stipulation, the LEA for residential and small commercial customers would be eliminated by October 31, 2028.[74] LEAs for (Residential Schedule 101) will be set at a maximum dollar amount of $1,757 starting on October 31, 2026, to $878 on October 31, 2027 and $0 on October 31, 2028.[75] For small commercial (Schedule 104), LEAs will be set at $5,455 on October 31, 2026, $2,727 on October 31, 2027 and $0 starting on October 31, 2028.[76] Industrial, large volume, transport, and core interruptible customers would still be eligible for a LEA based on their estimated margin.[77]

Q. Please describe the Stipulation's terms concerning LEA cost tracking and cost responsibility.

A. If the Stipulation is approved, beginning on October 31, 2026, Cascade will track actual costs for individual line extensions and calculate LEAs individually, on a per-billing-meter basis.[78] If actual costs of a line extension exceed the LEA, the party requesting the extension will be responsible for the difference between actual costs and the

[71] Environmental Intervenors/100, Apter-Prihoda/38.
[72] CNGC/1500, Jacobson.
[73] CNGC/1104, Harris/3-5.
[74] Stipulation at 7.
[75] Stipulation at 7.
[76] Stipulation at 7.
[77] Stipulation at 8.
[78] Stipulation at 8.

LEA.[79] Cascade may require a party requesting an extension to pay reasonably estimated costs in excess of the LEA before beginning construction.[80] After all actual costs associated with the extension are known, Cascade will true-up the actual costs of the Line Extension and determine either: (1) the amount of actual costs still owed by the party requesting the extension; or (2) the amount of excess estimated costs owed to the party requesting the extension.[81] Cascade will bill or refund the customer as appropriate, except when the cost of processing a bill or refund exceeds the amount owed by or due to the party.[82]

Q. Why is the Stipulating Parties' agreement regarding the LEA in the public interest?

A. The Stipulating Parties' agreement regarding the LEA represents a compromise among the parties' positions that contributed to the resolution of the issues in the Stipulation, is reasonable and consistent with the public interest.

Renewable Natural Gas ("RNG") Alternative Recovery Mechanism ("ARM")

Q. Please describe the parties' positions on the RNG ARM.

A. In its Initial Filing, Cascade requested an RNG recovery mechanism[83] as a part of its participation in the Senate Bill 98 (2019) ("SB 98") voluntary RNG program and as a means to provide timely cost recovery for its investments that will be used for compliance with the CPP.[84] Staff was open to cost recovery mechanisms for RNG investments under SB 98, but expressed concerns about the types of costs that would be included in the ARM and the risks of RNG investments.[85] CUB argued an RNG

[79] Stipulation at 8.
[80] Stipulation at 8.
[81] Stipulation at 8.
[82] Stipulation at 8.
[83] In the Initial Filing, Cascade referred to the mechanism as an automatic adjustment clause, or AAC. In settlement negotiations, the parties used the term ARM instead.
[84] CNGC/600, Jacobson/24.
[85] Staff/800, Shierman/11-13.

recovery mechanism was unnecessary because Cascade could recover costs through existing vehicles and recommended rejecting Cascade's proposal.[86] Environmental Intervenors also opposed the RNG recovery mechanism, and maintained that any future RNG costs should be recovered through normal rate case processes.[87] In Reply Testimony, the Company explained that it is necessary to create some vehicle for recovery of the Company's planned RNG investments, particularly in light of the evolving regulatory landscape and transition to the use of multi-year rate plans, and continued to request an RNG recovery mechanism.[88]

Q. Please describe the Stipulating Parties' agreement regarding the RNG ARM.

A. The Stipulating Parties agreed that Cascade should be permitted to file an application in a single, stand-alone, limited-scope docket to request prudency review and cost recovery for two RNG projects, the Knott Landfill RNG Project and the Iogen Boardman RNG Project.[89]

Q. What costs would the ARM address?

A. In the ARM, Cascade may request to adjust rates to incorporate the incremental operating and maintenance expenses tied directly to the Knott Landfill and Iogen Boardman RNG Projects, and limited to costs included in the funding projects ("FPs") listed in Tables 2 and 3, subject to the cap discussed below.

