



8113 W. GRANDRIDGE BLVD., KENNEWICK, WASHINGTON 99336-7166
 TELEPHONE 509-734-4500 FACSIMILE 509-737-9803
 www.cngc.com

February 28, 2017

CNG/O17-02-01

Oregon Public Utility Commission
 P.O. Box 1088
 201 High St SE, Suite 100
 Salem, OR 97308-1088

Attn: Filing Center

Re: UG 305, Cascade Natural Gas Corporation’s General Rate Case Compliance Filing

Cascade Natural Gas Corporation (Cascade or the Company) files herewith the attached new Tariff book, P.U.C. OR. No. 10, stated to become effective **March 1, 2017**, which is filed in compliance with Commission Order No. 16-477, issued in Docket No. UG-305, the Company’s 2016 general rate case.

Consistent with Order No. 16-477, this filing modifies base rates to collect an additional \$700,000 and adds a new adjustment schedule---Schedule 197, Environmental Remediation Cost Adjustment—to recover an additional \$54,000 per year for three years or a three-year total of \$162,000 of environmental remediation costs associated with the Company’s former manufactured gas plant in Eugene, Oregon. The authorized rate increase will have the following impact on customers’ average monthly bills:

Rate Schedule	Therms per Month	Current Average Monthly Bill	Proposed Average Monthly Bill	Change in Average Monthly Bill (\$)	Change in Average Monthly Bill (%)
RS 101 - Residential	56	\$44.02	\$44.78	\$0.76	1.73%
RS 104- General Commercial	236	\$150.35	\$151.47	\$1.12	0.75%
RS 105 – General Industrial	1,755	\$956.86	\$982.42	\$25.56	2.67%
RS 111 – Large Volume	10,034	\$5,035.06	\$5150.39	\$115.33	2.29%
RS 163 – Transportation	87,983	\$8,580.04	\$8,625.26	\$45.22	0.53%
RS 170 - Interruptible Gas	50,817	\$23,881.45	\$23,907.57	\$26.12	0.11%

The Company includes the following exhibits as support for this filing:

- Exhibit A compares present and proposed rates per rate schedule and shows the impact these changes will have on revenues.

- Exhibit B establishes a new baseline for determining the difference between authorized and billed margin per the Company's Rule 19, Conservation Alliance Plan Mechanism, using the new forecasted billing volumes and the new delivery charges for Schedules 101 and 104.
- Exhibit C is an updated version of Exhibit CNGC/404 that was referenced in the Direct Testimony of Pamela Archer (Exhibit CNGC/400). Exhibit C updates the tax rate applied to line extension costs that must be paid by the customer. This rate is stated on Sheet No. 9.2 and Sheet No. 10.1 in the attached Tariff.
- Exhibit D demonstrates how the Schedule 197, Environmental Remediation Cost Adjustment rate was determined. Per Order No. 16-477, the Company is amortizing \$54,000 a year for three years. Costs will be recovered on an equal percent per therm basis.

If you have any questions regarding this filing, please contact me at (509) 734-4593.

Sincerely,



Michael Parvinen
Director, Regulatory Affairs
Email: michael.parvinen@cngc.com

Attachment

P.U.C. OR. No. 10

RATES, RULES, AND REGULATIONS
FOR
NATURAL GAS SERVICE
IN
OREGON

Including service to the communities of:

Athena, Baker, Bend, Boardman, Chemult, Crescent, Gilchrist, Hermiston, Huntington, Irrigon, La Pine, Lime, Madras, Milton-Freewater, Mission, Nyssa, Ontario, Pendleton, Pilot Rock, Prineville, Redmond, Stanfield, Sunriver, Umatilla, and Weston.

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**RULE 1
GENERAL**

1. The Company shall furnish natural gas in compliance with the rules and regulations as established in this Tariff, and all subsequent revisions as approved by the Public Utility Commission of Oregon.
2. No officer, employee, agent, or representative of the Company has any right to waive, alter, or amend in any manner the rules and regulations established in this Tariff, or any part thereof.
3. Service shall be furnished provided adequate capacity exists in the Company's system.
4. The natural gas supplied by Cascade may vary in different localities. The total gross heating value of the gas deliverable shall not be less than 985 BTUs.

RULE 2
DEFINITIONS

DEFINITIONS

When used in this Tariff the following terms shall have the meanings defined below:

1. Applicant - A person, firm, or corporation that (1) applies for service; (2) reapplies for service at a new or existing location after service has been disconnected; or (3) has not met the requirements for becoming a customer as established in Rule 3.
2. BTU - British Thermal Unit
3. British Thermal Unit - The standard unit for measuring a quantity of thermal energy. One BTU equals the amount of thermal energy required to raise the temperature of one pound of water one degree Fahrenheit and is exactly defined as equal to 1,055.05585262 joules. 100,000 BTUs is equivalent to one therm.
4. Commission - The Public Utility Commission of Oregon or otherwise referred to as OPUC.
5. Company - Cascade Natural Gas Corporation (Cascade) or its assigned agents acting through its duly authorized officers or employees within the scope of their respective duties.
6. Customer - Any person, firm, or corporation that has:
 - a. Applied for, been accepted, and is currently receiving gas and, or distribution service from the Company under these Rules and Regulations at one location under one rate classification contract, or
 - b. Received gas or distribution service from the Company, and voluntarily terminated service within the past twenty days.
7. Curtailement - An event when the Company must interrupt service to customers in accordance with Rule 17. A Curtailement event may affect any level of service depending on the severity and geographical scope of the event.
8. Customer Classifications:
 - A. Residential - Service to a single family dwelling, two family (duplex) dwelling or to an individual dwelling unit in a multiple family dwelling building for residential purposes including space heating, water heating, and cooking.
 1. Dwelling - A building designed exclusively for housing that contains permanent facilities for sleeping, bathing, and cooking. A dwelling may be a one family home, a duplex, a multiplex, but not including hotel or motel units that have no permanent kitchens.

(continued)

RULE 2
DEFINITIONSDEFINITIONS (continued)Customer Classifications (continued)

- B. Commercial - Service to a customer engaged in selling, warehousing, or distributing a commodity, in some business activity or in a profession, or in some form of economic or social activity (office, stores, clubs, hotels, etc.) and for purposes that do not come directly under another classification of service.
 - C. Industrial - Service to a customer engaged in a process which creates or changes raw or unfinished materials into another form or product. (Factories, mills, machine shops, mines, oil wells, refineries, pumping plants, creameries, canning and packing plants, shipyards, etc., i.e., in extractive, fabricating or processing activities).
 - D. Institutional - Service to a customer of a public character including but not limited to governmental buildings, colleges, schools, hospitals, clinics, institutions for the care or detention of persons, and similar establishments.
 - E. Interruptible Gas - An interruptible gas service customer is considered "non-core" and receives a reduced rate on natural gas service because this class of customers is the first curtailed when gas supply or distribution is constrained for reasons other than force majeure.
 - F. Transportation - Transportation customers purchase their own natural gas and procure only distribution services from the Company.
9. Gas Day - A twenty-four hour period beginning daily at 7:00 a.m. Pacific Clock Time (PCT), which is Pacific Standard Time or Daylight Savings Time in Kennewick, Washington, whichever is effective at the time of reference. The Company's Gas Day coincides with the Gas Day established in Northwest Pipeline's tariff, which may change from time to time, upon approval of the Federal Energy Regulatory Commission (FERC).
10. Essential Agricultural Use - When gas is used: (1) for agricultural production, natural fiber production, natural fiber processing, food processing, food quality maintenance, irrigation pumping, crop drying; or (2) As a process fuel or feedstock in the production of fertilizer, agricultural chemicals, animal feed, or food which the Secretary of Agriculture determines is necessary for full food and fiber production.
11. Firm Service - The sale of natural gas on a firm basis where the Company will exercise reasonable diligence to supply and deliver continuous service to customers not receiving interruptible service. See Order of Priority in Rule 17.

(continued)

RULE 2
DEFINITIONS

DEFINITIONS (continued)

12. High Priority Use – High priority use is where continuity of gas service is considered in the public’s best interest such as gas usage in a residence, school, hospital, or correctional facility, or for police or fire protection.
13. Month - The period of time between and including the date of the current meter read and the date of the prior meter read which is the period upon which the Customer’s monthly bill is based. A billing month may be contained within a single calendar month, or may encompass a portion of two separate calendar months.
14. Premise - All of the real property and personal property in use by a single customer on a parcel of land which comprises the site upon which customer facilities are located and to which natural gas service is provided.
15. Tariff - This Tariff, including all schedules, rules, regulations, and rates as they may be modified or amended from time to time.
16. Therm - A unit of heating value equivalent to 100,000 BTUs.
17. WACOG - The Weighted Average Commodity Cost of System Supply Gas (WACOG) reflected in Cascade's tariffs shall be as established by gas cost tracking or other similar filings.

**RULE 3
ESTABLISHING SERVICE**

REQUIREMENTS FOR ESTABLISHING SERVICES

To establish service with the Company, an applicant must do the following:

1. Provide the Company with: a) the date service is to begin; b) whether the premise has previously received service from the Company; c) the purpose for which the gas is to be used; d) whether the applicant owns or rents the premise; e) the applicable rate schedule; and f) any other information that the Company deems necessary;
2. Establish Identity in accordance with the requirement in Section A below in this Rule; and
3. Establish Credit in accordance with the requirements found in Section B below in this Rule.

By establishing service, a customer agrees to be bound by all the terms and conditions of service as established in the Company Tariff as periodically revised and approved by the Public Utility Commission of Oregon.

A. ESTABLISHING IDENTITY

To establish an account, each applicant, including an applicant for co-customer, is required to provide documentation verifying his/her identity. Cascade may require: a) the name of person responsible; b) name on the account if different; c) birthdate; d) Social Security Number; e) valid Oregon driver's license; f) service address; g) billing address if different; h) telephone numbers where applicant can be reached; and I) other information as deemed necessary by the Company.

If the applicant does not wish to provide his/her Social Security Number or valid driver's license, he/she may provide a valid State or Federal picture identification; a combination of a birth certificate and current school or employer picture identification; the name of another person that can verify the applicant's identity; or other information deemed sufficient by the utility.

Once an account is established, at the customer's request, Cascade will restrict access of the account by other individuals through the use of a password.

B. ESTABLISHING CREDIT

Below are the criteria for establishing credit for residential and non-residential customers, respectively. A customer who cannot meet the requirements put forth below must pay a Deposit or provide other security in accordance with the terms and conditions in Rule 4.

(continued)

**RULE 3
ESTABLISHING SERVICE**

ESTABLISHING SERVICE (continued)

B. ESTABLISHING CREDIT (continued)

1. RESIDENTIAL SERVICE

Satisfactory credit may be established by any of the following:

- a. Received twelve months of continuous utility service (of same type) in the preceding 24-month period and the utility can verify that the applicant voluntarily terminated service and paid for services as required;
- b. Provides proof of ability to pay by providing either proof of employment during the prior 12-month period, or statement by income provider that applicant has a regular source of income; or
- c. Meets the Commission approved minimum credit requirements based on a third party credit report score or the Company's own credit scoring formula.

2. NON RESIDENTIAL SERVICE

A non-residential applicant may establish credit if either of the following is verified:

- a. The non-residential applicant has received continuous utility service of a type and in quantities similar to the service for which application is made during the 12-month period prior to the date of the credit screen and has not received any notices of disconnection during such period; or
- b. The non-residential applicant is licensed to do business in the state of Oregon and has kept current over the past twelve months on all real estate mortgages or lease agreements, commercial loans, utility bills and trade accounts.

COMPLIANCE TO RULES AND REGULATIONS

By establishing an account, a customer agrees to comply with all the applicable rules and regulations as established in this Tariff as revised from time to time.

**RULE 4
CUSTOMER DEPOSITS AND OTHER SECURITY**

GENERAL

The Company may require a deposit or other form security from an applicant or customer for reasons set forth in Rule 3 and this Rule.

Paying a deposit or providing some other form of security does not excuse a customer from complying with Cascade's tariffs or other regulations on file with the Commission, such as the obligation to pay bills promptly.

RESIDENTIAL DEPOSITS REQUIREMENTS AND SURETY AGREEMENTS

1. An applicant or customer may be required to pay a deposit when the applicant or customer:
 - a. Is unable to establish credit as outlined in Rule 3;
 - b. Received the same type of service from any Oregon energy utility within the prior 24 months and owed a balance when service was terminated; or
 - c. Was previously terminated for theft of service by any Oregon utility, found to have tampered with the meter, or diverted service.

2. A deposit required under these rules shall not exceed one-sixth the amount of reasonable estimated billing for one year at rates then in effect. This estimate shall be based upon the use of service at the premise during the prior year or upon the type and size of the customer's equipment that will use the service.

3. Any additional or subsequent deposit may be required as a condition of continued service if any of the following are true:
 - a. If the customer remodels, adds gas appliances or moves, and the anticipated usage will be at least 20 percent greater than that upon which the prior deposit was based;
 - b. The customer gave false information to establish an account and/or credit status; or
 - c. The customer has stolen service, tampered with the meter, or diverted service.

4. In lieu of paying a deposit, a residential customer may provide the Company with a written surety agreement from a responsible party. A responsible party must be a current Cascade customer who is able to meet the requirements for establishing credit per Rule 3. The written surety must secure payment equal to two months average usage. If the customer, whose account is secured with a surety agreement, is disconnected for non-payment, the Company may require that the responsible party who signed the surety agreement pay the amount specified in the surety agreement.

(continued)

RULE 4
CUSTOMER DEPOSITS AND OTHER SECURITY

DEPOSIT PAYMENT ARRANGEMENTS FOR RESIDENTIAL SERVICE

1. When Cascade requires a deposit, the customer may pay the deposit in full or elect to pay the deposit in three installments. The first installment is due immediately. The remaining installments are due 30 days and 60 days after the first installment payment. Except for the last payment, installments shall be the greater of \$30 or one-third the deposit.
2. Where an installment payment of a deposit is made together with a payment for gas service, the amount paid shall first be applied toward payment of the amount due for deposit.
3. In the event a consumer is required to pay an additional deposit, the customer shall pay within five days one-third of the total deposit, or at least \$30, whichever is greater. The remainder of the deposit is due under the terms of Subsection 1. If the customer has an existing deposit installment agreement, the remaining installment payments will be adjusted to include the additional deposit; however, two installment payments cannot be required within the same 30-day period.
4. Where a customer enters into an installment agreement for payment of a deposit under Subsection 1 of these rules, Cascade shall provide written notice explaining its deposit requirements. The notice shall specify the date each installment payment shall be due and shall include a statement printed in boldface type informing the person that service will be disconnected if payment is not received when due. The notice shall also set forth the name and telephone number of the appropriate unit within the Department of Human Services or other agencies which may be able to help the customer obtain financial aid.
5. If a customer fails to abide by the terms of a deposit installment agreement, the Company may disconnect service after a five-day notice. The notice shall contain the information and shall be served in the manner set forth in Rule 5.
6. Where good cause exists, Cascade may provide more liberal arrangements for payment of deposits than those set forth in this rule. Cascade shall keep a written record of the reasons for such action.
7. Should disconnection for nonpayment of a deposit occur, the person disconnected shall be required to pay the full amount of the deposit, and any applicable reconnection fee, disconnect visit charge, late-payment fee, and one-half the past due amount before service is restored. The balance of the past-due amount shall be paid within 30 days of the date service is restored. A customer may continue with an existing time-payment agreement by paying all past-due installments, along with the full deposit and other applicable fees.

(continued)

RULE 4
CUSTOMER DEPOSITS AND OTHER SECURITY

NONRESIDENTIAL DEPOSIT REQUIREMENTS

1. Deposit Requirement - Nonresidential (Seasonal and Non-seasonal Service). A deposit may be required equal to one-sixth the estimated annual usage at the service address if an applicant or customer:
 - a. Does not satisfy the credit-screening criteria set forth in Rule 3.
 - b. Owes a bill that is overdue by thirty (30) days or more;
 - c. Was previously exempted from paying a deposit based upon false information given at the time of application;
 - d. Is involved in a bankruptcy action, liquidation, bulk sale or financial reorganization;
 - e. Is adding incremental demand at a premise with an existing service account; or
 - f. The non-residential customer is past due on commitments to creditor such as real estate mortgages or lease agreements, commercial loans, other utility bills and trade accounts.

DEPOSIT PAYMENT ARRANGEMENTS FOR NON-RESIDENTIAL SERVICE

1. An applicant for nonresidential service who is required to pay a deposit shall pay the deposit in full prior to receiving service. An applicant for nonresidential service may also fulfill the deposit requirement with an irrevocable letter of credit, surety bond (performance bond) or some other form of guarantee acceptable to the Company.
2. An existing nonresidential customer is considered to be an applicant for purposes of satisfying the deposit requirement. An existing nonresidential customer, if required to pay or supplement a deposit, is required to pay the full amount within 10 days of the date of the notice from the Company that such a deposit is required. This notice will also serve as the notice of disconnection required under OAR 860-021-0505.
3. If service is disconnected for nonpayment of a deposit, the customer disconnected will be required to pay the full amount of the deposit, plus any applicable reconnection fee, disconnect visit charge, late payment fee and past due account balance before service is restored.

INTEREST ON DEPOSITS FOR RESIDENTIAL AND NONRESIDENTIAL SERVICE

1. Unless otherwise specified by the Commission, customer deposits shall accrue interest at a rate based upon the effective interest rate for new issues of one-year Treasury Bills issued during the last week of October as determined by the Commission in Docket No. UM 779. This interest rate, rounded to the nearest percent, shall apply to deposits held during January 1 through December 31 of the subsequent year.

(continued)

RULE 4
CUSTOMER DEPOSITS AND OTHER SECURITY

INTEREST ON DEPOSITS FOR RESIDENTIAL AND NONRESIDENTIAL SERVICE (continued)

2. Upon payment of a deposit, Cascade shall furnish a receipt showing the date, name of the applicant or customer, the service address, the amount of deposit, a statement that the deposit will accrue interest at the rate prescribed by the Commission, and an explanation of the conditions under which the deposit will be refunded.
3. If the deposit is held beyond one year, accrued interest will be paid through a credit to the customer's account. If held less than one year, interest will be prorated. Cascade shall keep a detailed record of each deposit received until the deposit is credited or refunded.

REFUND OF DEPOSITS FOR RESIDENTIAL AND NONRESIDENTIAL SERVICE

1. Upon termination of service, a customer's deposit plus accrued interest, shall first be applied to any unpaid balance on the customer's account and any remaining balance will be refunded to the customer.
2. Cascade may continue holding a deposit until such time as credit is satisfactorily established or reestablished. For purposes of this rule, credit shall be considered to be established or reestablished if one year after a deposit is made:
 - a. The account is current;
 - b. Not more than two five-day disconnection notices were issued to the customer during the previous 12 months; and
 - c. The customer was not disconnected for nonpayment during the previous 12 months.
3. After satisfactory credit has been established or reestablished, the deposit plus any accrued interest shall be promptly credited to the customer's account or refunded at the customer's request.
4. In the event the customer moves to a new address within Cascade's service area, the deposit, plus accrued interest, will be transferred to the new account.
5. Unless otherwise specified by the customer, Cascade shall mail deposit refunds to the customer's last known address. Valid claims for refunds received within one year of the date service was terminated shall be promptly honored. Funds held beyond one year will be disposed of in accordance with ORS 98.316.

