CASCADE NATURAL GAS CORPORATION®
A Subsidiary of MDU Resources Group, Inc.

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October 27, 2017

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

Re: Advice No. CNG/O17-10-01 – Housekeeping Filing

Cascade Natural Gas Corporation (Cascade or the Company) files herewith the following revisions to its Tariff P.U.C. Or. No. 10, stated to become effective with service on and after December 1, 2017

Fourth Revision of Sheet No. iii
First Revision of Sheet No. 10-2
Third Revision of Sheet No. 111.1
Third Revision of Sheet No. 170.1
Second Revision of Sheet No. 170.2
First Revision of Sheet No. 201.1
First Revision of Sheet No. 201.2
First Revision of Sheet No. 201.3
First Revision of Sheet No. 201.5

This filing also withdraws the following sheets from the Company's Tariff:

First Revision of Sheet No. 112.1
First Revision of Sheet No. 126.1

The purpose of this housekeeping filing is to correct a couple errors and add language clarifying a couple nonresidential customer charges. The Company has been systematically reviewing its tariff and its practices. In doing so, it has become clear that added transparency on the annual deficiency bill charge would be useful.

The Table of Contents is revised to remove a reference to Schedule 126, Emergency Institutional Service. Schedule 126 was removed with the filing of Tariff P.U.C. Or. No. 10 in the Company's last rate case docketed as UG-305, but was inadvertently reintroduced into the table of contents.

This filing also seeks to withdraw sheets for Schedules 112 and 126. These schedules were both withdrawn in the Company's last rate case docketed as UG-305, but were mistakenly reintroduced in the Company's Purchased Gas Adjustment Filing docketed as UG-338. Since these schedules were withdrawn with Order No. 16-477, which approved the Company's most current tariff book as of March 1, 2017, the Company has no customers served on either of these schedules.

Language is added to Schedule 10, Main Extensions that says the Company may allow the customers receiving service on Schedule 111, 163, or 170 to pay the non-economic portion of line extension costs through a monthly, flat, facility fee charged over an agreed upon timeframe. This is added so the Company's practice of charging for line extensions for large volume customers is consistent and transparent.

In line with this change, the Company is removing the language in Schedule 111, Large Volume General Service Rate and Schedule 170, Interruptible Service that says the customer will execute a service agreement that defines a minimum annual usage threshold that is negotiated between the Company and the customer. Currently, the customer is charged an annual deficiency bill for the difference between actual annual usage and the contractually agreed upon minimum amount. The Company revises Schedules 111 and 170 so that the annual minimum quantity for which the annual deficiency bill is the minimum threshold for service for each rate schedule, which is 50,000 therms per year for Schedule 111 and 180,000 therms per year for Schedule 170. If the customer is meeting the applicability standard for the schedule, the Company will no longer negotiate a higher minimum annual usage amount. The Company used to do this to finance main extension costs. The changes made herein will prevent the annual deficiency bill charge from being used as a financing tool. The customer must meet the usage standard for service applicability and if the customer does not, he/she is billed the difference, but no more. This keeps the rate schedule billing consistent with its intent for the customer class. The Company believes this is cleaner and more transparent.

Schedule 201, Special Contracts is revised to remove a special contract with Lamb-Weston in Hermiston, Oregon, that is no longer in effect. The removal and movement of text as well as the renumbering of the remaining special contracts results in changes to most of the other sheets in Schedule 201.

As a courtesy, the Company is providing drafts of the tariffs with the proposed changes in redlined strike-out text.

If you have any questions, please call Jennifer Gross at (509) 734-4635.

Sincerely,

Michael Parvinen
Director, Regulatory Affairs

Attachment

INDEX

RATE SCHEDULES (continued)

RATE ADJUSTMENTS

OTHER CHARGES

OPTIONAL SERVICES

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.

1. 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.

The Company may allow nonresidential customers receiving service on Schedule 111, 163, or 170 the opportunity to pay main extension costs over time through a facility charge that will be a billed as a flat monthly rate over an agreed upon period of time. When line extension costs are being financed through the Company, the Company may require the customer to provide an irrevocable letter of credit in the amount not to exceed the line extension costs and for the timeframe not to exceed the payback period. (N)

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.

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)	$0.406600	per therm
Schedule 191	Temporary Gas Cost Rate	($0.019500)	per therm
Schedule 192	Intervenor Funding	$0.000730	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	$0.554264	per therm

SERVICE AGREEMENT
Customers receiving service under this rate schedule shall execute a service agreement for a minimum period of twelve consecutive months' use. The service agreement term shall be for a period not less than one year and the termination date of the service agreement in any year shall be September 30th. (D)

ANNUAL DEFICIENCY BILL
In the event the customer purchases less than the Annual Minimum Quantity of 50,000 therms as stated in the service agreement, the customer shall be charged an Annual Deficiency Bill. The Annual Deficiency Bill shall be calculated as the difference between the Annual Minimum Quantity and actual purchase of transport therms, times the difference between the per therm rates effective in this schedule and any modifying schedules less WACOG. (T)
(T)

(continued)

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)	$0.406600	per therm
Schedule 191	Gas Cost Rate Adjustment	($0.019500)	per therm
Schedule 192	Intervenor Funding Adjustment	$0.000730	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	$0.511434	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.