Table 2: Iogen Boardman RNG Project

FP #	Description	Estimated Oregon-Allocated Cost
FP-326057	Install Main Boardman Port Morrow RNG	No estimate provided
FP-326062	Install Regulator Station RNG Iogen Boardman	$166,180.79
FP-327056	Install Odorizer RNG Iogen Boardman	$374,909.86

[86] CUB/100, Jenks-Dougan/17-22, 27.
[87] Environmental Intervenors/100, Apter-Prihoda/11.
[88] CNGC/1500, Jacobson/19.
[89] Stipulation at 8.

FP-327100	Install Meter Set RNG Iogen Boardman	$16,237.19

Table 3: Knott Landfill RNG Project		
FP #	**Description**	**Estimated Oregon-Allocated Cost**
FP-322677	Deschutes Landfill-Design and Construction	No estimate provided
FP-325334	Deschutes Landfill-Initial Well Expansion	**[BEGIN HIGHLY CONFIDENTIAL]** [redacted] **[END HIGHLY CONFIDENTIAL]**
FP-324296	GR-4" High Pressure Steel Main Knott Landfill Bend	$307,148.91
FP-326370	Install Meter Set Knott Landfill RNG	$1,811.76
FP-326394	Install Odorizer Knott Landfill RNG	$61,791.80

Q. Please describe the Stipulating Parties' agreed upon cost cap.

A. For FP-326057 (Install Main Boardman Port Morrow RNG) and FP-322677 (Deschutes Landfill-Design and Construction), Cascade would be permitted to recover in the RNG ARM all prudently incurred costs, as determined by the Commission.[90] For all other FPs listed in Tables 2 and 3, Cascade's recovery in the ARM would be limited to the estimate shown in Tables 2 and 3.[91] In a future general rate case, Cascade may request recovery of any prudently incurred costs in excess of the estimates shown in Tables 2 and 3 that were not recovered in the ARM.[92]

The ARM proceeding will not include any RNG assets other than the FPs identified in Tables 1 and 2 above.[93] The ARM proceeding will not include any projects

[90] Stipulation at 9.
[91] Stipulation at 9-10.
[92] Stipulation at 10.
[93] Stipulation at 10.

for EITE customers or non-RNG construction costs or capital expenditures for the distribution system in the Bend area.[94]

Q. Please describe the process the Stipulating Parties envision for the ARM proceeding.

A. To provide time for parties to review the projects, Cascade would submit the ARM application in February with the same rate effective date as the Company's subsequent PGA.[95] In the ARM application, Cascade would describe how and to what extent the projects are recovered in compliance with the CPP and/or with SB 98.[96] Intervenors in the ARM proceeding would be allowed two rounds of testimony.[97]

Q. Does the RNG ARM guarantee that Cascade will recover costs associated with the two RNG projects?

A. No, neither the Stipulation nor the agreed-upon RNG ARM would guarantee that Cascade will recover costs associated with these RNG projects.[98] The Commission will ultimately decide what costs are prudently incurred and recoverable in rates.

Q. Why is the Stipulating Parties' agreement regarding the RNG ARM in the public interest?

A. The term in the Stipulation regarding the RNG ARM balances the Company's need to obtain timely cost recovery for its RNG investments with the parties' interests in designing a process that allows a for a one-time review of the Company's RNG investments, provides some degree of certainty regarding costs via the cost caps, and provides adequate time for parties to conduct a prudence review. Accordingly, the

[94] Stipulation at 10.
[95] Stipulation at 8-9.
[96] Stipulation at 10.
[97] Stipulation at 9.
[98] Stipulation at 10.

Stipulating Parties agree that the RNG ARM term is reasonable and consistent with the public interest.

Heat Pump Pilot

Q. Please describe the Stipulating Parties' positions regarding the Environmental Intervenors' requested heat pump pilot.

A. In its Initial Filing, Cascade discussed its recent work on a hybrid heating system pilot in Oregon.[99] In their Opening Testimony, the Environmental Intervenors advocated for a broader heat pump pilot program.[100] In Reply Testimony, the Company opposed the Environmental Intervenors' proposal for an expanded heat pump pilot.[101]

Q. Please describe the Stipulating Parties' agreement regarding the Environmental Intervenors' requested heat pump pilot.

