Avista Corp.
1411 East Mission P.O. Box 3727
Spokane. Washington 99220-0500
Telephone 509-489-0500
Toll Free 800-727-9170

AVISTA Corp.

RECEIVED
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IDAHO PUBLIC
UTILITIES COMMISSION

August 26, 2015

State of Idaho
Idaho Public Utilities Commission
472 W. Washington Street
Boise, Idaho 83702-5983

Case No. AVU-G-15-02 /Advice No. 15-01-G

Attention: Ms. Jean D. Jewell

I.P.U.C. No. 27 – Natural Gas Service

Enclosed for filing with the Commission are the following revised tariff sheets:

Twenty-first Revision Sheet 150	canceling	**Twentieth Revision Sheet 150**
Seventeenth Revision Sheet 155	canceling	**Sixteenth Revision Sheet 155**

The Company requests that the proposed tariff sheets be made effective November 1, 2015.

These tariff sheets reflect the Company's annual Purchased Gas Cost Adjustment ("PGA"). If approved, the Company's annual revenue will *decrease* by approximately $10.3 million or approximately 14.5%. The proposed changes have no effect on the Company's earnings. Detailed information related to the Company's request is included in the attached Application and supporting workpapers.

If the Company's request is approved, a residential or small commercial customer using an average of 61 therms per month will see *decrease* of $7.94 per month, or approximately 13.4%. The present bill for 61 therms is $59.22 while the proposed bill is $51.28. The Company will issue a notice to its customers through a bill insert starting on or about September 3, 2015 and ending on or about October 2, 2015. A copy of the bill insert has been included in the Company's filing.

If you have any questions regarding this filing, please contact Patrick Ehrbar at (509) 495-8620 or Ryan Finesilver at (509) 495-4873.

Sincerely,

David J. Meyer
Vice President and Chief Counsel for Regulatory and Governmental Affairs

Enclosures

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have served Avista Corporation dba Avista Utilities' Advice filing ADV 15-01-G (Tariff IPUC No. 27 Natural Gas Service) by mailing a copy thereof, postage prepaid to the following:

Jean D Jewell, Secretary
Idaho Public Utilities Commission
472 W. Washington Street
Boise, ID 83720-5983

Edward A. Finklea
Northwest Industrial Gas Users
326 Fifth Street
Lake Oswego, OR 97034

Chad Stokes
Cable Huston Benedict Haagensen & Lloyd, LLP
1001 SW 5th, Suite 2000
Portland, OR 97204-1136

Curt Hibbard
St. Joseph Regional Medical Center
PO Box 816
Lewiston, ID 83501

Dated at Spokane, Washington this 26th day of August 2015.

Patrick Ehrbar
Manager, State & Federal Regulation

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF AVISTA UTILITIES FOR AN ORDER APPROVING A CHANGE IN NATURAL GAS RATES AND CHARGES	)))	CASE: AVU-G-15-02

Application is hereby made to the Idaho Public Utilities Commission for an Order approving a revised schedule of rates and charges for natural gas service in the state of Idaho. The Applicant requests that the proposed rates included in this Purchased Gas Cost Adjustment ("PGA") filing be made effective on November 1, 2015. If approved as filed, the Company's annual revenue will decrease by approximately $10.3 million or about 14.5%. In support of this Application, Applicant states as follows:

I.

The name of the Applicant is AVISTA CORPORATION, doing business as AVISTA UTILITIES (hereinafter Avista, Applicant or Company), a Washington corporation, whose principal business office is 1411 East Mission Avenue, Spokane, Washington, and is qualified to do business in the state of Idaho. Applicant maintains district offices in Moscow, Lewiston, Coeur d'Alene, and Kellogg, Idaho. Communications in reference to this Application should be addressed to:

Kelly O. Norwood
Vice President of State & Federal Regulation
Avista Utilities
1411 E. Mission Avenue
Spokane, WA 99220-3727
Phone: (509) 495-4267
Fax: (509) 495-8851
Kelly.norwood@avistacorp.com

II.

Attorney for the Applicant and his address is as follows:

David J. Meyer
Vice President and Chief Counsel for Regulatory
And Governmental Affairs
Avista Utilities
1411 E. Mission Avenue
Spokane, WA 99220-3727
Phone: (509) 495-4316
Fax: (509) 495-8851
David.meyer@avistacorp.com

III.

The Applicant is a public utility engaged in the distribution of natural gas in certain portions of Northern Idaho, Eastern and Central Washington, and Southwestern and Northeastern Oregon, and further engaged in the generation, transmission, and distribution of electricity in Northern Idaho and Eastern Washington.

IV.

Twenty-first Revision Sheet 150, which Applicant requests the Commission approve, is filed herewith as Exhibit "A". Additionally, Seventeenth Revision Sheet 155, which Applicant requests the Commission approve, is also filed herewith as Exhibit "A". Also included in Exhibit "A" is a copy of Twenty-first Revision Sheet 150 and Seventeenth Revision Tariff Sheet 155 with the changes underlined and a copy of Twentieth Revision Sheet 150 and Sixteenth Revision Tariff Sheet 155 with the proposed changes shown by lining over the current language or rates.

V.

The existing rates and charges for natural gas service on file with the Commission and designated as Applicant's Tariff IPUC No. 27, which will be superseded by the rates and charges filed herewith, are incorporated herein as though fully attached hereto.

VI.

Notice to the Public of Applicant's proposed tariffs is to be given simultaneously with the filing of this Application by posting, at each of the Company's district offices in Idaho, a Notice in the form attached hereto as Exhibit "B" and by means of a press release distributed to various informational agencies, a draft copy attached hereto in Exhibit "E". In addition, Exhibit "E" to this Application also contains the form of customer notice that the Company will send to its customers in its monthly bills starting on or about September 3, 2015 and will end on or about October 2, 2015.

VII.

The circumstances and conditions relied on for approval of Applicant's revised rates are as follows: Applicant purchases natural gas for customer usage and transports it over Williams Northwest Pipeline, Gas Transmission Northwest (GTN), TransCanada - Alberta, TransCanada - BC and Spectra Energy Pipeline systems, and defers the effect of timing differences due to implementation of rate changes and differences between Applicant's actual weighted average cost of gas ("WACOG") purchased and the WACOG embedded in rates. Applicant also defers various pipeline refunds or charges and miscellaneous revenue received from natural gas related transactions including pipeline capacity releases.

VIII.

This filing reflects the Company's proposed annual PGA to: 1) pass through changes in the estimated cost of natural gas for the November 2015 through October 2016 twelve-month period (Schedule 150), and 2) revise the amortization rate(s) to refund or collect the balance of deferred gas costs (Schedule 155). Below is a table summarizing the proposed changes reflected in this filing.

Service	Sch. No.	Commodity Change per therm	Demand Change per therm	Total Sch. 150 Change	Amortization Change per therm	Total Rate Change per therm	**Overall Percent Change**
General	101	$ (0.13312)	$ 0.00133	$ (0.13179)	$ 0.00170	$ (0.13009)	**-13.4%**
Lg. General	111	$ (0.13312)	$ 0.00133	$ (0.13179)	$ 0.00170	$ (0.13009)	**-18.0%**
Interruptible	131	$ (0.13312)	$ -	$ (0.13312)	$ (0.02097)	$ (0.15409)	**-24.6%**

IX.

Commodity Costs

As shown in the table above, the estimated WACOG change is a *decrease* of 13.31 cents per therm. The proposed WACOG, including the revenue conversion factor, is 25.2 cents per therm compared to the present WACOG of 38.5 cents per therm included in rates.

The winter of 2014-2015 was significantly warmer than normal both in the western United States and nationally. The warmer than normal weather led to a decrease in overall natural gas demand and reduced wholesale natural gas prices in the winter and spring. The downward pressure on wholesale prices has continued even after the winter period due to the abundance of natural gas in storage and continued high natural gas production levels.

The Company's natural gas Procurement Plan ("Plan") uses a diversified approach to procure natural gas for the coming PGA year. While the Plan generally incorporates a more structured approach for the hedging portion of the portfolio, the Company exercises flexibility and discretion in all areas of the plan based on changes in the wholesale market. The Company typically meets with Commission Staff semi-annually to discuss the state of the wholesale market and the status of the Company's Plan. In addition, the Company communicates with Staff when it believes it makes sense to deviate from its Plan and/or opportunities arise in the market.

Avista has been hedging natural gas on both a periodic and discretionary basis throughout 2014-2015 for the forthcoming PGA year (twelve months). Approximately <u>43%</u> of estimated annual load requirements for the PGA year (November 2015 through October 2016) will be hedged at a fixed-price derived from the Company's Plan. These volumes are comprised of: 1) 12% of volumes hedged for a term of one year or less, 2) 31% of volumes from prior multi-year hedges. Through June, the planned hedge volumes for the PGA year have been executed at a weighted average price of $3.32 per dekatherm ($0.332 per therm).

The Company has approximately 920,000 dekatherms of underground storage capacity at Jackson Prairie. As of June 30, 2015 approximately 412,000 dekatherms of this capacity is available to serve peak day needs with the remaining 508,000 dekatherms being utilized to capture financial benefits for customers associated with optimizing the use of Jackson Prairie by locking in price differentials between time periods.[1] Approximately $2.2 million in net storage optimization benefits have been included in this filing. The storage WACOG associated with withdrawal costs as of June 30, 2015 for all remaining storage volumes (providing 4.% of annual load requirements) is $2.37 per dekatherm ($0.237 per therm).

[1] Details regarding the storage optimization plan were provided to Staff in a previous communication on June 25, 2015. The Company has included known optimization benefits in this filing, and will pass through to customers the net benefits of future storage optimization transactions in its next PGA.

The Company used a 30-day historical average of forward prices and supply basins (ending July 15, 2015) to develop an estimated cost associated with index purchases. The estimated monthly volumes to be purchased by basin are multiplied by the 30-day average forward price for the corresponding month and basin. These index purchases represent approximately 53% of estimated annual load requirements for the coming year. The annual weighted average price for these volumes is $2.50 per dekatherm ($0.25 per therm).

X.

Demand Costs

Demand costs primarily represent the cost of transporting natural gas on interstate pipelines to the Company's local distribution system. As shown in the table above, there is a slight increase in the overall demand rate of $0.00133 per therm for Schedules 101 and 111. Included in the Company's filing are the new rates for TransCanada-Gas Transmission Northwest (GTN) which will go into effect January 1, 2016.

XI.

Schedule 155 / Amortization Rate Change

As shown in the table above, the proposed amortization rate change for Schedule 101 and Schedule 111 is a rate increase of $0.00170 per therm. The current rate applicable to Schedule 101 and Schedule 111 is $0.03056 per therm in the rebate direction; the proposed rate is $0.02886 per therm also in the rebate direction. Contributing to the proposed amortization rebate rate are the effects of wholesale natural gas prices that were lower than the level approved in the Company's 2014 PGA. As a result of the lower prices, the amount of revenue collected from customers exceeded the Company's costs. However, a portion of the benefit of reduced wholesale natural gas prices was offset by an under collection of fixed demand costs which was the result of a warmer than normal winter.

XII.

If approved as filed, the Company's annual revenue will *decrease* by approximately $10.3 million or about 14.5% effective November 1, 2015. Residential or small commercial customers using an average of 61 therms per month would see a *decrease* of $7.94 per month, or approximately 13.4%. The present bill for 61 therms is $59.22 while the proposed bill is $51.28.

XIII.

Exhibit "C" attached hereto contains support workpapers for the rates proposed by Applicant contained in Exhibit "A".

XIV.

Avista requests that the rates proposed in this filing be approved to become effective on November 1, 2015, and requests that the matter be processed under the Commission's Modified Procedure rules through the use of written comments. Avista stands ready for immediate consideration on its Application.

XV.

WHEREFORE, Avista requests the Commission issue its Order finding its proposed rates to be just, reasonable, and nondiscriminatory and to become effective for all natural gas service on and after November 1, 2015.

Dated at Spokane, Washington, this 26th day of August 2015.

AVISTA UTILITIES
BY

David J. Meyer
Vice President and Chief Counsel for
Regulatory and Governmental Affairs

<u>VERIFICATION</u>

STATE OF WASHINGTON	)
	)
County of Spokane	)

David J. Meyer, being first duly sworn on oath, deposes and says: That he is the Vice President and Chief Counsel for Regulatory and Governmental Affairs of Avista Utilities and makes this verification for and on behalf of Avista Corporation, being thereto duly authorized;

That he has read the foregoing filing, knows the contents thereof, and believes the same to be true.

SIGNED AND SWORN to before me this 26th day of August 2015, by David J. Meyer

PATTY L HANSON
Commission Expires
NOTARY
PUBLIC
11-23-2017
STATE OF WASHINGTON

Patty L. Hanson

NOTARY PUBLIC in and for the State of Washington, residing at Spokane.

Commission Expires: 11/23/2017

AVISTA UTILITIES

Case No. AVU-G-15-02

EXHIBIT "A"

Proposed Tariff Sheets

August 26, 2015

SCHEDULE 150
PURCHASE GAS COST ADJUSTMENT - IDAHO

APPLICABLE:

To Customers in the State of Idaho where Company has natural gas service available.

PURPOSE:

To pass through changes in costs resulting from purchasing and transporting natural gas, to become effective as noted below.

RATE:

(a) The retail rates of firm gas Schedules 101, 111 and 112 are to be increased by 36.107¢ per therm in all blocks of these rate schedules.

(b) The rates of interruptible Schedules 131 and 132 are to be increased by 25.198¢ per therm.

(c) The rate for transportation under Schedule 146 is to be decreased by 0.000¢ per therm.

WEIGHTED AVERAGE GAS COST:

The above rate changes are based on the following weighted average cost of gas per therm as of the effective date shown below:

	Demand	Commodity	Total
Schedules 101	10.909¢	25.198¢	36.107¢
Schedules 111 and 112	10.909¢	25.198¢	36.107¢
Schedules 131 and 132	0.000¢	25.198¢	25.198¢

The above amounts include a gross revenue factor.

	Demand	Commodity	Total
Schedules 101	10.855¢	25.072¢	35.927¢
Schedules 111 and 112	10.855¢	25.072¢	35.927¢
Schedules 131 and 132	0.000¢	25.072¢	25.072¢

The above amounts do not include a gross revenue factor.

BALANCING ACCOUNT:

The Company will maintain a Purchase Gas Adjustment (PGA) Balancing Account whereby monthly entries into this Balancing Account will be made to reflect differences between the actual purchased gas costs collected from customers and the actual purchased gas costs incurred by the Company. Those differences are then collected from or refunded to customers under Schedule 155 – Gas Rate Adjustment.

AVISTA CORPORATION
d/b/a Avista Utilities

SCHEDULE 150
PURCHASE GAS COST ADJUSTMENT - IDAHO

APPLICABLE:

To Customers in the State of Idaho where Company has natural gas service available.

PURPOSE:

To pass through changes in costs resulting from purchasing and transporting natural gas, to become effective as noted below.

RATE:

(a) The retail rates of firm gas Schedules 101, 111 and 112 are to be increased by 36.107¢ per therm in all blocks of these rate schedules.

(b) The rates of interruptible Schedules 131 and 132 are to be increased by 25.198¢ per therm.

(c) The rate for transportation under Schedule 146 is to be decreased by 0.000¢ per therm.

WEIGHTED AVERAGE GAS COST:

The above rate changes are based on the following weighted average cost of gas per therm as of the effective date shown below:

	Demand	Commodity	Total
Schedules 101	10.909¢	25.198¢	36.107¢
Schedules 111 and 112	10.909¢	25.198¢	36.107¢
Schedules 131 and 132	0.000¢	25.198¢	25.198¢

The above amounts include a gross revenue factor.

	Demand	Commodity	Total
Schedules 101	10.855¢	25.072¢	35.927¢
Schedules 111 and 112	10.855¢	25.072¢	35.927¢
Schedules 131 and 132	0.000¢	25.072¢	25.072¢

The above amounts do not include a gross revenue factor.

BALANCING ACCOUNT:

The Company will maintain a Purchase Gas Adjustment (PGA) Balancing Account whereby monthly entries into this Balancing Account will be made to reflect differences between the actual purchased gas costs collected from customers and the actual purchased gas costs incurred by the Company. Those differences are then collected from or refunded to customers under Schedule 155 – Gas Rate Adjustment.

Issued August 26, 2015 Effective November 1, 2015

Issued by Avista Utilities
By Kelly O. Norwood - Vice-President, State & Federal Regulation

SCHEDULE 150
PURCHASE GAS COST ADJUSTMENT - IDAHO

APPLICABLE:
To Customers in the State of Idaho where Company has natural gas service available.

PURPOSE:
To pass through changes in costs resulting from purchasing and transporting natural gas, to become effective as noted below.

RATE:

(a) The retail rates of firm gas Schedules 101, 111 and 112 are to be increased by ~~49.286¢~~ per therm in all blocks of these rate schedules.

(b) The rates of interruptible Schedules 131 and 132 are to be increased by ~~38.510¢~~ per therm.

(c) The rate for transportation under Schedule 146 is to be decreased by 0.000¢ per therm.

WEIGHTED AVERAGE GAS COST:
The above rate changes are based on the following weighted average cost of gas per therm as of the effective date shown below:

	Demand	Commodity	Total
Schedules 101	~~10.776¢~~	~~38.510¢~~	~~49.286¢~~
Schedules 111 and 112	~~10.776¢~~	~~38.510¢~~	~~49.286¢~~
Schedules 131 and 132	0.000¢	~~38.510¢~~	~~38.510¢~~

The above amounts include a gross revenue factor.

	Demand	Commodity	Total
Schedules 101	~~10.721¢~~	~~38.312¢~~	~~49.033¢~~
Schedules 111 and 112	~~10.721¢~~	~~38.312¢~~	~~49.033¢~~
Schedules 131 and 132	0.000¢	~~38.312¢~~	~~38.312¢~~

The above amounts do not include a gross revenue factor.

BALANCING ACCOUNT:
The Company will maintain a Purchase Gas Adjustment (PGA) Balancing Account whereby monthly entries into this Balancing Account will be made to reflect differences between the actual purchased gas costs collected from customers and the actual purchased gas costs incurred by the Company. Those differences are then collected from or refunded to customers under Schedule 155 – Gas Rate Adjustment.

AVISTA CORPORATION
d/b/a Avista Utilities

SCHEDULE 155
GAS RATE ADJUSTMENT - IDAHO

AVAILABLE:

To Customers in the State of Idaho where Company has natural gas service available.

PURPOSE:

To adjust gas rates for amounts generated by the sources listed below.

MONTHLY RATE:

(a) The rates of firm gas Schedules 101 and 111 are to be decreased by 2.886¢ per therm in all blocks of these rate schedules.

(b) The rate of interruptible gas Schedule 131 is to be decreased by 3.020¢ per therm.

SOURCES OF MONTHLY RATE:

Changes in the monthly rates above result from amounts which have been accumulated in the Purchase Gas Adjustment (PGA) Balancing Account as described in Schedule 150 – Purchase Gas Cost Adjustment.

SPECIAL TERMS AND CONDITIONS:

The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 158.

AVISTA CORPORATION
d/b/a Avista Utilities

SCHEDULE 155
GAS RATE ADJUSTMENT - IDAHO

AVAILABLE:
To Customers in the State of Idaho where Company has natural gas service available.

PURPOSE:
To adjust gas rates for amounts generated by the sources listed below.

MONTHLY RATE:
(a) The rates of firm gas Schedules 101 and 111 are to be decreased by 2.886¢ per therm in all blocks of these rate schedules.
(b) The rate of interruptible gas Schedule 131 is to be decreased by 3.020¢ per therm.

SOURCES OF MONTHLY RATE:
Changes in the monthly rates above result from amounts which have been accumulated in the Purchase Gas Adjustment (PGA) Balancing Account as described in Schedule 150 – Purchase Gas Cost Adjustment.

SPECIAL TERMS AND CONDITIONS:
The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 158.

AVISTA CORPORATION
d/b/a Avista Utilities

SCHEDULE 155
GAS RATE ADJUSTMENT - IDAHO

AVAILABLE:

To Customers in the State of Idaho where Company has natural gas service available.

PURPOSE:

To adjust gas rates for amounts generated by the sources listed below.