SERVICE AGREEMENT
Service under this schedule requires an executed service agreement between the Company and the customer. The service agreement term shall be for a period not less than the period covered under the customer's gas purchase contract with the customer's supplier. However, in no event shall the service agreement be for less than one year and the termination date of the service agreement in any year shall be September 30th. (D)

(continued)

SCHEDULE 170
INTERRUPTIBLE SERVICE

ANNUAL DEFICIENCY BILL
In the event a customer purchases less than the annual minimum quantity of 180,000 therms, as defined in the contract, the customer shall be charged an Annual Deficiency Bill. The Annual Deficiency Bill shall be calculated by multiplying the difference between the Annual Minimum Quantity and the therms actually taken times the difference between the commodity rate in this Rate Schedule 170, as modified by any applicable rate adjustments, and WACOG. 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. (C) (T) (T) (T)

CURTAILMENT
Service under this schedule is subject to curtailment as established in Rule 17.

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 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 schedules is no longer in effect, its most appropriate successor on file with the Commission should be used.

(D)

1. **LAMB-WESTON, INC. - BOARDMAN, OREGON** -- Distribution Transportation Service Special Contract (T)

   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.

   b. Rates (M)

   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. (M)

(continued)

SCHEDULE 201
SPECIAL CONTRACTS

(M)
2. HEINZ FROZEN FOODS (formerly known as Ore-Ida Foods, Inc.) - ONTARIO, OREGON -- Distribution Transportation Service Special Contract (T)

a. 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.

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. (M)

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). (M)

(continued) (N)

SCHEDULE 201
SPECIAL CONTRACTS

HEINZ FROZEN FOODS (formerly known as Ore-Ida Foods, Inc.) - ONTARIO, OREGON (continued) (M)

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).

3. HERMISTON GENERATING COMPANY, L.P. - Firm Distribution Transportation Services Special Contract. (T)

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 CONTRACTS

4. OREGON POTATO COMPANY - BOARDMAN, OREGON -- Distribution Transportation Service Special Contract (T)

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).

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ATTACHMENT

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RATE SCHEDULES (continued)

RATE ADJUSTMENTS

OTHER CHARGES

OPTIONAL SERVICES

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.

The Company may allow customers receiving service on Schedule 111, 163, or 170 the opportunity to pay main extension costs over time through a facility charge that will be a billed as a flat monthly rate over an agreed upon period of time. When line extension costs are being financed through the Company, the Company may require the customer to provide an irrevocable letter of credit in the amount not to exceed the line extension costs and for the timeframe not to exceed the payback period. (N) (N)

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.

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)	$0.406600	per therm
Schedule 191	Temporary Gas Cost Rate	($0.019500)	per therm
Schedule 192	Intervenor Funding	$0.000730	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	$0.554264	per therm

SERVICE AGREEMENT

Customers receiving service under this rate schedule shall execute a service agreement for a minimum period of twelve consecutive months' use. ~~The Annual Minimum Quantity is to be negotiated and included as part of the service agreement but in no case shall the Annual Minimum Quantity be less than 50,000 therms.~~ The service agreement term shall be for a period not less than one year and the termination date of the service agreement in any year shall be September 30th. (D)

ANNUAL DEFICIENCY BILL

In the event the customer purchases less than the Annual Minimum Quantity of 50,000 therms as stated in the service agreement, the customer shall be charged an Annual Deficiency Bill. The Annual Deficiency Bill shall be calculated as the difference between the Annual Minimum Quantity ~~less~~ and actual purchase of~~r~~ 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~~WACOG. (C) (T) (T)

(continued)

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)	$0.406600	per therm
Schedule 191	Gas Cost Rate Adjustment	($0.019500)	per therm
Schedule 192	Intervenor Funding Adjustment	$0.000730	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	$0.511434	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.

SERVICE AGREEMENT
Service under this schedule requires an executed service agreement between the Company and the customer. ~~The service agreement shall define the annual minimum quantity of gas to be delivered.~~ The service agreement term shall be for a period not less than the period covered under the customer's gas purchase contract with the customer's supplier. However, in no event shall the service agreement be for less than one year and the termination date of the service agreement in any year shall be September 30th. (D)

(continued)

SCHEDULE 170
INTERRUPTIBLE SERVICE

ANNUAL DEFICIENCY BILL
In the event a customer purchases less than the annual minimum quantity of 180,000 therms, as defined in the contract, the customer shall be charged an Annual Deficiency Bill. The 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~~WACOG. 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. (C) (T) (T) (T)

CURTAILMENT
Service under this schedule is subject to curtailment as established in Rule 17.

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 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 schedules 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~~1. **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.

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.

(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.~~

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

a. 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).

(continued)

SCHEDULE 201
SPECIAL CONTRACTS

HEINZ FROZEN FOODS (formerly known as Ore-Ida Foods, Inc.) - ONTARIO, OREGON (continued)

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~~3. **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)

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SPECIAL CONTRACTS

HERMISTON 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 (DQC). 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~~4. 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).

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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.