A. The Stipulating Parties agreed that Cascade will establish a pilot program for residential customers that would provide a $1,500 incentive per customer to install a heat pump that meets the Energy Trust of Oregon's ("ETO") efficiency requirements ("Heat Pump Pilot").[102] The Heat Pump Pilot program will have a maximum budget of $750,000.[103]

Q. Does the Stipulation resolve all terms related to Heat Pump Pilot?

A. No. The Stipulating Parties are continuing to negotiate Heat Pump Pilot program terms and parameters and expect to provide additional details regarding the program in a forthcoming Third Partial Stipulation.

[99] CNGC/1200, Gilchrist/13.
[100] Environmental Intervenors/100, Apter-Prihoda/9-10.
[101] CNGC/2100, Gilchrist-McGreal/56.
[102] Stipulation at 10.
[103] Stipulation at 10.

Q. Why do the Stipulating Parties support the Stipulation term regarding the Heat Pump Pilot?

A. The Stipulating Parties agreed that the Heat Pump Pilot is a reasonable compromise that led to resolution of all issues in the proceeding, pending the outcome of the additional terms and parameters of the pilot.

Environmental Remediation

Q. Please describe the parties' positions with respect to Cascade's request for environmental remediation costs.

In its Initial Filing, Cascade sought to amortize its deferred balance of approximately $600,000 in environmental remediation costs associated with a manufactured gas plant in Eugene, Oregon.[104] The balance consists of the final costs to clean up the Eugene site, less insurance payments of $1.1 million, plus interest on the balance as authorized by the Commission orders issued in docket UM 1636.[105] Cascade proposed to recover these deferred costs in Schedule 197 over a three-year amortization period, consistent with the approach from dockets UG 305 and UG 347.[106] No party opposed Cascade's request in Opening Testimony.

Q. Please describe the Stipulating Parties' agreement with respect to Cascade's request for environmental remediation costs.

A. The Stipulating Parties agreed to Cascade's requested amortization, which is separate from and in addition to the $12,000,000 revenue requirement agreed upon.[107]

[104] CNGC/1100, Harris/9-11.
[105] CNGC/1100, Harris/10.
[106] CNGC/1100, Harris/10.
[107] Stipulation at 10-11.

Q. Please explain why the Stipulating Parties support the Stipulation term regarding environmental remediation costs.

A. The Stipulating Parties agreed that Cascade's proposed amortization of environmental remediation costs, which is offset by insurance payments and will be spread over three years, is reasonable and consistent with the public interest.

Mitigation of Cumulative Impact

Q. Please describe the parties' positions on mitigation of the impacts associated with Cascade's requested revenue requirement increase.

A. Cascade provided the HB 3179 cumulative economic impact analysis accompanying the Company's cover letter and executive summary with the Company's Initial Filing in this case. In Direct Testimony, Cascade explained that the Company was not proposing rate mitigation in this case, because the Company's analysis indicated that existing customer assistance programs would provide sufficient mitigation for the rate increase.[108] Staff agreed that the Company's current programs reducing energy burden for residential customers are anticipated to provide adequate mitigation to the impacts of the requested increase.[109] CUB expressed concern that Cascade's current customer assistance programs would not be sufficient to mitigate rate shock, that low income customers would be most affected, and that disconnections could increase, but CUB did not propose any alternative approach in testimony.[110] The Environmental Intervenors did not agree that Cascade's current customer assistance programs would be sufficient to mitigate rate impacts and argued that the Company should expand those programs,[111] but did not propose any alternative form of rate mitigation in testimony.

[108] CNGC/600, Jacobson/7.
[109] Staff/300, Kern-Lockwood/22.
[110] CUB/100, Jenks-Dougan/8-14.
[111] Environmental Intervenors/100, Apter-Prihoda/81-82.

Q. Did parties address concern about the rate changes associated with the PGA and PPC on the record in this case?

A. No. Testimony in this proceeding was limited to the rates and changes requested by Cascade. Costs associated with the PGA and PPC were unavailable to parties during development of testimony. As discussed above, the parties did not provide testimony regarding the cumulative impacts of the revenue requirement increase with the impacts from the rate changes associated with the PGA and the PPC.