MONTHLY RATE:

(a) The rates of firm gas Schedules 101 and 111 are to be decreased by ~~3.056¢~~ per therm in all blocks of these rate schedules.

(b) The rate of interruptible gas Schedule 131 is to be decreased by ~~0.923¢~~ per therm.

SOURCES OF MONTHLY RATE:

Changes in the monthly rates above result from amounts which have been accumulated in the Purchase Gas Adjustment (PGA) Balancing Account as described in Schedule 150 – Purchase Gas Cost Adjustment.

SPECIAL TERMS AND CONDITIONS:

The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 158.

Issued ~~September 12, 2014~~ Effective ~~November 1, 2014~~

Issued by Avista Utilities
By Kelly Norwood, Vice President, State & Federal Regulation

AVISTA UTILITIES

Case No. AVU-G-15-02

EXHIBIT "B"

Notice of Public Applicant's Proposed Tariffs

August 26, 2015

AVISTA UTILITIES
NOTICE OF IDAHO TARIFF CHANGE
(Natural Gas Service Only)

Notice is hereby given that the "Sheets" listed below of Tariff IPUC No. 27, covering natural gas service applicable to Idaho customers of Avista Utilities have been filed with the Idaho Public Utilities Commission (IPUC) in Boise, Idaho.

Twenty-first Revision Sheet 150	canceling	**Twentieth Revision Sheet 150**
Seventeenth Revision Sheet 155	canceling	**Sixteenth Revision Sheet 155**

Seventeenth Revision Sheet 155 updates the amortization rate used to refund or recover previous gas cost differences and Twentieth Revision Sheet 150 updates the forward-looking cost of natural gas purchased for customer usage.

These tariffs request an annual revenue *decrease* of approximately $10.3 million, or about 14.5%. This filing requests an effective date of November 1, 2015.

PGAs are filed each year to balance the actual cost of wholesale natural gas purchased by Avista to serve customers with the amount included in rates. This includes the natural gas commodity cost as well as the cost to transport natural gas on interstate pipelines to Avista's local distribution system. If the request is approved, Avista residential customers using an average of 61 therms a month could expect their bill to decrease by $7.94, or 13.4 percent, for a revised monthly bill of $51.28 beginning Nov. 1, 2015. Avista's natural gas revenues would decrease by $10.3 million, or approximately 14.5 percent. The requested natural gas rate change by customer segment is as follows:

General Service - Firm - Schedule 101 - Residential & Small Commercial	-13.4%
Large General Service - Firm - Schedules - Commercial 111 & 112	-18.0%
High Annual Load Factor Large - Interruptible Service Schedules 132	-24.6%

Avista does not mark up the cost of natural gas purchased to meet customer needs, so the filing does not increase or decrease company earnings.

The Company's application is a proposal, subject to public review and a Commission decision. Copies of the application are available for public review at the offices of both the Commission and Avista, and on the Commission's homepage (www.puc.idaho.gov). Customers may file with the Commission written comments related to the Company's filing. Customers may also subscribe to the Commission's RSS feed (http://www.puc.idaho.gov/rssfeeds/rss.htm) to receive periodic updates via e-mail about the case. Copies of rate filing are also available on our website, www.avistautilities.com/rates.

If you would like to submit comments on the proposed rate decrease, you can do so by going to the Commission website or mailing comments to:
Idaho Public Utilities Commission
P. O. Box 83720
Boise, ID 83720-0074

Copies of the proposed tariff changes are also available for inspection in the Company's offices, its website (www.avistautilities.com/rates), by calling (509) 495-4565 or by writing:

Avista Utilities
Attention: Manager, Rates & Tariffs
P.O. Box 3727
Spokane, WA. 99220-3727

August 26, 2015

AVISTA UTILITIES

Case No. AVU-G-15-02

EXHIBIT "C"

Workpapers

August 26, 2015

Avista Utilities
State of Idaho
Revenue Rate Change Sumamry

Based on 12 months November 1, 2015 - October 31, 2016

Line No.	Schedule	Therms		Rate Change		Revenue Incr (Decr)
1	Schedule 150 PGA Commodity					
2	Rate Schedule 101	55,570,850	$	(0.13312)	$	(7,397,592)
3	Rate Schedule 111	23,336,167	$	(0.13312)	$	(3,106,511)
4	Rate Schedule 112	0	$	(0.13312)	$	-
5	Rate Schedule 131	0	$	(0.13312)	$	-
6	Rate Schedule 132	350,939	$	(0.13312)	$	(46,717)
7		79,257,956				(10,550,819)
8						
9	Schedule 150 PGA Demand					
10	Rate Schedule 101	55,570,850	$	0.00133	$	74,112
11	Rate Schedule 111	23,336,167	$	0.00133	$	31,122
12	Rate Schedule 112	0	$	0.00133	$	-
13	Rate Schedule 131	0	$	-	$	-
14	Rate Schedule 132	350,939	$	-	$	-
15		79,257,956			$	105,234
16						
17	Schedule 155 Amortization					
18	Rate Schedule 101	55,570,850	$	0.00170	$	94,273
19	Rate Schedule 111	23,336,167	$	0.00170	$	39,588
20	Rate Schedule 112	0	$	-	$	-
21	Rate Schedule 131	0	$	(0.02097)	$	-
22	Rate Schedule 132	350,939	$	-	$	-
23	Customer 1	0	$	-	$	(26,695)
24	Customer 2	0	$	-	$	155
25	Customer 3	0	$	-	$	-
26	Customer 4	0	$	-	$	-
27	Customer 5	0	$	-	$	(6,367)
28		79,257,956			$	100,954
29						
30	Total Change 150 & 155					
31	Rate Schedule 101	55,570,850	$	(0.13009)	$	(7,229,207)
32	Rate Schedule 111	23,336,167	$	(0.13009)	$	(3,035,801)
33	Rate Schedule 112	0	$	(0.13179)	$	-
34	Rate Schedule 131	0	$	(0.15409)	$	-
35	Rate Schedule 132	350,939	$	(0.13312)	$	(46,717)
36	Customer 1	0			$	(26,695)
37	Customer 2	0			$	155
38	Customer 3	0			$	-
39	Customer 4	0			$	-
40	Customer 5	0			$	(6,367)
41	Total Change	79,257,956			$	(10,344,631)
42						
43	Rate Schedule 146 & Special Contracts	0			$	-
44						
45	Total				**$**	**(10,344,631)**
46	% Change from Current Billed Revenue					

Summary of Rate Change

	Proposed Rates		Present Billed Revenue	% Change
Rate Schedule 101	(7,229,207)	$	54,067,000	-13.37%
Rate Schedule 111	(3,035,801)	$	16,903,000	-17.96%
Rate Schedule 112	0			
Rate Schedule 131	0			
Rate Schedule 132	(46,717)	$	190,000	-24.60%
Customer Refunds	(32,907)			
Total Change	(10,344,631)	$	71,160,000	-14.50%

Avista Utilities
State of Idaho
Summary of Changes

	Summary of Changes	Schedule 150: Without Revenue Sensitive Costs: Firm (Demand)	Sales (Commodity)	Total Gas Cost Rate	With Revenue Sensitive Costs: Firm (Demand)	Sales (Commodity)	Total Gas Cost Rate
	Present				**GRF:**	**1.005016**	
1	WACOG before revenue sensitive						
2	Rate Schedule 101	$0.10721	$0.38312	$0.49033	$0.10776	$0.38510	$0.49286
3	Rate Schedule 111	$0.10721	$0.38312	$0.49033	$0.10776	$0.38510	$0.49286
4	Rate Schedule 112	$0.10721	$0.38312	$0.49033	$0.10776	$0.38510	$0.49286
5	Rate Schedule 131		$0.38312	$0.38312		$0.38510	$0.38510
6	Rate Schedule 132		$0.38312	$0.38312		$0.38510	$0.38510
7							
8	**Proposed**				**GRF:**	**1.005165**	
9	WACOG before revenue sensitive						
10	Rate Schedule 101	$0.10855	$0.25072	$0.35927	$0.10909	$0.25198	$0.36107
11	Rate schedule 111	$0.10855	$0.25072	$0.35927	$0.10909	$0.25198	$0.36107
12	Rate Schedule 112	$0.10855	$0.25072	$0.35927	$0.10909	$0.25198	$0.36107
13	Rate Schedule 131		$0.25072	$0.25072		$0.25198	$0.25198
14	Rate Schedule 132	$0.00000	$0.25072	$0.25072	$0.00000	$0.25198	$0.25198
15							
16	**Change**						
17	WACOG before revenue sensitive						
18	Rate Schedule 101	$0.00134	($0.13240)	($0.13106)	$0.00133	($0.13312)	($0.13179)
19	Rate schedule 111	$0.00134	($0.13240)	($0.13106)	$0.00133	($0.13312)	($0.13179)
20	Rate Schedule 112	$0.00134	($0.13240)	($0.13106)	$0.00133	($0.13312)	($0.13179)
21	Rate Schedule 131		($0.13240)	($0.13240)		($0.13312)	($0.13312)
22	Rate Schedule 132	$0.00000	($0.13240)	($0.13240)	$0.00000	($0.13312)	($0.13312)
23							

24
25
26

	Summary of Changes	Schedule 155: Without Revenue Sensitive Costs: Firm (Demand) Amort	Sales (Commodity) Amort	Total Amort Rate	With Revenue Sensitive Costs: Firm (Demand) Amort	Sales (Commodity) Amort	Total Amort Rate
27							
28							
29	**Present**				**GRF:**	**1.005016**	
30	WACOG before revenue sensitive						
31	Rate Schedule 101	($0.02122)	($0.00919)	($0.03041)	($0.02133)	($0.00923)	($0.03056)
32	Rate Schedule 111	($0.02122)	($0.00919)	($0.03041)	($0.02133)	($0.00923)	($0.03056)
33	Rate Schedule 112						
34	Rate Schedule 131		($0.00919)	($0.00919)		($0.00923)	($0.00923)
35	Rate Schedule 132			$0.00000			$0.00000
36							
37	**Proposed**				**GRF:**	**1.005165**	
38	WACOG before revenue sensitive						
39	Rate Schedule 101	$0.00133	($0.03004)	($0.02871)	$0.00134	($0.03020)	($0.02886)
40	Rate schedule 111	$0.00133	($0.03004)	($0.02871)	$0.00134	($0.03020)	($0.02886)
41	Rate Schedule 112						
42	Rate Schedule 131		($0.03004)	($0.03004)		($0.03020)	($0.03020)
43	Rate Schedule 132						
44							
45	**Change**						
46	WACOG before revenue sensitive						
47	Rate Schedule 101	$0.02255	($0.02085)	$0.00170	$0.02267	($0.02097)	$0.00170
48	Rate schedule 111	$0.02255	($0.02085)	$0.00170	$0.02267	($0.02097)	$0.00170
49	Rate Schedule 112						
50	Rate Schedule 131		($0.02085)	($0.02085)		($0.02097)	($0.02097)
51	Rate Schedule 132						
52							

*AN -- Allocated North sum of Washington + Idaho

Line No.	VOLUME FORECAST	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	12 month Ended Total
1	**Demand Forecast**													
2	Rate Schedule 101	6,841,159	9,351,761	9,193,430	7,646,985	6,545,182	4,275,071	2,524,487	1,633,031	1,280,548	1,135,162	1,313,296	3,830,738	55,570,850
3	Rate Schedule 111	2,815,141	3,282,650	3,099,679	2,657,201	2,398,179	1,603,505	1,081,077	1,007,351	1,058,476	1,118,467	1,086,113	2,128,328	23,336,167
5	**FIRM DEMAND THERMS**	**9,656,300**	**12,634,411**	**12,293,109**	**10,304,186**	**8,943,361**	**5,878,576**	**3,605,564**	**2,640,382**	**2,339,024**	**2,253,629**	**2,399,409**	**5,959,066**	**78,907,017**
4	Rate Schedule 132	46,544	41,049	38,190	33,075	30,347	23,723	17,946	18,398	18,927	19,676	21,490	41,574	350,939
5	**COMMODITY THERMS (SALES)**	**9,702,844**	**12,675,460**	**12,331,299**	**10,337,261**	**8,973,708**	**5,902,299**	**3,623,510**	**2,658,780**	**2,357,951**	**2,273,305**	**2,420,899**	**6,000,640**	**79,257,956**
6	Fuel	164,651	191,566	187,389	168,020	152,352	111,295	75,613	49,540	41,955	33,960	45,083	109,062	1,330,486
7	Lost and Unaccounted for	58,979	77,048	74,956	62,835	54,547	35,877	22,025	16,161	14,333	13,818	14,715	36,475	481,768
7	**TOTAL PURCHASE THERMS**	**9,926,474**	**12,944,074**	**12,593,644**	**10,568,116**	**9,180,607**	**6,049,471**	**3,721,148**	**2,724,481**	**2,414,239**	**2,321,083**	**2,480,697**	**6,146,177**	**81,070,210**
8														

Line No.	CUSTOMER FORECAST	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	12 month Ended Total
9														
10	**Demand Forecast**													
11	Rate Schedule 101	77,125	77,463	77,598	77,585	77,547	77,507	77,489	77,440	77,535	77,574	77,763	77,924	930,550
12	Rate Schedule 111	1,396	1,398	1,406	1,419	1,416	1,414	1,409	1,405	1,402	1,399	1,400	1,401	16,865
13	Rate Schedule 132	1	1	1	1	1	1	1	1	1	1	1	1	12
14	**Total Customers**	**78,522**	**78,862**	**79,005**	**79,005**	**78,964**	**78,922**	**78,899**	**78,846**	**78,938**	**78,974**	**79,164**	**79,326**	**947,427**
15														

		Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Total
16														
17	**COMMODITY**	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Total
18														
19	Commodity Allocation (based on Calendar Volumes)	31.73%	30.87%	30.38%	30.17%	30.82%	31.24%	32.01%	34.08%	36.72%	35.47%	32.92%	32.41%	32.402%
20														
21	**Hedges**													
22														
23	**Executed**													
24	AN* System Total Volumes (Th)	12,405,000	12,818,500	12,818,500	11,991,500	12,818,500	750,000	775,000	750,000	775,000	775,000	750,000	775,000	68,202,000
25	AN* System Total Dollars ($)	$ 4,224,865	$ 4,365,694	$ 4,365,694	$ 4,084,036	$ 4,365,694	$ 177,469	$ 183,384	$ 177,469	$ 183,384	$ 183,384	$ 177,469	$ 183,384	$ 22,671,926
26														
27	ID Volumes (Th)	3,936,227	3,957,327	3,894,320	3,618,031	3,951,130	234,283	248,089	255,613	284,542	274,857	246,924	251,150	21,152,495
28	ID Dollars ($)	$ 1,340,591	$ 1,347,777	$ 1,326,318	$ 1,232,220	$ 1,345,667	$ 55,437	$ 58,704	$ 60,484	$ 67,330	$ 65,038	$ 58,428	$ 59,428	$ 7,017,423
29	WACOG	$ 0.34058	$ 0.34058	$ 0.34058	$ 0.34058	$ 0.34058	$ 0.23663	$ 0.23662	$ 0.23663	$ 0.23662	$ 0.23662	$ 0.23663	$ 0.23662	$ 0.33175
30														
31	**Remaining to be Executed**													
32	AN* System Total Volumes (Th)	2,100,000	11,935,000	11,935,000	11,165,000	2,170,000	750,000	775,000	750,000	775,000	775,000	750,000	775,000	44,655,000
33	AN* System Total Dollars ($)	$ 499,862	$ 2,938,885	$ 3,014,727	$ 2,826,065	$ 539,354	$ 174,534	$ 178,773	$ 174,097	$ 179,988	$ 180,908	$ 175,887	$ 189,172	$ 11,072,252
34														
35														
36	ID Volumes (Th)	666,350	3,684,573	3,625,909	3,368,663	668,873	234,283	248,089	255,613	284,542	274,857	246,924	251,150	13,809,827
37	ID Dollars ($)	$ 158,611	$ 907,293	$ 915,888	$ 852,670	$ 166,249	$ 54,521	$ 57,228	$ 59,335	$ 66,083	$ 64,160	$ 57,908	$ 61,304	$ 3,421,248
38	WACOG	$ 0.23803	$ 0.24624	$ 0.25260	$ 0.25312	$ 0.24855	$ 0.23271	$ 0.23067	$ 0.23213	$ 0.23224	$ 0.23343	$ 0.23452	$ 0.24409	$ 0.24774
39														
40	**Deferred Exchange Credits**													
41	AN* Deferred Exchange	$ (375,000)	$ (375,000)	$ (375,000)	$ (375,000)	$ (375,000)	$ (375,000)	$ (375,000)	$ (375,000)	$ (375,000)	$ (375,000)	$ (375,000)	$ (375,000)	$ (4,500,000)
42														
43	ID Deferred Exchange	$ (118,991)	$ (115,770)	$ (113,927)	$ (113,144)	$ (115,589)	$ (117,142)	$ (120,043)	$ (127,806)	$ (137,681)	$ (132,995)	$ (123,462)	$ (121,524)	$ (1,458,074)
44														
45	**Price Forecast**	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Total
46	30 Day average Price based on: 7-15-2015													
47	Aeco	$ 2.380	$ 2.462	$ 2.526	$ 2.531	$ 2.486	$ 2.327	$ 2.307	$ 2.321	$ 2.322	$ 2.334	$ 2.345	$ 2.441	
48	Sumas	$ 2.855	$ 3.346	$ 3.104	$ 2.957	$ 2.819	$ 2.421	$ 2.289	$ 2.304	$ 2.415	$ 2.427	$ 2.463	$ 2.553	
49	Rockies	$ 2.837	$ 3.064	$ 3.180	$ 3.162	$ 3.046	$ 2.777	$ 2.780	$ 2.808	$ 2.927	$ 2.902	$ 2.845	$ 2.914	
50														
51	**Basin Weighting**													
52	Aeco	73.65%	75.23%	78.09%	82.98%	76.79%	81.78%	81.22%	84.46%	87.75%	88.95%	84.02%	74.04%	81%
53	Sumas	3.27%	2.87%	5.50%	2.50%	4.88%	5.48%	7.96%	6.07%	9.23%	10.61%	10.72%	5.31%	6%
54	Rockies	23.08%	21.90%	16.41%	14.52%	18.33%	12.74%	10.82%	9.47%	3.02%	0.44%	5.26%	20.64%	13%
55														
56	Basin-Weighted Index Price	$ 2.5012	$ 2.6194	$ 2.6651	$ 2.6334	$ 2.6046	$ 2.3896	$ 2.3565	$ 2.3664	$ 2.3492	$ 2.3466	$ 2.38402	$ 2.54459	
57	Index Volumes (Th)	5,323,896	4,442,947	4,214,189	2,777,630	3,701,377	5,580,904	3,224,970	2,213,256	1,845,156	1,771,369	1,986,850	5,643,876	42,726,420
58	Index Cost	$ 13,316,316	$ 11,638,006	$ 11,231,245	$ 7,314,626	$ 9,640,641	$ 13,336,061	$ 7,599,789	$ 5,237,366	$ 4,334,684	$ 4,156,644	$ 4,736,682	$ 14,361,338	$ 106,903,398
59														
60	**Storage**													
61	Actual Storage WACOG:													
62	$0.23733													
63														
64	AN system Withdrawals (Th)	-	18,755,000	23,250,000	13,076,000	6,951,750	-	-	-	-	-	-	-	62,032,750
65	ID Commodity %		30.8720%	30.3805%	30.1716%	30.8237%								
66														
67	Withdrawal Schedule (Th)	-	5,790,044	7,063,459	3,945,243	2,142,784	-	-	-	-	-	-	-	18,941,529
68	Withdrawal Expense ($)	$ -	$ 1,374,163	$ 1,676,385	$ 936,332	$ 508,551	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,495,431
69														
70														
71	**Embedded Charges**													
72	Variable Transportation	$ 10,406	$ 13,570	$ 12,877	$ 11,517	$ 8,913	$ 6,694	$ 4,159	$ 3,642	$ 3,246	$ 4,292	$ 3,652	$ 6,251	89,219
73														
74														
75														
76														