**RULE 5
DISCONTINUATION OF SERVICE**

GROUND S FOR DISCONNECTING GAS SERVICE

Gas service may be disconnected:

- a) When the applicant or customer fails to pay a deposit or make payments in accordance with the terms of a deposit payment arrangement as outlined in Rule 4;
- b) When the applicant or customer provides false identification to establish service, continue service, or verify identity;
- c) When the customer fails to pay Oregon tariff or price-listed charges due for services rendered.
- d) When the customer fails to abide by the terms of a time-payment agreement;
- e) When the customer requests Cascade disconnect service or close an account or when a co-customer fails to reapply for service within 20 days after a joint account is closed by the other co-customer, so long as the Company has provided a notice of pending disconnection;
- f) When the customer does not cooperate in providing access to the meter;
- g) When facilities provided are unsafe or do not comply with state and municipal codes governing service or the utility's rules and regulations;
- h) When there is evidence of meter-tampering, diverting service, or other theft of service;
- i) When dangerous or emergency conditions exist at the service premises under OAR 860-021-0315; or
- j) When the Commission approves the disconnection of service.

VOLUNTARY DISCONNECTION

Every customer who is about to vacate any premise supplied with gas service, or who for any reason wishes to have such service discontinued, shall give five days' notice to the Company in advance of specified date of discontinuance of service. Until the Company has such notice, the customer shall be held responsible for all service rendered.

(continued)

RULE 5
DISCONTINUATION OF SERVICE

EMERGENCY DISCONNECTION

In emergencies endangering life or property, a utility may terminate service without following the procedures set forth in this rule. However, Cascade shall immediately thereafter notify the Commission. In such cases, where the necessity for emergency termination was through no fault of the customer, there will be no charge made for restoration of service.

DISCONNECTION OF SERVICE ON WEEKENDS AND HOLIDAYS

Gas service shall not be disconnected for nonpayment on or the day prior to a weekend or a state or utility-recognized holiday.

NOTICE OF PENDING DISCONNECTION OF RESIDENTIAL SERVICE

1. Notice requirements are waived where safety concerns, or meter tampering, diverting of service, or other theft of service is detected. When a written notice is given under these rules:
 - a. The notice shall contain multilingual information as required by Commission rules and be served on the customer's designated representative, if any;
 - b. If Cascade's records show that the billing address is different from the service address, and Cascade has reason to believe the address is occupied by someone other than the customer, Cascade shall provide a five-day notice to both the occupants of the service address and to the customer's mailing address. The notice may be addressed to "tenant" or "occupant." The envelope shall bear a bold notice stating "Important notice regarding continuance of gas service" or similar words. The notice to occupants may not include the dollar amount owing.
 - c. When Cascade's records show service is to a master-metered multi-family dwelling (including rooming houses), Cascade must notify the Commission's Consumer Services Section at least five business days prior to disconnecting the service. Cascade will use reasonable efforts to notify occupants of the impending disconnection and alternatives available to them.
2. The notice shall be printed in **bold face type** and shall state in easy to understand language:
 - a. The reason for the proposed disconnection;
 - b. The earliest date for disconnection;
 - b. An explanation of the Commission's complaint process and toll-free number; and

(continued)

RULE 5
DISCONTINUATION OF SERVICE

NOTICE OF PENDING DISCONNECTION OF RESIDENTIAL SERVICE (continued)

- c. If the disconnection is for nonpayment of services rendered, including failure to abide by a time payment agreement, the notice must also state:
 - 1. The amount to be paid to avoid disconnection;
 - 2. An explanation of the time payment agreement provisions of OAR 860-021-0415;
 - 3. An explanation of the medical certificate provisions of OAR 860-021-0410; and
 - 4. The name and telephone number of the appropriate unit of the Department of Human Services or other agencies that may be able to provide financial assistance.

At least 15 days before Cascade disconnects a residential customer for nonpayment of services rendered, Cascade will provide written notice to the customer. A 15-day notice is not required when disconnection is for:

- a) Providing false identification to establish service, continue service, or verify identity;
 - b) Meter tampering diverting service, or other theft; or
 - c) The existence of unsafe conditions.
- 4. A notice of disconnection may not be sent prior to the due date for payment of a bill.
 - 5. Cascade may serve the 15-day notice of disconnection in person or send it by first class mail to the last known address of the customer. Service is complete on the date of personal delivery or the day after notification is postmarked.

(continued)

RULE 5
DISCONTINUATION OF SERVICE

NOTICE OF PENDING DISCONNECTION OF RESIDENTIAL SERVICE (continued)

6. At least five business days before the proposed disconnection date, Cascade must mail or deliver a written disconnection notice to the customer.
 - a. The disconnection notice shall inform the person that service will be disconnected on or after a specific date and shall explain the alternatives and assistance that might be available.
 - b. If notification is made by delivery to the residence, Cascade shall attempt personal contact. If personal contact cannot be made with the customer or an adult resident, Cascade shall leave the notice in a conspicuous place at the residence.
7. On the day that Cascade expects to disconnect service and prior to disconnection, Cascade will make a good faith effort to personally contact the customer or an adult at the residence scheduled to be disconnected.
 - a. If the contact is made, Cascade shall advise the person of the proposed disconnection;
 - b. If contact is not made, Cascade must leave a notice in a conspicuous place at the residence informing the customer that service has been, or is about to be, disconnected.
8. Where personal contact is made by the Company under this rule, and the circumstances are such that a reasonable person would conclude that the customer does not understand the consequences of disconnection, the Company must:
 - a. Notify the Department of Human Services and the Commission; and
 - b. Delay the proposed disconnection date for five additional business days.

(continued)

**RULE 5
DISCONTINUATION OF SERVICE**

NOTICE OF PENDING DISCONNECTION OF RESIDENTIAL SERVICE (continued)

9. Where personal contact is made, the representative of the Company making contact shall be empowered to accept reasonable partial payment of the overdue balance in accordance with the time payment provisions.
10. Cascade must document its effort to provide notice and shall make the documentation available to the customer and the Commission upon request.

EMERGENCY MEDICAL CERTIFICATE FOR RESIDENTIAL SERVICE

1. Cascade shall not disconnect residential service if the customer submits certification from a qualified medical professional stating that disconnection would significantly endanger the physical health of the customer or a member of the customer's household. "Qualified medical professional" means a licensed physician, nurse-practitioner, or physician's assistant authorized to diagnose and treat the medical condition described without direct supervision by a physician.
2. An oral certification must be confirmed in writing within 14 days by the qualified medical professional prescribing medical care. Written certification must include:
 - a. The name of the person to whom the certificate applies and relationship to the customer;
 - b. A complete description of the health condition;
 - c. An explanation how the health of the person will be significantly endangered by the termination of service;
 - d. A statement indicating how long the health condition is expected to last;
 - e. A statement specifying the particular type of utility service required (e.g. gas for heating); and
 - f. The signature of the qualified medical professional prescribing medical care.
3. An emergency medical certificate shall be valid only for the length of time the health endangerment is certified to exist, but no longer than six months without renewal when the certificate is issued for a non-specific chronic illness or no longer than twelve months without renewal when the certificate is issued for a specific chronic illness. At least 15 days before the certificate's expiration date, Cascade will give the customer written notice of the date the certificate expires unless it is renewed with Cascade before that day arrives.

(continued)

RULE 5
DISCONTINUATION OF SERVICE

EMERGENCY MEDICAL CERTIFICATE FOR RESIDENTIAL SERVICE (continued)

4. A customer submitting a medical certificate is not excused from paying for gas service.
 - a. Customers are required to enter into a written time-payment agreement with Cascade where an overdue balance exists. Terms of the time-payment agreement shall be those set forth in this Rule 5 or other terms as agreed upon in writing between the parties.
 - b. Where financial hardship can be shown, a customer with a medical certificate shall be permitted to renegotiate the terms of a time-payment agreement with Cascade.
 - c. Time-payment arrangements in effect when a medical certificate terminates remain in effect for the balance then owing. If a customer fails to pay charges incurred after the certificate terminates, standard time-payment provisions (Rule 5) will apply to payment of the arrearage incurred after the medical certificate expires. The terms of the medical certificate time-payment plan continue to apply to the arrearage accrued during the disability.
5. If a medical certificate customer fails to enter into a written time-payment agreement within 20 days of filing the certificate or to abide by its terms, Cascade shall notify the Commission's Consumer Services Section of its intent to disconnect service and the reason for the disconnection. Cascade may disconnect service after providing a notice 15 days in advance of disconnection for nonpayment, or five days before disconnection for failure to enter into a written time-payment agreement. The notice shall comply with the requirements of Part I, Subsection 2, except that Subsection e shall not apply. A hearing may thereafter be held to determine whether Cascade should be permitted to disconnect service to the customer.
6. Cascade may verify the accuracy of a medical certificate. If Cascade believes a customer does not qualify, or no longer qualifies for a medical certificate, Cascade may apply to the Commission for permission to disconnect the customer's service.

TIME-PAYMENT AGREEMENTS FOR RESIDENTIAL SERVICE (NON MEDICAL CERTIFICATE CUSTOMERS)

1. Cascade will not disconnect residential service for nonpayment if a customer enters into a written time-payment plan. Cascade will offer customers a choice of payment agreements. At a minimum, the customer may choose between a levelized payment plan and an equal payment arrearages plan.

(continued)

RULE 5
DISCONTINUATION OF SERVICE

TIME-PAYMENT AGREEMENTS FOR RESIDENTIAL SERVICE (NON MEDICAL CERTIFICATE CUSTOMERS) (continued)

2. A customer who selects a levelized-payment plan will pay a down payment equal to the average annual bill including the account balance, divided by twelve, and a like payment each month for eleven months thereafter.
 - a. Cascade shall periodically review the monthly installment plan. If necessary, due to changing rates or variations in the amount of service used by the customer, the installment amount may be adjusted to bring the account into balance within the time period specified in the original agreement.
 - b. If a customer changes service address at any time during the period of a time-payment agreement, provided that payments are then current and the customer pays other tariff charges associated with the change in residence, Cascade shall recalculate the customer's deposit and/or monthly installment. The recalculated amount shall reflect the balance of the account at the previous service address and the average annual bill at the new service address for the months remaining in the original time-payment agreement. When installments on a time-payment agreement have not been kept current, a customer shall be required to pay all past-due installments, together with any other applicable charges before service is provided at the new residence.
3. A customer who selects an equal payment arrearages plan will pay a down payment equal to one-twelfth the amount owed for past gas service (including the overdue amount and any amounts owed for a current bill or a bill being prepared but not yet delivered to the customer). Each month, for the next eleven months, an amount equal to the down payment will be added to, and payable with, the current charges due for service. If a customer changes service address at any time during the period of an arrearages payment plan, the plan continues. However, the customer must pay any past-due charges and all other applicable charges before Cascade provides service at the new address.
4. Cascade and the customer may agree in writing to an alternate payment arrangement, provided Cascade first informs the customer of the availability of the payment terms set forth in this rule.
5. If a customer fails to abide by the time-payment agreement, Cascade may disconnect service after serving 15 days' notice.

(continued)

**RULE 5
DISCONTINUATION OF SERVICE**

FIELD VISIT CHARGE

A Field Visit Charge as established in Schedule 200 may be charged whenever Cascade is required to visit a residential service address for the purpose of disconnecting or reconnecting service, but due to the customer's action, is unable to complete the reconnect or disconnect.

LATE PAYMENT CHARGE

A Late-Payment Charge as established in Schedule 200 will be applied to overdue account balances, both residential and nonresidential, at the time of preparing the subsequent month's bill. The Late-Payment Charge may not be applied to time-payment or equal-payment accounts that are current, and will be applied only to accounts that have an overdue balance greater than \$200. The Commission will determine the Late-Payment Charge by surveying prevailing market rates for late-payment charges of commercial enterprises. The Commission will notify Cascade by November 15 of each year what rate may be used to determine late-payment charges on overdue customer accounts during the following calendar year. The current late-payment rate and the conditions for its application to customer accounts shall be specified on the gas bill.

**RULE 6
BILLING****GENERAL**

Gas consumed, as indicated by meter readings, will be billed to customers as promptly as possible after reading dates, at approximately thirty day intervals, computed per applicable filed tariff rates. Bills will be due and payable fifteen days after they are rendered.

When an under- or overbilling occurs, Cascade shall provide written notice to the customer detailing the circumstances, period of time, and amount of adjustment. The exception to these provisions is if issuing a correction is uneconomical in the sole view of the Company.

1. Underbillings: For underbillings, the Company may issue a bill correction if the error occurred within the prior twelve month period ending on the date on which the customer or former customer was last billed. The Company will not issue billing corrections for underbillings in excess of two years (twenty-four months). However, if an underbilling is a result of fraud, tampering, diversion, theft, misinformation, false information or other unlawful conduct on the part of the customer or former customer, the Company may collect full payment for any amount owed without limitation.

Where a Customer is required to repay an underbilling, the Customer shall be entitled to enter into a time payment agreement without regard to whether the customer already participates in such an agreement. If the customer and Cascade cannot agree upon payment terms, the Commission shall establish terms and conditions to govern the repayment obligation. Cascade shall provide written notice advising the customer of the opportunity to enter into a time payment agreement and of the Commission's appeal and complaint process.

2. Overbillings: For overbillings, the Company will issue a credit for amounts previously overbilled within the prior twelve month period ending on the date on which the customer or former customer was last overbilled. The Company will not issue credits for amounts overbilled for more than three years (thirty-six months) before the date the energy utility discovered the overbilling.

No billing adjustment shall be required if a gas meter registers less than two percent error under conditions of normal operation.

Bills will show dates of readings, readings at beginning of period and end of period, the number of cubic feet, therms, or other units of measurement of gas consumed, the tariff schedule code applicable, the delinquent date of bill, and the amount of the bill. Any estimated reading shall be clearly noted on the bill.

Cascade should make reasonable efforts to prepare opening and closing bills from actual meter readings.

(continued)

**RULE 6
BILLING****TRANSFER BILLINGS**

If Cascade identifies that a customer owes Cascade a balance from the customer's prior account for Oregon service, Cascade may transfer the amount to the customer's current account after giving the customer notice of the transfer, the amount due under the prior account, the period of time during which the balance was incurred and the service address under which the bill was incurred. The notice must also meet the provisions for notifications as established in Rule 5. If the bill is identified at the time a customer changes residences, the provisions of this rule apply.

If the customer has six months or more remaining on a time-payment agreement, the installment amount will be adjusted in order to bring the account into balance within the time period specified in the original agreement. If the customer has less than six months remaining on a time-payment agreement, Cascade will recalculate the agreement to bring the account into balance within 12 months. The customer must pay any past due time-payment installments before Cascade adjusts or recalculates the agreement. Cascade may make more liberal payment arrangements for customers on medical certificates who cannot reasonably be expected to pay the outstanding balance in the time otherwise applicable under this rule.

BUDGET PAYMENT PLAN FOR PAYMENTS OF GAS BILLS

The budget payment plan for payment of gas bills averages a residential customer's monthly payments for gas service for a period of no less than twelve months. The budget payment plan is available to residential customers who have no outstanding balance with the Company.

At the request of a residential customer with satisfactory credit and no balance outstanding, the Company will estimate the customer's annual billing for gas service, based on the previous twelve months' usage. The estimated amount will then be divided by twelve. The resultant amount, rounded to the next full dollar, shall be the amount the customer will pay in lieu of the regular monthly billing for each month of the budget payment plan period. At the end of the plan year, any outstanding debit or credit balances will be rolled into the estimated usage for the following plan year and will be reflected in that year's monthly budget payment plan amount. Credit balances will be refunded to the customer if the customer specifically requests a refund.

For each succeeding annual budget payment period the Company will re-estimate the amount of the customer's bills for service for the ensuing period and so advise the customer. Unless the customer advises the Company to the contrary, such new monthly budget payment installments will be used for the ensuing payment period. If the customer requests to leave the plan, any debit balance will be due and payable under the regular terms of payment for gas service; credit balances may be applied to future gas bills or, if the customer so requests, refunded to the customer.

(continued)

**RULE 6
BILLING****BUDGET PAYMENT PLAN FOR PAYMENTS OF GAS BILLS (continued)**

During each budget payment plan period the customer shall be entitled to receive gas service so long as the customer pays each monthly budget payment plan installment as it becomes due. If a customer fails to comply with the terms of this plan, the budget payment plan will be discontinued and the customer will be billed monthly on the basis of actual usage. If a customer fails to comply with the terms of this plan, and has a debit balance, customer may be subject to disconnection of service under Rule 5.

For each billing period the customer will receive a bill showing the amount of gas used during the billing period, the charge for such gas used, the balance of account and the amount of the current month's budget payment plan installment.

Any estimates furnished by the Company in connection with such budget payment plan shall not be construed as a guarantee or assurance that the total actual charges will not exceed the estimates. The Company may at any time submit a revised estimate to the customer and require that the customer pay the revised monthly budget payment plan installment as a condition to the continuation of the budget payment plan for that customer.

Such estimates or any revising thereof shall apply only to the premise then occupied by the customer. If the customer vacates such premise and moves to a different premise served by Cascade, the amount of the budget payment will be re-estimated and the customer will be advised of the change. If the customer will not desire natural gas service from Cascade at the new premise, the budget payment plan shall immediately terminate and any amount payable from the customer will be due and payable under the regular terms of payment for gas service; any amount due the customer by the Company shall be refunded.

RETURNED PAYMENT FEE

The Company will charge a Returned Payment Fee, as established in Schedule 200, for any payment returned unpaid.

CONVERSION OF METER MEASUREMENTS TO THERMS

All meter measurements for gas service shall be converted to a therm basis for billing purposes. Such conversion shall be based on the temperature of the gas, the absolute pressure of the gas, and the measured heating values at standard conditions of the gas received from the pipeline supplier(s).

(continued)

**RULE 6
BILLING**

CONVERSION OF METER MEASUREMENTS TO THERMS (continued)

In cases where meters are not mechanically or electronically corrected for temperature, monthly temperature correction factors (Heat Value Multiplier) will be used to determine customer billing therms. The Heat Value Multiplier is calculated as the current pipeline heating value times a temperature factor of 520, divided by the sum of 460 and the published 30-year normal average temperature data.