Q. Please describe the Stipulating Parties' agreement on mitigation of cumulative impacts.

A. The Stipulating Parties agree that Cascade, in its PGA initial filing, will propose to mitigate the cumulative effects of rate changes to the PGA, the PPC, the decoupling mechanism, energy discount program, environmental remediation, intervenor funding, and the CPP adjustment mechanism as shown in Exhibit C to the Stipulation.[112] The parties' agreement in the Stipulation does not constitute agreement to the prudency of the costs contained in the adjustment, schedules, or admission or consent to the principles, methods, or theories employed by Cascade in that exhibit. Staff and Intervenors may propose an alternative to the rate mitigation shown there, including application of ORS 757.259.[113]

Q. Please describe the Stipulating Parties' support for mitigation of cumulative impacts.

A. The parties' agreement that Cascade will propose mitigation measures in the Company's fall PGA and Updates filing, and that Staff and Intervenors are free to propose alternative measures for consideration by the Commission is a reasonable

[112] Stipulation at 11.
[113] Stipulation at 11.

resolution of the parties' positions and concerns in this case and is consistent with the public interest.

Q. After filing the Stipulation, did Cascade file its PGA with the mitigation proposed above?

A. Yes. Cascade made its PGA filing on July 31, 2026 in docket UG 530.

IV. STIPULATING PARTIES' SUPPORT FOR THE SECOND STIPULATION

Cascade

Q. Mr. Jacobson, please explain why Cascade supports the Stipulation.

A. Cascade has not filed a general rate case since 2020, and the Stipulation provides Cascade with recovery of its capital investments that have been made over the last six years as well as the associated increases in operating expenses for that same period. Additionally, the Stipulation provides a pathway for the Company to achieve timely recovery of its RNG investments through the RNG ARM. The rate design and rate spread agreed to in the Stipulation will result in customers paying rates that more closely reflect their cost of service and will move the Company's rate classes closer to parity.

The Company also supports the Stipulation because it strikes a reasonable balance between the interests of Cascade's customers and the Company in this proceeding. The Stipulation is a compromise among differing interests and achieves a fair outcome in these circumstances. The Stipulation is also intended to avoid the need to incur the additional expense of fully litigating issues in this proceeding, and the Stipulation achieves a reasonable result consistent with that objective. Finally, Cascade believes that the overall rates produced by this Stipulation are fair, just, and reasonable. For these reasons, the Stipulation is in the public interest and should be approved by the Commission.

Staff

Q. Dr. Falconer, please explain why Staff supports the Stipulation.

A. Staff supports the Second Partial Stipulation recognizing its ability to address complex issues, control costs, and promote fair outcomes. This stipulation aligns with the public interest and ensures fair outcomes while simultaneously advancing key policy priorities. For instance, the Stipulation phases out LEAs for residential and small commercial customers, moves rate spread towards parity, and requires data gathering to facilitate continued advancement towards equitable distribution of costs. In addition, the Stipulation has the following qualities:

Balanced Compromise: The Stipulation is the result of a robust discovery process and negotiations among the parties involved. This collaborative approach ensures that different perspectives and interests have been considered, leading to a balanced compromise that addresses a range of complex issues.

Fair Outcomes: The Stipulation includes a series of adjustments and agreements that demonstrate a commitment to achieving fair and reasonable outcomes for all stakeholders. These adjustments align with established Commission precedent and Staff practices, enhancing transparency and consistency in rate-setting proceedings.

Cost Control and Equitable Pricing: The Stipulation introduces measures that contributes to cost control while ensuring equitable pricing for different customer groups. The stipulated rate spread moves some customer classes closer to parity and balances adherence to cost causation principles with other considerations like equity and gradualism.

Equitable Distribution of Costs: The Stipulation acknowledges the importance of spreading costs in a fair and balanced manner. By incorporating various adjustments, the Stipulation ensures that the burden of costs is reasonably distributed among different customer groups.

Transparency and Collaboration: The Stipulation underscores the importance of transparency and collaboration in the rate-setting process. By engaging in open discussions and negotiations, the parties involved have reached agreements that reflect careful analysis and informed decision-making. The Stipulation requires Cascade to provide updates on cumulative rate impact and growth-related plant additions which will further contribute to transparency of rates.

Public Interest and Reasonable Rates: Staff believes that the Stipulation's provisions align with the public interest by promoting fair, just, and reasonable rates. Through its balanced approach, the stipulation supports Cascade's need for the opportunity to earn a reasonable return, while safeguarding customers from undue financial burden.

In conclusion, Staff supports the Stipulation because it aligns with the public interest and ensures fair outcomes for Cascade and its customers. Key policy priorities and complex issues are advanced in a balanced manner promoting greater transparency and equitable distribution of costs across customer classes.