		Firm Customers (Demand)	Sales Customers (Commodity)	Customer 1	Customer 2	Customer 3	Customer 4	Customer 5	Customer 6	Total
77	**AMORTIZATION BALANCES**									
78										
79		Firm Customers (Demand)	Sales Customers (Commodity)	Customer 1	Customer 2	Customer 3	Customer 4	Customer 5	Customer 6	Total
80										
81	Unamortized Deferrals (191000)	$ (540,803)	$ (82,428)	$ (98)	$ 0	$ -	$ (4)	$ (27)		$ (623,360)
84	Current Deferrals (191010)	$ 645,731	$ (2,280,265)	$ (26,596)	$ 155	$ -	$ 4	$ (6,340)	$ (11,347)	$ (1,678,659)
85	Total	$ 104,929	$ (2,362,693)	$ (26,695)	$ 155	$ -	$ -	$ (6,367)	$ (11,347)	$ (2,302,019)

Avista Utilities
State of Idaho
Gas Cost Calculation (per Therm)

	Executed Hedges		Planned Hedges		Storage to be Optimized		Index Cost		Total Cost to Serve Average Load (incuding fuel)		Variable Charges	Total Optimization Benefits (from below)	Total Estimated Commodity Costs	Sales Volumes (to customers)	WACOG
	Volumes	Dollars	Volumes	Dollars	Volumes	Dollars	Volumes	Dollars	Volumes	Dollars	Dollars	Dollars	Dollars		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(a) + (c) + (e) + (g)	(b) + (d) + (f) + (h)	(i)	(j)	(k)		
Nov-15	3,936,227	$ 1,340,591	666,350	$ 158,611			5,323,896	$ 1,331,632	9,926,474	$ 2,830,833	$ 10,406	$ (199,327)	$ 2,641,912	9,702,844	$ 0.2723
Dec-15	3,957,327	$ 1,347,777	3,684,573	$ 907,293	859,226	$ 203,922	4,442,947	$ 1,163,801	12,944,074	$ 3,622,792	$ 13,570	$ (385,291)	$ 3,251,071	12,675,460	$ 0.2565
Jan-16	3,894,320	$ 1,326,318	3,625,909	$ 915,888	859,226	$ 203,922	4,214,189	$ 1,123,125	12,593,644	$ 3,569,253	$ 12,877	$ (252,531)	$ 3,329,599	12,331,299	$ 0.2700
Feb-16	3,618,031	$ 1,232,220	3,368,663	$ 852,670	803,792	$ 190,766	2,777,630	$ 731,463	10,568,116	$ 3,007,119	$ 11,517	$ (312,422)	$ 2,706,214	10,337,261	$ 0.2618
Mar-16	3,951,130	$ 1,345,667	668,873	$ 166,249	859,226	$ 203,922	3,701,377	$ 964,064	9,180,607	$ 2,679,901	$ 8,913	$ (163,683)	$ 2,525,131	8,973,708	$ 0.2814
Apr-16	234,283	$ 55,437	234,283	$ 54,521			5,580,904	$ 1,333,606	6,049,471	$ 1,443,564	$ 6,694	$ (124,307)	$ 1,325,951	5,902,299	$ 0.2246
May-16	248,089	$ 58,704	248,089	$ 57,228			3,224,970	$ 759,979	3,721,148	$ 875,911	$ 4,159	$ (111,619)	$ 768,451	3,623,510	$ 0.2121
Jun-16	255,613	$ 60,484	255,613	$ 59,335			2,213,256	$ 523,737	2,724,481	$ 643,556	$ 3,642	$ (123,191)	$ 524,008	2,658,780	$ 0.1971
Jul-16	284,542	$ 67,330	284,542	$ 66,083			1,845,156	$ 433,468	2,414,239	$ 566,881	$ 3,246	$ (130,648)	$ 439,478	2,357,951	$ 0.1864
Aug-16	274,857	$ 65,038	274,857	$ 64,160			1,771,369	$ 415,664	2,321,083	$ 544,862	$ 4,292	$ (132,995)	$ 416,159	2,273,305	$ 0.1831
Sep-16	246,924	$ 58,428	246,924	$ 57,908			1,986,850	$ 473,668	2,480,697	$ 590,004	$ 3,652	$ (123,462)	$ 470,194	2,420,899	$ 0.1942
Oct-16	251,150	$ 59,428	251,150	$ 61,304			5,643,876	$ 1,436,134	6,146,177	$ 1,556,866	$ 6,251	$ (121,524)	$ 1,441,593	6,000,640	$ 0.2402
	21,152,495	7,017,423	13,809,827	3,421,248	3,381,469	802,531	42,726,420	10,690,340	81,070,210	$ 21,931,542	$ 89,219	$ (2,181,000)	$ 19,839,761	79,257,956	$ 0.2503
Average		$ 0.3318		$ 0.2477		$ 0.2373		$ 0.2502		$ 0.2705					
		26.1%		17.0%		4.2%		53%							

	Storage Optimization Expense		Storage Optimization Revenue		Storage Optimization Net Benefit		Deferred Exchange Revenue	Total Optimization Benefits
	Volumes	Dollars	Volumes	Dollars	Volumes	Dollars	Dollars	Dollars
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Nov-15	2,141,841	$ 508,327	(2,141,841)	$ (588,663)	0	$ (80,336)	$ (118,991)	$ (199,327)
Dec-15	3,014,651	$ 715,473	(3,014,651)	$ (984,994)	0	$ (269,521)	$ (115,770)	$ (385,291)
Jan-16	1,906,374	$ 452,444	(1,906,374)	$ (591,047)	0	$ (138,604)	$ (113,927)	$ (252,531)
Feb-16	2,559,309	$ 607,406	(2,559,309)	$ (806,684)	0	$ (199,278)	$ (113,144)	$ (312,422)
Mar-16	3,439,920	$ 816,403	(3,439,920)	$ (864,497)	0	$ (48,094)	$ (115,589)	$ (163,683)
Apr-16	632,565	$ 150,128	(632,565)	$ (157,293)	0	$ (7,165)	$ (117,142)	$ (124,307)
May-16	893,121	$ 211,966	(893,121)	$ (203,542)	0	$ 8,424	$ (120,043)	$ (111,619)
Jun-16	460,103	$ 109,197	(460,103)	$ (104,581)	0	$ 4,616	$ (127,806)	$ (123,191)
Jul-16	512,175	$ 121,555	(512,175)	$ (114,522)	0	$ 7,033	$ (137,681)	$ (130,648)
Aug-16	0	$ 0	(0)	$ -	0	$ 0	$ (132,995)	$ (132,995)
Sep-16	0	$ 0	(0)	$ -	0	$ 0	$ (123,462)	$ (123,462)
Oct-16	0	$ 0	(0)	$ -	0	$ 0	$ (121,524)	$ (121,524)
	15,560,059	$ 3,692,900	(15,560,059)	$ (4,415,825)	0	$ (722,925)	$ (1,458,074)	$ (2,181,000)
		0.2373		0.2838				

GRI Funding (no change)	0.00040
TOTAL Rate	0.25072
RCF:	1.005016

Proposed Rate		
Proposed WACOG without RCF	$	0.25072
Proposed WACOG with RCF	$	0.25198

Hedges	Hedges (Dth)		Executed and Planned Hedges	% LT and ST
1 Year	7,914,000	28.47%	43%	12%
Long Term	19,884,400	71.53%	43%	31%
	27,798,400			

Avista Utilities
WA Gas Operations
Demand Cost Calculation (per Therm)

Line No.	Description	Estimated Demand Expense		Allocator	Allocation Percentage ID	Idaho Allocation	
1	Northwest Pipeline Corporation (NWP)	$	15,748,677	ID System Allocated	29.34%	$	4,620,662
2							
3	TCPL - Gas Transmission Northwest	$	2,679,382	ID System Allocated	29.34%	$	786,131
4							
5	**Total Fixed Domestic Transportation Costs**		**18,428,058**			**$**	**5,406,792**
6							
7	TransCanada - AB (NOVA System)	$	6,284,076	ID System Allocated	29.34%	$	1,843,748
8							
9	TransCanada - BC (Foothills Pipe Line Ltd.)	$	3,334,506	ID System Allocated	29.34%	$	978,344
10							
11	Spectra - Westcoast Energy Inc	$	1,000,878	ID System Allocated	29.34%	$	293,658
12							
13	**Total Fixed Canadian Transportation Costs**	**$**	**10,619,460**			**$**	**3,115,750**
14							
15	**Total Fixed Pipeline Charges**	**$**	**29,047,518**			**$**	**8,522,542**
16							
17	**Demand Costs**	**$**	**29,047,518**			**$**	**8,522,542**
18	Demand Volumes						78,907,017
19	**Demand Rate**					$	0.10801
20							
21	**Demand Costs including GRF**					**$**	**8,565,291**
22	Demand Volumes						78,907,017
23	**Demand Rate**					$	0.10855
24							
25							
26						**RCF:**	**1.0050160**
27		**Rate Change Calculation:**					
28		Proposed WACOG without Revenue Sensitive Costs				$	0.10855
29		**Proposed WACOG with Revenue Sensitive Costs**				**$**	**0.10909**

JURISDICTIOIAN
PROFIT CENTLDC

Sum of US DOLLARS							
SHORT NAN	CHARGE TYPE	PIPELINE CONTRACT	MILES	MILAGE RATE	NON MILAGE RAT	MMBTU PER	Grand Total
GTNW	DMD	17013	27.04	0.000434	0.034393	300	2,532.45
						879	4,946.71
				0.000483	0.038402	879	2,759.36
		17014	55.5	0.000434	0.034393	1000	10,701.84
						1827	13,034.86
				0.000483	0.038402	1827	7,267.28
		17015	59.26	0.000434	0.034393	2500	27,501.18
						3327	24,399.02
				0.000483	0.038402	3327	13,602.44
		17017	84.77	0.000434	0.034393	150	1,953.99
						191	1,658.69
				0.000483	0.038402	191	924.46
		17020	97.64	0.000434	0.034393	250	3,512.19
						871	8,157.62
				0.000483	0.038402	871	4,545.99
		17024	108.29	0.000434	0.034393	3400	50,641.38
						7165	71,146.19
				0.000483	0.038402	7165	39,644.45
		17027	121.15	0.000434	0.034393	2000	31,831.80
						3241	34,388.93
				0.000483	0.038402	3241	19,160.69
		17029	134.18	0.000434	0.034393	150	2,542.62
						233	2,633.03
				0.000483	0.038402	233	1,466.93
		17030	145.71	0.000434	0.034393	100	1,786.65
						183	2,179.70
				0.000483	0.038402	183	1,214.30
		17032	158.89	0.000434	0.034393	100	1,891.32
						224	2,824.38
				0.000483	0.038402	224	1,573.35
		17035	182.79	0.000434	0.034393	50	1,040.58
						133	1,845.27
				0.000483	0.038402	133	1,027.83
		17038	108.29	0.000434	0.034393	45000	670,253.73
						61549	611,162.19
				0.000483	0.038402	61549	340,554.95
		17043	97.64	0.000434	0.034393	2758	64,577.09
				0.000483	0.038402	2758	14,394.80
		17044	108.29	0.000434	0.034393	2470	61,315.81
				0.000483	0.038402	2470	13,666.68
		17045	121.15	0.000434	0.034393	15077	399,939.90
				0.000483	0.038402	15077	89,134.69
		17046	134.18	0.000434	0.034393	117	3,305.41
				0.000483	0.038402	117	736.61
		17047	145.71	0.000434	0.034393	117	3,483.94
				0.000483	0.038402	117	776.36
		17048	158.89	0.000434	0.034393	146	4,602.25
				0.000483	0.038402	146	1,025.49
		17049	182.79	0.000434	0.034393	97	3,364.52
				0.000483	0.038402	97	749.62
	DMD Total						**2,679,381.52**
GTNW Total							2,679,381.52
NWPL	CR	100010	0	0	0.41	0	-
						2000	(300,120.00)
						2841	(426,320.46)
						3360	(504,201.60)
						3400	(510,204.00)
						4100	-
						4517	(677,821.02)
						5400	(1,620,648.00)
						6450	(642,613.50)
						7159	(1,074,279.54)
						8056	(2,417,766.72)
						9211	(1,382,202.66)
						10000	(3,001,200.00)
						10394	(1,559,723.64)
						15400	(2,310,924.00)
						19432	(5,831,931.84)
						20394	(3,060,323.64)
		100164	0	0	0.41	1500	(450,180.00)
						8500	(1,275,510.00)
		114115	0	0	0.41	8056	(703,530.48)
		115163	0	0	0.41	7000	(367,647.00)
		135133	0	0	0.41	17682	(2,653,360.92)
		135198	0	0	0.41	17394	(2,610,143.64)
		137227	0	0	0.41	8500	-
		137337	0	0	0.41	4100	-
		137341	0	0	0.41	2130	(319,627.80)
		190203	0	0	0.41	2841	(852,640.92)
		190204	0	0	0.41	7159	(2,148,559.08)
		195151	0	0	0.41	2841	(426,320.46)
		195152	0	0	0.41	6709	(1,006,752.54)
	CR Total						**(38,134,553.46)**
	DMD	100010	0	0	0.41	132687.24	19,911,047.22
		100164	0	0	0.41	10000	1,500,600.00
		100314	0	0	0.41	7962	1,194,777.72
		114115	0	0	0.41	8056	562,824.39
		115161	0	0	0.41	2841	426,320.46
		115163	0	0	0.41	7159	1,074,279.54
		135132	0	0	0.41	19432	2,915,965.92
		135133	0	0	0.41	19432	2,915,965.92
		135198	0	0	0.41	20394	3,060,323.64
		135199	0	0	0.41	10394	1,559,723.64
		135200	0	0	0.41	10000	1,500,600.00
		136948	0	0	0.41	5000	750,300.00

NWPL	DMD	136950	0	0	0.41	5330	799,819.80
		137226	0	0	0.41	8500	1,275,510.00
		137227	0	0	0.41	8500	-
		137286	0	0	0.41	9211	1,382,202.66
		137287	0	0	0.41	9211	-
		137333	0	0	0.41	5400	-
		137334	0	0	0.41	5400	810,324.00
		137335	0	0	0.41	2000	300,120.00
		137337	0	0	0.41	4100	-
		137338	0	0	0.41	3400	-
		137339	0	0	0.41	4517	-
		137340	0	0	0.41	10000	-
		137341	0	0	0.41	15400	2,310,924.00
		137343	0	0	0.41	5400	810,324.00
		137344	0	0	0.41	4517	677,821.02
		137345	0	0	0.41	3400	510,204.00
		137346	0	0	0.41	17682	2,653,360.92
		137347	0	0	0.41	17682	-
		137348	0	0	0.41	8500	-
		137349	0	0	0.41	8500	-
		137852	0	0	0.41	4100	-
		137853	0	0	0.41	4100	-
		137899	0	0	0.41	1500	225,090.00
		137900	0	0	0.41	1500	225,090.00
		137901	0	0	0.41	1500	-
		140278	0	0	0.41	2130	319,627.80
		140279	0	0	0.41	2130	-
		190203	0	0	0.41	2841	426,320.46
		190204	0	0	0.41	7159	1,074,279.54
		193649	0	0	0.41	8056	1,208,883.36
		195151	0	0	0.41	2841	426,320.46
		195152	0	0	0.41	7159	1,074,279.54
	DMD Total						**53,883,230.01**
NWPL Total							15,748,676.55
Grand Total							**18,428,058.07**

JURISDICTIOIAN
PROFIT CENTLDC

Sum of CDN DOLLARS							
SHORT NAN	CHARGE TYPE	PIPELINE CONTRACT	MILES	MILAGE RATE	NON MILAGE RAT	MMBTU PER	Grand Total
TCPL AB	DMD	2010-445834	0	0	4.84	0	742,053.36
		2010-445835	0	0	4.84	0	519,624.36
		2010-445836	0	0	4.84	0	906,588.12
		2010-445837	0	0	4.84	0	43,339.32
		2010-447082	0	0	4.84	0	2,719,601.76
		2014-623869	0	0	4.84	0	1,352,869.08
	DMD Total						**6,284,076.00**
TCPL AB Total							6,284,076.00
TCPL BC	DMD	AVA	0	0	2.606313065	0	-
		AVA-F2	0	0	2.606313065	0	156,732.24
		AVA-F4	0	0	2.606313065	0	1,276,013.40
		AVA-F6	0	0	2.606313065	0	368,175.12
		AVA-F8	0	0	2.606313065	0	1,533,584.88
		AVA-IT	0	0	0.093894519	0	-
	DMD Total						**3,334,505.64**
TCPL BC Total							3,334,505.64
WEI	DMD	2483	0	0	378.57	0	1,000,878.48
	DMD Total						**1,000,878.48**
WEI Total							1,000,878.48
Grand Total							**10,619,460.12**

29,047,518.19

Avista Utilities
Idaho Gas Operations
Development of Amortization Rate

Line No.	SALES AMORTIZATION (Sch 101-131)					FIRM AMORTIZATION (Sch 101 and 111)				
1		Sales Therms	Amortization	Interest	Balance		Firm Sales	Amortization	Interest	Balance
2			$ (0.03004)	1.00%			Therms	$ 0.00133	1.00%	
3										
4	**Rate Schedule: 101-132**				$ (2,362,693)	**Rate Schedule: 101-121**				$ 104,929
5										
6	Nov/15	9,656,300	$ 290,101.81	$ (1,848.04)	$ (2,074,439.32)	Nov/15	9,656,300	$ (12,842.88)	$ 82.09	$ 92,167.80
7	Dec/15	12,634,411	$ 379,572.45	$ (1,570.54)	$ (1,696,437.41)	Dec/15	12,634,411	$ (16,803.77)	$ 69.80	$ 75,433.83
8	Jan/16	12,293,109	$ 369,318.80	$ (1,259.82)	$ (1,328,378.43)	Jan/16	12,293,109	$ (16,349.83)	$ 56.05	$ 59,140.05
9	Feb/16	10,304,186	$ 309,566.08	$ (978.00)	$ (1,019,790.35)	Feb/16	10,304,186	$ (13,704.57)	$ 43.57	$ 45,479.05
10	Mar/16	8,943,361	$ 268,683.16	$ (737.87)	$ (751,845.06)	Mar/16	8,943,361	$ (11,894.67)	$ 32.94	$ 33,617.32
11	Apr/16	5,878,576	$ 176,608.59	$ (552.95)	$ (575,789.42)	Apr/16	5,878,576	$ (7,818.51)	$ 24.76	$ 25,823.57
12	May/16	3,605,564	$ 108,321.06	$ (434.69)	$ (467,903.05)	May/16	3,605,564	$ (4,795.40)	$ 19.52	$ 21,047.69
13	Jun/16	2,640,382	$ 79,324.34	$ (356.87)	$ (388,935.58)	Jun/16	2,640,382	$ (3,511.71)	$ 16.08	$ 17,552.06
14	Jul/16	2,339,024	$ 70,270.71	$ (294.83)	$ (318,959.70)	Jul/16	2,339,024	$ (3,110.90)	$ 13.33	$ 14,454.49
15	Aug/16	2,253,629	$ 67,705.21	$ (237.59)	$ (251,492.08)	Aug/16	2,253,629	$ (2,997.33)	$ 10.80	$ 11,467.96
16	Sep/16	2,399,409	$ 72,084.84	$ (179.54)	$ (179,586.78)	Sep/16	2,399,409	$ (3,191.21)	$ 8.23	$ 8,284.98
17	Oct/16	5,959,066	$ 179,026.73	$ (75.06)	$ (635.11)	Oct/16	5,959,066	$ (7,925.56)	$ 3.60	$ 363.02
18		78,907,017	$ 2,370,583.78	$ (8,525.80)	$ (635.11)		78,907,017	$ (104,946.34)	$ 380.77	$ 363.02

TOTAL AMORTIZATION RATES

	RCF:	1.00517
Sales Amortization		
Proposed Amort. Rate without revenue sensitive costs	$	(0.03004)
Proposed Amort. Rate with revenue sensitive costs	**$**	**(0.03020)**

	RCF:	1.00517
Firm Amortization		
Proposed Amort. Rate without revenue sensitive costs	$	0.00133
Proposed Amort. Rate with revenue sensitive costs	**$**	**0.00134**

AVISTA UTILITIES
Revenue Conversion Factor
Idaho - Natural Gas System
TWELVE MONTHS ENDED DECEMBER 31, 2013

Line No.	Description		Factor
1	**Revenues**		1.000000
	Expenses:		
2	Uncollectibles		0.002608
3	Commission Fees		0.002530
4	Idaho State Income Tax		NA
5	Total Expenses		0.005138
6	Net Operating Income Before FIT		0.994862
7	Federal Income Tax @ 35%		0.348202
8	REVENUE CONVERSION FACTOR		0.646660
	REVENUE GROSS UP:	(1/1-.005138)	*1.005165*
		Prior RCF	*1.005016*

Avista Utilities
State of Idaho
Voluntary GRI Funding

	Northwest Pipeline		Transcanada - GTN Pipeline		Total
	TF-1 Reservation	TF-1 Volumetric	TF-1 Reservation	TF-1 Volumetric	
Previous Pipeline Rate (Per Therm)	$0.00086	$0.00088	$0.00086	$0.00088	
Current Pipeline Rate (Per Therm)	$0.00076	$0.00075	$0.00076	$0.00075	
Reduction in Pipeline Funding Rate (Per Therm)	$0.00010	$0.00013	$0.00010	$0.00013	
Monthly Rate (Daily Rate X 365 Days/12 Months)	$0.00316		$0.00316		
NWP Demand Billing Determinants	558,085,000		0		
Estimated Transportation Volumes (Therms)		0		0	
GRI Funding Shortfall	$1,764,000	$0	$0	$0	
Idaho Percentage	30.01%	30.57%	30.01%	30.57%	
Total Idaho GRI Funding Shortfall	$14,000	$3,000	$9,000	$6,000	$32,000

Set the GRI Funding at the 11/1/99 Level.