In cases where meters are not mechanically or electronically corrected for pressure, a Pressure Factor will be used to determine customer billing therms. The Pressure Factor equals the sum of individual customer delivery pressure and the following applicable atmospheric pressure, both divided by 14.73 psi, (atmospheric pressure at sea level).

<u>Town</u>	<u>Atmospheric Pressure, psi</u>
Athena	13.86
Baker	13.03
Bend	12.95
Boardman	14.61
Chemult	12.42
Crescent	12.59
Gilchrist	12.59
Hermiston	14.50
Huntington	13.67
Irrigon	14.58
Madras	13.60
McNary	14.50
Milton-Freewater	14.21
Mission	14.11
Nyssa	13.63
Ontario	13.65
Pendleton	14.19
Pilot Rock	13.90
Prineville	13.30
Redmond	13.24
Stanfield	14.43
Sunriver	12.70
Umatilla	14.58
Vale	13.60
Weston	13.87

**RULE 7
METERS**

METERS

Each customer must furnish a convenient, safe and adequately sized location for a meter that is acceptable to the Company and where the meter is readily accessible for reading, inspecting, turning off or on, and removing for testing whenever necessary.

No charge will be made for installation of billing meters. When a customer desires, for his/her convenience, the installation of more than one meter at one premise for one class of service, the Company may install such other meters, providing physical conditions or excessive installation costs do not make the installation of a master meter impractical. In such cases where a master meter is not installed, each meter so located on one premise for one class of service shall be billed as a separate meter having separate minimum charges. However, where practical, the Company will install a master meter.

Services shall be through one or more meters, at the option of the Company. No extension whatsoever of customer-owned piping shall be made for the purpose of supplying gas to adjacent property.

The Company will not be required to furnish, install, maintain, read, or test submeters.

Meters will be read once a month as nearly on the same date each month as Saturdays, Sundays and holidays will permit.

If, for any reason whatsoever, the Company's employees cannot gain access to the meter for the purpose of reading the index thereof, an estimated bill will be rendered and the same will be considered a regular billing. The Company will seek the customer's cooperation in obtaining monthly readings in the event that meter access cannot be obtained.

Any estimated bill or customer provided reading shall be subject to actual verification by the utility not less than once every four months.

**RULE 8
METER TESTING**

STATISTICAL METER SAMPLING PROGRAM

Except for meters which are in the Company's statistical sampling program, every gas meter will be tested at least once in a ten year period.

The Company may elect to keep diaphragm type meters with rated capacity of up to 3,000 cfh in service for intervals beyond ten years, provided the meter performance meets the criteria of the Company's statistical sample program as approved by the Commission.

The Company's statistical sample program will meet the requirements set forth in Part IV ("In-Service Performance"), of the 1992 version of ANSI B109.1 and B109.2, and shall be based on generally accepted statistical methods within the industry for predicting the sampling distribution of the proportion of a population, with a 90% degree of confidence.

More specifically, the sampling program shall determine from a random sample of sufficient size that, nine times out of ten, as many as 80% of the meters in a meter group (population) are within the percent accuracy limits of 98.0% and 102.0% (i.e. accuracy requirement), and with no more than 10% of the meters in a group exceeding 102.0% accuracy (i.e., not fast requirement). If it is determined that fewer than 80% of the meters in a group meet the accuracy requirement or more than 10% of the meters in a meter group exceed the not fast requirement, corrective action will be taken.

Corrective action shall consist of either a selective removal program to raise the accuracy performance of the group to acceptable standards or the removal of the entire group from service. The rate of removal will be such that the required corrective action is completed as soon as practicable but not to exceed a period of two years after the year testing was performed. However, with Commission approval, the period for removal may be extended an additional two years in any year which the total number of meters required for removal exceeds four percent of the number of meters in the Statistical Sample Program.

For further details, a copy of the Statistical Sample Program can be obtained by writing to the Manager, Measurement, c/o Cascade Natural Gas Corporation, 8113 W. Grandridge Blvd, Kennewick, WA 99336.

METER ACCURACY STANDARD

Before being installed for customer use, meters whether new or reconditioned, will be in good order and be adjusted to register correct consumption with an accuracy bandwidth of two percent (2%) fast or slow.

(continued)

**RULE 8
METER TESTING**

CUSTOMER REQUESTED METER TESTING (continued)

Any customer may request the Company to test his/her meter. Company shall make such test at its central meter shop within twenty (20) days of receipt of request and no payment or deposit will be required for such test.

Should customer request a meter test more often than once in every twelve (12) month period, a Deposit for Meter Test as established in Schedule 200 to cover the reasonable cost of the test may be required of the customer. The amount so deposited will be returned to the customer if the meter is found, upon test, to register more than two (2) percent fast.

All meters will be tested in Company's central meter shop located in Yakima, Washington. A customer shall have the right to require Company to conduct the test in his/her presence at Yakima, or if he/she so desires, in the presence of a representative appointed by him/her.

A report giving customer's name, date of request, address of service location, the type, make, size and meter number, the date tested, and result of test will be supplied to the customer within a reasonable time after completion of test.

**RULE 9
SERVICE LINE INSTALLATIONS**

SERVICE INSTALLATIONS

The Company will provide a customer's service line, from the service connection at the main in the alley, street or right-of-way abutting the customer's premise, to and including the meter, but the customer shall pay for the installed cost of any length of service line in excess of forty (40) feet inside the customer's property line abutting the alley, street or right-of-way in which the main is situated, except that:

Customers who install gas fired appliances as the primary means to perform the following requirements shall receive free footage in excess of the forty (40) feet minimum up to the amounts listed below:

Requirement	No Direct Cost
Space heating only ¹	20 feet
Space heating and water heating ¹	40 feet
Commercial and Industrial with over 150,000 Btu connected load (in lieu of space and water heating)	40 feet
<hr style="width: 20%; margin-left: 0;"/> (1) Applies to all classes of service.	

The Company reserves the right to designate the location of service line, meters and regulators, and select the amount of space which must be left unobstructed for the installation.

In the event that the constructed service line footage on customer's premise exceeds the appropriate free footage allowance by 10% or less, there will be no charge. When the service line is rerouted from the originally designated location for the convenience of the Company and constructed service line footage exceeds the appropriate free allowance or any previously agreed excess, no charge will be made for such rerouting excess. Free footage allowances for projects of multiple single family structures shall be the appropriate free allowance multiplied by the number of structures to be served. Free footage allowance for a split service shall be the sum of the appropriate free footage for each structure to be served.

(continued)

RULE 9
SERVICE LINE INSTALLATIONS

SERVICE INSTALLATIONS (continued)

If the Company provides additional free footage of service line, beyond the initial 40 feet, based upon gas appliances identified above, Customer shall be required to sign a Customer Commitment Contract. If the customer fails to install any or all of the gas appliances which provided additional free footage and fails to commence gas usage within 60 days from the date that the service line is installed, the Company shall bill the customer for the cost per foot of such additional footage, including 20.33% to compensate for the cost resulting from customer provided construction funds. If requested by the Company, the customer shall provide the Company with a copy of the installation invoice to verify the installation of the gas appliances. In the absence of installation documentation, the customer shall allow reasonable access to customer's premises for the verification of the installation of those appliances, upon the Company's request. If, subsequent to paying for such costs, the customer installs the agreed upon appliances and commences gas usage within five years from the date the extended facilities were installed, the costs paid to the Company by the customer associated with each installed agreed upon appliance shall be refunded without interest.

The Company shall not be required to relocate an existing service line at no cost to customer where such relocation is to be made for the convenience of the customer.

The customer will indemnify and hold the Company harmless from claim, etc., for trespassing or injury to building and property crossed by the installation of the service line except upon negligence of Company personnel.

EXCESS FLOW VALVES

An Excess Flow Valve is available as an added safety feature in the event that the service line is suddenly severed. At the customer's request, the Company will install an Excess Flow Valve for the fees established in Schedule 200.

**RULE 10
MAIN INSTALLATIONS**

MAIN EXTENSIONS

The Company will furnish an extension of its distribution main system free of charge to provide firm natural gas service to any applicant for such service located beyond the existing main system up to an estimated cost of construction to provide such service equal to four and one-half (4-1/2) times the estimated gross annual revenue less cost of gas to be derived therefrom.

The Company may require a customer to sign a Customer Commitment Contract prior to the installation of a main extension. If the Company provides a main extension and the customer fails to install any or all of the gas appliances which were included in the extension analysis and fails to commence gas usage within 6 (six) months from the date of the Customer Commitment Contract, the Company shall bill the customer for the costs and expenses associated with its extension of the distribution main, including 20.33% to compensate for the cost resulting from customer provided construction funds, based upon the feasibility of the extension with the actually installed appliances. If requested by the Company, the customer shall provide the Company with a copy of the installation invoice to verify the installation of the gas appliances. In the absence of installation documentation, the customer shall allow reasonable access to customer's premise for the verification of installation of those appliances, upon the Company's request. If, subsequent to paying for such costs, the customer installs the agreed upon appliances and commences gas usage within five years from the date of the Customer Commitment Contract, the costs of the distribution facilities paid to the Company by the customer associated with each installed agreed upon appliance shall be refunded without interest.

The Company may deny any extension if conditions relative to the extension indicate that such service will not be of such permanence as to warrant the expenditure required. The Company may require from the applicant(s) the advance of funds, including 20.33% to compensate for the cost resulting from customer provided construction funds, which may be required in excess of the free allowance; such advance subject to refund without interest on the following basis:

1. An amount equal to four and one-half (4-1/2) times the estimated annual gross margin (gross revenue less cost of gas) to be derived from each additional customer, in excess of the number of customers on which the advance was predicated, whose service line is connected directly to the main extension upon which the advance was made. Such refund shall be granted within thirty (30) days of setting of a meter for such additional customer or customers.

(continued)

**RULE 10
MAIN INSTALLATIONS**

MAIN EXTENSIONS (continued)

2. An additional amount determined at the end of the fifth year as follows:

- | | |
|--|------|
| (a) Actual therms billed for the five-year period to the customer or customers upon which the advance was predicated | XXXX |
| (b) Less estimated annual therms used in calculating the advance times five (5) | XXXX |
| (c) Difference | XXXX |

If (c) is a positive number, an additional refund shall be calculated by multiplying (c) by the gross margin per therm employed in determining the original free footage allowance.

2. Refund or refunds in total shall not exceed the total amount advanced. If the total advanced has not been fully refunded within five (5) years of the date the advance was received by the Company, any remaining unrefunded amount shall become the property of the Company.
3. When two (2) or more parties make a joint advance on the same extension, refund amounts which become payable will be allocated to such parties in proportion to the amounts advanced by the party.

All facilities installed under this rule shall be the property of and under the control of the Company at all times and may be extended to serve other customers at the option of the Company.

**RULE 11
HOUSE PIPING**

HOUSE PIPING

All house piping and equipment beyond Company furnished facilities and accessories thereto, necessary to utilize service furnished by the Company, shall be installed by and belong to the customer and be maintained at his or her expense.

House piping shall be installed in accordance with applicable ordinances of the city, town or other such governing body as may have jurisdiction in the locality in which the installation is being made. Lacking other rules or ordinances for house piping, the International Mechanical Code shall apply.

The customer must maintain all fixtures and piping beyond Company furnished facilities. Any loss or damage through leaks beyond Company furnished facilities is at the customer's risk and expense.

Meters will not be connected with piping known by the Company to be defective, and the Company reserves the right to discontinue service in the event it, at any time, finds the customer-owned piping or appliances on customer's premise defective or in an unsafe condition. The Company does not, however, assume responsibility for inspecting the customer's appliance and piping, nor does it assume liability for such defective or hazardous conditions as may exist therein.

**RULE 12
RESPONSIBILITY FOR MAINTENANCE OF SERVICE CONNECTIONS**

RESPONSIBILITY FOR MAINTENANCE OF SERVICE CONNECTIONS

In the absence of a special contract between the Company and the customer to the contrary, the customer will be responsible for all piping and appliance connections belonging to the customer between the meter and the appliances, and for any service piping belonging to the customer concealed within walls or any other inaccessible locations within buildings or that has reentered the ground after leaving the meter. The customer shall in all cases notify immediately the office of the Company of any leakage or escape of gas on his or her premises.

In the event of gas leakage or escape, no allowance will be made from the amount of gas registered by the meter, nor will the Company be responsible for any damage caused by the escape of gas. The Company's responsibility ceases at the meter except where, pursuant to special contract between the Company and the customer, facilities are owned by the Company on the customer's premises.

**RULE 13
TEMPORARY SERVICE**

The Company may furnish temporary service under the following conditions if, in its sole opinion, the furnishing of Temporary Service will not create an undue hardship upon it or its existing consumers:

- a) The applicant for such temporary service shall be required to pay to the Company in advance or otherwise, as the Company may elect the net cost of installing and removing any facilities necessary in connection with the furnishing of such service by the Company.
- b) Each applicant for temporary service shall be required to deposit with the Company a sum of money equal to the estimated amount of the bill for such service, or to otherwise secure, in a manner satisfactory to the Company, the payment of any bills which may accrue by reason of such service so furnished.
- c) Temporary service shall not exceed a period of one year.
- d) Any balance over and above the net cost of installing and removing any facilities will be returned to the customer upon discontinuation of service if less than one year; if temporary service exceeds one year, thereby becoming permanent, the entire deposit is subject to return at the rate of 20% of the gross revenue each year after the first year resulting from such service. In no event shall the refund exceed the amount of the deposit. All refunds shall cease sixty months after the service becomes permanent.

**RULE 14
COMPANY RESPONSIBILITY**

The Company will use reasonable diligence in furnishing as uniform a supply of gas as practicable to its firm service customers. In the event Company's supply of gas is insufficient at any time or any location to meet the full requirements of all customers served under firm service rate schedules, the Company may be required to curtail service to customers in accordance with Rule 17, Order of Priority for Gas Service. However, should, the supply of gas fail or be temporarily interrupted by reason of accident or otherwise, the Company upon notice will make reasonable efforts to restore such supply.

Notwithstanding, the Company may interrupt its service to make necessary alterations and repairs, but only for such time as may be reasonable or unavoidable. Except for emergency related interruptions, the Company shall give customers reasonable notice of its intention to interrupt service and shall endeavor to arrange such interruption so as to minimize any inconvenience to customers.

Under the conditions stated above or when the Company deems an emergency warrants interruption or limitation in the service being rendered, such interruption or limitation shall not constitute a breach of contract and shall not render the Company liable for damages suffered thereby or excuse a customer from further fulfillment of the contract.

**RULE 15
CUSTOMER RESPONSIBILITY**

The Company shall have the right to enter the customer's premise at all reasonable hours for the purpose of inspecting the customer's facilities to ensure the customer is served on the appropriate rate schedule; for installing, removing, testing or replacing the Company's apparatus or property; for reading meters and for the entire removal of the Company's property in event of termination of service for any reason.

The Company shall at all times retain ownership of installed meters and service. All Company property installed in or upon the customer's premise, used and useful in supplying service, is placed in the customer's protection. All reasonable care must be exercised to prevent loss of or damage to such property; ordinary wear is an exception. The customer will be held liable for any loss of property or damage thereto, and shall pay to the Company the cost of necessary repairs or replacements.

Any changes made in the location of service lines or meter installations to suit the customer must be at the customer's expense.

Interference with the meter or its connections, service, mains or other Company property by anyone except employees or authorized agents of the Company is strictly prohibited. No one except the Company employees are allowed to make any repairs or adjustments to any Company-owned equipment including meters. In case of emergency, other authorized parties may shut off the flow of gas at meters.

**RULE 16
FORCE MAJEURE**

Neither the Company nor the customer shall be liable for damage to the other for any act, omission or circumstances occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fire, storms, floods, unforeseeable or unusual weather conditions, washouts, arrests and restraint of rulers and peoples, civil disturbances, explosives, breakage or accident to machinery or lines of pipe, line freeze-ups, temporary failure of gas supply, inadequacy of gas supply at any time or any location to meet the full requirements of all customers served by Company, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated, or otherwise, and whether caused or occasioned by or happening on account of the act or omission of one of the parties to this contract or some person or concern not a party thereto, not reasonably within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome. A failure to settle or prevent any strike or other controversy with employees or with anyone purporting or seeking to represent employees shall not be considered to be a matter within the control of the party claiming suspension.

RULE 17
ORDER OF PRIORITY FOR GAS SERVICE

GENERAL

The Company will exercise reasonable diligence to supply and deliver continuous natural gas service to all customers receiving firm service, as defined in Rule 2.

Should the Company's supply of gas or capacity be insufficient at any time or any location, for reasons other than force majeure (as defined in Company's Rule 16) to meet the full requirements of all customers, the Company will curtail service to customers in the inverse order of order of priority listed hereinafter. Such curtailment, when required, will be imposed to protect continuity of service first, to firm service customers, and more generally, to customers having a higher service priority.

ORDER OF PRIORITY

1. Residential customers.
2. Firm Service Commercial and institutional customers as follows:
 - a. Commercial and institutional customers served under Rate Schedules 104 and 105;
 - b. Commercial or institutional customers served on other firm service rate schedules;
 - c. Agricultural service customers including customers who use gas for agricultural production, natural fiber production or processing, food processing, food quality maintenance, and irrigation pumping, and where gas is used as a process fuel or feedstock in the production of fertilizer, agricultural chemicals, animal feed, or food; and
 - d. High priority use customers where the continuity of gas service is considered in the public's best interest such as gas usage in a school, hospital, correctional facility or for police or fire protection.
3. Firm Service Industrial customers using gas as feedstock in a process in which natural gas is used as a raw material and as plant protection requirements of lower priority customers.
4. Firm Service Industrial customers with consumption of less than 1,000 therms per day.
5. Firm Service Industrial customers with consumption of more than 1,000 therms per day but less than 10,000 therms per day.
6. Industrial customers with consumption of more than 10,000 therms per day, including customers receiving service on Schedule 201, Special Contracts.
7. General distribution system interruptible transportation service customers.
8. Customers receiving interruptible natural gas service.

(continued)

RULE 17
ORDER OF PRIORITY FOR GAS SERVICE

ADMINISTRATION OF CURTAILMENT

When the Company requires a curtailment due to either gas supply or capacity failures, the curtailment shall be imposed first on customers in the lowest order of priority category at the rate of 100% of each customer's requirements (excepting minor requirements for essential services as approved by Company) on a customer-by-customer basis and will then proceed to customers in the next lowest order of priority category, and so on, until sufficient volumes have been curtailed to bring remaining requirements into balance with available system supply.

In the event that only a partial curtailment of total volumes in any category or sub-category is required and to the degree it is possible, such curtailment will be rotated among customers in each category from one curtailment period to the next to prevent any one customer in a certain category from being curtailed to a greater extent than other customers in that same category.

The Company shall have the right to inspect the customer's gas consuming facilities and to review operating schedules for such facilities to determine customer's requirements and proper position in the order of priority. If the customer refuses such inspection, the customer will be assigned the lowest priority consistent with otherwise verifiable information.