AWEC

Q. Mr. Finklea, please explain why AWEC supports the Stipulation.

A. AWEC supports the Stipulation as a reasonable compromise of the issues raised in this docket. The Stipulation results in a reduction to Cascade's proposed revenue requirement in this docket, from approximately $16.2 million increase to an increase of approximately $12.0 million. That represents an approximately $4.2 million negotiated reduction to the revenue requirement increase. In general, AWEC found this revenue requirement to be reasonable in light of the issues raised in this docket and the overall settlement. AWEC supports the revisions to Schedule 163 and the creation of new rate Schedule 164 for EITE customers, who have their own compliance obligations under the CPP. AWEC also supports the creation of firm transportation Schedules 161 and 162, which are designed to prevent a customer from opportunistically switching between firm and interruptible service to the detriment of other customers. AWEC also supports the mains separation study that Cascade will perform for review in its next general rate case. While the Stipulation does not adopt all the recommendations in AWEC's testimony, the agreed-upon revenue requirement reflects a negotiated compromise of the issues raised by the Stipulating Parties. AWEC recommends the Commission find that the Stipulation is in the public interest and recommends that the Commission approve it.

CUB

Q. Mr. Tran and Ms. Dougan, please explain why CUB supports the Stipulation.

A. While CUB has concerns about the impact that this rate increase will have on residential customers, CUB believes that on an overall basis it represents a fair resolution of the issues in the General Rate Case. CUB believes that the phasing out of the Line Extension Allowances will provide benefits by preventing stranded costs as our energy systems adapt to climate change. Removing the RNG Recovery mechanism from this rate case in favor of the RNG ARM also protects customers from yearly cost increases with little oversight. CUB has concerns about the potential effects of the PGA and adjustment schedules and the related application of ORS 757.259, but will address those through the PGA process.

350 Deschutes, Energize Bend, Oregon Environmental Council, The Environmental Center, Climate Solutions, and Sierra Club

Q. Mses. Apter and Prihoda, please explain why 350 Deschutes, Energize Bend, Oregon Environmental Council, The Environmental Center, Climate Solutions, and Sierra Club support the Stipulation.

A. 350 Deschutes, Energize Bend, Oregon Environmental Council, The Environmental Center, Climate Solutions, and Sierra Club believe the Settlement Stipulation is in the public interest and represents a reasonable resolution to the issues in this proceeding. The Settlement Stipulation is consistent with the public interest for the following reasons.

First, the Settlement makes meaningful progress toward ensuring that customer rates continue to encourage conservation, energy efficiency, and customer choice. Environmental Intervenors opposed Cascade's proposed increase to the residential basic service charge because larger fixed charges reduce customers' ability to lower their bills through efficient energy use and disproportionately affect low-use customers. By limiting the residential basic service charge increase to just one dollar, the Settlement preserves important volumetric price signals while balancing legitimate cost-of-service considerations. This outcome better protects affordability and supports Oregon's broader energy and climate objectives.

Similarly, the Settlement advances pathways to reduce emissions from buildings through customer choice. Cascade's agreement to establish a Heat Pump Pilot providing $1,500 incentives for existing residential customers to install qualifying heat pumps expands opportunities for customers to adopt highly efficient electric heating technologies. The pilot will provide valuable experience with program implementation and customer participation while supporting Oregon's transition toward lower-emission buildings. It will also result in cost-effective emissions reductions for Cascade as the Company pursues compliance with the CPP.

The Settlement also improves Cascade's proposed Renewable Natural Gas Alternative Recovery Mechanism. Environmental Intervenors opposed the Company's original proposal because it would have created an unnecessary recovery mechanism outside of a general rate case. The negotiated Settlement instead limits the mechanism to two specifically identified projects, preserves a full Commission prudence review before any costs may be recovered, establishes cost caps for most project components, and does not guarantee cost recovery. These safeguards appropriately balance the Company's interest in seeking timely recovery with meaningful protections for customers.

Next, the Settlement makes important progress toward ending subsidies for expansion of the natural gas distribution system. Environmental Intervenors advocated for eliminating Line Extension Allowances because they require existing customers to subsidize new gas system expansion. The settlement establishes a defined phase-out for residential and small commercial customers by October 31, 2028, requires project-specific cost tracking, and better aligns responsibility for extension costs with the customers requesting new service. These changes represent meaningful progress toward more equitable and economically efficient treatment of system expansion costs.