12 MONTHS ENDED TOTAL
LOSS & UNACCOUNTED FOR GAS
BY DELIVERY POINT - THERMS
July 1, 2014 - June 30, 2015 12 Month ONLY

IDAHO

	DELIVERY	REVENUE	LOSS +/-	% OF PURCHASE
ID SPO-CDA area	44,369,828	43,940,556	429,272	0.97
ID LEWIS-CLARK area	45,948,921	45,771,841	177,080	0.39
	90,318,749	89,712,397	606,352	0.67
Bonners	2,542,370	4,538,593	(1,996,223)	(78.52)
Genesee	227,280	205,257	22,023	9.69
Kellogg	4,016,560	4,316,424	(299,864)	(7.47)
Moscow	5,921,690	5,962,078	(40,388)	(0.68)
Pinehurst-Kingston	717,290	456,568	260,722	36.35
Sandpoint	6,910,010	4,909,876	2,000,134	28.95
Smelterville-Page	393,430	271,187	122,243	31.07
IDAHO TOTAL	111,047,379	110,372,379	675,000	0.61

TransCanada
In business to deliver

NGTL System

TransCanada's - NGTL System Transportation Rates & Abandonment Surcharge

2015 Final Rates - Effective January 1, 2015

Receipt and delivery transportation Rates below do not include applicable abandonment surcharges.

Receipt Services	Tariff Rate	Information Purposes		
	$/10³m³	¢/GJ/d	¢/Mcf/d	¢/MMBtu/d
	(Cdn)	(Cdn)	(Cdn)	(US)
FT-R Average Demand Rate (3 yr term) 1	225.73/mo	19.7	21.0	18.6
IT-R (Interruptible Receipt)	8.53/d	22.6	24.2	21.4

Delivery Services	Tariff Rate	Information Purposes		
	$/GJ	¢/GJ/d	¢/Mcf/d	¢/MMBtu/d
	(Cdn)	(Cdn)	(Cdn)	(US)
FT-D Demand Rate (1 yr term) 2				
Group 1:				
Empress/McNeill Border	5.62/mo	18.5	19.8	17.5
Alberta-B.C. Border	5.01/mo	16.5	17.6	15.6
Gordondale Border/Boundary Lk Border	4.55/mo	15.0	16.0	14.2
Clairmont/Shell Creek/Edson	4.55/mo	15.0	16.0	14.2
Group 2:				
All Group 2 Delivery Locations	4.55/mo	15.0	16.0	14.2
Group 3:				
All Group 3 Delivery Locations	5.46/mo	18.0	19.2	17.0
IT-D (Interruptible Delivery)				
Group 1:				
Empress/McNeill Border		20.34	21.8	19.3
Alberta-B.C. Border		18.11	19.4	17.1

Gordondale Border / Boundary Lk Border	16.46	17.6	15.6
Clairmont/Shell Creek/Edson	16.46	17.6	15.6
Group 2:			
All Group 2 Delivery Locations	16.46	17.6	15.6

[1]Find more details on Receipt Price Points at Receipt Point Rates
1-2 year term: 105% (Price Point C)
3-4 year term: 100% (Price Point B)
5+ year term: 95% (Price Point A)

[2]Find more details on Delivery Price Points at Delivery Point Rates
1-2 year term: 100% (Price Point Z)
3-4 year term: 95% (Price Point Y)
5+ year term: 90% (Price Point X)

- Aggregate charges for service will be determined in accordance with the NGTL System tariff and as such, shall include the applicable abandonment surcharge(s).
- Rates are payable in Canadian dollars.
- For billing purposes, 10^3m^3 units are used to Receipt Services and GJ units are for Delivery services
- Mcf and MMBtu units are provided for illustrative purposes only.
- Conversion factors below have been used to calculate the rates provided for information purposes:

Cdn$/US$	1.12 - subject to change (updated Oct 2, 2014)
¢/GJ to ¢/MMBtu	1.06
$/10³m³ to ¢/GJ	37.8 MJ/m³

-Actual heating value is dependent upon specific receipt or delivery points and ranges from 36.0 MJ/m3 to 44.0 MJ/m3.

FT-R Rate Range	$/10³m³	¢/GJ/d	¢/Mcf/d	¢/MMBtu/d
FT-R Floor Rate	139.83/mo	12.2	13.0	11.5
FT-R Ceiling Rate	311.62/mo	27.1	29.0	25.7

- Rates do not include GST.

2015 Abandonment Surcharges - Effective January 1, 2015

Abandonment surcharges are in addition to applicable receipt and delivery transportation rates.

Abandonment Surcharges	Tariff Rate	Information Puposes	
	$/10³m³ (Cdn)	$/GJ (Cdn)	$/Mcf (Cdn)
Monthly Abandonment Surcharge	12.45/mo	0.33/mo	0.35/mo
Daily Abandonment Surcharge	0.41/d	0.0108/d	0.01/d

- The services to which abandonment surcharges apply are denoted on the NGTL Tariff Table of Rates, Tolls and Charges.

Westcoast Energy Inc.

TOLL SCHEDULES - SERVICE

APPENDIX A

DEMAND AND COMMODITY TOLLS
TRANSPORTATION SERVICE - SOUTHERN

Firm Transportation Service - Southern

	Demand Tolls $\$/10^3m^3/mo.$			
Service Term	PNG Delivery Point	Inland Delivery Area	Huntingdon Delivery Area*	FortisBC Kingsvale to Huntingdon**
1 year	92.99	244.37	410.45	166.08
2 years	90.28	237.25	398.49	161.24
3 years	87.57	230.13	386.54	156.40
4 years	86.67	227.76	382.55	154.79
5 years or more	85.76	225.39	378.57	153.18

* To be increased to the percentage amount of the applicable toll specified in a Service Agreement for Enhanced T-South Service

** For Firm Transportation Service - Southern provided by Westcoast pursuant to a Firm Service Agreement dated April 15, 2002 between Westcoast and FortisBC Energy Inc.

Plus the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for each day in the month.

Authorized Overrun Service

	Commodity Tolls $\$/10^3m^3$			
Months	PNG Delivery Point	Inland Delivery Area	Huntingdon Delivery Area	FortisBC Kingsvale to Huntingdon*
November to March	3.693	9.706	16.302	6.596
April to October	2.955	7.765	13.041	5.277

* For AOS provided by Westcoast pursuant to a Firm Service Agreement dated April 15, 2002 between Westcoast and FortisBC Energy Inc.

Plus the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for each day in the month.

Effective Date: April 1, 2015

TABLE OF EFFECTIVE RATES

1. Rate Schedule FT, Firm Transportation Service

	Demand Rate ($/GJ/Km/Month)
Zone 6	0.0066077414
Zone 7	0.0051745157
Zone 8*	0.0146248074
Zone 9	0.0110366323

2. Rate Schedule OT, Overrun Transportation Service

	Commodity Rate ($/GJ/Km)
Zone 6	0.0002389649
Zone 7	0.0001871332

3. Rate Schedule IT, Interruptible Transportation Service

	Commodity Rate ($/GJ/Km)
Zone 8*	0.0005288971
Zone 9	0.0003991330

4. Monthly Abandonment Surcharge**

All Zones 0.1098584422 ($/GJ/Month)

5. Daily Abandonment Surcharge***

All Zones 0.0036117844 ($/GJ/Day)

* For Zone 8, Shippers Haul Distance shall be 170.7 km.

**Monthly Abandonment Surcharge applicable to Rate Schedule Firm Transportation Service, and Short Term Firm Transportation Service for all zones.

***Daily Abandonment Surcharge applicable to Rate Schedule Overrun Transportation Service for zone 6 & 7, Interruptible Transportation Service for zone 8 & 9, and Small General Service for zone 9.

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR TRANSPORTATION OF NATURAL GAS

Rate Schedules FTS-1 and LFS-1

	RESERVATION DAILY MILEAGE (a) (Dth-MILE)		DAILY NON-MILEAGE (b) (Dth)		DELIVERY (c) (Dth-MILE)		FUEL (d) (Dth-MILE)	
	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.
BASE	0.000483	0.000000	0.038402	0.000000	0.000016	0.000016	0.0050%	0.0000%
STF (e)	(e)	0.000000	(e)	0.000000	0.000016	0.000016	0.0050%	0.0000%
EXTENSION CHARGES								
MEDFORD								
E-1 (f)	0.003290	0.000000	0.005498	0.000000	0.000026	0.000026	---	---
E-2 (h)(l) (Diamond 1)	0.002972	0.000000	---	---	0.000000	0.000000	---	---
E-2 (h)(l) (Diamond 2)	0.001166	0.000000	---	---	0.000000	0.000000	---	---
COYOTE SPRINGS								
E-3 (i)	0.001412	0.000000	0.001420	0.000000	0.000000	0.000000	---	---
OVERRUN CHARGE (j)	---	---	---	---	---	---	---	---
SURCHARGES								
ACA (k)	---	---	---	---	(k)	(k)	---	---

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR TRANSPORTATION OF NATURAL GAS (a)

Rate Schedule ITS-1

	MILEAGE (n) (Dth-Mile)		NON-MILEAGE (o) (Dth)		DELIVERY (c) (Dth-Mile)		FUEL (d) (Dth-Mile)	
	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.
BASE	(e)	0.000000	(e)	0.000000	0.000016	0.000016	0.0050%	0.0000%
EXTENSION CHARGES								
MEDFORD								
E-1 (Medford) (f)	0.003290	0.000000	0.005498	0.000000	0.000026	0.000026	---	---
COYOTE SPRINGS								
E-3 (Coyote Springs) (i)	0.001412	0.000000	0.001420	0.000000	0.000000	0.000000	---	---
SURCHARGES								
ACA (k)	---	---	(k)	(k)	---	---	---	---

STATEMENT OF EFFECTIVE RATES AND CHARGES
FOR TRANSPORTATION OF NATURAL GAS

Notes:

(a) The mileage component shall be applied per pipeline mile to gas transported by GTN for delivery to shipper based on the primary receipt and delivery points in Shipper's contract. Consult GTN's system map in Section 3 for receipt and delivery point and milepost designations.

(b) The non-mileage component is applied per Shipper's MDQ at Primary Point(s) of Delivery on Mainline Facilities.

(c) The delivery rates are applied per pipeline mile to gas transported by GTN for delivery to shipper based on distance of gas transported. Consult GTN's system map in Section 3 for receipt and delivery point and milepost designations.

(d) Fuel Use: Shipper shall furnish gas used for compressor station fuel, line loss, and other utility purposes, plus other unaccounted-for gas used in the operation of GTN's combined pipeline system in an amount equal to the sum of the current fuel and line loss percentage and the fuel and line loss percentage surcharge in accordance with Section 6.38 of this tariff, multiplied by the distance in pipeline miles transported from the receipt point to the delivery point multiplied by the transportation quantities of gas received from Shipper under these rate schedules. The current fuel and line loss percentage shall be adjusted each month between the maximum rate of 0.0050% per Dth per pipeline mile and the minimum rate of 0.0000% per Dth per mile. The fuel and line loss percentage surcharge is 0.0000% per Dth per pipeline mile. No fuel use charges will be assessed for backhaul service. Currently effective fuel charges may be found on GTN's Internet website under "Informational Postings."

(e) Seasonal recourse rates apply to short-term firm (STF) service under Rate Schedule FTS-1 (i.e., firm service that has a term of less than one year and that does not include multiple-year seasonal service) and IT Service under Rate Schedule ITS-1. By March 1 of each year GTN may designate up to four (4) months as peak months during a twelve-month period beginning on June 1 of the same year through May 31 of the following year. All other months will be considered off-peak months. Reservation rate components that apply to STF service and per-unit-rate IT service are as follows (delivery charges and applicable surcharges continue to apply):

	4 Peak Mos.	3 Peak Mos.	2 Peak Mos.	1 Peak Mo.	0 Peak Mos.
Peak NM Res.	$0.053763	$0.053763	$0.053763	$0.053763	$0.038402
Peak Mi. Res.	$0.000676	$0.000676	$0.000676	$0.000676	$0.000483

Off-Pk NM Res.	$0.030722	$0.033282	$0.035330	$0.037006	$0.038402
Off-Pk Mi. Res.	$0.000387	$0.000419	$0.000444	$0.000465	$0.000483

Months currently designated as "Peak Months" may be found on GTN's Internet website under "Informational Postings." By March 1 of each year, GTN will post the Peak Months for the upcoming twelve-month period beginning June 1 of the same year.

(f) Applicable to firm service on GTN's Medford Extension.

(g) Reserved for Future Use.

(h) Applies to Diamond Energy service, which commences 1998. Rate is negotiated reservation charge of $0.002972 per Dth per day for first 45,000 Dth/d and $0.001166 per Dth per day for the second 45,000 Dth/d. Revenues will be applied to annual revenue requirement on the Medford Extension.

(i) Applicable to firm service on GTN's Coyote Springs Extension.

(j) The Overrun Charge shall be equal to the rates and charges set forth for interruptible service under Rate Schedule ITS-1.

(k) In accordance with Section 6.22 of the Transportation General Terms and Conditions of this FERC Gas Tariff, Fourth Revised Volume No. 1-A, all Transportation services that involve the physical movement of gas shall pay an ACA unit adjustment. The currently effective ACA unit adjustment as published on the Commission's website (www.ferc.gov) is incorporated herein by reference. This adjustment shall be in addition to the Base Tariff Rate(s) specified above.

(l) Daily reservation charges will be reset for leap years.

(m) Reserved.

(n) The Rate Schedule ITS-1 Mileage Component shall be applied per pipeline mile to gas transported by GTN based on the distance of gas transported. Consult GTN's system map in Section 3 for receipt and delivery point and milepost designations.

(o) The Rate Schedule ITS-1 Non-Mileage Component shall be applied per Dth of gas transported by GTN for immediate delivery to the facilities of another entity or an extension facility.

STATEMENT OF EFFECTIVE RATES AND CHARGES
FOR TRANSPORTATION OF NATURAL GAS FOR

Parking and Lending Service
($/Dth)

	BASE TARIFF RATE	
	MINIMUM	MAXIMUM
PAL Parking and Lending Service:	0.0	0.270268/d

Notes:

Northwest Pipeline LLC
FERC Gas Tariff
Fifth Revised Volume No. 1

Fifth Revised Sheet No. 5
Superseding
Fourth Revised Sheet No. 5

STATEMENT OF RATES
Effective Rates Applicable to
Rate Schedules TF-1, TF-2, TI-1, TFL-1 and TIL-1
(Dollars per Dth)

Rate Schedule and Type of Rate	Base Tariff Rate (1), (3) Minimum	Maximum
Rate Schedule TF-1 (4)(5)		
Reservation		
(Large Customer)		
System-Wide	.00000	.41000
15 Year Evergreen Exp.	.00000	.36263
25 Year Evergreen Exp.	.00000	.34234
Volumetric (2)		
(Large Customer)		
System-Wide	.00813	.03000
15 Year Evergreen Exp.	.00813	.00813
25 Year Evergreen Exp.	.00813	.00813
(Small Customer) (6)	.00813	.72155
Scheduled Overrun (2)	.00813	.44000
Rate Schedule TF-2 (4)(5)		
Reservation	.00000	.41000
Volumetric	.00813	.03000
Scheduled Daily Overrun	.00813	.44000
Annual Overrun	.00813	.44000
Rate Schedule TI-1 (2)		
Volumetric (7)	.00813	.44000
Rate Schedule TFL-1 (4)(5)		
Reservation	-	-
Volumetric (2)	-	-
Scheduled Overrun (2)	-	-
Rate Schedule TIL-1 (2)		
Volumetric	-	-

AVISTA UTILITIES

Case No. AVU-G-15-02

EXHIBIT "D"

Pipeline Tariffs

August 26, 2015

RATE SCHEDULE TF-1
Firm Transportation

1. AVAILABILITY

This Rate Schedule is available as provided herein and incorporates the General Terms and Conditions to any party (hereinafter called "Shipper") for the transportation of natural gas by Transporter through Transporter's mainline transmission system under the following conditions:

(a) Shipper desires firm service and Transporter has available capacity to render such firm service for Shipper. If at the time service is requested under this Rate Schedule, Transporter does not have capacity to receive firm transportation gas at the receipt point(s) requested for redelivery at the delivery point(s) requested, Transporter shall offer to receive firm transportation gas at other receipt point(s) where capacity may be available to enable redelivery at the delivery point(s) requested;

(b) Transporter can commence the service contemplated without need for construction of any additional pipeline facilities, except facilities for which a facilities agreement has been entered into between Transporter and Shipper pursuant to Section 21 or 29 of the General Terms and Conditions of this Tariff; and

(c) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule.

As used in this Rate Schedule, Transporter's mainline transmission system does not include Designated Laterals.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Applicability. This Rate Schedule shall apply to gas transported by Transporter for Shipper pursuant to the executed Service Agreement for service under this Rate Schedule for TF-1 (Large Customer) and TF-1 (Small Customer) service. The Service Agreement will specify the customer category, i.e., whether the Shipper is a Large Customer or Small Customer and, if the Shipper is an incremental expansion customer, whether the Shipper is a Columbia Gorge Expansion customer, a 15-Year Evergreen Expansion customer or a 25-Year Evergreen Expansion customer.

RATE SCHEDULE TF-1
Firm Transportation
(Continued)

2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)

(a) TF-1 (Large Customer): All rate provisions contained in this Rate Schedule apply to TF-1 (Large Customers).

(b) TF-1 (Small Customer): A TF-1 (Small Customer) is any pipeline or distribution company which elects Rate Schedule TF-1 (Small Customer) service and whose aggregate Transportation Contract Demand, as specified in its Service Agreement(s) hereunder, is for 10,000 Dth per day or less. (A Shipper qualified to elect either the TF-1 (Small Customer) or TF-1 (Large Customer) service hereunder may change its election permanently only in connection with the filing of a general Section 4 rate case by Transporter. Transporter shall provide such Shippers with an opportunity to make such an election prior to filing such rate applications.)

(c) Capacity Release Service is service initiated pursuant to Section 22 of the General Terms and Conditions and an executed Service Agreement for Rate Schedule TF-1 (Large Customer) service.