Customer classifications referenced in the order of priority are defined in Company's Rule 2.

CURTAILMENT NOTICE

The Company shall give as much advance notice as possible for each curtailment order, but in no event will the Company provide less than two hours' notice unless prevented from doing so by force majeure conditions. In each curtailment order, the Company's curtailment and restoration notices, respectively, shall be given by telephonic communications, electronic communication, or personal contact by Company personnel to the customer's responsible representative and such order shall specify both the volumes to be curtailed and/or restored at the time that curtailment and/or restoration of customer's requirement is to be effective.

FIRM SERVICE BILLING ADJUSTMENT

The monthly bill for any firm service customer curtailed by the Company for a reason contained in this Rule shall be adjusted for the entire month in which curtailment occurred. The total amount due will be reduced by an amount equal to fifty percent of the difference between the amount of the gas bill for such month as determined under the Rate Schedule the customer's regular billings are rendered and the amount that the customer would have been billed that month per Schedule 170, Interruptible Service. Such billing adjustment shall be provided as a reduction of the customer's monthly billing for the month in which the curtailment was experienced. No billing adjustment will be made in the event curtailment of firm service by Company is necessary due to force majeure conditions as defined in Company's Rule 16.

(continued)

RULE 17
ORDER OF PRIORITY FOR GAS SERVICE

UNAUTHORIZED USAGE CHARGES

A customer served on a transportation or interruptible rate, who uses more gas than the Company allows during a curtailment period, if any, will incur an overrun charge as established in the rate schedule under which that customer receives service.

FORCE MAJUERE

In the event it should become necessary to curtail service due to force majeure conditions, the Company may curtail without notice or without reference to the priorities established herein. *See Rule 16.*

COMPANY'S LIABILITY

The Company shall not be liable for damages or otherwise to any customer for failure to deliver gas that may be curtailed pursuant to this order of priority of firm service.

RULE 18
LIMITATION OF FIRM SERVICE

GENERAL

Firm service will be available to a customer if the Company determines, in its sole judgment, that adequate supply and capacity are available to accommodate a Customer's service requirements. If the Company determines firm service is not available to a customer, interruptible service may be an option.

RULE 19
CONSERVATION ALLIANCE PLAN MECHANISM

APPLICABLE

The Conservation Alliance Plan (CAP) mechanism described in this rule applies to customers served on Residential General Service Rate Schedule 101 and Commercial General Service Rate Schedule 104.

TERM

The Company shall initiate a review of this mechanism on September 30, 2019, with any proposed changes to be effective January 1, 2020.

PURPOSE

The purpose of this provision is to (a) define the procedures for the annual tracking revisions in rates due to changes in the weather-normalized use per customer associated with Rate Schedule 101 & Rate Schedule 104; and (b) to define the procedures for the deferral of differences experienced between the actual average use per customer and the amount estimated at the time the Margin Rates were established.

REVISIONS TO COMMODITY MARGIN RATES DUE TO CHANGES IN THE WEATHER-NORMALIZED USE/CUSTOMER

1. The Company shall use the baseline weather normalized average commodity margin per customer for Rate Schedule 101 and Rate Schedule 104 as reflected in its General Rate Case, docketed as UG 305. That application was based upon the weather-normalized, twelve months ending December 31, 2016.
2. For each subsequent year for the term of this provision, the Company shall file annually (CAP Filing) with the Commission to update the Commodity Margin Rate for Rate Schedule 101 and Rate Schedule 104 based upon the weather normalized usage for the twelve months ending June 30th divided into the margin requirement of each rate schedule.
3. Weather-normalized usage is calculated using the approach to weather normalization adopted in the Company's Spring Earnings Review filings, PGA Applications and other weather normalized report submittals.
4. The Total Commodity Margin Requirement of Rate Schedule 101 and Rate Schedule 104 shall be calculated by multiplying the baseline average commodity margin per customer per Rate Schedule, excluding any margin collected through the monthly Basic Service Charge, by the current twelve months ended June 30 average customer count based upon the average of the monthly bills issued.
5. The Margin Commodity Rate is calculated by dividing the Total Commodity Margin Requirement by the Total Weather Normalized Usage.

**RULE 19
CONSERVATION ALLIANCE PLAN MECHANISM**

DEFERRAL OF MARGIN COLLECTION DIFFERENCES

1. The Company will maintain Conservation Variance and Weather Variance deferral accounts as Regulatory Assets or Liabilities. Each month, the Company will calculate the difference between the weather-normalized actual margin and the expected margin for rate schedules 101 and 104. Expected margin shall be the baseline average commodity per customer multiplied by the current customer count. The resulting dollar amount difference will be recorded in the Conservation Variance deferral account. The Company will also calculate the difference between non-weather normalized actual margin and the expected margin for rate schedules 101 and 104. The resulting dollar amount difference will be reduced by subtracting the dollar amount recorded in the Conservation Variance deferral account with the remainder recorded in the Weather Variance deferral account.
2. The Company shall impute interest on the deferred balances on a monthly basis utilizing the Commission establish deferral account interest rate.
3. The Company will include in the annual CAP filing a temporary adjustment amount designed to amortize any balance in the Conservation Variance and the Weather Variance deferral accounts. Temporary surcharges and/or refund increments will be applied to the Margin Commodity Rate over the following twelve months or any other appropriate amortization period.

**SCHEDULE 31
PUBLIC PURPOSE CHARGE**

PURPOSE

The purpose of this provision is to define the funding method for public purposes activities to be administered through one or more independent entities. Public purposes activities include, but may not necessarily be limited to, energy efficiency programs, market transformation and low-income conservation and bill assistance programs designed to benefit sales customers within Cascade Natural Gas's service territory in Oregon.

ADJUSTMENT TO RATES

Effective December 1, 2016, a public purpose charge equal to 4.87% of current revenues, including customer service charges, in each month will be assessed as a line item on the bills of rate schedules 101, 104, 105, 111 and 170. The level of the public purpose charge will be reviewed and revised as necessary based on periodic evaluation of public purposes funding needs.

The Public Purposes Funds shall be allocated to specific separate accounts to fund the respective public purposes programs as follows:

- 4.27% will support public purpose funding of energy efficiency programs that replace programs previously administered by Cascade with energy efficiency programs administered by an independent entity.
- 0.60% will support public purpose funding for low-income conservation and bill assistance activities.

SPECIAL TERMS AND CONDITIONS

1. 88% of the monies designated as public purpose funding will be transferred to the Energy Trust of Oregon. The Energy Trust of Oregon will use the funds to design, promote and administer Natural Gas energy efficiency programs in accordance with agreements executed between Cascade and the Energy Trust.
2. 12% of the monies designated as public purpose funding will be transferred to two internal program accounts and dispersed to Community Action Agencies (Agencies) for the purpose of adding or expanding low-income weatherization programs and bill assistance programs. 88% of the funding will be designated for low-income conservation programs, and the remaining 12% will be designated for bill payment assistance. The internal accounts shall accrue interest at the Company's currently effective authorized rate of return.

(continued)

**SCHEDULE 31
PUBLIC PURPOSE CHARGE**

SPECIAL TERMS AND CONDITIONS (continued)

3. Each month, the Company will bill the public purpose charge on all rate schedule 101, 104, 105, 111, and 170 customers' bills. By the 20th of the month following the billing month, the Company will forward the amount of funds expected to be collected from billings issued for the prior calendar month, less a reserve for uncollectibles in an amount equal to Cascade's average percentage of net write-offs, to each fund administrator. Funds retained after the 20th of the month will earn interest at the Company's authorized rate of return until distributed to the fund administrators unless otherwise specified in an approved program or other agreement.
4. The Company, and any independent entity selected to administer public purpose programs under this Tariff, will report program results as directed by the Commission. Copies of all reports provided by the fund administrators to the Commission shall also be submitted to the Company for review.
5. All public purpose funds will be allocated only to programs that are available within the Company's Oregon service territory.

**SCHEDULE 32
OREGON LOW-INCOME ASSISTANCE PROGRAM**

PURPOSE

The purpose of this provision is to define the mechanism for providing low-income bill assistance funding to the independent entities delivering the program and to define the process through which those funds will be allocated to the various entities providing services to low-income residential customers within Cascade Natural Gas's service territory in Oregon. This tariff schedule works in conjunction with Schedule 31 and Schedule 33.

GENERAL TERMS AND CONDITION

The monies provided by the public purpose funding, defined in Schedule 31, will be transferred to an internal program account and dispersed to Community Action Agencies (Agencies) for the purpose of adding or expanding low-income bill assistance and weatherization programs on a monthly basis.

SPECIAL TERMS AND CONDITIONS

1. In order to participate in the program, an Agency must be a legal entity, contracting or subcontracting with the State of Oregon, Department of Housing and Community Services (OHCS), which is eligible to administer funding under the Federal Low-Income Home Energy Assistance Program (LIHEAP).
2. All funds allocated to the Agencies will be distributed only to income-eligible residential customers of Cascade Natural Gas. Fund distribution will be accomplished using a cashless voucher system. The cashless voucher system will allow the transfer of authorized payments to an individual customer's utility account from the Oregon Low-Income Bill Assistance program account based on an electronic voucher list submitted to the company by each participating Agency. The company will process the voucher as soon as possible following receipt of the voucher list. In the event the Company receives a voucher authorization for a single customer from two or more Agencies, the Company will process only one voucher authorization.
3. The company will determine the allocation of bill assistance funds to the participating Agencies at the beginning of each program year based on the same allocation used by OHCS to allocate funds under LIHEAP during the previous program year, except that the funds may be reallocated at any time during the program year, if the company, at its sole discretion, determines that such a re-allocation is the most effective and efficient use of the available funds.

(continued)

RULE 32
OREGON LOW-INCOME ASSISTANCE PROGRAM

SPECIAL TERMS AND CONDITIONS (continued)

4. Each participating Agency will have sole responsibility to screen and approve applicants for eligibility. Each Agency shall follow the established protocols for the qualification of and disbursement to eligible participants in accordance with the guidelines promulgated by OHCS and the Low-Income Energy Assistance Act of 1981 and subsequent amendments, as outlined in the OHCS Omnibus Contract. The amount of assistance for eligible participants shall be based on the LIHEAP/OEA Poverty Guidelines and Payment Matrix from the OHCS/OEA Manual for these programs. Any voucher authorization received by the Company that exceeds these guidelines will be appropriately adjusted. If a customer has a credit balance due to the receipt of low-income assistance and the customer's service is disconnected, the credit balance will be redirected to the Agency's allocation fund for distribution to other clients.
5. Each Agency will be reimbursed from the Oregon Low-Income Bill Assistance Program account for certain administrative costs and direct program costs incurred by them in the administration and delivery of the program to Cascade's customers. Total program administration and delivery costs shall not exceed 20 percent of the total low-income bill payment assistance funds applied to customers' utility accounts. Should actual administrative and program delivery costs be lower than the 20 percent, the remaining funds shall be allocated into the program fund to support direct services.
6. Each Agency will provide a summary report providing information on the prior month's program activities. The report must identify the number of families assisted and their location, as well as the amount of funds dispersed. The Company must receive all reports by the 20th business day of each month.
7. The Bill Payment Program year will extend from October 1 through September 30. Any amounts not disbursed in the program year will carry over to the next program year. The Company will provide an annual summary evaluation report on the progress of the program for review by the Commission by December 1 following the end of each program year.

**SCHEDULE 33
OREGON LOW-INCOME ENERGY CONSERVATION PROGRAM**

PURPOSE

The purpose of this provision is to define the terms and conditions under which that portion of the funds designated for use for low-income weatherization programs under Schedule 31, Public Purpose Charge will be administered and delivered to eligible customers.

AVAILABLE

This program is available to income-eligible residential dwellings served by Cascade where the primary heating equipment in the residential dwelling is fueled by natural gas. Any residential dwelling that received assistance for the installation of the same or similar measures under any other energy efficiency program will not be eligible for assistance under this program.

PROGRAM DESCRIPTION

The Oregon Low-Income Energy Conservation (OLIEC) Program is a program designed to increase energy efficiency in low-income households within Cascade's service territory by providing rebates for the installation of certain weatherization and conservation measures in qualifying residential dwellings following the completion of a home energy evaluation performed by qualifying Low Income, 501c3, or Community Action Agencies (Agencies).

ENERGY EFFICIENCY MEASURES

The following energy efficiency measures qualify for rebates under this program:

Existing Low Income Residential Dwellings

- Ceiling, floor, wall and duct insulation
- Duct sealing (per Oregon Office of Energy standards)
- Infiltration system (weather stripping and caulking)
- High-efficiency furnace installations (90+ % efficient) where cost effective
- Furnace tune-up and filter replacement
- High-efficiency water heater (.62+ where the primary water heating source is natural gas)

New Low Income Residential Construction

The following energy efficiency measures applied toward the construction of affordable housing shall qualify for rebate if the project is designated primarily for the habitation of low income individuals and shall remain under a thirty year period of affordability. Qualified measures include:

- Energy Star Qualified Homes
- High-efficiency furnace installations (90+ % efficient) where cost effective
- High-efficiency water heater (.62+ where the primary water heating source is natural gas)

(continued)

**SCHEDULE 33
OREGON LOW-INCOME ENERGY CONSERVATION PROGRAM**

ENERGY EFFICIENCY MEASURES (continued)**New Low Income Residential Construction (continued)**

The Company, at its discretion, will consider rebates for custom energy efficiency measures applied to new and existing low income dwellings on an individual basis with preference given for measures that would qualify for rebate in similar projects offered through the Energy Trust of Oregon (Energy Trust). An appropriate incentive payment for custom projects will be calculated as 80% of avoided therm cost based upon the therm savings of the gas efficiency measures that are installed at each project.

PROGRAM YEAR

The OLIEC Program year will extend from October 1 through September 30.

ANNUAL REPORT

By December 1, the Company will provide the Commission with an annual report detailing the number of homes treated and dollars spent in the prior program year.

CUSTOMER QUALIFICATIONS

All funds collected under this program will be distributed only to qualifying income-eligible residential customers of Cascade. In the event the Company receives a rebate request for a single customer from two or more Agencies, the Company will process only one rebate request.

FUNDS COLLECTED UNDER THIS PROGRAM ARE AVAILABLE AS FOLLOWS:

1. Beginning with the 2009-2010 program year and for each year thereafter, the Company will designate \$25,000 of the program funds for use by Community Action Agencies (Agencies) and 501c3 non-profit agencies for custom low income energy efficiency (CEE) projects. This amount shall also be the designated fund to eligible 501c3 agencies not identified as Agencies for all energy conservation and retrofit measures. The Company will determine the allocation of remaining funds to participating Agencies at the beginning of each program year based on the same allocation used by Oregon Housing and Community Services (OHCS) to allocate funds under the Federal Low Income Home Energy Assistance Program (LIHEAP) during the previous program year. The Company will advise each Agency at the beginning of each program year of the amount the Company estimates will be available to each Agency in that year.
2. In the Company's sole discretion, funds may be re-allocated among the Agencies at any time during the program year whenever the Company determines that such a re-allocation is the most effective and efficient use of the available funds. The Company will not make any such re-allocation without first providing advance notice to the affected Agencies.
3. Any amounts not disbursed in the program year will carry over to the next program year.

(continued)

**SCHEDULE 33
OREGON LOW-INCOME ENERGY CONSERVATION PROGRAM**

AGENCY QUALIFICATIONS AND RESPONSIBILITIES

1. In order to participate in the program, an Agency must be a legal entity, contracting or subcontracting with the State of Oregon, Department of Housing and Community Services (OHCS), which is eligible to administer funding under the Federal Low Income Home Energy Assistance Program (LIHEAP). An agency shall also qualify to participate in the program if it is a state-recognized Low Income Agency or 501c3 nonprofit engaged in the construction or retrofit of affordable housing designated primarily for the habitation of low income individuals. Each participating Agency must also have an up-to-date, signed Memorandum of Understanding with Cascade Natural Gas.
2. Each participating Agency will have sole responsibility to screen and approve applicants for eligibility. Each Agency shall follow the established protocols for the qualification of and disbursement to eligible participants in accordance with the guidelines promulgated by OHCS. Agencies operating the Weatherization Assistance Program shall complete their work in accordance with the Low-Income Energy Assistance Act of 1981 and subsequent amendments, as outlined in the OHCS Omnibus Contract. The Company reserves the right to verify installation and compliance with all state codes and standards prior to payment of any rebates.
3. Each participating Agency shall be responsible to complete and return to the Company all required paperwork and other documentation as may be necessary for the Company to process the rebate request. The Company will provide the documentation forms to each participating Agency in electronic or hard copy form, whichever is requested. At a minimum, the documentation must include the Agency name, customer name, the landlord name and address, if applicable, the address of the qualifying households, the square footage of the home, a list of the measures installed, the rebate amount per measure, total rebate per household, and a statement on whether or not all eligible measures were installed at the dwelling.

REBATE PAYMENTS

1. The Company will reimburse participating Agencies for the installation of qualifying measures installed in each eligible household based on the table shown below.
2. In no event will any rebate amount be greater than the actual installed cost of the measure.
3. Qualified measures are eligible for rebate in the amount of 100% of avoided therm cost or 100% of the installed cost of the measure, whichever is less. Custom projects for new low income construction shall be eligible for a rebate of 80% of avoided therm cost. Avoided therm cost shall reflect the Company's most recently acknowledged IRP document.
4. Copy of REM-Rate auditing report demonstrating savings-to-investment ratio of 1.0 or higher for each individual measure must be submitted in order to qualify for rebate.

(continued)

**SCHEDULE 33
OREGON LOW-INCOME ENERGY CONSERVATION PROGRAM**

REBATE PAYMENTS (continued)

Measure	<i>Therm Savings Factor Per Square Foot</i>	<i>Avoided Cost Per Therm</i>	<i>Rebate per Home</i>
Install ceiling insulation where no ceiling insulation exists	0.088	\$11.66	<i>Therm savings factor x square footage x avoided cost per therm</i>
Install ceiling insulation where ceiling insulation <R-12 exists	0.034	\$11.66	<i>Therm savings factor x square footage x avoided cost per therm</i>
Install floor insulation	0.052	\$11.66	<i>Therm savings factor x square footage x avoided cost per therm</i>
Install wall insulation	0.074	\$11.66	<i>Therm savings factor x square footage x avoided cost per therm</i>
	<i>Therm savings factor per linear foot</i>		
Install duct insulation	0.136	\$9.21	<i>(Therm savings factor x square footage)/(square footage x average linear ft of ductwork per sq ft) x avoided cost per therm</i>
Install duct sealing	--	--	\$810
Install infiltration measures	--	--	\$120
Install high-efficiency (90%+) furnace	--	--	\$690
Install direct vent spaceheater	--	--	\$396
Perform furnace tune-up	--	--	\$65
High efficiency water heater (.62)*	--	--	\$85
Energy Star qualified homes	--	--	\$1,107

* Hot water measures shall only be installed in homes where the primary heating source for water is natural gas.