Finally, the Settlement strengthens customer protections related to affordability and overall rate impacts. The agreed-upon revenue requirement represents a substantial reduction from Cascade's original request, helping moderate customer bill increases while providing the Company an opportunity to recover prudently incurred costs. In addition, Cascade's commitments to provide updated cumulative bill impact and affordability analyses, together with the opportunity for parties to propose alternative mitigation measures, will provide the Commission with a more complete understanding of how multiple rate changes affect customers and ensure that affordability concerns remain central as rates are implemented.

We believe this Settlement addresses important issues in the public and ratepayer interest that our organizations raised throughout this proceeding. We appreciate Cascade's willingness to engage constructively on these issues and reach meaningful compromises that improve the outcome for customers. We look forward to continuing to work with the Company, the Commission, and other interested parties to ensure the Settlement is implemented fully, promptly, and effectively**.**

V. CONCLUSION

Q. What is your recommendation to the Commission?

A. The Stipulating Parties recommend and request that the Commission approve the Stipulation in its entirety.

Q. Does this conclude your testimony?

A. Yes.

BEFORE THE

PUBLIC UTILITY COMMISSION OF OREGON

UG 525

Stipulating Parties

WITNESS QUALIFICATIONS OF ED FINKLEA

EXHIBIT 101

August 2026

ED FINKLEA

Ed Finklea is the current President of the Rotary Club of Ashland and natural gas advisor to the Alliance of Western Energy Consumers. From 2012 until 2018, Ed was Executive Director of the Northwest Industrial Gas Users ("NWIGU") and oversaw the merger of the organization to form the Alliance of Western Energy Consumers, where he served as natural gas director until 2022. AWEC is a non-profit trade association of approximately 40 industrial and commercial natural gas and electricity end users who have facilities in the states of Oregon, Washington, and Idaho. From 1986 until 2008, Ed engaged in the private practice of law representing NWIGU, among other clients in regulatory interventions before the Oregon Public Utility Commission, the Washington Utilities and Transportation Commission, and FERC.

From 2009 until 2012, Ed was Senior Counsel for NiSource Corporate Services in Houston Texas, serving as Regulatory counsel before the Federal Energy Regulatory Commission ("FERC"), advising the company on federal regulatory compliance and business transactions for an interstate natural gas pipeline serving the Southern and Eastern United States. Prior to being in private practice, Ed worked for Northwest Natural Gas, the Bonneville Power Administration ("BPA"). In his time at Northwest Natural Gas, Ed handled state regulatory matters and provided counsel to the company on energy projects, including a landfill gas project litigating electric rate issues in administrative hearings. For the BPA, Ed defended BPA before the Ninth Circuit Court of Appeals. For FERC, Ed advised in hydroelectric licensing and co-generation regulation.

Ed is a graduate of the Northwestern School of Law Lewis and Clark College and the University of Minnesota. He has served as an Adjunct Professor at Lewis and Clark, teaching Energy Law and Law and Economics.

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Natural Gas Advisor	2022 to Present
Natural Gas Director	2018-2022
Northwest Industrial Gas Users, Portland, Oregon	
Executive Director	2012-2018
NiSource Corporate Services Inc., Houston, Texas	
Senior Counsel	2009-2011
Energy Action Northwest, Portland, Oregon	
Executive Director	2008-2009
Cable Huston Benedict Haagensen & Lloyd, Portland, Oregon	
Partner	2004-2008
Energy Advocates LLP, Portland, Oregon, Washington D.C.	
Managing Partner, Founder	1997-2003
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Associate 1986-1988

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Counsel 1982-1984

Federal Energy Regulatory Commission, Portland, Oregon
Trial Attorney 1981-1982

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Law Clerk 1980-1981

CERTIFICATE OF SERVICE

I certify that on August 7, 2026, I served or caused to be served a true and correct copy of the ***Confidential and Highly Confidential Joint Testimony in Support of Second Stipulation*** upon all parties of record in this proceeding who have provided signatory pages to General Protective Order No. 23-132 and/or Modified Protective Order No. 26-132, via electronic mail at each person's last known address, as indicated below.

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Dated at Portland, Oregon on this 7th day of August 2026.

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