(d) Any Rate Schedule TF-1 (Small Customer) Shipper may convert all of its service temporarily to TF-1 (Large Customer) service to participate in Transporter's Capacity Release Program without amending its service agreement, provided that such temporary conversion shall be for a minimum term of twelve calendar months. Notice of the intent to so convert temporarily to TF-1 (Large Customer) service must be given to Transporter electronically using the TF-1 (Small Customer) temporary conversion election screen available in Northwest Passage on Transporter's Designated Site at least one (1) week prior to the beginning month for which such conversion is to become effective. Shipper's temporary conversion election constitutes agreement to the temporary conversion. Any TF-1 (Small Customer) Shipper participating in a temporary conversion to TF-1 (Large Customer) service shall pay all rates and charges applicable to TF-1 (Large Customer) service

RATE SCHEDULE TF-1
Firm Transportation
(Continued)

2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)

2.1(d) (Continued)

during the term of such temporary conversion, including reservation charges and surcharges applicable to such Shipper's full Transportation Contract Demand or such other rate to which Transporter and Shipper mutually agree, reduced as applicable by revenue credits applicable to Released Capacity. Any Rate Schedule TF-1 (Small Customer) Shipper which participates in such a temporary conversion shall be entitled to return to Rate Schedule TF-1 (Small Customer) service upon expiration of the term of the temporary conversion requested by such Shipper. However, such Shipper shall not be entitled to release its capacity rights for a term which extends beyond the term of the temporary conversion.

2.2 Transportation Components. Transportation service under this Rate Schedule, which does not include service on Designated Laterals, shall consist of:

(a) The receipt by Transporter for the account of Shipper of Shipper's gas at the Receipt Point(s) specified in the executed Service Agreement;

(b) The transportation of such gas through Transporter's pipeline system for the account of Shipper either directly or by displacement; and

RATE SCHEDULE TF-1
Firm Transportation (Continued)

2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)

(c) The delivery of gas in thermally equivalent quantities after transportation (less any fuel use reimbursement furnished in-kind in accordance with Section 14 of the General Terms and Conditions) by Transporter to Shipper or for the account of Shipper at the Delivery Point(s) specified in the executed Service Agreement.

2.3 Character of Service. Transportation service rendered to Shipper under this Rate Schedule is firm up to Shipper's Transportation Contract Demand as specified in its executed Service Agreement, subject to the executed Service Agreement and the limitations of this Rate Schedule, and is not subject to curtailment or interruption except as expressly provided in the General Terms and Conditions. Transportation service rendered under this Rate Schedule in excess of Shipper's Transportation Contract Demand is not firm.

3. MONTHLY RATE(S)

Each month, Shipper will pay Transporter for service rendered under this Rate Schedule the sum of the amounts specified in this Section 3, as applicable. Only those rate provisions contained in Sections 3.2, 3.4, 3.5 and 3.7 apply to TF-1 (Small Customers).

3.1 Reservation Charge.

(a) For TF-1 (Large Customer) service, the Reservation Charge is the sum of the daily product of Shipper's Transportation Contract Demand as specified in the executed Service Agreement and the Base Tariff Reservation Charge stated on Sheet No. 5 of this Tariff that applies to the customer category identified in the Service Agreement. Unless specifically adjusted pursuant to Section 3.5 herein, the Maximum Base Tariff Rate set forth on Sheet No. 5 will apply.

For capacity release service, the Reservation Charge is the sum of the daily product of the accepted reservation charge bid

RATE SCHEDULE TF-1
Firm Transportation
(Continued)

3. MONTHLY RATE(S) (Continued)

price which was bid by a Replacement Shipper or a Prearranged Replacement Shipper under the bidding procedures for capacity releases set forth in Section 22 of the General Terms and Conditions and the Transportation Contract Demand acquired by the Replacement Shipper or the Prearranged Replacement Shipper.

(b) Shipper will pay the Reservation Charges commencing with the primary term begin date set forth in the Service Agreement.

3.2 Volumetric Charge: The sum of (a) and (b) below:

(a) An amount obtained by multiplying (i) the quantity of Dth scheduled for delivery by Transporter to Shipper after transportation during the month, after reduction for fuel use reimbursement furnished in kind in accordance with the terms of the executed Service Agreement and Section 14 of the General Terms and Conditions, by (ii) the TF-1 (Large Customer) or TF-1 (Small Customer) base tariff volumetric transportation rate as set forth on Sheet No. 5 of this Tariff. Unless specifically adjusted pursuant to Section 3.5 herein, the Maximum Base Tariff Rate set forth on Sheet No. 5 shall apply.

(b) An amount obtained by multiplying (i) the quantity of Dth scheduled for delivery by Transporter to Shipper after transportation during the month, after reduction for fuel use reimbursement furnished in kind in accordance with the terms of the executed Service Agreement and Section 14 of the General Terms and Conditions, by (ii) the ACA component as referenced in footnote 2 on Sheet No. 5-A of this Tariff. This charge shall be subject to adjustment in accordance with Section 16 of the General Terms and Conditions.

3.3 Volumetric Release Charges: For Capacity Release service pursuant to Section 22 of the General Terms and Conditions which is provided under a volumetric bid rate the sum of (a), (b) and, if applicable, (c) below:

(a) The amount obtained by multiplying (i) the quantity of Dth scheduled for delivery by Transporter to Replacement Shipper or Prearranged Replacement Shipper after transportation during the month, after

RATE SCHEDULE TF-1
Firm Transportation
(Continued)

3. MONTHLY RATE(S) (Continued)

reduction for fuel use reimbursement furnished in kind in accordance with the terms of the executed Service Agreement and Section 14 of the General Terms and Conditions, by (ii) the accepted volumetric bid made by a Replacement Shipper or a Prearranged Replacement Shipper and by (iii) the Rate Schedule TF-1 Capacity Release Service Base Tariff Volumetric Charge, both as set forth on Sheet No. 5 of this Tariff.

(b) The amount set forth in Section 3.2 (b) hereof.

(c) If the Releasing Shipper has specified a minimum average load factor volumetric commitment, an amount equal to the accepted volumetric bid times the difference, if positive, between (i) the specified average load factor times Replacement Shipper's or Prearranged Replacement Shipper's Transportation Contract Demand times the number of days the Transportation Service Agreement is in effect during the month, and (ii) the quantity of Dth delivered by Transporter to Replacement Shipper or Prearranged Replacement Shipper under the subject Service Agreement during the month.

3.4 Additional Facility Reservation Surcharge: A Shipper who contracts for Columbia Gorge Expansion Project capacity will pay the facility reservation surcharge set forth in the footnotes to Sheet No. 5 of this Tariff and such surcharge will be in addition to all other applicable rates stated in this Section 3. The facility reservation surcharge was derived based on Transportation Contract Demand and the cost of service attributable to the Columbia Gorge Expansion Project incremental facilities and such derivation will remain in place until such time as a different allocation procedure is specified by Commission order. The monthly facilities reservation surcharge will be the sum of the daily product of Shipper's Transportation Contract Demand as specified in the executed Service Agreement and the applicable facility reservation surcharge for the Columbia Gorge Expansion Project facilities specified in the Footnotes to Sheet No. 5 of this Tariff.

RATE SCHEDULE TF-1
Firm Transportation
(Continued)

3. MONTHLY RATE(S) (Continued)

3.5 Discounted Recourse Rates:

(a) Transporter reserves the right to discount at any time the Recourse Rates for any individual Shipper under any service agreement without discounting any other Recourse Rates for that or another Shipper; provided, however, that such discounted Recourse Rates will not be less than the minimum base rates set forth on Sheet No. 5 of this Tariff, or any superseding tariff. Such discounted Recourse Rates may apply to specific volumes of gas (such as volumes above or below a certain level or all volumes if volumes exceed a certain level), volumes of gas transported during specific time periods, and volumes of gas transported from specific receipt points and/or to specific delivery points, within specific corridors, or within other defined geographical areas. If Transporter discounts any Recourse Rates to any Shipper, Transporter will file with the Commission any required reports reflecting such discounts.

RATE SCHEDULE TF-1
Firm Transportation
(Continued)

3. MONTHLY RATE(S) (Continued)

3.6 Charges for Capacity Release Service: The rates for capacity release service are set forth in Sheet No. 5. See Section 22 of the General Terms and Conditions for information about rates for capacity release service, including information about acceptable bids. In the event of a base tariff maximum and/or minimum rate change, wherein the Replacement Shipper has not agreed to pay the Maximum Base Tariff Rate or a percentage of the Maximum Base Tariff Rate (as it may change from time-to-time), the Replacement Shipper will be obligated to pay:

(a) for capacity release transactions that are subject to the Maximum Base Tariff Rate pursuant to FERC regulations: the lesser of the awarded bid rate and the new Maximum Base Tariff Rate unless the awarded bid rate is less than the new minimum rate, in which case the new minimum rate will apply for the remaining term of the release.

(b) for capacity release transactions that are not subject to the Maximum Base Tariff Rate pursuant to FERC regulations: the greater of the minimum base tariff rate and the awarded bid rate for the remaining term of the release.

3.7 Negotiated Rates: Notwithstanding the general provisions of this Section 3, if Transporter and Shipper mutually agree to Negotiated Rates for service hereunder, such Negotiated Rates will apply in lieu of the otherwise applicable rates identified in this Section 3.

3.8 Facilities Charge: If Transporter and Shipper enter into a facilities agreement pursuant to Section 21 or 29 of the General Terms and Conditions for Transporter to construct facilities and for Shipper to pay a facilities charge, the facilities charge will be set forth on Exhibit C to an executed Service Agreement.

RATE SCHEDULE TF-1
Firm Transportation
(Continued)

4. MINIMUM MONTHLY BILL

Unless Transporter and Shipper mutually agree otherwise, the Minimum Monthly Bill will consist of the Reservation Charge specified in Section 3.1 of this Rate Schedule, as applicable.

5. TRANSPORTATION CONTRACT DEMAND

The Transportation Contract Demand is the maximum quantity of Gas, expressed in Dth, that Transporter is obligated to receive (exclusive of fuel reimbursement furnished in-kind pursuant to Section 14 of the General Terms and Conditions), transport and deliver for Shipper on a

RATE SCHEDULE TF-1
Firm Transportation (Continued)

5. TRANSPORTATION CONTRACT DEMAND (Continued)

firm basis on any one Gas Day, as specified in an executed Service Agreement for service under this Rate Schedule. Transporter's service obligation is limited to Shipper's Transportation Contract Demand as adjusted for any released capacity pursuant to Section 22 of the General Terms and Conditions.

As long as the Transportation Contract Demand, as adjusted for any capacity releases, is not exceeded, Transporter shall be obligated to receive up to Shipper's Maximum Daily Quantity (MDQ) at each Primary Receipt Point and to deliver up to Transporter's Maximum Daily Delivery Obligation (MDDO) at each Primary Delivery Point at pressures at least as great as the pressures specified in Shipper's TF-1 Service Agreement, on a firm basis, as such MDQ and MDDO are adjusted for any released capacity pursuant to Section 22 of the General Terms and Conditions.

The aggregate MDQ at the Primary Receipt Points, as specified in a Service Agreement for service under this Rate Schedule, must equal the Transportation Contract Demand. The aggregate MDDO at the Primary Delivery Points, as specified in a Service Agreement for service under this Rate Schedule, must equal the Transportation Contract Demand, except for those Service Agreements that have aggregate MDDOs in excess of Transportation Contract Demand as a result of the grandfathering of pre-existing conjunctive nomination rights under the sales conversion program approved in Docket No. CP92-79.

6. SCHEDULED OVERRUN TRANSPORTATION

On any day Shipper nominates quantities of gas in excess of Shipper's Transportation Contract Demand specified in the executed Service Agreement, Transporter will schedule such quantities in accordance with the priority of service and curtailment policy delineated in Section 12 of the General Terms and Conditions.

RATE SCHEDULE TF-1
Firm Transportation (Continued)

6. SCHEDULED OVERRUN TRANSPORTATION (Continued)

For Scheduled Quantities in excess of Shipper's Transportation Contract Demand, Shipper shall pay for the excess gas transportation on any such day the amounts specified below:

6.1 An amount obtained as the sum of (a) and (b):

(a) An amount obtained by multiplying (i) the quantity of Dth in excess of Transportation Contract Demand by (ii) the maximum base scheduled overrun transportation rate per Dth as set forth on Sheet No. 5 of this Tariff, unless otherwise agreed to by Shipper and Transporter.

(b) An amount obtained by multiplying (i) the quantity of Dth in excess of Transportation Contract Demand by (ii) the ACA component as referenced in footnote 2 on Sheet No. 5-A of this Tariff. This charge shall be subject to adjustment in accordance with Section 16 of the General Terms and Conditions.

(c) Additionally, if Shipper and Transporter have agreed to a rate other than the maximum base scheduled overrun transportation rate, Shipper may, when nominating, electronically select an option that will automatically increase (by a stated dollar increment per dth) such rate up to the rate that will increase the likelihood of such quantities being scheduled pursuant to Section 12 of the General Terms and Conditions.

6.2 The fuel reimbursement provided for in Section 7 of this Rate Schedule.

RATE SCHEDULE TF-1
Firm Transportation (Continued)

7. FUEL GAS REIMBURSEMENT AND BTU BALANCING
Refer to Section 14 of the General Terms and Conditions.

8. SHIPPER'S ARRANGEMENTS PRIOR TO RECEIPT AND AFTER DELIVERY
Refer to Section 14 of the General Terms and Conditions.

9. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions contained in this Tariff, except as modified in the executed Service Agreement, are applicable to this Rate Schedule and are hereby made a part hereof.

10. RESERVATION CHARGE ADJUSTMENTS

10.1 Eligibility. Any Shipper receiving firm transportation service under this Rate Schedule may be eligible for reservation charge adjustments if Transporter fails to provide primary firm transportation due to scheduled or unscheduled maintenance, force majeure, or the Unavailability of Transporter's Facilities.

10.2 Definitions. For purposes of this Section 10 only, the following definitions apply:

Annual Deficiency Volume: The Annual Deficiency Volume for any Constraint Point is the sum of the Deficiency Volumes at that Constraint Point for all Deficiency Periods during a calendar year.

Annual Exemption Volume: The Annual Exemption Volume for any Constraint Point is the lesser of (1) the Constraint Point Design Capacity or (2) the aggregate Constraint Point Firm Rights, times 365 (or 366 days for leap years), multiplied by three percent (3%).

RATE SCHEDULE TF-1
Firm Transportation (Continued)

10. RESERVATION CHARGE ADJUSTMENTS (Continued)

Constraint Point: Any receipt point, delivery point, or corridor through which primary nominations are not confirmed due to scheduled or unscheduled maintenance, force majeure, or the Unavailability of Transporter's Facilities at such constraint point or upstream or downstream of such point which reduce Transporter's ability to flow gas through the point.

Constraint Point Actual Capacity: Physical capacity at a Constraint Point which is available on any day.

Constraint Point Design Capacity: Physical design capacity at a Constraint Point when all facilities are fully functional under reasonably representative operating assumptions.

Constraint Point Firm Rights: The rights of a Shipper under Rate Schedule TF-1 to receive firm service through a Constraint Point, based on (1) primary receipt and delivery point rights and (2) corridor rights where primary receipt and/or delivery points establish a call on the relevant capacity.

Deficiency Period: A Deficiency Period begins on the day when aggregate nominations using Constraint Point Firm Rights exceed Constraint Point Actual Capacity and Transporter is unable to schedule otherwise acceptable nominations due to scheduled or unscheduled maintenance, force majeure, or the Unavailability of Transporter's Facilities. A Deficiency Period continues until the earlier of (1) the day when the Constraint Point Actual Capacity is restored to the level of the Constraint Point Design Capacity or (2) the day when Transporter is able to schedule all otherwise acceptable nominations with applicable Constraint Point Firm Rights. A Deficiency Period may be a Declared Entitlement Period, subject to the provisions of Section 14.6 of the General Terms and Conditions.

RATE SCHEDULE TF-1
Firm Transportation (Continued)

10. RESERVATION CHARGE ADJUSTMENTS (Continued)

Deficiency Volume: The quantity derived from subtracting the Constraint Point Actual Capacity from the lesser of (1) the Constraint Point Design Capacity or (2) the aggregate Constraint Point Firm Rights.

Excess Deficiency Volume: The Excess Deficiency Volume for any Constraint Point is the amount by which the Annual Deficiency Volume for a Constraint Point exceeds the Annual Exemption Volume for that Constraint Point.

Unavailability of Transporter's Facilities: Where Transporter's facilities that have been certificated, constructed, and placed into service cannot be fully utilized for their intended operation and use for reasons other than scheduled or unscheduled maintenance or force majeure.

10.3 Determination of Adjustments. Pursuant to extensive negotiations and the settlement reached between Transporter and Shippers as identified in Docket No. RP99-81-000, and approved by the Commission on November 6, 1998, 85 FERC ¶ 61,195, reservation adjustments will be calculated as follows:

(a) On the first day of any Deficiency Period, Transporter will post to its Designated Site the daily Deficiency Volume for the affected Constraint Point, the Constraint Point Design Capacity, the Constraint Point Actual Capacity, and the estimated duration of the Deficiency Period. Such information may be revised as applicable during the Deficiency Period.

(b) At least 24 hours prior to the end of any Deficiency Period, Transporter will notify affected Shippers via a posting on Transporter's Designated Site, and, if specified by Shipper on the Business Associate Information form, via an Internet E-mail or fax to the Shipper, of the date on which Transporter expects to restore the Constraint Point Design Capacity or to be able to schedule all nominations with Constraint Point Firm Rights. If Transporter is able to restore the Constraint Point Design Capacity or is able to schedule such nominations, the Deficiency Period will be deemed to have ended as specified by Transporter. Otherwise, the Deficiency Period will continue until Constraint Point Design Capacity is restored or aggregate nominations with Constraint Point Firm Rights can be scheduled.

RATE SCHEDULE TF-1
Firm Transportation (Continued)

10. RESERVATION CHARGE ADJUSTMENTS (Continued)

(c) At the end of each calendar year, Transporter will post the Annual Deficiency Volume and the Annual Exemption Volume for each affected Constraint Point. Transporter will then compare the Annual Deficiency Volume for each affected Constraint Point to the Annual Exemption Volume for that Constraint Point. If there is an Excess Deficiency Volume for any Constraint Point, Transporter will allocate such Excess Deficiency Volume pro rata to the affected Shippers, based on Constraint Point Firm Rights during the Deficiency Period(s). Each Shipper's allocation will be the sum of its applicable Constraint Point Firm Rights for all Deficiency Periods divided by the sum of the applicable Constraint Point Firm Rights of all Shippers for those Deficiency Periods, multiplied by the Excess Deficiency Volume for a Constraint Point.

(d) Transporter will calculate reservation charge adjustments under each Service Agreement by multiplying a Shipper's allocated share of the Excess Deficiency Volume for each Constraint Point by the weighted average Base Tariff Reservation Charge paid under such Service Agreement for such Constraint Point for the Deficiency Periods during which the Service Agreement was in effect.

10.4 Payment. All reservation charge adjustments will be issued or refunds paid within 90 days from the end of the applicable calendar year.

RATE SCHEDULE TF-1
Firm Transportation
(Continued)

10. RESERVATION CHARGE ADJUSTMENTS (Continued)

10.5 Sole Remedy. Reservation charge adjustments pursuant to this Section 10 are Shipper's sole remedy for damages relating to Transporter's failure to provide primary firm transportation service under Rate Schedule TF-1, unless such damages result from the negligence or willful misconduct of Transporter.

11. RECEIPT AND DELIVERY POINT FLEXIBILITY

11.1 Permanent Changes to Primary Receipt and Delivery Points. Subject to the availability provisions of this Rate Schedule, any Shipper may permanently change primary receipt or delivery points by amending Exhibit A of the Service Agreement.

11.2 Use of Alternate Receipt and Delivery Points on a Temporary Basis.

(a) All TF-1 Shippers may use any physical receipt or delivery point without amending Exhibit A of the Service Agreement. Such points will be available for the receipt or delivery of gas on a firm basis, in accordance with the scheduling priorities delineated in Section 12 of the General Terms and Conditions.

(b) Transporter shall schedule service at alternate receipt and delivery points on a daily basis pursuant to Section 14 of the General Terms and Conditions.

(c) The scheduling of service at alternate receipt or delivery points under a Service Agreement will not result in the loss of firm contract rights to a Shipper's primary receipt or delivery points as specified in the Shipper's Service Agreement.