PROGRAM ADMINISTRATION AND DELIVERY COSTS

- Each Agency will be reimbursed from the Low-Income Weatherization account for administrative costs and direct program costs incurred by them in their administration and delivery of the OLIEC Program in the amount of \$225 per household. The Agency fee will be paid to each Agency along with each rebate payment. The Company will process rebates and Agency payments within thirty days from the date the Company receives all completed documentation in support of such rebate requests.
- The Company will be reimbursed for actual first year program set up costs from the OLIEC account in an amount not to exceed \$5,000.
- The Company will be reimbursed from the OLIEC account each month for actual program administration costs incurred, except that such reimbursement will not exceed 5% of the total available funds collected during each program year.

(continued)

**SCHEDULE 33
OREGON LOW-INCOME ENERGY CONSERVATION PROGRAM**

ADVISORY GROUP

An Advisory Group will assist the Company in low-income weatherization and bill assistance program development, implementation, and evaluation. The Advisory Group will consist of at least one member each from the Company, the Commission staff, The Community Action Partnership of Oregon (CAPO) and from two or more participating Agencies.

ANNUAL REPORT

By December 1 of each year, the Company will submit an annual report containing the following information:

- General: 1) Program successes and barriers (if any) to implementation; 2) Associated Program outreach activities.
- Economic: 1) Revenue balance from previous year; 2) Program revenue; 3) Accrued interest; 4) Total available funds; 5) Total expenditure of OLIEC funds; 6) Total OLIEC costs allocated by measure; 7) the Company's administrative costs; 8) Funding allocations or changes within the program year; 9) Payments to Agencies for weatherization measures, admin, and program delivery; 10) Average rebate allocated per home served;
- Agency Performance: 1) percentage of homes served per Agency for the program year; 2) Total number of homes served;
- Program Results: 1) Total deemed therm savings attributable to the OLIEC program by year; 2) Total number of measures installed in all homes served during the program year; 3) Average number of measures installed per home; 4) Number of measures installed by type; 5) Number of each allowable measure installed in total during the program year; 6) Total therm savings by measure; 7) Number of multifamily dwellings treated and observations made about multifamily projects.
- General: 1) A breakdown of the number of homes served by town and agency. The Company will identify factors that account for the volume of homes served by region; 2) The Company will monitor rebate turn-around time

(continued)

**SCHEDULE 33
OREGON LOW-INCOME ENERGY CONSERVATION PROGRAM**

PROGRAM EVALUATION

1. The Company will have a program baseline assessment performed as soon as practical following the effective date of this Schedule.
2. An Advisory Group will be formed to assist the Company in low-income weatherization and bill assistance program development, implementation, and evaluation. The Advisory Group will consist of at least one member each from the Company, the Commission staff, The Community Action Directors of Oregon (CADO) and from two or more participating Agencies.
3. Following the end of program year, the Company will arrange for an independent program performance evaluation to be paid from Low-Income Weatherization funds identified in Schedule 31 in an amount not to exceed \$25,000 per year.
4. The Company will use the Advisory Group process and the independent program evaluation results to modify the program structure and process, where appropriate. These processes may also be used to assess whether or not any change to low-income weatherization and bill payment assistance funding levels is appropriate.

(continued)

**SCHEDULE 33
OREGON LOW-INCOME ENERGY CONSERVATION PROGRAM
CONSERVATION ACHIEVEMENT TARIFF (CAT) PILOT PROGRAM**

PROGRAM DESCRIPTION

The Conservation Achievement Tariff (CAT) operates alongside of, and in conjunction, with the OLIEC Program. This provision defines the terms and conditions under which funds designated for low-income energy conservation programs under Schedule No. 33 are administered and delivered to eligible residential customers within Cascade Natural Gas' service territory in Oregon.

CAT funding may be accessed by any of the qualifying Low-Income, 501c3 or Community Action Agencies (Agencies) that administer the OLIEC program for the purpose of providing programmatic funding for the completion and performance of qualified weatherization work authorized through the OLIEC tariff. The intent CAT is to provide essential monies to bridge the gap between the Company's payments associated with customer energy savings via the traditional OLIEC program and the funds necessary for full delivery of this essential program to qualified customers. The funds are available to Agencies on a first come, first serve basis for the purpose of providing Total Installed Costs for weatherization measures approved under Schedule No. 33, Oregon Low Income Energy Conservation (OLIEC) program, but the Total Installed Costs reimbursed under CAT for a single dwelling may not exceed \$10,000. This \$10,000 cap on CAT reimbursements does not include OLIEC rebates, the OLIEC administrative fee, or CAT reimbursements for the audit and inspection.

"Total Installed Costs" are defined as all costs incurred for materials and contractor labor necessary to fully perform tariff-eligible natural gas weatherization work at a qualified customer premise. In order to qualify for CAT funding, the participating Agency shall provide all associated invoices and receipts as evidence of expenditures for authorized weatherization work provided to the Company for validation.

All measures currently defined as eligible under OLIEC shall be eligible for funds to cover Total Installed Costs under CAT. In the event that additional measures become eligible for funding under the OLIEC, the CAT shall also apply.

Agencies that complete projects under OLIEC, and install one or more of the eligible energy efficiency measures, are eligible to receive their normal reimbursement under that program. Agencies are also eligible to receive an additional CAT allocation that equates to the difference between the OLIEC rebate for each eligible measure installed and the invoiced amount for the Total Installed Cost of each measure. These monies shall be available upon receipt of documentation verifying the final incremental costs between those covered under the traditional OLIEC program and the remaining Total Installed Costs.

(continued)

**SCHEDULE 33
OREGON LOW-INCOME ENERGY CONSERVATION PROGRAM
CONSERVATION ACHIEVEMENT TARIFF (CAT) PILOT PROGRAM**

PROGRAM FUNDING

At its sole discretion, the Company may allocate funds collected under Schedule 31, Public Purposes Funding for low income energy conservation programs to a separate pool (CAT pool) if funding for OLIEC is sufficient to meet the needs of agencies qualified to provide weatherization services to Cascade customers under the OLIEC Schedule 33.

PROGRAM ADMINISTRATION AND DELIVERY COSTS

The OLIEC program will remain a separate low-income energy conservation program that operates in conjunction with OLIEC. The OLIEC program contains a listing of program administration and delivery costs. There are no additional program administration and delivery costs associated with the Conservation Achievement Tariff.

AUDITS AND INSPECTIONS

The Company will reimburse an Agency a flat fee of \$550 for an audit and \$300 for an inspection of a dwelling treated under the CAT program.

PROGRAM EVALUATION

The annual OLIEC report will contain information on CAT including but not be limited to, number of participants, total cost of CAT, and total costs allocated by measure.

**SCHEDULE 34
ENERGY EFFICIENCY SERVICES AND PROGRAMS**

PURPOSE

This provision is intended to provide an economical and effective means of conserving natural gas through the reduction of heat loss in residential dwellings, and commercial and industrial buildings and in the improvement of the efficiency of space heating, water heating, and energy utilization of the dwellings.

AVAILABLE

This program is available to all customers served on Schedules 101, 104, 105, 111, and 170.

INFORMATION TO CUSTOMERS

The Company will provide applicable customers with general and technical information about energy efficiency services and about energy efficiency programs available through the Energy Trust of Oregon (Energy Trust) that will improve the efficiency of space heating and energy utilization of residential dwellings and commercial/industrial facilities. This information may be provided through bill inserts, displays (all offices), booklets, handouts, advertisements, and industry and public agency literature.

ENERGY EFFICIENCY PROGRAMS

The Energy Trust has been approved to deliver and administer energy efficiency programs to Cascade's customers. Customers may participate in such programs by contacting the Energy Trust directly or by calling a Cascade representative, who will provide information to the customer.

CUSTOMER NOTIFICATION

Sales customers will be notified annually by bill insert: (1) that information on energy efficiency is available from the Company; (2) that energy efficiency programs are available through the Energy Trust; (3) how to obtain energy efficiency information from the Company; and (4) how to contact the Energy Trust.

Notification to rental unit owners will be made by mail when a tenant who is a customer requests the material be mailed to the owner; and furnishes the owner's name and address with the request.

GENERAL TERMS

This Schedule is governed by the terms of this Schedule, the General Rules and Regulations contained in this Tariff and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

**SCHEDULE 100
ADJUSTMENT FOR MUNICIPAL EXACTIONS**

APPLICABILITY

This schedule sets forth the conditions under which exactions such as license, privilege, franchise, business, occupation, operating, excise, sales or use of street taxes or other exactions now imposed, or which may hereafter be imposed on the Company are billed by the Company to its customers.

TERRITORY

This schedule is applicable to all customers in the entire territory in the State of Oregon served by the Company.

RATES AND CONDITIONS

When any municipal corporation or other local taxing agency imposes on the Company any license, privilege, franchise, business, occupation, operating, excise, sales or use of street taxes or exactions, the amount thereof which exceeds 3% of the gross revenue derived from gas service furnished customers within the levying municipality or taxing district, the excess above 3% shall be billed pro rata to such customers in accordance with OAR 860-022-0040(1) as approved by the Public Utility Commission of Oregon. When customers are billed as herein provided, the amount will be separately stated on, and added to, the regular billing.

CASCADE NATURAL GAS CORPORATION

P.U.C. OR. No. 10

Original Sheet 101.1

SCHEDULE 101 GENERAL RESIDENTIAL SERVICE RATE

APPLICABILITY

This schedule is available to residential customers.

RATE

Basic Service Charge		\$4.00	per month
Delivery Charge		\$0.36407	per therm
Schedule 177	Cost of Gas (WACOG)	\$0.431660	per therm
Schedule 191	Temporary Gas Cost Rate	(\$0.086110)	per therm
Schedule 192	Intervenor Funding	\$0.001910	per therm
Schedule 193	Conservation Alliance Plan	\$0.016190	per therm
Schedule 196	Oregon Earnings Sharing	\$0.000000	per therm
Schedule 197	Environmental Remediation Cost	\$0.000514	per therm
	Total	\$0.728234	per therm

MINIMUM CHARGE

Basic Service Charge \$4.00

TERMS OF PAYMENT

Each monthly bill shall be due and payable within fifteen days from the date of rendition.

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule 100 for Municipal Exactions.

GENERAL TERMS

Service under this rate schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this rate schedule apply to service under this rate schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

CASCADE NATURAL GAS CORPORATION

P.U.C. OR. No. 10

Original Sheet 104.1

SCHEDULE 104 GENERAL COMMERCIAL SERVICE RATE

APPLICABILITY

This schedule is available to commercial customers.

RATE

Basic Service Charge		\$4.00	per month
Delivery Charge		\$0.262630	per therm
Schedule 177	Cost of Gas (WACOG)	\$0.431660	per therm
Schedule 191	Temporary Gas Cost Rate	(\$0.086110)	per therm
Schedule 192	Intervenor Funding	\$0.000000	per therm
Schedule 193	Conservation Alliance Plan	\$0.016190	per therm
Schedule 196	Oregon Earnings Sharing	\$0.000000	per therm
Schedule 197	Environmental Remediation Cost	\$0.000514	per therm
	Total	\$0.624884	per therm

MINIMUM CHARGE

Basic Service Charge \$4.00

TERMS OF PAYMENT

Each monthly bill shall be due and payable within fifteen days from the date of rendition.

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule 100 for Municipal Exactions.

GENERAL TERMS

Service under this rate schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this rate schedule apply to service under this rate schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

**SCHEDULE 105
GENERAL INDUSTRIAL SERVICE RATE**

APPLICABILITY

This schedule is available to industrial customers.ddd

RATE

Basic Service Charge		\$12.00	per month
Delivery Charge		\$0.205570	per therm
Schedule 177	Cost of Gas (WACOG)	\$0.431660	per therm
Schedule 191	Temporary Gas Cost Rate	(\$0.086110)	per therm
Schedule 192	Intervenor Funding	\$0.001310	
Schedule 193	Conservation Alliance Plan	\$0.000000	per therm
Schedule 196	Oregon Earnings Sharing	\$0.000000	per therm
Schedule 197	Environmental Remediation Cost	\$0.000514	per therm
	Total	\$0.552944	per therm

MINIMUM CHARGE

Basic Service Charge \$12.00

TERMS OF PAYMENT

Each monthly bill shall be due and payable within fifteen days from the date of rendition.

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule 100 for Municipal Exactions.

GENERAL TERMS

Service under this rate schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this rate schedule apply to service under this rate schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

**SCHEDULE 111
LARGE VOLUME GENERAL SERVICE RATE**

APPLICABILITY

Service under this schedule shall be for natural gas supplied for all purposes to customers having an annual fuel requirement of not less than 50,000 therms and where the customer's major fuel requirement is for process use.

RATE

Delivery Charge		\$0.165920	per therm
OTHER CHARGES:			
Schedule 177	Cost of Gas (WACOG)	\$0.431660	per therm
Schedule 191	Temporary Gas Cost Rate	(\$0.086110)	per therm
Schedule 192	Intervenor Funding	\$0.001310	per therm
Schedule 193	Conservation Alliance Plan	\$0.000000	per therm
Schedule 196	Oregon Earnings Sharing	\$0.000000	per therm
Schedule 197	Environmental Remediation Cost	\$0.000514	per therm
	Total	\$0.513294	per therm

CONTRACT

Customers receiving service under this rate schedule shall execute a contract for a minimum period of twelve consecutive months' use. The Annual Minimum Quantity is to be negotiated and included as part of the contract but in no case shall the Annual Minimum Quantity be less than 50,000 therms.

ANNUAL DEFICIENCY BILL

In the event customer purchases less than the Annual Minimum Quantity as stated in the contract, customer shall be charged an Annual Deficiency Bill. Annual Deficiency Bill shall be calculated as the difference between the Annual Minimum Quantity less actual purchase or transport therms times the difference between the per therm rates effective in this schedule and any modifying schedules less the weighted average commodity cost of system supply gas as such costs are reflected in the Company's tariff.

(continued)

SCHEDULE 111
LARGE VOLUME GENERAL SERVICE RATE

TERMS OF PAYMENT

Each monthly bill shall be due and payable within fifteen days from the date of rendition.

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule 100 for Municipal Exactions.

GENERAL TERMS

Service under this rate schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this rate schedule apply to service under this rate schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

**SCHEDULE 112
COMPRESSED NATURAL GAS SERVICE**

AVAILABILITY

This schedule is available for the sole purpose of compressing natural gas for use as a fuel in vehicular internal combustion engines. Service under this schedule shall be through one or more meters, at the option of the Company, provided they are located on contiguous property not divided by streets, roads, alleys, or other public thoroughfares. Service for any end use of natural gas other than the compression of natural gas for vehicle use, such as space heating, water heating, or any other direct processing or boiler fuel use, is not permitted under this rate schedule or through the meter through which service under this rate schedule is offered.

RATE

Basic Service Charge		\$3.00	per month
Delivery Charge		\$0.22600	per therm
OTHER CHARGES:			
Schedule 177	Cost of Gas (WACOG)	\$0.43166	per therm
Schedule 191	Temporary Gas Cost Rate	(\$0.08611)	per therm
Schedule 192	Intervenor Funding	\$0.00000	per therm
Schedule 193	Conservation Alliance Plan	\$0.00000	per therm
Schedule 196	Oregon Earnings Sharing	\$0.00000	per therm
	Total	\$0.57155	per therm

MINIMUM CHARGE

Basic Service Charge \$3.00

CONTRACT

Customers receiving service under this rate schedule shall sign a contract having a minimum term of twelve months. Said contract shall contain such provisions regarding indemnification and insurance as the Company deems necessary or desirable with respect to a particular customer.

TERMS OF PAYMENT

Each monthly bill shall be due and payable within fifteen days from the date of rendition.

(continued)

SCHEDULE 112
COMPRESSED NATURAL GAS SERVICE

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule 100 for Municipal Exactions.

GENERAL TERMS

Service under this rate schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this rate schedule apply to service under this rate schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

**SCHEDULE 126
EMERGENCY INSTITUTIONAL SERVICE**

AVAILABILITY

This schedule is available upon written application wherein the customer makes a showing acceptable to Company demonstrating the customer's institutional operations could not be continued without severe disadvantage to the occupants of customer's facilities in the absence of service under this schedule.

APPLICABILITY

To institutional customers currently taking service from the Company under its filed rate schedules.

CONTRACT

Customers receiving service under this rate schedule shall execute a contract for a period of twelve consecutive months.

RATE

Delivery Charge		\$0.26670	per therm
OTHER CHARGES:			
Schedule 177	Cost of Gas (WACOG)	\$0.43166	per therm
Schedule 191	Gas Cost Rate Adjustment	(\$0.08611)	per therm
Schedule 192	Intervenor Funding Adjustment	\$0.00000	per therm
Schedule 193	Conservation Alliance Plan Mechanism	\$0.00000	per therm
Schedule 196	Oregon Earnings Sharing	\$0.00000	per therm
	Total	\$0.61225	per therm

MINIMUM CHARGE

None

TERMS OF PAYMENT

Each monthly bill shall be due and payable within fifteen days from the date of rendition.

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule 100 for Municipal Exactions.

(continued)

**SCHEDULE 126
EMERGENCY INSTITUTIONAL SERVICE**

CURTAILMENT

Service under this schedule is subject to curtailment as established in Rule 17. If the customer uses any amount of gas above the amount authorized by the Company during a curtailment event, the customer's failure to comply with the Company's curtailment order shall be considered as an unauthorized overrun volume. The customer shall incur an unauthorized overrun charge of \$0.50 per therm; this charge is in addition to the regular charges incurred in the Rate section of this schedule. The payment of an overrun penalty shall not under any circumstances be considered as giving customer the right to take unauthorized overrun gas or to exclude any other remedies which may be available to the Company to prevent such overrun.

GENERAL TERMS

Service under this rate schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this rate schedule apply to service under this rate schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

**SCHEDULE 163
GENERAL DISTRIBUTION SYSTEM INTERRUPTIBLE TRANSPORTATION SERVICE**

PURPOSE

This schedule provides interruptible transportation service on the Company’s distribution system of customer- supplied natural gas. Service under this schedule is subject to entitlement, curtailment and pre-emption (all of which are defined below in this schedule).

APPLICABILITY

To be served on this schedule, the customer must have a service agreement with the Company. The customer must also have secured the purchase and delivery of gas supplies, which may include purchases from a third party agent authorized by the customer served on this schedule. Such agent, otherwise known as a marketer or supplier and hereafter referred to as supplier, nominates and transports natural gas to the Company’s system on a Customer’s behalf in the manner established herein.

