

CASCADE NATURAL GAS CORP

Form 10-K/A

April 25, 2003

**FORM 10-K/A**

# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**✓ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended September 30, 2002**

**Commission file number: 1-7196**

## CASCADE NATURAL GAS CORPORATION

(Exact name of Registrant as specified in its charter)

**Washington**

(State or other jurisdiction of incorporation or organization)

**91-0599090**

(I.R.S. Employer Identification No.)

**222 Fairview Avenue North  
Seattle, WA 98109**

(Address of principal executive offices)

**(206) 624-3900**

(Registrant's telephone number including area code)

Securities registered pursuant to Section 12(b) of the Act:

| <b>Title of Each Class</b>            | <b>Name of Each Exchange on which Registered</b> |
|---------------------------------------|--|
| Common Stock, Par Value \$1 per Share | New York Stock Exchange                          |
| Preferred Stock Purchase Rights       | New York Stock Exchange                          |

Securities registered pursuant to section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant as of the close of business on November 15, 2002, was \$212,427,000

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

| <b>Title</b>                          | <b>Outstanding</b>                |
|---------------------------------------|-----------------------------------|
| Common Stock, Par Value \$1 per Share | 11,045,095 as of December 1, 2002 |

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's definitive proxy statement for its 2003 Annual Meeting of Shareholders are incorporated by reference into Part III, Items 10, 11, 12, and 13.

Explanatory Note

This Amendment No. 1 to the Registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 2002, is filed for the sole purpose of including an amended Exhibit 10.8. Exhibit 10.8 is subject to a request for confidential treatment, and has been redacted to delete those portions as to which confidential treatment is sought. The version of Exhibit 10.8 filed with the original Annual Report on Form 10-K did not indicate the precise places in the document where material had been deleted. The amended Exhibit 10.8 filed with this Amendment has been appropriately revised and marked to indicate the location of all deleted material.

**Item 15. Exhibits, Financial Statement Schedules, and Reports on Form 8-K**

(a) 3. Exhibits:

Exhibit 10.8. Natural Gas Transaction Confirmation (GTC) dated November 21, 2001, and executed on April 3, 2002, between Engage Energy Canada, L.P., and the Registrant, covering the period November 1, 2003 to November 1, 2008. A PORTION OF THIS AGREEMENT IS SUBJECT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CASCADE NATURAL GAS CORPORATION

April 25, 2003  
Date

By /s/ J.D. Wessling  
J. D. Wessling  
Sr. Vice President - Finance, Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

|  |   |                        |
|--|---|------------------------|
|  | President and Chief Executive Officer   |                        |
| /s/ W. Brian Matsuyama<br>W. Brian Matsuyama | and Director<br>(Principal Executive Officer)   | April 25, 2003<br>Date |
| /s/ J. D. Wessling<br>J. D. Wessling         | Sr. Vice President - Finance, Chief<br>Financial Officer<br>(Principal Financial Officer) | April 25, 2003<br>Date |
| /s/ James E. Haug<br>James E. Haug           | Controller<br>(Principal Accounting Officer)  | April 25, 2003<br>Date |
| /s/ Larry L. Pinnt<br>Larry L. Pinnt         | Chairman of the Board   | April 25, 2003<br>Date |
| NA<br>Carl Burnham, Jr.                      | Director  | NA<br>Date             |
| /s/ Thomas E. Cronin<br>Thomas E. Cronin     | Director  | April 25, 2003<br>Date |
| NA<br>David A. Ederer                        | Director  | NA<br>Date             |
| /s/ Howard L. Hubbard<br>Howard L. Hubbard   | Director  | April 25, 2003<br>Date |

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NA  
Mary E. Pugh

Director

NA  
Date

NA  
Brooks G. Ragen

Director

NA  
Date

/s/ Douglas G. Thomas  
Douglas G. Thomas

Director

April 25, 2003  
Date



**CERTIFICATION ACCOMPANYING PERIODIC REPORT  
PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002  
(18 U.S.C. 1350)**

I, W. Brian Matsuyama, certify that:

1. I have reviewed this annual report on Form 10-K of Cascade Natural Gas Corporation;
  
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
  
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operation and cash flows of the registrant as of, and for, the periods presented in this annual report;
  
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
  - a) Designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
  
  - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and
  
  - c) Presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
  
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: April 25, 2003

By: /s/ W. Brian Matsuyama  
W. Brian Matsuyama  
President and CEO  
(Principal Executive Officer)

I, J. D. Wessling, certify that:

1. I have reviewed this annual report on Form 10-K of Cascade Natural Gas Corporation;
  
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
  
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operation and cash flows of the registrant as of, and for, the periods presented in this annual report;
  
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
  - a) Designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
  
  - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and
  
  - c) Presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
  
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
  
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

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6. The registrant's other certifying officers and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: April 25, 2003

By: /s/ J. D. Wessling  
J. D. Wessling  
Senior Vice President Finance and CFO  
(Principal Financial Officer)

**INDEX TO EXHIBITS**

**Exhibit  
No**

**Description**

10.8 Natural Gas Transaction Confirmation (GTC) dated November 21, 2001, and executed on April 3, 2002, between Engage Energy Canada, L.P., and the Registrant, covering the period November 1, 2003 to November 1, 2008. A PORTION OF THIS AGREEMENT IS SUBJECT TO A REQUEST FOR CONFIDENTIAL TREATMENT.