11.3 Procedures for Requesting Permanent Receipt and Delivery Point Changes. Any Shipper who wishes to amend the primary receipt or delivery points, or the associated Maximum Daily Quantity or Maximum Daily Delivery Obligation named in Exhibit A of its Service Agreement, will electronically request and execute on Transporter's Designated Site an amendment to the applicable Service Agreement

RATE SCHEDULE TF-1
Firm Transportation
(Continued)

11. RECEIPT AND DELIVERY POINT FLEXIBILITY (Continued)

by 1:00 p.m. Central Clock Time (12:00 noon Mountain Clock Time) four (4) business days prior to the first of the month for which the change is desired, or for changes to occur during a month, after the first of the month, two (2) business days prior to the commencement of service, unless otherwise agreed to by the parties. If Transporter determines that a receipt or delivery point change request can be honored, the amendment to the Service Agreement will be executed by Transporter. The change will become effective on the later of the requested effective date or the date executed by Transporter, provided that such date shall not exceed fifteen days from the date of receipt of the amendment by Transporter. Notice of the resulting changes in available receipt or delivery point capacity will be posted to Transporter's Designated Site at least one (1) business day prior to implementation of such change.

Firm receipt and delivery point and associated mainline capacity will be posted to Transporter’s Designated Site pursuant to Section 25.2 of the General Terms and Conditions and will be available for permanent receipt and/or delivery point changes only pursuant to the procedures outlined in Section 25 of the General Terms and Conditions.

11.4 Transporter's Maximum Service Obligation. The total volumes nominated for service on any day for all receipt or delivery points must not exceed Transportation Contract Demand under a Shipper's firm Service Agreement, except as otherwise provided in Section 6 of this Rate Schedule.

12. CONTRACT TERM EXTENSIONS

12.1 Standard Unilateral Evergreen Provision. If Transporter and Shipper agree to include a standard unilateral evergreen provision as indicated on Exhibit A of a long-term Service Agreement, the following conditions will apply:

(a) The established rollover period will be one year.

The currently effective system map is available on GTN's Internet website at
http://tcplus.com/GTN/systemmap.

STATEMENT OF RATES

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR TRANSPORTATION OF NATURAL GAS

Rate Schedules FTS-1 and LFS-1

	RESERVATION DAILY MILEAGE (a) (Dth-MILE)		RESERVATION DAILY NON-MILEAGE (b) (Dth)		DELIVERY (c) (Dth-MILE)		FUEL (d) (Dth-MILE)	
	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.
BASE	0.000483	0.000000	0.038402	0.000000	0.000016	0.000016	0.0050%	0.0000%
STF (e)	(e)	0.000000	(e)	0.000000	0.000016	0.000016	0.0050%	0.0000%
EXTENSION CHARGES								
MEDFORD								
E-1 (f)	0.003290	0.000000	0.005498	0.000000	0.000026	0.000026	---	---
E-2 (h)(l) (Diamond 1)	0.002972	0.000000	---	---	0.000000	0.000000	---	---
E-2 (h)(l) (Diamond 2)	0.001166	0.000000	---	---	0.000000	0.000000	---	---
COYOTE SPRINGS								
E-3 (i)	0.001412	0.000000	0.001420	0.000000	0.000000	0.000000	---	---
OVERRUN CHARGE (j)	---	---	---	---	---	---	---	---
SURCHARGES								
ACA (k)	---	---	---	---	(k)	(k)	---	---

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR
TRANSPORTATION OF NATURAL GAS (a)

Rate Schedule ITS-1

	MILEAGE (n) (Dth-Mile)		NON-MILEAGE (o) (Dth)		DELIVERY (c) (Dth-Mile)		FUEL (d) (Dth-Mile)	
	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.
BASE	(e)	0.000000	(e)	0.000000	0.000016	0.000016	0.0050%	0.0000%
EXTENSION CHARGES								
MEDFORD								
E-1 (Medford) (f)	0.003290	0.000000	0.005498	0.000000	0.000026	0.000026	---	---
COYOTE SPRINGS								
E-3 (Coyote Springs) (i)	0.001412	0.000000	0.001420	0.000000	0.000000	0.000000	---	---
SURCHARGES								
ACA (k)	---	---	(k)	(k)	---	---	---	---

STATEMENT OF EFFECTIVE RATES AND CHARGES
FOR TRANSPORTATION OF NATURAL GAS

Notes:

(a) The mileage component shall be applied per pipeline mile to gas transported by GTN for delivery to shipper based on the primary receipt and delivery points in Shipper's contract. Consult GTN's system map in Section 3 for receipt and delivery point and milepost designations.

(b) The non-mileage component is applied per Shipper's MDQ at Primary Point(s) of Delivery on Mainline Facilities.

(c) The delivery rates are applied per pipeline mile to gas transported by GTN for delivery to shipper based on distance of gas transported. Consult GTN's system map in Section 3 for receipt and delivery point and milepost designations.

(d) Fuel Use: Shipper shall furnish gas used for compressor station fuel, line loss, and other utility purposes, plus other unaccounted-for gas used in the operation of GTN's combined pipeline system in an amount equal to the sum of the current fuel and line loss percentage and the fuel and line loss percentage surcharge in accordance with Section 6.38 of this tariff, multiplied by the distance in pipeline miles transported from the receipt point to the delivery point multiplied by the transportation quantities of gas received from Shipper under these rate schedules. The current fuel and line loss percentage shall be adjusted each month between the maximum rate of 0.0050% per Dth per pipeline mile and the minimum rate of 0.0000% per Dth per mile. The fuel and line loss percentage surcharge is 0.0000% per Dth per pipeline mile. No fuel use charges will be assessed for backhaul service. Currently effective fuel charges may be found on GTN's Internet website under "Informational Postings."

(e) Seasonal recourse rates apply to short-term firm (STF) service under Rate Schedule FTS-1 (i.e., firm service that has a term of less than one year and that does not include multiple-year seasonal service) and IT Service under Rate Schedule ITS-1. By March 1 of each year GTN may designate up to four (4) months as peak months during a twelve-month period beginning on June 1 of the same year through May 31 of the following year. All other months will be considered off-peak months. Reservation rate components that apply to STF service and per-unit-rate IT service are as follows (delivery charges and applicable surcharges continue to apply):

	4 Peak Mos.	3 Peak Mos.	2 Peak Mos.	1 Peak Mo.	0 Peak Mos.
Peak NM Res.	$0.053763	$0.053763	$0.053763	$0.053763	$0.038402
Peak Mi. Res.	$0.000676	$0.000676	$0.000676	$0.000676	$0.000483

Off-Pk NM Res.	\$0.030722	\$0.033282	\$0.035330	\$0.037006	\$0.038402
Off-Pk Mi. Res.	\$0.000387	\$0.000419	\$0.000444	\$0.000465	\$0.000483

Months currently designated as "Peak Months" may be found on GTN's Internet website under "Informational Postings." By March 1 of each year, GTN will post the Peak Months for the upcoming twelve-month period beginning June 1 of the same year.

(f) Applicable to firm service on GTN's Medford Extension.

(g) Reserved for Future Use.

(h) Applies to Diamond Energy service, which commences 1998. Rate is negotiated reservation charge of \$0.002972 per Dth per day for first 45,000 Dth/d and \$0.001166 per Dth per day for the second 45,000 Dth/d. Revenues will be applied to annual revenue requirement on the Medford Extension.

(i) Applicable to firm service on GTN's Coyote Springs Extension.

(j) The Overrun Charge shall be equal to the rates and charges set forth for interruptible service under Rate Schedule ITS-1.

(k) In accordance with Section 6.22 of the Transportation General Terms and Conditions of this FERC Gas Tariff, Fourth Revised Volume No. 1-A, all Transportation services that involve the physical movement of gas shall pay an ACA unit adjustment. The currently effective ACA unit adjustment as published on the Commission's website (www.ferc.gov) is incorporated herein by reference. This adjustment shall be in addition to the Base Tariff Rate(s) specified above.

(l) Daily reservation charges will be reset for leap years.

(m) Reserved.

(n) The Rate Schedule ITS-1 Mileage Component shall be applied per pipeline mile to gas transported by GTN based on the distance of gas transported. Consult GTN's system map in Section 3 for receipt and delivery point and milepost designations.

(o) The Rate Schedule ITS-1 Non-Mileage Component shall be applied per Dth of gas transported by GTN for immediate delivery to the facilities of another entity or an extension facility.

RESERVED FOR FUTURE USE

STATEMENT OF EFFECTIVE RATES AND CHARGES
FOR TRANSPORTATION OF NATURAL GAS FOR

Parking and Lending Service
($/Dth)

	BASE TARIFF RATE MINIMUM	MAXIMUM
PAL Parking and Lending Service:	0.0	0.270268/d

Notes:

STATEMENT OF EFFECTIVE RATES AND CHARGES
FOR TRANSPORTATION OF NATURAL GAS

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULES FTS-1 AND LFS-1

SHIPPER	TERM OF CONTRACT	RATE SCHEDULE	DTH/D	PRIMARY RECEIPT POINT	PRIMARY DELIVERY POINT	RATE /2 /3
Avista Corporation /1	11/1/01 - 10/31/25	FTS-1	20,000	Medford	Medford Ext. Meter	/7
Coral Energy Resources, LP /1	04/1/03 - /10	FTS-1	20,000	Malin	Kingsgate	/10
Pacific Gas and Electric Co. /1	01/01/12 - 05/31/14	FTS-1	50,000	Kingsgate	Malin	/4

STATEMENT OF EFFECTIVE RATES AND CHARGES
FOR TRANSPORTATION OF NATURAL GAS

Negotiated Rate Agreements Under Rate Schedules FTS-1 and LFS-1

Explanatory Footnotes for Negotiated Rates
under Rate Schedules FTS-1 and LFS-1

/1 This contract does not deviate in any material aspect from the Form of Service Agreement in this Tariff.

/2 Unless otherwise noted, all Shippers pay GTN's maximum Reservation Charge, Delivery Charge, ACA, and contribute fuel in-kind in accordance with this Tariff.

/3 Index Price References: Unless otherwise noted, references to "Daily Index Price" shall mean the price survey midpoint for the specified point as published in Gas Daily for the day of gas flow. Weekend and holiday prices will be determined using the next available Gas Daily publication. Unless otherwise noted, the references to the "NGI FOM" for a specified point shall mean Natural Gas Intelligence's First of Month Bid Week Survey (Supplement to NGI's Weekly Gas Index) Spot Gas Price for the specified point.

/4 The Maximum LTF Settlement Rate, as filed on October 31, 2007, in the Stipulation and Agreement of Settlement in Docket No. RP06-407-000 ("Settlement"), and approved by the Federal Energy Regulatory Commission on January 7, 2008, applies to the remaining initial term of contract F-10526 beyond the "Moratorium," as that term is defined in Article V.A.1 of the Settlement.

/5 Reserved

/6 Reserved

/7 The Reservation charge shall be equal to the rate set forth in GTN's FERC Gas Tariff identified as FTS-1 E-2 (WWP), or its successor, multiplied by the appropriate Effective Period Percentage as shown in the following table.

Effective Period	Percentage
11/1/01-10/31/02	75%
11/1/02-10/31/03	80%
11/1/03-10/31/04	85%
11/1/04-10/31/05	90%
11/1/05-10/31/06	95%
11/1/06-10/31/25	100%

The Daily Delivery Charge shall be equal to the 100% load factor equivalent of the FTS-1 E-2 rate, or its successor, and shall be multiplied by the positive difference between (a) volumes delivered and (b) the contract MDQ times the appropriate Effective Period Percentage.

Daily Delivery Charge = [Dth Delivered - (MDQ * Effective Period %)] * 100% Load Factor Equivalent FTS-1 E-2

/8 Reserved

/9 Reserved

/10 The Reservation Rate shall be $0.02/Dth applied to the MDQ of the Agreement. In addition to the Reservation Rate, Coral shall pay commodity charges based on the actual gas transported. The Commodity Rate shall be redetermined daily and will equal (the Gas Daily Midpoint Price for PG&E, Malin minus the Gas Daily Midpoint Price for Stanfield, Ore. minus an Allowance for GTN Fuel minus $0.004356/Dth minus $0.02/Dth minus the applicable ACA surcharge per Dth) multiplied by 50%.

The Allowance for GTN Fuel shall be determined daily by the following expression:

The Gas Daily Midpoint Price for Stanfield, Ore. multiplied by the applicable fuel and line loss percentage for the actual path utilized to transport gas.

In the event that the index for Stanfield, Ore. and/or PG&E, Malin are not published on any given day (other than a weekend or holiday), prices will be determined based on the last published information for such index.

In the event that the index price for Stanfield, Ore. and/or PG&E, Malin are not published on at least three business days within a span of six business days, either party may request negotiation of a replacement rate structure (a "Renegotiation Request"). Upon such Renegotiation Request, GTN and Coral will use diligent, good faith efforts to come to a mutually agreeable replacement rate structure. Firm Transportation Service Agreement No. 08612 will terminate on the seventh day following a Renegotiation Request in the event the parties do not agree on a replacement rate structure prior to such termination.

This Agreement shall become effective April 1, 2003, and shall continue in full force and effect through April 30, 2003 and month to month thereafter, with either party having the right to terminate the Agreement, upon no less than 7 days notice to the other, given prior to the first day of any subsequent month.

/11 Reserved

/12 Reserved

/13 Reserved

/14 Reserved

/15 Reserved

/16 Reserved

/17 Reserved

/18 Reserved

STATEMENT OF EFFECTIVE RATES AND CHARGES
FOR TRANSPORTATION OF NATURAL GAS

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE ITS-1 AND PAL

SHIPPER	TERM OF CONTRACT	RATE SCHEDULE	DTH/D	PRIMARY RECEIPT POINT	PRIMARY DELIVERY POINT	RATE /2 /3

STATEMENT OF EFFECTIVE RATES AND CHARGES
FOR TRANSPORTATION OF NATURAL GAS

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE ITS-1 AND PAL

Explanatory Footnotes for Negotiated Rates under Rate Schedule ITS-1 and PAL

/1 This contract does not deviate in any material aspect from the Form of Service Agreement in this Tariff.

/2 Unless otherwise noted, all Shippers pay GTN's maximum Mileage and Non-Mileage Charge, ACA, and contribute fuel in-kind in accordance with this Tariff.

/3 Index Price References: Unless otherwise noted, references to "Daily Index Price" shall mean the price survey midpoint for the specified point as published in Gas Daily for the day of gas flow. Weekend and holiday prices will be determined using the next available Gas Daily publication. Unless otherwise noted, the references to the "NGI FOM" for a specified point shall mean Natural Gas Intelligence's First of Month Bid Week Survey (Supplement to NGI's Weekly Gas Index) Spot Gas Price for the specified point.

NON-CONFORMING SERVICE AGREEMENTS
PURSUANT TO § 154.112(b)

Name of Shipper	Contract Number	Rate Schedule	Effective Date	Termination Date
Cascade Natural Gas Corporation	152	FTS-1	11/1/1993	10/31/2023
Chevron USA Inc.	153	FTS-1	11/1/1993	10/31/2023
City of Burbank	154	FTS-1	11/1/1993	10/31/2023
IGI Resources, Inc.	158	FTS-1	11/1/1993	10/31/2013
Northern California Power Agency	163	FTS-1	11/1/1993	10/31/2023
Talisman Energy Inc	167	FTS-1	11/1/1993	10/31/2023
Paramount Resources US Inc.	168	FTS-1	11/1/1993	10/31/2023
Petro-Canada Hydrocarbons, Inc.	169	FTS-1	11/1/1993	10/31/2023
Sacramento Municipal Utility District	170	FTS-1	11/1/1993	10/31/2023
Avista Corporation	177	FTS-1	11/1/1993	10/31/2023
Avista Corporation	178	FTS-1	11/1/1993	10/31/2023
Cascade Natural Gas Corporation	179	FTS-1	11/1/1993	10/31/2023
Northwest Natural Gas Company	180	FTS-1	11/1/1993	10/31/2023
Puget Sound Energy, Inc.	181	FTS-1	11/1/1993	10/31/2023
Avista Corporation	182	FTS-1	11/1/1993	10/31/2023
Avista Corporation	2591	FTS-1	8/1/1995	10/31/2025
Avista Corporation	2857	FTS-1	11/1/1995	10/31/2025
Avista Corporation	2858	FTS-1	11/1/1995	10/31/2025
Iberdrola Renewables, Inc.	7828	FTS-1	6/3/2001	10/31/2025
Avista Corporation	8035	FTS-1	11/1/2001	10/31/2025
Pacific Gas and Electric Company	111	ITS-1	2/1/1992	10/31/2010
Northwest Natural Gas Company	112	ITS-1	4/1/1992	3/31/2011
Petro-Canada Hydrocarbons, Inc.	119	ITS-1	4/22/1992	4/22/2011
Morgan Stanley Capital Group Inc.	144	ITS-1	7/23/1993	9/30/2010
Shell Energy North America (US), L.P.	146	ITS-1	8/1/1993	8/1/2010
BP Canada Energy Marketing Corp.	4621	AIS-1	12/1/1996	12/31/2010
Sempra Energy Trading Corp.	4721	AIS-1	1/1/1997	12/31/2010
EnCana Marketing (USA) Inc.	4770	AIS-1	1/25/1997	12/31/2010
Nexen Marketing U.S.A., Inc.	6759	AIS-1	6/17/1999	12/31/2010
Shell Energy North America (US), L.P.	7047	AIS-1	4/10/2000	12/31/2010
Sierra Pacific Power Company	7068	AIS-1	4/27/2000	12/4/2019
City of Glendale	7804	AIS-1	5/30/2001	12/31/2021
Iberdrola Renewables, Inc.	7806	AIS-1	5/30/2001	12/31/2021
Petro-Canada Hydrocarbons, Inc.	7807	AIS-1	5/30/2001	12/31/2021
Chevron U.S.A. Inc.	7812	AIS-1	5/30/2001	12/31/2021
Salmon Resources Ltd.	7816	AIS-1	5/30/2001	12/31/2021
Constellation Energy Commodities Group, Inc.	8038	AIS-1	8/2/2001	8/31/2021
Enserco Energy Inc.	8176	AIS-1	11/27/2001	11/30/2021
ConocoPhillips Company	8228	AIS-1	1/8/2002	1/31/2022
UBS AG (London Branch)	8318	AIS-1	4/11/2002	4/30/2023

Concord Energy LLC	8421	AIS-1	7/22/2002	7/31/2012
Tenaska Marketing Ventures	8559	AIS-1	1/1/2003	12/31/2012
Cargill, Inc.	8594	AIS-1	3/19/2003	3/31/2013
Merrill Lynch Commodities, Inc.	8674	AIS-1	6/13/2003	6/13/2023
Apache Corporation	8670	AIS-1	7/1/2003	6/30/2013
Tenaska Marketing Ventures	8880	AIS-1	12/1/2003	11/30/2013
California Dept. of Water Resources	8887	AIS-1	12/1/2003	7/1/2011
United Energy Trading, LLC	9002	AIS-1	3/1/2004	2/28/2014
Select Natural Gas LLC	8978	AIS-1	3/3/2004	3/3/2014
National Fuel Marketing Company LLC	9035	AIS-1	4/27/2004	4/30/2014
Fortis Energy Marketing & Trading GP	9115	AIS-1	7/17/2004	6/30/2014
Powerex Corp.	9149	AIS-1	8/16/2004	7/31/2014
Louis Dreyfus Energy Services L.P.	9281	AIS-1	11/8/2004	10/31/2014
Pacific Summit Energy LLC	9285	AIS-1	11/15/2004	10/31/2010
Devlar Energy Marketing, LLC	9630	AIS-1	6/1/2005	5/31/2015
Suncor Energy Marketing Inc.	9774	AIS-1	10/1/2005	9/30/2015
CanNat Energy Inc.	10197	AIS-1	7/26/2006	7/25/2011
Eagle Energy Partners I, LP	10308	AIS-1	10/27/2006	10/31/2011
Sequent Energy Management LP	10336	AIS-1	11/1/2006	10/31/2010
Occidental Energy Marketing, Inc.	10359	AIS-1	12/22/2006	12/31/2010
NextEra Energy Power Marketing, LLC	10625	AIS-1	4/10/2008	4/30/2018
Natural Gas Exchange, Inc.	10639	AIS-1	4/29/2008	4/30/2018
Citigroup Energy Inc.	10646	AIS-1	5/30/2008	5/31/2018
IGI Resources, Inc.	4576	PS-1	12/1/1996	12/31/2010
Macquarie Cook Energy, LLC	4619	PS-1	12/1/1996	12/31/2010
Sempra Energy Trading Corp.	4720	PS-1	1/1/1997	12/31/2010
EnCana Marketing (USA) Inc.	4868	PS-1	3/1/1997	12/31/2010
Shell Energy North America (US), L.P.	4908	PS-1	3/5/1997	12/31/2010
Husky Gas Marketing Inc.	5348	PS-1	7/3/1997	12/31/2010
Enserco Energy Inc.	5677	PS-1	10/6/1997	12/31/2010
National Fuel Marketing Company LLC	5679	PS-1	10/7/1997	12/31/2010
United States Gypsum Company	5837	PS-1	11/3/1997	5/17/2010
Northwest Natural Gas Company	5992	PS-1	2/13/1998	12/31/2023
Chevron U.S.A. Inc.	6226	PS-1	5/14/1998	12/31/2010
San Diego Gas & Electric Company	6378	PS-1	8/25/1998	12/31/2010
Southern California Gas Company	6613	PS-1	12/14/1998	12/31/2010
Puget Sound Energy, Inc.	7061	PS-1	4/20/2000	4/20/2020
Hermiston Generating Company, L.P.	7798	PS-1	5/30/2001	12/31/2021
City of Glendale	7803	PS-1	5/30/2001	12/31/2021
Iberdrola Renewables, Inc.	7805	PS-1	5/30/2001	12/31/2021
Questar Energy Trading Company	7819	PS-1	5/30/2001	12/31/2021
El Paso Energy Marketing Company	7820	PS-1	5/30/2001	12/31/2021
Sempra Energy Trading Corp.	7833	PS-1	6/14/2001	6/8/2020
Constellation Energy Commodities Group, Inc.	8037	PS-1	8/2/2001	8/31/2021
ConocoPhillips Company	8229	PS-1	1/8/2002	1/31/2022
Tractebel Energy Marketing, Inc.	8283	PS-1	3/14/2002	3/31/2022
UBS AG (London Branch)	8316	PS-1	4/11/2002	4/30/2023