RATE

A. **Basic Service Charge** \$500.00 per month

B. **Distribution Charge** for All Therms Delivered Per Month

		Base Rate	Sch. 192	Sch. 196	Sch 197	Billing Rate	
First	10,000	\$0.12402	\$0.00131	\$0.00000	\$0.000514	\$0.125844	per therm
Next	10,000	\$0.11188	\$0.00131	\$0.00000	\$0.000514	\$0.113704	per therm
Next	30,000	\$0.10512	\$0.00131	\$0.00000	\$0.000514	\$0.106944	per therm
Next	50,000	\$0.06456	\$0.00131	\$0.00000	\$0.000514	\$0.066384	per therm
Next	400,000	\$0.03275	\$0.00131	\$0.00000	\$0.000514	\$0.034574	per therm
Over	500,000	\$0.01755	\$0.00131	\$0.00000	\$0.000514	\$0.019374	per therm

C. **Commodity Gas Supply Charge**

The Company will pass through to the customer served on this schedule all costs, if any, incurred for securing the necessary supply at the city gate excluding pipeline transportation charges.

D. **Gross Revenue Fee**

The total of all charges invoiced by Company shall be subject to a Gross Revenue Fee reimbursement charge to cover state utility tax and other governmental levies imposed upon the Company, as those fees and levies may be in effect from time to time.

(continued)

SCHEDULE 163
GENERAL DISTRIBUTION SYSTEM INTERRUPTIBLE TRANSPORTATION SERVICE

WAIVER OF FIRM GAS SUPPLY

Customers electing to provide their own gas supplies under this schedule in lieu of firm service waive protection from supply-failure curtailment of all of their requirements. The Company has no obligation to purchase or reserve gas supply or interstate pipeline capacity for customers electing to provide their own gas supplies and/or their own interstate pipeline capacity.

Customers electing to provide their own gas supplies under this schedule in lieu of firm system supply waive any right to automatically purchase firm supplies at some future date. Requests for firm service shall be subject to the effects on service availability or costs to other customers and may require a charge to offset any incremental costs of acquiring additional firm supplies.

Service under this Schedule is subject to entitlement, curtailment and pre-emption as defined below:

- 1) Entitlement. During an entitlement, a customer served on this Schedule is required to control gas usage to be within a specified threshold percentage as determined by the Company. A customer who fails to comply with an entitlement order will incur additional charges, as established below in this Schedule.
- 2) Curtailment. A curtailment is when the Company must interrupt any or all of the service to customers, in accordance with the term and conditions established in Rule 17. A curtailment event may affect any level of service depending on the severity and geographical scope of the event. A Customer who fails to comply with a curtailment order will incur additional charges as established below in this Schedule; and
- 3) Pre-emption. Pre-emption is when a customer served under this schedule is required to make its gas available to the Company for a price, to the extent the Company determines it is necessary to maintain service to customers with higher service priorities as defined in Rule 17.

SERVICE CONTRACT

Service under this schedule requires an executed contract between the Company and the customer.

A. Contract Term

The contract term shall be for a period not less than the period covered under the customer's gas purchase contract with customer's supplier. However, in no event shall the contract be for less than one year and the termination date of the contract in any year shall be September 30th.

(continued)

SCHEDULE 163
GENERAL DISTRIBUTION SYSTEM INTERRUPTIBLE TRANSPORTATION SERVICE

SERVICE CONTRACT (continued)**B. Required Content**

1. The service contract shall state the annual minimum quantity of gas to be delivered;
2. The service contract shall state the maximum daily volume of gas to be delivered under this distribution system capacity schedule; and
3. The annual minimum charge is to be negotiated and included as part of contract between Company and customer, and may be in addition to amounts otherwise due under this schedule.

GAS SUPPLY

The customer served under this rate schedule must secure the purchase and delivery of gas supplies from a supplier.

SUPPLIER AND RELATED RESPONSIBILITIES

The customer must provide in writing to the Company the name and telephone number of its supplier who will have authority to nominate natural gas supplies on Company's distribution system for delivery on customer's behalf.

The supplier is the customer's designated representative who satisfies or undertakes the following transportation duties and obligations:

1. Submitting and/or receiving notices on behalf of a customer;
2. Making nominations on behalf of a customer. A nomination is a request to have a physical quantity of customer-owned gas delivered to a specific Company receipt point(s) for a specific gas day. Nominations are not considered final until confirmed by the Pipeline;
3. Arranging for trades of imbalances on behalf of a customer as permitted under the terms and conditions herein established. An imbalance is the difference between a confirmed nominations and the volume of gas actually used by or delivered to a customer served under this schedule for a defined period of time;
 - a. A positive imbalance exists when the volume of transportation gas confirmed for a Customer's account is greater than the volume of gas used.
 - b. A negative imbalance exists when the volume of Transportation gas confirmed for Customer's account is less than the volume of gas used; and,
4. Performing operational and transportation-related administrative tasks on behalf of a customer as the Company permits.

Unless the Company and customer otherwise agree, a customer shall select one supplier for each account at any given time.

(continued)

SCHEDULE 163
GENERAL DISTRIBUTION SYSTEM INTERRUPTIBLE TRANSPORTATION SERVICE

SUPPLIER AND RELATED RESPONSIBILITIES (continued)

Under no circumstances will the appointment of a supplier relieve a customer of the responsibility to make full and timely payments to the Company for all distribution service.

Each supplier must meet any applicable registration and licensing requirements established by law or regulation. The Company shall have the right to establish reasonable financial and non-discriminatory credit standards for qualifying suppliers. Accordingly, in order to serve customers on the Company's system, the supplier shall provide the Company, on a confidential basis, with audited balance sheet and other financial statements, such as annual reports to shareholders and 10-K reports, for the previous three years, as well as two trade and two banking references. To the extent that such annual reports and 10-K reports are not publicly available, the supplier shall provide the Company with a comparable list of all corporate affiliates, parent companies and subsidiaries. The supplier shall also provide its most recent reports from credit reporting and bond rating agencies. The supplier shall be subject to a credit investigation by the Company. The Company will review the supplier's financial position periodically.

If the supplier fails to comply with or perform any of the obligations on its part established in this schedule including but not limited to failure to deliver gas, pay bills in a timely manner, execute an upstream transportation capacity assignment, or, in general, act in good faith on behalf of the customer, the Company maintains the right to terminate the supplier's eligibility to act as a supplier on the Company's system.

NOMINATIONS

A customer served on this schedule is required to report estimated gas supply requirements for the upcoming month at least by the 15th day of the current month, in order to provide the Company with information for gas supply acquisition purposes. Such estimate shall include any scheduled down time or increased production time.

A customer served on this schedule is required to report estimated gas requirements daily to the Company's gas scheduling department at least thirty-two hours prior to the beginning of each gas day, as defined in Rule 2, unless other arrangements are agreed upon in writing with the Company. Such estimated requirement shall be considered as customer's daily nomination. Such daily nomination will separately identify gas quantities, if any, pursuant to obligations established below, as well as the customer's current estimated gas requirement at customer's facility (excluding gas provided to the transporting pipeline for compression and line loss "fuel"). In the event Company's supplier determines that the customer's actual consumption is out of balance with the customer's nomination, the supplier shall inform the customer of the adjustments necessary to get back in balance. Changes to a customer's daily nomination are allowed during the gas day provided the change is communicated to the Company one hour prior to the upstream pipeline's re-nomination deadline.

(continued)

SCHEDULE 163
GENERAL DISTRIBUTION SYSTEM INTERRUPTIBLE TRANSPORTATION SERVICE

NOMINATIONS (continued)

The Company shall have the right to adjust a customer's daily nominations when, in the Company's sole judgment, such action is necessary to bring into balance its system nominations as a receiving party on a pipeline system, or otherwise to maintain operational control or maintain the integrity of the Company's distribution system. The Company accepts customer purchased gas at the receipt point subject to customer's warranty that at the time of the Company's receipt, customer has good title to all gas received, free and clear from all liens, encumbrances and claims. Customer shall indemnify and hold Company harmless should a third party make any claims regarding customer's title to gas transported under this schedule. The supplier shall warrant that it has or will have entered into the necessary arrangements for the purchase of gas supplies which it desires the Company to transport to its customers, and that it has or will have entered into the necessary upstream transportation arrangements for the delivery of these gas supplies to the designated receipt point. The supplier shall warrant to the Company that it has good title to or lawful possession of all gas delivered to the Company at the designated receipt point on behalf of the supplier or the supplier's customers. The supplier shall indemnify the Company and hold it harmless from all suits, actions, debts, accounts, damage, costs, losses, taxes, and expenses arising from or out of any adverse legal claims of third parties to or against said gas supply.

The supplier shall be responsible for making all necessary arrangements and securing all required regulatory or governmental approvals, certificates or permits to enable gas to be delivered to the Company's system.

The Customer shall be deemed to be in control and possession of the customer purchased gas until the Company has accepted it at the receipt point. The Company shall be deemed to be in control or possession of the customer purchased gas until the equivalent therms are delivered to the customer at the delivery point.

Failure to report estimated gas transportation requirements or comply with the written arrangements may be considered as a zero nomination for such gas day and may result in the penalties as described below.

A customer served on this schedule is required to notify the Company's gas scheduling department in advance of operating changes that would cause actual gas day consumption to vary either up or down by 10% or more from the reported gas day estimate. Such notification may mitigate potential penalties but will not indemnify customer from the responsibility for penalties described in the section below entitled Imbalances.

(continued)

**SCHEDULE 163
GENERAL DISTRIBUTION SYSTEM INTERRUPTIBLE TRANSPORTATION SERVICE**

IMBALANCES

Each customer served on this rate schedule shall be required to satisfy any monthly imbalance condition in the manner established below.

Upon notification by the Company that the customer has an imbalance greater than 5%, the customer will have 45 non-entitlement days to eliminate any such imbalance. The Company will bill the customer an imbalance penalty if the customer has not completely satisfied such imbalance condition. These non-entitlement penalties are \$10.00 per MMBtu on the imbalance over the allowed tolerance on a monthly basis.

Under any agency established hereunder, the Company shall rely upon information concerning the applicable customer's distribution service which is provided by the designated representative. All such information shall be deemed to have been provided by the customer. Similarly, any notice or other information provided by the Company to the supplier concerning the provision of distribution service to such customer shall be deemed to have been provided to the customer. The customer shall rely upon any information concerning distribution service that is provided to the supplier as if that information had been provided directly to the customer.

The Company shall determine the customer's daily gas supply entitlement based upon customer's gas requirements forecast and resulting nomination after Company has considered any curtailment of pipeline or distribution system capacity constraints and gas supply constraints. Such daily gas supply entitlements shall include the summation of all gas supply options and optional balancing service daily volumetric level contracted for by the customer. The Company shall notify the supplier and/or customer in the event that the gas supply entitlement is less than the customer's gas nomination(s).

Penalties from upstream pipeline transporter and/or other costs incurred by Company as a result of a nomination imbalance or an unauthorized overrun will be passed on directly to those customer(s) or groups of customers whose take levels contribute to the imposition of the penalty. Such penalty shall be allocated among such customers, including Company's system supply customers, in proportion to the nomination imbalance or unauthorized overrun associated with each customer or group of customers.

PRIORITY OF NOMINATED GAS

The Company shall designate the daily volume of gas delivered to the customer under this schedule in the following sequence as applicable, unless other sequencing has been agreed to in writing by the Company:

(continued)

SCHEDULE 163
GENERAL DISTRIBUTION SYSTEM INTERRUPTIBLE TRANSPORTATION SERVICE

PRIORITY OF NOMINATED GAS (continued)

- 1) The volume of system supplies which are scheduled to be made a portion of customer's gas supply nomination, if any.
- 2) If customer is providing a portion of its gas supply requirement with customer-owned gas supplies, the volume of banked customer owned gas supplies, if any, shall be delivered prior to any other non-system supply.
- 3) The volume of spot market gas supply scheduled to be delivered, if any.

PRE-EMPTION

In the event the Company is required to curtail firm service customers the Company may automatically assign gas supply from Schedule 163 customers to priority 1 and 2 customers as defined in Rule 17.

In the event of such re-assignment, the Company shall compensate affected customers served under this Schedule with a credit equal to the then current Cascade WACOG commodity rate for all volumes assigned plus a penalty credit of \$0.60 per therm on all but the first 5% of customer's daily entitlement under this schedule.

UNAUTHORIZED USE OF GAS DURING CURTAILMENTS OR ENTITLEMENT PERIODS

The Company may declare a curtailment or an entitlement period on any day the Company, in its sole discretion, reasonably determines a critical operational condition warrants the need. During a curtailment or an entitlement period, the total physical quantity of gas taken by customers served under this rate schedule exceeds or is less than the total quantity of gas which the customer is entitled to take on such day, as defined below, then all gas taken in excess of such entitlement or not taken within said entitlement shall constitute unauthorized overrun or underrun volume. Each general system or customer-specific declared overrun entitlement period shall be specified as either an overrun or an underrun entitlement for customers such that only one penalty condition may exist at one time, whereas:

- **Underrun Entitlement** - A condition whereby a customer served under this schedule is required to use the gas previously nominated and received on such Customer's behalf on a specified gas day.
- **Overrun Entitlement** - A condition whereby a customer served under this Schedule is restricted to use no more than a percentage of such customer's acknowledged confirmations on a specified gas day.

(continued)

SCHEDULE 163
GENERAL DISTRIBUTION SYSTEM INTERRUPTIBLE TRANSPORTATION SERVICE

UNAUTHORIZED USE OF GAS DURING CUTRAILMENTS OR ENTITLEMENT PERIODS (continued)

Customers served under this schedule shall pay Company for all unauthorized overrun or underrun quantities that exceed the percentage specified by the Company in its declared entitlement. For a general system or customer-specific declared entitlement period, such percentage will be: (i) in the Company's sole discretion 3 percent, or, in the case of a declared overrun entitlement period announced on the day it is to be in effect, 5 percent for that day (Stage I), 8 percent (Stage II) or 13 percent (Stage III) of a customer's entitlement as set forth above.

In the event of failure of customer's supplies or if capacity is pre-empted for service entitled to higher priority customers (as defined in Rule 17), the Company may curtail deliveries to the customer or issue a system entitlement. Customer usage of gas above the amount authorized by the Company during an entitlement period shall be considered an unauthorized overrun volume. The overrun charge that will be applied during any overrun entitlement period will equal the greater of \$1.00 per therm or 150% of the highest midpoint price for the day at NW Wyoming Pool, NW south of Green River, Stanfield Oregon, NW Canadian Border (Sumas), Kern River Opal, or El Paso Bondad supply pricing points (as published in Gas Daily), converted from dollars per dekatherms to dollars per therm by dividing by ten. The overrun charge will be in addition to the incremental costs of any supplemental gas supplies the Company may have had to purchase to cover such unauthorized use, in addition to the regular charges incurred in the Rate section of this Schedule and any other charges incurred per the terms and conditions established in this Schedule. The payment of an overrun penalty shall not under any circumstances be considered as giving customer the right to take unauthorized overrun gas or to exclude any other remedies which may be available to the Company to prevent such overrun. The charge that will apply during any underrun entitlement period will be \$1.00 per therm for any underrun imbalances.

NOTICE OF CURTAILMENT, ENTITLEMENT, OR PRE-EMPTION

The Company shall give as much advance notice as possible for each curtailment, entitlement, or pre-emption order (generally referred to in this Section as curtailment), but in no event will the Company provide less than two hours' notice unless prevented from doing so by Force Majeure conditions. The Company's curtailment and restoration notices, respectively, shall be given by telephonic communications, electronic communication, or personal contact by Company personnel to the customer's responsible representative, and such order shall specify both the volumes to be curtailed and/or restored at the time that curtailment and/or restoration of customer's requirement is to be effective.

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule 100 for Municipal Exactions.

(continued)

SCHEDULE 163
GENERAL DISTRIBUTION SYSTEM INTERRUPTIBLE TRANSPORTATION SERVICE

GENERAL TERMS

Service under this rate schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this rate schedule apply to service under this rate schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

**SCHEDULE 170
INTERRUPTIBLE SERVICE**

AVAILABILITY

This schedule is available for natural gas delivered for all purposes to customers having an annual fuel requirement of not less than 180,000 therms per year and where customer agrees to maintain standby fuel burning facilities and an adequate supply of standby fuel to replace the entire supply of natural gas delivered hereunder.

SERVICE

Service under this schedule shall be subject to curtailment by the Company when in the judgment of the Company such curtailment or interruption of service is necessary. Company shall not be liable for damages for or because of any curtailment of natural gas deliveries hereunder.

RATE

Delivery Charge		\$0.123090	per therm
OTHER CHARGES:			
Schedule 177	Cost of Gas (WACOG)	\$0.431660	per therm
Schedule 191	Gas Cost Rate Adjustment	(\$0.086110)	per therm
Schedule 192	Intervenor Funding Adjustment	\$0.001310	per therm
Schedule 193	Decoupling Mechanism Adjustment	\$0.000000	per therm
Schedule 196	Oregon Earnings Sharing	\$0.000000	per therm
Schedule 197	Environmental Remediation Costs	\$0.000514	per therm
All Therms per Month:	Total Per Therm Rate	\$0.470464	per therm

TERMS OF PAYMENT

Each monthly bill shall be due and payable fifteen days from the date of rendition.

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule 100 for Municipal Exactions.

CONTRACT

Customers receiving service under this rate schedule shall execute a contract for a minimum period of twelve consecutive months' use. This contract shall state the maximum daily consumption of natural gas that Company agrees to deliver, as well as the annual minimum quantity.

(continued)

**SCHEDULE 170
INTERRUPTIBLE SERVICE**

ANNUAL DEFICIENCY BILL

In the event a customer purchases less than the annual minimum quantity, as defined in the contract, the customer shall be charged an Annual Deficiency Bill. Annual Deficiency Bill shall be calculated by multiplying the difference between the Annual Minimum Quantity and the therms actually taken (Deficiency Therms) times the difference between the commodity rate in this Rate Schedule 170, as modified by any applicable rate adjustments, and the weighted average commodity cost of system supply gas as such costs are reflected in the Company's tariffs. If the Company curtailed or interrupted service, the Annual Minimum Quantity shall be reduced by a fraction, the numerator of which is the actual number of days or fraction thereof, service was curtailed and the denominator of which is 365.

CURTAILMENT

Service under this schedule is subject to curtailment as established in Rule 17. Customer usage of gas above the amount authorized by the Company during a curtailment period shall be considered an unauthorized overrun volume. The overrun charge that will be applied during any overrun entitlement period will equal the greater of \$1.00 per therm or 150% of the highest midpoint price for the day at NW Wyoming Pool, NW south of Green River, Stanfield Oregon, NW Canadian Border (Sumas), Kern River Opal, or El Paso Bondad supply pricing points (as published in "Gas Daily"), converted from dollars per dekatherms to dollars per therm by dividing by ten. The overrun charge will be in addition to the incremental costs of any supplemental gas supplies the Company may have had to purchase to cover such unauthorized use, in addition to the regular charges incurred in the Rate section of this Schedule and any other charges incurred per the terms and conditions established in this Schedule. The payment of an overrun penalty shall not under any circumstances be considered as giving customer the right to take unauthorized overrun gas or to exclude any other remedies which may be available to the Company to prevent such overrun. The charge that will apply during any underrun entitlement period will be \$1.00 per therm for any underrun imbalances.

SPECIAL TERMS AND CONDITIONS

Service under this schedule shall be rendered through one or more meters at a single point of delivery and may at the Company's option be rendered in conjunction with firm service to said customer.

GENERAL TERMS

Service under this rate schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this rate schedule apply to service under this rate schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

SCHEDULE 177
PURCHASED GAS COST ADJUSTMENT PROVISION

APPLICABLE

This schedule applies to all schedules for natural gas sales service within the entire territory served by the Company in the State of Oregon. The definitions and provisions described herein shall establish the natural gas costs for Purchased Gas Adjustment (PGA) deferral purposes on a monthly basis.

PURPOSE

The purpose of this provision is to allow the Company, on established Adjustment Dates, to adjust rate schedules for changes in the cost of gas purchased in accordance with the rate adjustment provisions described herein.

ADJUSTMENT DATES

The Adjustment Date shall be November 1 of each year for changes in annual gas costs. The Company may file out-of-cycle PGA adjustments to be effective at times other than November 1 of each year, if the sum of the Company's annual Actual Commodity Costs and Actual Non-Commodity Costs differs from the sum of the annual Embedded Commodity Costs and Embedded Non-Commodity Costs by 10 percent or more, or for such other reasons and on such terms as the Commission may approve.

DEFINITIONS

1. Actual Commodity Cost: The natural gas supply costs for commodity actually paid for the month, including Financial Transactions, fuel use, and distribution system lost and unaccounted for natural gas (LUGF) plus Gas Storage Facilities withdrawals, plus or minus the cost of natural gas associated with pipeline imbalances, plus propane costs, plus odorization charges, less Commodity Off-System Sales Revenues received during the month, plus actual Variable Transportation Costs, plus commodity-related reservation charges, less all transportation demand charges embedded in commodity costs.
2. Commodity Off-System Sales Revenues: Revenues received from the sale of natural gas to a party other than the Company's Oregon sales customers less costs associated with the sales transactions.
3. Variable Transportation Costs: Variable transportation costs, including pipeline volumetric charges, and other variable costs related to volumes of commodity delivered to sales customers.
4. Actual Non-Commodity Cost: Actual Non-Commodity gas costs shall be equal to actual Demand Costs, less actual Capacity Release benefits, plus or minus actual pipeline refunds or surcharges.
5. Demand Costs: Fixed monthly pipeline costs and other demand-related natural gas costs such as capacity reservation charges, plus any transportation demand charges embedded in commodity costs.

(continued)

SCHEDULE 177
PURCHASED GAS COST ADJUSTMENT PROVISION

DEFINITIONS (continued)

6. Capacity Release Benefits: This component includes revenues associated with pipeline capacity releases. The benefits to customers, through the monthly PGA deferrals, shall be 100% of the capacity release revenues up to the full pipeline rate, and 80% of the capacity release revenues in excess of full pipeline rates. Capacity release revenues shall be quantified on a transaction-by-transaction basis.

7. Estimated Weighted Average Cost of Gas (WACOG): The estimated WACOG for the period November 1st through October 31st is calculated by the following formula: (Forecasted Purchases at Adjusted Contract Prices) divided by (forecasted sales volumes). This WACOG does not include any revenue sensitive factors.
 - a. Forecasted Purchases means this year’s forecasted sales volumes plus a percentage for distribution system LUGF and pipeline fuel in kind.
 - b. Distribution system embedded LUGF means the 5-year average of actual distribution system LUGF, not to exceed 2%.
 - c. Adjusted contract prices means actual and projected contract prices that are adjusted by each associated Canadian pipeline’s published (closest to August 1) fuel use and line loss amount provided for by tariff, and by each associated U.S. pipeline’s tariffed rate.

8. Estimated Non-Commodity Cost: Estimated annual Non-Commodity gas costs shall be equal to estimated annual Demand Costs, less estimated annual Capacity Release Benefits, plus or minus estimated annual pipeline refunds or surcharges.

9. Estimated Non-Commodity Cost per Therm: The Estimated Non-Commodity cost per therm is calculated by the following formula: (Estimated annual Non-Commodity Cost divided by forecasted sales volumes). This estimate does not include any revenue-sensitive factors.

The Estimated Cost of Gas per therm is as follows:

	Cost of Gas Per Therm	Revenue Sensitive Costs	Cost of Gas Per Therm Rate
WACOG	\$0.25604	2.618%	\$0.26292
Non-Commodity Cost	\$0.16433	2.618%	\$0.16874
TOTAL	\$0.42037	2.618%	\$0.43166

10. Actual Monthly Calendar Sales Volumes: Actual billed sales therms, adjusted for estimated unbilled therms, for firm and interruptible sales schedules.

(continued)

SCHEDULE 177
PURCHASED GAS COST ADJUSTMENT PROVISION

DEFINITIONS (continued)

11. Embedded Commodity Cost: The Estimated WACOG multiplied by the Actual Monthly Calendar Sales Volumes.
12. Embedded Non-Commodity Cost: The Estimated Non-Commodity Cost per Therm multiplied by the Actual Calendar Sales Volumes less interruptible sales volumes.
13. Financial Transactions: Cost of Financial Transactions related to gas supply, including but not limited to, hedges, swaps, puts, calls, options and collars that are exercised to provide price stability/control or supply reliability for sales service customers.
14. Gas Storage Facilities: The cost of natural gas for injections shall be the actual cost of purchasing gas for storage and the cost of injection of the gas into the storage facility. Withdrawals of natural gas shall be valued at the weighted average cost of gas in the facility plus any variable withdrawal costs. Only the cost of natural gas withdrawn from Gas Storage Facilities will be included in the Actual Commodity Cost, as defined herein.

CALCULATION OF MONTHLY GAS COST FOR DEFERRAL PURPOSES

The Company will maintain sub-accounts OF Account 191. Monthly entries into these sub-accounts shall be made to reflect the differences between: 1) the monthly Actual Commodity Cost and the monthly Embedded Commodity Cost, and 2) the monthly Actual Non-Commodity Costs and the monthly Embedded Non-Commodity Cost. The entries shall be calculated as follows:

1. A debit or credit entry shall be made equal to 100% of the difference between the Actual Non-Commodity Cost and the Embedded Non-Commodity Cost.
2. A debit or credit entry shall be made equal to 90% of the difference between the Actual Commodity Costs and the Embedded Commodity Costs.
3. Differentials shall be deemed to be positive if the actual cost exceeds embedded costs and to be negative if actual costs fall below embedded costs.
4. The cost differential entries shall be debited to the Account 191 sub-accounts if positive, and credited to the Account 191 sub-accounts if negative.
5. Interest: The Company shall compute interest on deferred balances on a monthly basis using the interest rate(s) approved by the Commission.

(continued)

SCHEDULE 177
PURCHASED GAS COST ADJUSTMENT PROVISION

AMORTIZATION OF ACCOUNT 191 SUB-ACCOUNT DEFERRALS

The Account 191 sub-account balances shall be amortized over the twelve month period commencing with the November 1 adjustment date or such other time period acceptable to the Company and the Commission. The amount of amortization for the Account 191 sub-accounts shall consist of an amount necessary to recover or return the amount accumulated in the sub-accounts and other deferral accounts.

TIME AND MANNER OF FILINGS

Applications must be made no later than sixty days in advance of the effective date.

AMOUNT OF ADJUSTMENT

The amount of adjustment to be made to customers' rates effective on each November 1 adjustment date shall consist of the sum of the changes in the Embedded Commodity Cost and Non-Commodity Cost and the change in amortization rates of the PGA Balancing Accounts as well as other deferral accounts as the Commission may approve.

GENERAL TERMS

This schedule is subject to the General Rules and Regulations contained in this tariff and to those prescribed by regulatory authorities. This schedule is an automatic adjustment clause as described in ORS 757.210(1) and is subject to the customer notification requirements as described in OAR 860-022-0017.

**SCHEDULE NO. 191
TEMPORARY GAS COST RATE ADJUSTMENT**

APPLICABLE

The temporary rate applies to Schedules 101, 104, 105, 111, 112, 126, and 170.

RATES

Each of the charges specified in the schedules for gas service hereinafter listed shall be adjusted by the following per therm increase or (decrease) or appropriate multiple thereof in determining annual minimum bill, if any:

Rate Schedule	Amount
101	(\$0.08611)
104	(\$0.08611)
105	(\$0.08611)
111	(\$0.08611)
112	(\$0.08611)
126	(\$0.08611)
170	(\$0.08611)

LIMITATION

This temporary rate adjustment shall remain in effect until cancelled pursuant to a Commission order.

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule 100 for Municipal Exactions.

GENERAL TERMS

Service under this schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this schedule apply to service under this schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

**SCHEDULE NO. 192
INTERVENOR FUNDING ADJUSTMENT**

APPLICABLE

Applicable to customers served on Schedules 101, 104, 105, 111, 112, 126, 163, and 170.

PURPOSE

The purpose of this schedule is to recover the cost of Intervenor Funding Grants provided to various entities to cover their costs of advocating on behalf of customers. The awarding of such grants is governed by Section 7.3 of the First Amended and Restated Intervenor Funding agreement adopted by the Public Utility Commission of Oregon in Order No. 07-564.

MONTHLY RATES, MINIMUM BILLS AND OTHER CHARGES

Each of the charges specified in the schedules for gas service hereinafter listed shall be adjusted by the following per therm increase or (decrease) or appropriate multiple thereof:

Rate Schedule	Amount
101	\$0.00191
104	\$0.00000
105	\$0.00131
111	\$0.00131
112	\$0.00000
126	\$0.00000
163*	\$0.00131
170	\$0.00131
*all rate blocks	

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule 100 for Municipal Exactions.

GENERAL TERMS

Service under this schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this schedule apply to service under this schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

**SCHEDULE 193
CONSERVATION ALLIANCE PLAN ADJUSTMENT**

APPLICABLE

This rate applies to Schedules 101 and 104.

PURPOSE

The purpose of this schedule is to amortize deferred conservation and weather variances associated with the Company's approved conservation alliance plan as outlined in Rule 19 of the Company's tariff.

RATES

Each of the charges specified in the schedules for gas service hereinafter listed shall be adjusted by the following per therm increase or decrease or appropriate multiple thereof in determining annual minimum bill, if any:

Rate Schedule	Rate
101	\$0.01619
104	\$0.01619

LIMITATION

This temporary rate addition shall remain in effect until cancelled pursuant to an order from the Public Utility Commission of Oregon.

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule 100 for Municipal Exactions.

GENERAL TERMS

Service under this schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this schedule apply to service under this schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

**SCHEDULE 196
UM 903 OREGON EARNINGS SHARING**

APPLICABLE

This temporary rate addition applies to gas service rendered by the Company under the tariff of which this schedule is a part for service on and after the effective date hereof and shall be in addition to all rates and charges specified in this tariff.

PURPOSE

This schedule refunds a portion of the Company's overearnings in accordance with the Commission's annual order issued in Docket No. UM 903.

RATES

Each of the charges specified in the schedules for gas service hereinafter listed shall be adjusted by the following per therm increase or (decrease) or appropriate multiple thereof in determining annual minimum bill, if any:

Rate Schedule	Rate
101	\$0.000
104	\$0.000
105	\$0.000
111	\$0.000
163	\$0.000
170	\$0.000

LIMITATION

This temporary rate addition shall remain in effect until cancelled pursuant to order of the Oregon Public Utility Commission.

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule 100 for Municipal Exactions.

GENERAL TERMS

Service under this schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this schedule apply to service under this schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

**SCHEDULE 197
ENVIRONMENTAL REMEDIATION COST ADJUSTMENT**

APPLICABLE

This adjustment is applicable to customers served on Schedule 101, 104, 105, 111, 163, and 170.

PURPOSE

This schedule recovers environmental remediation costs for a former manufactured gas plant in Eugene, Oregon. The Company is authorized per Order No. 16-477 to recover \$162,000 over a three-year period of time.

RATE

The following rate shall be applied to all applicable customers on an equal cents per therm basis:

\$0.000514	per therm
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LIMITATION

This temporary rate addition shall remain in effect until cancelled pursuant to order of the Oregon Public Utility Commission.

SPECIAL TERMS AND CONDITIONS

The rates named herein are subject to increases as set forth in Schedule No. 100 Municipal Exactions.

GENERAL TERMS

Service under this schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this schedule apply to service under this schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

SCHEDULE 200
VARIOUS MISCELLANEOUS CHARGES

APPLICABILITY

This schedule sets forth the provisions for various charges throughout these rules and regulations. The name and amount of the charges are listed below. The rules or rate schedules to which each charge applies are in parenthesis.

- I. Reconnection Charge (Rule 5)
- | | |
|---|----------|
| a. Standard, 8 a.m. and 5 p.m., Monday through Friday, excluding holidays | \$32.00 |
| b. After Hours between 5 p.m. and 9 p.m., Monday through Friday | \$50.00 |
| c. Same Business Day or on a Saturday, Sunday or holidays | \$100.00 |

A reconnection charge will be required for reestablishment of service at the same address for the same person taking service, if service was disconnected at the customer's request or if it was disconnected involuntarily for reasons other than for Company initiated safety or maintenance.

- II. Deposit for Meter Test - (Rule 8) \$50.00

- III. Field Visit Charge- (Rule 5) \$10.00

A field visit charge may be assessed whenever Cascade visits a customer's address for the purpose of disconnecting service or reconnecting service and due to the customer's action is unable to complete the disconnection or reconnection.

- IV. Late Payment Charge – (Rule 5) 0.3% annualized interest

A late payment charge at a rate determined by the Commission based upon a survey of prevailing market rates will be charged to the customer's current bill when the customer has a prior balance owing of \$200 or more.

- V. Returned Payment Charge - (Rule 6) \$10.00

A returned check fee of ten dollars (\$10.00) may apply for any payment returned unpaid.

- VI. Residential Excess Flow Valves – (Rule 9)

- a. Installation of an Excess Flow Valve: \$38.00

The customer will be responsible for any maintenance or replacement costs that may be incurred due to the excess flow valve. Such cost shall be based upon time and materials.

- b. Modifying an Existing Service Line:

- Time of Construction Crew up to \$220.00 per hour
- Cost of Materials required to open and close service connection trench, including asphalt replacement, if any.
- Installation of the Excess Flow Valve \$38.00

SCHEDULE 201
SPECIAL CONTRACTS**PURPOSE**

The purpose of this schedule is to describe generally the terms and conditions of service provided by the Company pursuant to special contracts approved by the Public Utility Commission of Oregon under OAR 860-022-0035. In each case, the rights and obligations of the parties are as specified in detail in the respective special contracts. In the event of any ambiguity or conflict between the summaries in this schedule and the substantive provisions of the special contracts, the terms of the special contracts shall be controlling. If a referenced rate schedule is no longer in effect, its most appropriate successor on file with the Commission should be used.

DESCRIPTIONS OF SPECIAL CONTRACTS

1. **LAMB-WESTON, INC. - HERMISTON, OREGON** - Market Based Distribution System Interruptible Transportation Service
 - a. **Term**

The contract was entered into on March 20, 1990 subject to Oregon Public Utility Commission (OPUC) approval. The initial term extends to September 30, 1991 and will continue in effect from year to year thereafter unless canceled by either party upon written notice of 120 days.
 - b. **Rates**

Buyer pays each month the Dispatching Service Charge and monthly rates applicable under Rate Schedule No. 164 as well as the transportation capacity charges under Optional Firm Pipeline Capacity Supplemental Schedule No. 185.
 - c. **Special Conditions**

All terms and conditions of service are consistent with Rate Schedule No. 164.
 - d. **Eligibility**

The "Availability" paragraph of Rate Schedule No. 164 outlines the conditions under which a customer can qualify for service. A condition precedent to availability is that contracts for service under Schedule No. 164 must be reviewed and approved by the Oregon Public Utility Commission pursuant to Oregon Statutes (ORS 757.230), Rules (OAR 860-022-0035), and Commission policies for market based rates (Order No. 87-402).
2. **LAMB-WESTON, INC. - BOARDMAN, OREGON** -- Distribution Transportation Service Special Contract
 - a. **Term**

The contract, dated October 27, 1995, has a minimum primary contract term of 20 years and will continue in effect thereafter from year to year until cancelled by either party with provision of at least one hundred twenty (120) days advance written notice.

(continued)

SCHEDULE 201
SPECIAL CONTRACTS**LAMB-WESTON, INC. - BOARDMAN, OREGON (continued)**b. Rates

The initial contract rate is based upon the specific service alternative (bypass of Company facilities) available to the customer. Buyer pays each month a Dispatch Service Charge under Distribution Rate Schedule 164 (presently of \$500) as well as a monthly Facilities Charge of \$1,750. A Commodity Charge of \$0.007 will be charged for each therm of gas delivered within the Daily Contract Quantity (DCQ). Volume in excess of the DCQ will be charged at the commodity rate plus any costs or penalties incurred by Cascade in delivering those volumes.

Beginning October 1, 1996 and each October 1 thereafter for the duration of the contract, the Commodity Rate shall be escalated by the percentage change in the Consumer Price Index for the "All Urban Customers - U.S. City Average - All Items," for the twelve months ending on the immediately prior July 1. In addition, Lamb-Weston shall reimburse Cascade for State Utility Tax and other governmental levies imposed upon Cascade in rendering transportation service for Lamb Weston, Inc.

3. **HEINZ FROZEN FOODS (formerly known as Ore-Ida Foods, Inc.) - ONTARIO, OREGON** -- Distribution Transportation Service Special Contracta. Term

The contract, dated December 15, 1995, has a minimum primary contract term of 15 years and will continue in effect thereafter from year to year until canceled by either party with provision of at least one hundred twenty (120) days advance written notice.

b. Rates

The initial contract rate is based upon the specific service alternative (bypass of Company facilities) available to the customer. Buyer pays each month a Dispatch Service Charge under Distribution Rate Schedule 164 (presently of \$500) as well as a monthly Facilities Charge of \$3,650. A Commodity Charge of \$0.005 will be charged for each therm of gas delivered within the Daily Contract Quantity (DCQ). Volume in excess of the DCQ will be charged at the commodity rate plus any costs or penalties incurred by Cascade in delivering those volumes.

Beginning October 1, 1996 and each October 1 thereafter for the duration of the contract, the Commodity Rate shall be escalated by the percentage change in the Consumer Price Index for the "All Urban Customers - U.S. City Average - All Items," for the twelve months ending on the immediately prior July 1. In addition, Lamb-Weston shall reimburse Cascade for State Utility Tax and other governmental levies imposed upon Cascade in rendering transportation service for Heinz Frozen Foods.

c. Special Conditions

All operating obligations are detailed within the contract. Customer agrees that all gas used at the plant will be delivered by Cascade during the term of this agreement.