RWE Trading Americas Inc.	8324	PS-1	4/16/2002	4/30/2022
Fortis Energy Marketing & Trading GP	8340	PS-1	5/2/2002	5/31/2022
Concord Energy LLC	8406	PS-1	7/22/2002	7/31/2012
Select Natural Gas LLC	8534	PS-1	11/15/2002	10/31/2012
Tenaska Marketing Ventures	8539	PS-1	12/1/2002	11/30/2012
Cargill, Inc.	8595	PS-1	3/19/2003	3/31/2013
United Energy Trading, LLC	8652	PS-1	5/23/2003	5/31/2013
Apache Corporation	8668	PS-1	7/1/2003	6/30/2013
Occidental Energy Marketing, Inc.	8784	PS-1	9/10/2003	8/31/2013
Tenaska Marketing Ventures	8873	PS-1	12/1/2003	11/30/2013
California Dept. of Water Resources	8886	PS-1	12/1/2003	7/1/2011
Devon Canada Marketing Corporation	8923	PS-1	2/1/2004	1/31/2014
Merrill Lynch Commodities, Inc.	9018	PS-1	4/7/2004	4/7/2014
Pacific Summit Energy LLC	9173	PS-1	8/30/2004	8/30/2010
Louis Dreyfus Energy Canada LP	9263	PS-1	10/29/2004	10/31/2010
Louis Dreyfus Energy Services L.P.	9273	PS-1	11/4/2004	10/31/2014
Devlar Energy Marketing, LLC	9584	PS-1	5/2/2005	4/30/2015
Suncor Energy Marketing Inc.	9772	PS-1	10/1/2005	9/30/2015
J.P. Morgan Ventures Energy Corporation	9948	PS-1	2/1/2006	1/31/2016
CanNat Energy Inc.	10195	PS-1	7/26/2006	7/25/2011
Eagle Energy Partners I, LP	10310	PS-1	10/27/2006	10/31/2011
Sequent Energy Management LP	10332	PS-1	11/1/2006	10/31/2011
El Paso Ruby Holding Company, LLC	12071	FTS-1	11/1/2012	3/31/2018

RATE SCHEDULES

RATE SCHEDULE FTS-1
FIRM TRANSPORTATION SERVICE

5.1.1 AVAILABILITY

This rate schedule is available to any party (hereinafter called "Shipper") qualifying for service pursuant to the Commission's Regulations contained in 18 CFR Part 284, and who has executed a Firm Transportation Service Agreement with GTN in the form contained in this FERC Gas Tariff, Fourth Revised Volume No. 1-A.

5.1.2 APPLICABILITY AND CHARACTER OF SERVICE

This rate schedule shall apply to firm gas transportation services performed by GTN for Shipper pursuant to the executed Firm Transportation Service Agreement between GTN and Shipper. GTN shall receive from Shipper such daily quantities of gas up to the Shipper's Maximum Daily Quantity as specified in the executed Firm Transportation Service Agreement between GTN and Shipper plus the required quantity of gas for fuel and line loss associated with service under this Rate Schedule FTS-1 and redeliver an amount equal to the quantity received less the required quantity of gas for fuel and line loss. This transportation service shall be firm and not subject to curtailment or interruption except as provided in the Transportation General Terms and Conditions. A Shipper's Maximum Daily Quantity shall be a uniform quantity throughout the contract term, except that GTN may, on a not unduly discriminatory basis, agree to differing monthly levels in the Shipper's Maximum Daily Quantity during the term of Shipper's contract. Shipper's Maximum Daily Quantity and any differing levels in the Maximum Daily Quantity, as well as the period of such differing Maximum Daily Quantity levels, shall be specified in the executed Firm Transportation Service Agreement.

Firm transportation service shall be subject to all provisions of the executed Firm Transportation Service Agreement between GTN and Shipper and the applicable Transportation General Terms and Conditions.

5.1.3 RATES

Shipper shall pay GTN each month the sum of the Reservation Charges, the Delivery Charge, plus any applicable Extension Charge, Overrun Charge and applicable surcharges for the quantities of natural gas delivered. The rate(s) set forth in GTN's current Effective Rates and Charges for Transportation of Natural Gas in this FERC Gas Tariff, Fourth Revised Volume No. 1-A are applied to transportation service rendered under this rate schedule.

5.1.3.1 Reservation Charge.

The Reservation Charge shall be the sum of the Mileage and the Non-Mileage Component:

(a) Mileage Component.

The Mileage Component shall be the product of the currently effective Mileage Rate as set forth in Section 4.1, the distance, in pipeline miles, from the Primary Point(s) of receipt to the Primary Point(s) of Delivery on Mainline Facilities as set forth in Shipper's Contract, and the Shipper's Maximum Daily Quantity at such Point(s).

(b) Non-Mileage Component.

The Non-Mileage Component shall be the product of the currently effective Non-Mileage Rate as set forth in Section 4.1 and the Shipper's Maximum Daily Quantity at Primary Point(s) of Delivery on Mainline Facilities.

(c) Shipper's obligation to pay the Reservation Charge is independent of Shipper's ability to obtain export authorization from the National Energy Board of Canada, Canadian provincial removal authority, and/or import authorization from the United States Department of Energy, and shall begin with the execution of the Firm Transportation Service Agreement by both parties. The Reservation Charge due and payable shall be computed beginning in the month in which service is first available (prorated if beginning in the month in which service is available on a date other than the first day of the month). Thereafter, the daily Reservation Charge shall be due and payable each month during the Initial (and Subsequent) Term(s) of the Shipper's executed Firm Transportation Service Agreement and is unaffected by the quantity of gas transported by GTN to Shipper's delivery point(s) in any month except as provided for in Sections 5.1.3.9 and 5.1.3.10 of this rate schedule.

5.1.3.2 Delivery Charge.

The Delivery Charge shall be the product of the Delivery Rate as set forth in Section 4.1, the quantities of gas delivered in the month (in Dth) (excluding Authorized Overrun) at point(s) of delivery on Mainline Facilities, and the distance, in pipeline miles, from the point(s) of receipt to point(s) of delivery on Mainline Facilities.

5.1.3.3 Extension Charge.

If Shipper designates a Primary Point of delivery on an Extension Facility, then in addition to all other charges that are applicable, Shipper shall pay the Extension Charge, which shall consist of a reservation and delivery component.

(a) The reservation component of the Extension Charge shall be the product of Shipper's Maximum Daily Quantity at the Primary Point(s) of delivery on the Extension Facility, the applicable Extension reservation rate as set forth in Section 4.1, and the distance, in pipeline miles, from the Receipt Point(s) on the Extension Facility to the Primary Point(s) of delivery.

(b) The delivery component of the Extension Surcharge shall be the product of the quantities delivered at the point(s) of delivery on the Extension Facility, the applicable Extension delivery rate as set forth in Section 4.1, and the distance, in pipeline miles, from the Receipt Point(s) on the Extension Facility to the point(s) of delivery.

5.1.3.4 Authorized Overrun Charge.

Quantities in excess of Shipper's MDQ shall be transported when capacity is available on the GTN system and when the provision of such Authorized Overruns shall not affect any Shipper's rights on the GTN System. Authorized Overruns are interruptible in nature. The rate charged shall be the same as the rates and charges for interruptible transportation under Rate Schedule ITS-1 as set forth in Section 4.1, and such Authorized Overruns shall be subject to the priority of service provisions of Section 6.19 of the Transportation General Terms and Conditions.

5.1.3.5 Applicability of Surcharges.

Shipper shall pay all reservation and usage surcharges applicable to the service provided to such Shipper as set forth in GTN's FERC Gas Tariff, Fourth Revised Volume No. 1-A. Such surcharges shall be deemed to be part of Shipper's Reservation and Delivery Charges.

5.1.3.6 Discounts.

Shipper shall pay the Maximum Reservation Charge, and the Maximum Delivery Charge for service under this Rate Schedule unless GTN offers to discount the Mileage Rate components or the Non-Mileage Rate components of the Reservation Rate or the Delivery Rate under this rate schedule. If GTN elects to discount any such rate, GTN shall provide notice to Shipper of the effective date of such discount and the quantity of gas so affected; provided, however, such discount shall not be unduly discriminatory between individual shippers. The rates for service under this rate schedule shall not be discounted below the Minimum Reservation Charge, the Minimum Delivery Rate, and applicable ACA Surcharge.

5.1.3.7 Backhauls.

Backhauls (as defined in Section 6.1 paragraph 31 of the Transportation General Terms and Conditions) shall be subject to the same charges as forward haul (as defined in Section 6.1 paragraph 30 of the Transportation General Terms and Conditions) except that no gas shall be retained by GTN for compressor station fuel, line loss and other unaccounted-for gas. Backhauls are subject to the operating conditions of GTN's pipeline and will not be made available to Shipper if GTN determines, in its sole discretion, that such transportation is operationally infeasible or otherwise not available.

5.1.3.8 Capacity Release.

(a) Releasing Shippers:

Shipper shall have the option to release capacity pursuant to the provisions of GTN's capacity release program as specified in the Transportation General Terms and Conditions. Shipper may release its capacity, up to Shipper's Maximum Daily Quantity under this rate schedule, in accordance with the provisions of Section 6.28 of GTN's Transportation General Terms and Conditions of this FERC Gas Tariff, Fourth Revised Volume No. 1-A. Shipper shall pay a fee associated with the marketing of capacity by GTN (if applicable) in accordance with Section 6.28 of the Transportation General Terms and Conditions. This fee shall be negotiated between GTN and the Releasing Shipper.

(b) Replacement Shippers:

Shipper may receive released capacity service under this rate schedule pursuant to Section 6.28 of the Transportation General Terms and Conditions and is required to execute a service agreement in the form contained for capacity release under Rate Schedule FTS-1 in this Fourth Revised Volume No. 1-A.

Shipper shall pay GTN each month for transportation service under this rate schedule and as set forth in GTN's current Statement of Effective Rates and Charges in this Fourth Revised Volume No. 1-A. Charges to be paid shall be the sum of the Reservation Charge, Delivery Charge, and other applicable surcharges or penalties.

5.1.3.9 Reservation Charge Credit - Force Majeure Event.

As used in this Section 5.1.3.9, Firm Daily Volume shall mean the volume of gas which GTN is obligated to deliver on a firm basis at Shipper's primary firm delivery point(s) on a Gas Day, based on confirmable nominations for firm service within Shipper's Maximum Daily Quantity. If, due to an event of Force Majeure as defined in Section 6.10 of the General Terms and Conditions of this FERC Gas Tariff, GTN is unable to deliver any portion of Shipper's Firm Daily Volume for a period greater than ten (10) consecutive days, then for each day beyond ten (10) days that GTN so fails to provide service the applicable reservation charges including applicable reservation-based surcharges shall not apply to the quantity of gas not delivered by GTN within the Shipper's Firm Daily Volume; provided, however, that these charges shall not be eliminated to the extent that the Shipper utilizes secondary point service.

5.1.3.10 Reservation Charge Credit - Non-Force Majeure Event.

As used in this Section 5.1.3.10, Firm Daily Volume shall mean the volume of gas which GTN is obligated to deliver on a firm basis at Shipper's firm delivery point(s) on a Gas Day, based on confirmable nominations for primary firm service within Shipper's Maximum Daily Quantity. Except as provided for in Section 5.1.3.9 above, in the event GTN fails to deliver any portion of Shipper's Firm Daily Volume on any Gas Day under any firm contract, then the applicable reservation charges including applicable reservation-based surcharges shall not apply to the quantity of gas not delivered by GTN within the Shipper's Firm Daily Volume; provided, however, that these charges shall not be eliminated to the extent that the Shipper utilizes secondary point service.

5.1.3.11 Reservation Charge Credit – Confirmable Nominations.

Any exemption from crediting for nominated amounts not confirmed, as provided in Sections 5.1.3.9 and 5.1.3.10 hereof, is limited to events caused solely by the conduct of others, such as Shipper or upstream or downstream facility operators not controlled by GTN.

5.1.3.12 Negotiated Rates.

Notwithstanding any provision of GTN's Tariff to the contrary, GTN and Shipper may mutually agree in writing to a Negotiated Rate (including a Negotiated Rate Formula) with respect to the rates, rate components, charges, or credits that are otherwise prescribed, required, established, or imposed by this Rate Schedule or by any other applicable provision of GTN's Tariff.

5.1.4 FUEL AND LINE LOSS

For all Forward Hauls, Shipper shall furnish to GTN quantities of gas for compressor station fuel, line loss and other utility purposes, plus other unaccounted for gas used in the operation of GTN's combined pipeline system between the International Boundary near Kingsgate, British Columbia and the Oregon-California boundary for the transportation quantities of gas delivered by GTN to Shipper, based upon the effective fuel and line loss percentages in accordance with Section 6.38 of the General Terms and Conditions. No fuel charge shall apply to transactions that do not involve a forward haul movement of gas.

5.1.5 TRANSPORTATION GENERAL TERMS AND CONDITIONS

All of the Transportation General Terms and Conditions are applicable to this rate schedule, unless otherwise stated in the executed Firm Transportation Service Agreement between GTN and Shipper. Any future modifications, additions or deletions to said Transportation General Terms and Conditions, unless otherwise provided, are applicable to firm transportation service rendered under this rate schedule, and by this reference, are made a part hereof.

RATE SCHEDULE FT
FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule FT, Firm Transportation Service is available to any Shipper which has:

(a) Satisfied all applicable requirements as set forth in the Capacity Allocation Procedures and subsection 5.8 of the General Terms and Conditions of this Gas Transportation Tariff; and

(b) Executed a Service Agreement, Firm Transportation Service with Company, for a minimum term of one (1) year ending on the last day of a Month.

For Zones 8 and 9 only, Backhaul service is also available under Rate Schedule FT, Firm Transportation Service.

2. APPLICABILITY

This Rate Schedule FT, Firm Transportation Service shall apply to all transportation services under Shipper's Service Agreement, Firm Transportation Service other than service specifically provided for in another rate schedule, as of the Billing Commencement Date, whether or not gas is actually transported.

3. SERVICE DESCRIPTION

Service rendered by Company for Shipper under this Rate Schedule FT, Firm Transportation Service consists of:

(a) The receipt of gas from Shipper (or for Shipper's account) at each Receipt Point as specified in the Service Agreement, Firm Transportation Service;

(b) The transportation of gas by Company through the transportation system, described in section 6 hereof; and

(c) The delivery by Company to Shipper of gas nominated by Shipper (or for Shipper's account) at each Delivery Point specified in the Service Agreement, Firm Transportation Service.

4. SERVICE AGREEMENT

This Rate Schedule FT, Firm Transportation Service is subject to all terms, conditions, stipulations and provisions of the Service Agreement, Firm Transportation Service.

5. GENERAL TERMS AND CONDITIONS

This Rate Schedule FT, Firm Transportation Service is subject to all terms, conditions, stipulations and provisions of the General Terms and Conditions of this Gas Transportation Tariff.

6. SUBSIDIARY COMPANIES AND ZONES

6.1 General

Company's transportation system consists of operating segments with each segment operated by a Subsidiary Company. Company and Subsidiary Companies have entered into transportation agreements for provision of transportation services by Subsidiary Companies for Company. Copies of the applicable transportation agreements are attached hereto as Supplements I through III. Each Subsidiary Company shall divide its segment into one or more Zones as defined in Schedule I, Annex II of the Northern Pipeline Act and described in subsection 6.2 hereof. Shipper, through its Service

Agreement, Firm Transportation Service with Company, shall contract to have its gas transported through one or more of these Zones.

6.2 Description

The Subsidiary Companies listed below own and operate the portions of the Phase I gas transportation system set opposite the name of each such Subsidiary Company.

Subsidiary Company	Zone No.	Description	Length (km)
Foothills Pipe Lines (Alta.) Ltd.	6	From Caroline, Alberta to the Alberta/ Saskatchewan border near Empress, Alberta.	378.49
	7	From Caroline, Alberta to the Alberta/B.C. border near Coleman, Alberta.	124.03
Foothills Pipe Lines (South B.C.) Ltd.	8	From the Alberta/B.C. border near Coleman, Alberta to the B.C./U.S. border near Kingsgate, B.C.	170.7
Foothills Pipe Lines (Sask.) Ltd.	9	From the Alberta/ Saskatchewan border near Empress, Alberta to the Saskatchewan/U.S. border near Monchy, Saskatchewan.	258.97

7. CHARACTER OF SERVICE

7.1 Firm Transportation Service

Gas transported by Company for Shipper under this Rate Schedule FT, Firm Transportation Service shall not be subject to curtailment or interruption except as provided in subsection 7.2.4 herein and in the General Terms and Conditions of this Gas Transportation Tariff.

7.2 **Receipt and Delivery Obligations**

7.2.1 At each Delivery Point, Company and Shipper shall establish the Maximum Daily Delivery Quantity ("MDDQ") and shall specify the portion of such MDDQ to be received at each Receipt Point. The aforementioned MDDQ and portions thereof shall be specified in Appendix A to the Service Agreement, Firm Transportation Service.

7.2.2 At each Delivery Point, identified in Appendix A to the Service Agreement, Firm Transportation Service, Company is obligated to deliver to Shipper a daily quantity of gas which has an aggregate energy content of all gas received from Shipper at each Receipt Point destined for such Delivery Point, less Shipper's share for each Zone of the energy content of Company Use Gas used in the transportation of such gas on such day.

Shipper's share shall be calculated pursuant to section 8 of the General Terms and Conditions of this Gas Transportation Tariff.

7.2.3 Notwithstanding subsection 7.2.2 herein, Shipper shall not be allocated a share of Company Use Gas in respect of Backhaul service.

7.2.4 Company will provide Backhaul service under this Rate Schedule FT, Firm Transportation Service to Shipper on Zones 8 and 9 only in circumstances where such service is requested by Shipper and, in Company's judgement, there is sufficient quantity of gas being received into Company's system to enable such service to be provided.

7.3 **Daily Gas Nominations**

7.3.1 Shipper shall advise Company, in writing, of the total daily quantity of gas nominated by it for each Delivery Point. Such total daily quantity of gas shall not, subject to Article 1.2 of Shipper's Service Agreement, Firm Transportation Service, exceed the MDDQ for each such Delivery Point.

7.3.2 Out of such total daily quantity of gas nominated for each Delivery Point, Shipper shall advise Company of the daily quantity of gas nominated by it for transportation from each Receipt Point.