(continued)

SCHEDULE 201
SPECIAL CONTRACTS**HEINZ FROZEN FOODS - ONTARIO, OREGON (continued)**

Contract provisions exist to address the potential for Adverse Regulatory Action by federal, state or municipal government or other regulatory authority, inclusive of the Oregon Public Utilities Commission. In the event such action occurs, the disadvantaged Party may terminate the agreement, given sufficient notice between the parties.

d. Eligibility

The contract is specifically designed to address the customer's potential distribution service alternative (bypass of Company facilities). A condition precedent to availability is that Special Contracts for service must be reviewed and approved by the Oregon Public Utilities Commission pursuant to Oregon Statutes (ORS 757.230), Rules (OAR 860-022-0035), and Commission policies for market based rates (Order No. 87-402).

c. Special Conditions

All operating obligations are detailed within the contract. Customer agrees that all gas used at the plant will be delivered by Cascade during the term of this agreement.

Contract provisions exist to address the potential for Adverse Regulatory Action by federal, state or municipal government or other regulatory authority, inclusive of the Oregon Public Utilities Commission. In the event such action occurs, the disadvantaged Party may terminate the agreement, given sufficient notice between the parties.

d. Eligibility:

The contract is specifically designed to address the customer's potential distribution service alternative (bypass of Company facilities). A condition precedent to availability is that Special Contracts for service must be reviewed and approved by the Oregon Public Utilities Commission pursuant to Oregon Statutes (ORS 757.230), Rules (OAR 860-022-0035), and Commission policies for market based rates (Order No. 87-402).

4. HERMISTON GENERATING COMPANY, L.P. - Firm Distribution Transportation Services Special Contract.a. Term

The contract, dated March 28, 1994 with Amendment No. 1 dated June 3, 1994 and applicable letter agreements dated March 25, 1994, has a minimum primary contact term of 20 years and will continue in effect thereafter from year to year until canceled by either party with provision of at least one (1) year's advance written notice.

(continued)

SCHEDULE 201
SPECIAL CONTRACTSHERMISTON GENERATING COMPANY, L.P. (continued)b. Rates

The initial contract rate is based upon the specific service alternative (bypass of Company facilities) available to the customer. Buyer pays each month a Dispatch Service Charge of \$500 as well as a monthly Demand Charge of \$90,500. A monthly commodity Charge of \$.001 will be charged for each MMBtu of gas delivered within the Daily Contract Quantity (DCQ). Volume in excess of the DCQ will be charged at the commodity rate plus any costs or penalties incurred by Cascade in delivering those volumes.

Beginning October 1, 1997 and each October 1 thereafter for the duration of the contract, the Commodity Rate shall be escalated by the percentage change in the Consumer Price Index for the "All Urban Customers - U.S. City Average - All Items," for the twelve months ending on the immediately prior July 1. In addition, Hermiston Generating shall reimburse Cascade for State Utility Tax and other governmental levies imposed upon Cascade in rendering transportation service for Hermiston Generating Company.

c. Special Conditions

All operating obligations are detailed within the contract. Customer agrees that all gas used at the generating plant will be delivered by Cascade during the term of this agreement.

Contract provisions exist to address the potential for Adverse Regulatory Action by federal, state or municipal government or other regulatory authority, inclusive of the Oregon Public Utilities Commission. In the event such action occurs, the disadvantaged Party may cause transfer of distribution facilities ownership to Hermiston Generating given sufficient notice between the parties.

d. Eligibility

The contract is specifically designed to address the customer's potential distribution service alternative (bypass of Company facilities). A condition precedent to availability is that Special Contracts for service must be reviewed and approved by the Oregon Public Utilities Commission pursuant to Oregon Statutes (ORS 757.230), Rules (OAR 860-022-0035), and Commission policies for market based rates (Order No. 87-402).

(continued)

SCHEDULE 201
SPECIAL CONTRACTS**5. OREGON POTATO COMPANY - BOARDMAN, OREGON -- Distribution Transportation Service Special Contract**a. Term

The contract, dated December 29, 1995, has a minimum primary contract term of 20 years and will continue in effect thereafter from year to year until canceled by either party with provision of at least one hundred twenty (120) days advance written notice.

b. Rates

The initial contract rate is based upon the specific service alternative (bypass of Company facilities) available to the customer. Buyer pays each month a Dispatch Service Charge under Distribution Rate Schedule 163 (presently of \$500) as well as a monthly Facilities Charge of \$1,500. A Commodity Charge of \$0.007 will be charged for each therm of gas delivered within the Daily Contract Quantity (DCQ). Volume in excess of the DCQ will be charged at the commodity rate plus any costs or penalties incurred by Cascade in delivering those volumes. Oregon Potato shall be obligated to a \$35,000 minimum annual bill.

Beginning October 1, 1996 and each October 1 thereafter for the duration of the contract, the Commodity Rate shall be escalated by the percentage change in the Consumer Price Index for the "All Urban Customers - U.S. City Average - All Items," for the twelve months ending on the immediately prior July 1. In addition, Oregon Potato shall reimburse Cascade for State Utility Tax and other governmental levies imposed upon Cascade in rendering transportation service for Oregon Potato Company.

c. Special Conditions

All operating obligations are detailed within the contract. Customer agrees that all gas used at the generating plant will be delivered by Cascade during the term of this agreement.

Contract provisions exist to address the potential for Adverse Regulatory Action by federal, state or municipal government or other regulatory authority, inclusive of the Oregon Public Utilities Commission. In the event such action occurs, the disadvantaged Party may terminate the agreement, given sufficient notice between the parties.

d. Eligibility

The contract is specifically designed to address the customer's potential distribution service alternative (bypass of Company facilities). A condition precedent to availability is that Special Contracts for service must be reviewed and approved by the Oregon Public Utilities Commission pursuant to Oregon Statutes (ORS 757.230), Rules (OAR 860-022-0035), and Commission policies for market based rates (Order No. 87-402).

(continued)

SCHEDULE 201
SPECIAL CONTRACTS

GENERAL TERMS

Service under this schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this schedule apply to service under this schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

**SCHEDULE 287
OPTIONAL GAS MANAGEMENT SERVICES**

AVAILABILITY

These services are available to end users transporting on Williams Gas Pipeline West (WGPW), West Coast Energy, Inc (WEI), and/or PG&E Gas Transmission Northwest (PG&E GT-NW) who currently purchase their own gas supply and transportation agreements.

GAS MANAGEMENT SERVICES DESCRIPTION

The Company will, acting as an agent, manage the transportation & delivery of natural gas on the interstate pipelines. Services offered under this schedule include the following:

- Daily Nominations on WGPW, WEI, Cascade Natural Gas Corporation, and/or PG&E GT-NW.
- Review of all nomination confirmations
- Pipeline Balancing services
- Monthly Management reports detailing delivered volumes, account balance positions, load factors achieved and weighted average cost of gas by month and year-to-date.
- Release unused firm transportation capacity on behalf of customer. Capacity equivalent to the Company's unused firm capacity will be marketed on a nondiscriminatory basis.

CONTRACT

Customers receiving service under this schedule shall execute a Gas Management Services agreement for those services for a period of not less than one year.

RATE

A. Gas Management Fee

A monthly management fee, for the performance of the daily gas management services, will be charged on a per MMBTU basis, as specified in the contract but not less than \$.005 per MMBTU, for all natural gas consumed by the customer.

B. Mitigation Fee

A mitigation fee, equal to a percentage of the mitigated transportation expense, as specified in the contract, will be charged for capacity released on behalf of customers.

TERMS OF PAYMENT

Payment shall be due and payable within fifteen days from the date the bill is rendered.

GENERAL TERMS

Service under this schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this schedule apply to service under this schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

**SCHEDULE 700
CUSTOMER-OWNED PIPING**

PURPOSE

This schedule offers services, at the option of the Company, to anyone that owns piping systems located within the Company’s Oregon service territory. These services may be made available to customers outside of the Company’s service territory with the Commission’s prior approval. Under no circumstances will this schedule supersede the Company’s response to any emergency situation.

DESCRIPTION

Under this schedule the Company will provide a menu of services for customer-owned piping systems. The services available under this schedule include the following:

- Design piping system
- Construct piping system.
- Operation and maintenance of customer-owned piping system
- Design cathodic protection system
- Install cathodic protection system
- Operation and maintenance of cathodic protection system
- Perform leak surveys
- Repair leaks
- Locating Services
- Odorization Testing
- Preparation of required reports to agencies, as required. Such reports may include Operation and Maintenance Plans, Written Emergency Plans, other compliance reports.

RATE

The charges for these services will be specified in the contract and will be on a time and material basis. The following represent standard service rates which apply during regular business hours.

Labor & Equipment:

Semi-Skilled Labor	up to \$60 per hour
Skilled Labor	up to \$75 per hour
Professional/Technical	up to \$125 per hour
Supervisory/Specialist	up to \$150 per hour
Service Truck w/Gas Technician	up to \$75 per hour
Dump Truck w/ Driver	up to \$85 per hour
Backhoe w/ Operator	up to \$110 per hour
Welding Rig w/ Welder & Helper	up to \$125 per hour
Construction Crew & Equipment	up to \$265 per hour

SCHEDULE 700
CUSTOMER-OWNED PIPING

RATE (continued)

Services performed on Evenings/weekends will be charged at 1.5 times the standard hourly rate. Services performed on holidays will be charged at 2 times the standard hourly rate. Mileage will be charged at the IRS Standard Mileage Rate in effect at the time service are performed. A one hour minimum will apply.

Materials

Cost of materials plus 45% for handling.

CONTRACT

Customers receiving service under this rate schedule shall execute a contract for those services. The contract between the Company and customers will provide details about the duties of the Company and the customer with regard to defense and indemnity. The contract will specify the scope of services to be performed along with estimated time and material charges for the project. At the Company's option, customers may be offered a Fixed Price contract. Customers will be billed for actual time and materials unless opting for the Fixed Price Contract. For customers electing the fixed price contract, the price will be based on the estimated time and material required to complete the project as defined in the scope of services section of the contract.

TERMS OF PAYMENT

Payment shall be due and payable within fifteen days from the date the bill is rendered.

GENERAL TERMS

Service under this schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this schedule apply to service under this schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

Exhibit A

EXHIBIT A - UG 305 Rates

Customer Class	Pro Forma Test Year Revenues		
	Billing Units*	Present Rate	Revenue
Residential - 101	59,931		
Basic Service Charge	719,172	\$3.00	\$ 2,157,516
Delivery Charge	40,800,204	\$0.36884	\$ 15,048,747
Rounding Difference			
Total 101 Revenue			\$ 17,206,263
Commercial - 104	9,773		
Basic Service Charge	117,276	\$3.00	\$ 351,828
Delivery Charge	27,756,595	\$0.26263	\$ 7,289,715
Rounding Difference			
Total 104 Revenue			\$ 7,641,543
Industrial - 105	138		
Basic Service Charge	1,656	\$12.00	\$ 19,872
Delivery Charge	2,906,973	\$0.19152	\$ 556,743
Rounding Difference			
Total 105 Revenue			\$ 576,615
Large Volume - 111	-		
Basic Service Charge	-	\$0.00	\$ -
Delivery Charge	1,565,433	\$0.15494	\$ 242,548
Rounding Difference			
Total 111 Revenue			\$ 242,548
General Distribution - 163	31		
Basic Service Charge	372	\$500.00	\$ 186,000
Delivery Charge - first 10,000 therms	3,221,176	\$0.12402	\$ 399,490
Delivery Charge - next 10,000 therms	2,500,576	\$0.11188	\$ 279,764
Delivery Charge - next 30,000 therms	4,413,295	\$0.10512	\$ 463,926
Delivery Charge - next 50,000 therms	4,000,770	\$0.06456	\$ 258,290
Delivery Charge - next 400,000 therms	16,160,944	\$0.03275	\$ 529,271
Delivery Charge - over 500,000 therms	2,433,032	\$0.01755	\$ 42,700
Rounding Difference			
Total 163 Revenue			\$ 2,159,441
Interruptible - 170	4		
Basic Service Charge	48	\$0.00	\$ -
Delivery Charge	2,439,224	\$0.12309	\$ 300,244
Rounding Difference			
Total 170 Revenue			\$ 300,244

Billing Units*	Proposed Rates		Revenue
	Proposed Rate & Revenue Change	Revenue	
59,931		\$ 719,172	
719,172	\$4.00	\$ 2,876,688 *	
40,800,204	\$0.36407	\$ 14,854,260	
	\$(194,487)		
	\$ 524,685	\$ 17,730,948	
9,773		117,276	
117,276	\$4.00	\$ 469,104 *	
27,756,595	\$0.26263	\$ 7,289,715	
	\$ 117,276	\$ 7,758,819	
138		19,872 *	
1,656	\$12.00	\$ 19,872 *	
2,906,973	\$0.20557	\$ 597,598	
	\$ 40,854	\$ 617,470	
13		- *	
1,565,433	\$0.16592	\$ 259,733	
	\$ 17,185	\$ 259,733	
31		\$ 700,000	
372	\$500.00	\$ 186,000	
3,221,176	\$0.12402	\$ 399,490	
2,500,576	\$0.11188	\$ 279,764	
4,413,295	\$0.10512	\$ 463,926	
4,000,770	\$0.06456	\$ 258,290	
16,160,944	\$0.03275	\$ 529,271	
2,433,032	\$0.01755	\$ 42,700	
		\$ 2,159,441	
4		-	
48	\$0.00	\$ -	
2,439,224	\$0.12309	\$ 300,244	
		\$ 300,244	

% increase to class

\$ 17,730,948 3.05% 295.86

\$ 7,758,819 1.53% 793.90

\$ 617,470 7.09%

\$ 259,733 7.09%

Special Contracts - 900	\$	28,126,654
		\$1,765,115
Non Gas Revenue after Revenue Increase	\$	29,891,769
	\$	700,000
	\$	30,591,769
		2.34%

\$	28,826,654
\$	\$1,765,115
\$	30,591,769

Exhibit B

EXHIBIT B - UG 305 Decoupling Baseline

Post-CAP filing

R/S 101 \$0.36407

R/S 104 \$0.26263

Cascade Natural Gas Corporation Calculation of Baseline Monthly Commodity Margin Per Customer Based upon Weather Normalized Therm Sales As Reflected In The Purchased Gas Adjustment Application State Of Oregon				
	Adjusted Therms	Actual Customers	Commodity Margin	Baseline Avg Commodity Margin/cust
Residential Rate Schedule 101				
Jan-16	6,148,894	60,072	\$ 2,238,627.68	\$ 37.27
Feb-16	6,030,688	60,171	\$ 2,195,592.57	\$ 36.49
Mar-16	3,769,584	60,217	\$ 1,372,392.62	\$ 22.79
Apr-16	2,574,921	60,179	\$ 937,451.35	\$ 15.58
May-16	1,746,850	59,631	\$ 635,975.81	\$ 10.67
Jun-16	1,060,016	59,497	\$ 385,919.89	\$ 6.49
Jul-16	947,697	59,405	\$ 345,028.20	\$ 5.81
Aug-16	981,968	59,353	\$ 357,505.19	\$ 6.02
Sep-16	1,688,946	59,619	\$ 614,894.72	\$ 10.31
Oct-16	3,149,377	60,022	\$ 1,146,593.68	\$ 19.10
Nov-16	5,644,735	60,408	\$ 2,055,078.62	\$ 34.02
Dec-16	7,056,528	60,596	\$ 2,569,070.00	\$ 42.40
Total	40,800,204	719,171	\$ 14,854,130.35	\$ 246.94
Average		59,931		
Commercial Rate Schedule 104				
Jan-16	4,145,458	9,812	\$ 1,088,721.52	\$ 110.96
Feb-16	3,830,100	9,817	\$ 1,005,899.04	\$ 102.47
Mar-16	2,486,262	9,813	\$ 652,966.95	\$ 66.54
Apr-16	1,693,697	9,804	\$ 444,815.63	\$ 45.37
May-16	1,303,794	9,759	\$ 342,415.47	\$ 35.09
Jun-16	945,847	9,727	\$ 248,407.68	\$ 25.54
Jul-16	881,369	9,695	\$ 231,473.83	\$ 23.87
Aug-16	885,505	9,675	\$ 232,560.14	\$ 24.04
Sep-16	1,255,191	9,695	\$ 329,650.78	\$ 34.00
Oct-16	1,918,265	9,755	\$ 503,794.04	\$ 51.65
Nov-16	3,713,716	9,841	\$ 975,333.24	\$ 99.11
Dec-16	4,697,392	9,882	\$ 1,233,676.15	\$ 124.84
Total	27,756,595	117,275	\$ 7,289,714.48	\$ 743.47
Average		9,773		

Exhibit C

Exhibit C - Updated Tax Rate

Cascade Natural Gas Corporation				
CALCULATION OF THE INCOME TAX FACTOR				
ON CUSTOMER CONTRIBUTIONS				
State of Oregon				
Year	Tax Deprec. Rate		State & Federal	
			Effective Tax Rate	Amount
	(a)		(b)	(c)
1	3.7500%		36.175%	0.013566
2	7.2188%		36.175%	0.026114
3	6.6773%		36.175%	0.024155
4	6.1765%		36.175%	0.022343
5	5.7133%		36.175%	0.020668
6	5.2848%		36.175%	0.019118
7	4.8884%		36.175%	0.017684
8	4.5218%		36.175%	0.016358
9	4.4616%		36.175%	0.016140
10	4.4615%		36.175%	0.016139
11	4.4616%		36.175%	0.016140
12	4.4615%		36.175%	0.016139
13	4.4615%		36.175%	0.016139
14	4.4615%		36.175%	0.016139
15	4.4615%		36.175%	0.016139
16	4.4616%		36.175%	0.016140
17	4.4615%		36.175%	0.016139
18	4.4615%		36.175%	0.016139
19	4.4615%		36.175%	0.016139
20	4.4615%		36.175%	0.016139
21	2.2308%		36.175%	0.008070
22	Authorized Overall Return		7.284%	
23	Present Value			0.192765
24	1-FIT + Present Value			0.831015
25	Multiplier			<u>1.2033</u>

Exhibit D

Exhibit D - Schedule 197, Environmental Remediation Costs Adjustment Rate

<u>Rate Class</u>	<u>Volumes</u>
101	40,800,204
104	27,756,595
105	2,906,973
111	1,565,433
163	32,729,793
170	<u>2,439,224</u>
Total	108,198,222

Amount Amortized	\$54,000
With Reveue Sensitivities *	\$55,647
Rate	\$0.000514

*See Marianne Gardner's workpapers as filed in UG 305.