7.3.3 Shipper may provide its nomination through written confirmations received by Company from a downstream carrier. Company shall rely on such confirmations received from downstream carrier to determine Shipper's nomination quantities at Delivery Points. For certainty, this would include Shipper's written confirmation received by Company from Northern Border or Gas Transmission Northwest.

8. CHARGE FOR SERVICE

The rate used in calculating Shipper's monthly bill for Service under Rate Schedule FT, Firm Transportation Service in the Zone is the FT Rate.

8.1 Shipper's Obligation to Pay

Shipper shall be obligated to pay to Company in respect of each Billing Month, a charge for services rendered hereunder being the aggregate of Shipper's monthly demand charges determined in accordance with subsection 8.2.1 hereof and Shipper's Surcharge determined in accordance with subsection 8.2.2 hereof. Shipper's obligation to pay is not subject to any adjustment or abatement under any circumstances except as specifically provided for in section 9 hereof, and such obligation shall be billed by Company to Shipper in accordance with section 5 of the General Terms and Conditions of this Gas Transportation Tariff.

8.2 Monthly Charges

8.2.1 Monthly Demand Charge

Shipper's monthly demand charge for a Billing Month shall be the product of:

(a) Shipper's MDDQ as indicated on Schedule A to Shipper's Service Agreement, Firm Transportation Service for such billing month;

(b) Shipper's Haul Distance for the Zone; and

(c) the FT Rate for the Zone.

8.2.2 Monthly Surcharge

Shipper's surcharge amount, if any, shall be an amount to recognize the recovery of costs associated with special facilities installed by Company for Shipper agreed to between Company and Shipper expressed in dollars per month. Such amount shall be set out on Schedule A to Shipper's Service Agreement, Firm Transportation Service.

8.3 Allocation of Gas Delivered

Notwithstanding any other provision of this Rate Schedule FT, Firm Transportation Service, and any Service Agreement or the General Terms and Conditions of this Gas Transportation Tariff, and without regard to how gas may have been nominated, the aggregate quantity of gas delivered to a Shipper at the Delivery Point during any Billing Month shall be allocated for billing purposes as follows:

(a) first to service to Shipper under Rate Schedule STFT, Short Term Firm Transportation Service to a maximum of the aggregate MDDQ for such Delivery Point under such Rate Schedule STFT, Short Term Firm Transportation Service;

(b) second to service to Shipper under Rate Schedule FT, Firm Transportation Service to a maximum of the aggregate MDDQ for such Delivery Point under Rate Schedule FT, Firm Transportation Service; and

(c) third, for Zone 8 and Zone 9 to service to Shipper under Rate Schedule IT, Interruptible Service and for Zone 6 and Zone 7 to Shipper under Rate Schedule OT, Overrun Transportation Service.

8.4 Charge for Over-Run Gas in Zone 8 and Zone 9

In the event that Company determines, in respect of a Billing Month, that Shipper has tendered for transportation, and Company has transported for Shipper, a quantity of gas in excess of the MDDQ as indicated on Appendix A of Shipper's Service Agreement, Firm Transportation Service, Shipper shall pay Company an amount equal to the product of a quantity of gas equal to such excess and the IT Rate for Service under Rate Schedule IT, Interruptible Transportation Service.

8.5 Accounting

Company shall maintain books of account in accordance with the requirements of the National Energy Board and, to the extent not inconsistent with such requirements, in accordance with generally accepted accounting principles in Canada.

9. FAILURE TO DELIVER GAS

9.1 General

If Company shall, in any billing month, fail for any reason to make delivery to any Shipper of the whole or any portion of the quantity of gas nominated by such Shipper from Company in accordance with such Shipper's Service Agreement, Firm Transportation Service, such Shipper's obligation to pay Company pursuant to section 8 of Rate Schedule FT, Firm Transportation Service shall be subject only to the adjustments expressly provided in this section 9.

9.2 Make-Up Gas

In the event that Company fails on any day to deliver to Shipper at the Delivery Point the quantity of gas Shipper has in good faith nominated up to Shipper's MDDQ (unless such failure is due to planned repairs, maintenance, replacement or other upgrading, or other work related to Company's transportation system for which Company gave Shippers notice under subsection 8.8 of the General Terms and Conditions) Shipper shall be entitled, subject to subsection 6.5 of the General Terms and Conditions and within two years of such failure, to have Company transport such quantities of gas in excess of Shipper's MDDQ sufficient to make-up such deficiency ("Make-Up Gas") at no additional demand charge. Demand charges credited to Shipper under subsection 9.4.1 shall be recovered by Company respecting Make-Up Gas.

9.3 Allocation of Service

If Company is on any day required to allocate service pursuant to Article 1.2 of the Service Agreement, Firm Transportation Service of two or more Shippers, Company shall give priority in such allocation to quantities of gas desired to be tendered in respect to Make-Up Gas over Interruptible Transportation Service. .

9.4 Billing Adjustment

9.4.1 Demand Charge Credit

(a) Subject to subsection 9.4.1(b), if in any month Company is unable to deliver up to 98 percent of the quantity of gas that Shipper has in good faith nominated up to the MDDQ times the number of days in such month, then in respect of such month, a credit shall be applied to the monthly bill rendered by Company determined according to the following formula:

$$\text{Credit} = \text{FT Rate} \times \text{Shipper's Haul Distance} \times \left[\text{Shipper's MDDQ} - \text{Average Day Delivery Quantity*} \right]$$

*Average Day Delivery Quantity = Deliveries to Shipper in any Month in which a Demand Charge Credit is applicable, divided by the number of days in that particular Month.

(b) No credit to the Monthly bill shall be made if Company delivers less than 98 percent of the quantity of gas nominated as a result of planned repairs, maintenance, replacement or other upgrading, or other work related to Company's transportation system for which Company gave firm Shippers notice under subsection 8.8 of the General Terms and Conditions on Company's Facilities or as a result of Shipper being unable to deliver gas at the Receipt Point or accept gas at the Delivery Point.

9.5 Exception

Subsections 9.2 through 9.4 hereof shall not apply to any failure of Company to make delivery to Shipper of any gas nominated by Shipper pursuant to Shipper's Service Agreement, Firm Transportation Service if such failure is caused or contributed to by the failure of Shipper to, or to be able to, deliver to or take delivery from Company of such gas, or by any other action of Shipper or Persons acting on its behalf which causes or contributes to such a failure by Company.

10. RENEWAL RIGHTS IN ZONES 6, 7 AND 9

10.1 Availability

Shippers to whom renewal rights are available, shall have the option ("Renewal Option") of extending the existing term of the Service Agreement, Firm Transportation Service with respect to all or, if Company agrees, a portion of Shipper's firm capacity rights beyond the primary term specified in the Service Agreement, Firm Transportation Service provided that:

(a) Shipper has at any time in the past executed a Service Agreement, Firm Transportation Service containing a term of at least five consecutive years; such Service Agreement, Firm Transportation Service or any extensions or amendments thereto or any amended Service Agreement, Firm Transportation Service executed in replacement or in substitution therefore, has not terminated prior to the exercise of the renewal rights granted herein;

(b) Shipper is not in default with respect to any of its obligations under its Service Agreement(s), Firm Transportation Service;

(c) If requested by Company, Shipper has provided Financial Assurances in accordance with subsection 5.8.1 of the General Terms and Conditions of this Gas Transportation Tariff; and

(d) Shipper provides Company, at the time the notice referred to in subsection 10.2.1 or 10.2.3 hereof is provided to Company, evidence satisfactory to Company that Shipper has obtained or will be able to obtain appropriate upstream and downstream firm transportation arrangements.

10.2 Procedures

10.2.1 Company may give Shipper notice ("Renewal Notice") not more than 5 years and not less than six (6) months prior to termination of Shipper's Service Agreement, Firm Transportation Service that Shipper must exercise the Renewal Option. Shipper has the right to renew the Service Agreement, Firm Transportation Service prior to this Renewal Notice being given upon written notice to Company. As long as at least five (5) years remain in the term of the Shipper's Service Agreement, Firm Transportation Service then such Renewal Notice cannot be given by Company. Shipper has the right to extend its Service Agreement, Firm Transportation Service one year at a time to maintain a term of at least five (5) years and thereby remain outside the period in which a Renewal Notice can be given.

10.2.2 Once a Renewal Notice is given to Shipper, Shipper shall have ten (10) business days from the date of the Renewal Notice to provide Company with a written notice from Shipper of Shipper's election to extend the term of the Service Agreement, Firm Transportation Service for a period of at least five (5) years.

10.2.3 If Shipper fails to provide a written request or indicates to Company that it does not wish to renew its capacity in accordance with section 10.2.2, the Company may make the capacity available to other parties in an Open Season in accordance with subsection 4.1 of the Capacity Allocation procedures of this Gas Transportation Tariff.

10.2.4 Upon receipt of all bids for the capacity pursuant to the Open Season in accordance with subsection 4.1 of the Capacity Allocation procedures of this Gas Transportation Tariff, the Company shall select the highest net present value bid(s) and notify Shipper of the terms of the successful bid(s) within 15 business days of the close of the Open Season. Shipper may retain this capacity if Shipper agrees to match the highest net present value bid(s) obtained in the Open Season. In the event that such bid(s) is longer than five (5) years, Shipper may retain the capacity by extending its Service Agreement by a minimum of five (5) years provided that such notice is made in writing to Company within 10 business days following the date of the bid notification from Company. If no bids are received, Company may accept other terms of renewal if requested in writing from Shipper, notwithstanding that if the remaining term is less than five (5) years, notice may be given pursuant to subsection 10.2.

10.2.5 Following receipt of Shipper's written request in accordance with either subsections 10.2.1, 10.2.2 or 10.2.4, Company will, within 5 business days, provide Shipper with an amendment to the Service Agreement, Firm Transportation Service setting out the renewal term. Shipper shall execute and return the amendment to the Service Agreement, Firm Transportation Service to Company within fifteen (15) business days of receipt from Company, failing which Shipper's Renewal Option terminates.

10.3 Shipper shall have Renewal Rights to be exercised in the same manner and upon the same terms and conditions as set forth above during any renewal term.

11. RENEWAL RIGHTS IN ZONE 8

11.1 Availability

Shippers in Zone 8 shall be entitled to renew all or, if Company agrees, a portion of service under a Service Agreement, Firm Transportation Service if Shipper gives notice to Company of such renewal at least one (1) year prior to termination of Shipper's Service Agreement, Firm Transportation Service. If Shipper does not provide such notice, service shall terminate on the date specified in Shipper's Service Agreement, Firm Transportation Service.

11.2 Procedures

Shipper's notice to renew in Zone 8 pursuant to subsection 11.1 shall be irrevocable for the year immediately prior to the termination of service specified in Shipper's Service Agreement, Firm Transportation Service.

Any renewal of service is subject to the Financial Assurances provisions in subsection 5.8 of the General Terms and Conditions.

Shipper's notice shall specify a renewal term in Zone 8 of not less than one (1) year consisting of increments of whole months.

RATE SCHEDULE FT-R

FIRM TRANSPORTATION - RECEIPT

1.0 DEFINITIONS

1.1 The capitalized terms used in this Rate Schedule have the meanings attributed to them in the General Terms and Conditions of the Tariff unless otherwise defined in this Rate Schedule.

2.0 SERVICE DESCRIPTION AND AVAILABILITY

2.1 Subject to the stated terms and conditions, service under Rate Schedule FT-R shall mean the receipt of gas from Customer at Customer's Receipt Points (the "Service") which includes transportation of gas that Company determines necessary to provide services under the Tariff.

Provided however, on any day, Service at the Empress or McNeill Receipt Points shall not exceed the greater of:

(i) 100 GJs; or

(ii) the total volume of gas delivered to Customer at such point under Rate Schedules FT-D, FT-DW, IT-D, STFT, LRS and LRS-3 on such day.

2.2 The Service is available to any Customer that has executed a Service Agreement and Schedule of Service under Rate Schedule FT-R. A standard form Service Agreement for Service under this Rate Schedule FT-R is attached.

3.0 PRICING

3.1 Subject to paragraph 3.2, the rate used in calculating Customer's monthly demand charge under each of Customer's Schedules of Service for Service under Rate Schedule FT-R is the FT-R Demand Rate.

3.2 If the Primary Term plus the Secondary Term of any of Customer's Schedules of Service for any new Service or any renewed Service under Rate Schedule FT-R is:

(i) five (5) years or greater the Price Point shall be 95% (Price Point "A");

(ii) at least three (3) years but less than five (5) years the Price Point shall be 100% (Price Point "B"); and

(iii) at least one (1) year but less than three (3) years the Price Point shall be 105% (Price Point "C").

4.0 CHARGE FOR SERVICE

4.1 Aggregate of Customer's Monthly Demand Charges

The aggregate of Customer's monthly demand charges for a Billing Month for Service under Rate Schedule FT-R shall be equal to the sum of the monthly demand charges for each of Customer's Schedules of Service under Rate Schedule FT-R, determined as follows:

$$MDC = \sum (F \times P)\left(A \times \frac{B}{C}\right)$$

Where:

"MDC"	=	the aggregate of the demand charges applicable to such Schedule of Service for such Billing Month;
"F"	=	the FT-R Demand Rate applicable to such Schedule of Service;
"P"	=	the applicable Price Point for such Schedule of Service;
"A"	=	each Receipt Contract Demand in effect for all or a portion of such Billing Month for such Schedule of Service;
"B"	=	the number of days in such Billing Month that Customer was entitled to such Receipt Contract Demand under such Schedule of Service; and
"C"	=	the number of days in such Billing Month.

4.2 Aggregate of Customer's Surcharges

The aggregate of Customer's Surcharges for a Billing Month shall be equal to the sum of all Surcharges set forth in the Table of Rates, Tolls and Charges applicable to each of Customer's Schedules of Service under Rate Schedule FT-R.

4.3 Aggregate of Customer's Over-Run Gas Charges

The aggregate of Customer's charges for Over-Run Gas in a Billing Month for Service under all Rate Schedules shall be equal to the sum of the monthly charges for Over-Run Gas for each Receipt Point at which Customer is entitled to Service under any Rate Schedule, determined as follows:

$$MOC = V \times Z$$

Where:

"MOC"	=	the monthly charge for Over-Run Gas at such Receipt Point;
"V"	=	total volume of gas allocated to Customer by Company as Over-run Gas in accordance with paragraph 4.6 for Service under all Rate Schedules at such Receipt Point for such Billing Month; and
"Z"	=	the IT-R Rate at such Receipt Point.

4.4 The calculation of Customer's charge for Over-Run Gas in paragraph 4.3 shall not take into account Customer's Inventory on the last day of the Billing Month.

4.5 Aggregate Charge For Service

Customer shall pay for each Billing Month:

(i) the sum of the amounts calculated in accordance with paragraphs 4.1, 4.2, and 4.3; less

(ii) the amount, if any, calculated in accordance with the Terms and Conditions Respecting Relief for Mainline Capacity Restrictions in Appendix "B" of the Tariff.

4.6 Allocation of Gas Received

Notwithstanding any other provision of this Rate Schedule, any Service Agreement or the General Terms and Conditions of the Tariff, and without regard to how gas may have been nominated, the aggregate volume of gas received from Customer at a Receipt Point shall be allocated for billing purposes as follows:

(i) first to service to Customer under Rate Schedules LRS and LRS-3 to a maximum of such Customer's LRS Contract Demand for such Receipt Point under such Rate Schedule LRS and to a maximum of such Customer's LRS-3 Contract Demand for such Receipt Point under such Rate Schedule LRS-3;

(ii) secondly to Service to Customer under Rate Schedule FT-R to a maximum of such Customer's Receipt Contract Demand for such Receipt Point under Rate Schedule FT-R;

(iii) thirdly to service to Customer under Rate Schedule FT-RN to a maximum of such Customer's Receipt Contract Demand for such Receipt Point under Rate Schedule FT-RN; and

(iv) fourthly to service to Customer under Rate Schedule IT-R at such Receipt Point. If Customer is not entitled to service under Rate Schedule IT-R at such Receipt Point, gas shall be allocated as Over-Run Gas and charged in accordance with paragraph 4.3.

5.0 TERM OF SERVICE

5.1 Term of a Schedule of Service

If, in the provision of new Service, Company determines that:

(i) no new Facilities are required to be installed or constructed at any Receipt Point to provide the Service requested, the term of the Schedule of Service shall be a Secondary Term equal to the term requested by Customer with the minimum term being three (3) years; or

(ii) new Facilities are required to be installed or constructed at any Receipt Point to provide the Service requested, the term of the Schedule of Service shall be equal to the sum of:

(a) the Primary Term; and

(b) a Secondary Term equal to the Secondary Term requested by Customer with the minimum Secondary Term being three (3) years.

5.2 The Price Point for the term shall be determined in the manner described in paragraph 3.2.

5.3 If the number of years calculated for the Primary Term exceeds fifteen (15) years the Primary Term shall be fixed at fifteen (15) years and a Surcharge, determined under the Criteria for Determining Primary Term in Appendix "E" of the Tariff, shall be applied in respect of such Service.

5.4 Term of Service Agreement

Customer's Service Agreement shall terminate on the latest Service Termination Date of Customer's Schedules of Service for Service under Rate Schedule FT-R.

6.0 CAPACITY RELEASE

6.1 If Customer desires a reduction of Customer's Receipt Contract Demand for all or any portion of its Service under a Schedule of Service under Rate Schedule FT-R, Customer shall give Notice to Company of its request for such reduction specifying the particular Receipt Point, Schedule of Service and the Receipt Contract Demand available to any other Person who requires Service under Rate Schedule FT-R. Company shall not have any obligation to find any Person to assume the Receipt Contract Demand Customer proposes to make available. If after Notice is given to Company a Person is found who agrees to assume the Receipt Contract Demand Customer proposes to make available, together with any applicable Surcharge, Company may reduce Customer's Receipt Contract Demand under such Schedule of Service, on terms and conditions satisfactory to Company, by an amount equal to the Receipt Contract Demand specified in a new Schedule of Service, executed by Company and such Person. Notwithstanding such reduction, Customer shall at Company's sole option either:

(i) continue to pay any Surcharge until the Service Termination Date as described in the applicable Schedule of Service (unless any other Person acceptable to Company has agreed to pay such Surcharge); or

(ii) in the event that Company retires any Facilities required to provide such Service, pay to Company within a time determined by Company, an amount equal to the net book value of such Facilities adjusted for all costs and expenses associated with such retirement.

7.0 RELIEF FOR MAINLINE RESTRICTIONS

7.1 Company will grant relief to a Customer entitled to Service under Rate Schedule FT-R, in accordance with the Terms and Conditions Respecting Relief for Mainline Capacity Restrictions in Appendix "B" of the Tariff.

8.0 TRANSFER OF SERVICE

8.1 Transfers Between Receipt Points Within the Same Project Area

If Customer desires to transfer all or any portion of Service under a Schedule of Service from a Receipt Point within a Project Area to a Receipt Point within the same Project Area, Customer shall give Notice to Company of Customer's request for such transfer specifying the Receipt Points, the Schedule of Service and the portion of the Receipt Contract Demand that Customer wishes to transfer.

8.2 Company is under no obligation to permit the transfer requested in paragraph 8.1, but may permit such transfer provided that:

(i) Company determines that sufficient capacity exists in the Facilities to accommodate the transfer;

(ii) Company determines that the construction or installation of new Facilities that are directly attributable to the transfer is not required;

(iii) the transfer does not occur during the Primary Term of the Schedule of Service;

(iv) the Price Point in effect for Service under the Schedule of Service, from which Customer wishes to transfer Service at the time of the transfer, applies to the new Schedule of Service for the Service that has been transferred;

(v) the FT-R Demand Rate applicable to Service under the Schedule of Service that has been transferred shall be the FT-R Demand Rate in effect at the Receipt Point to which the Service under the Schedule of Service has been transferred; and

(vi) Customer executes a transfer of Service agreement.

8.3 Transfers Between Receipt Points in Different Project Areas

If Customer desires to transfer all or any portion of Service under a Schedule of Service from a Receipt Point within a Project Area to a Receipt Point in a different Project Area, Customer shall give Notice to Company of Customer's request for such transfer specifying the Receipt Points, the Schedule of Service and the portion of the Receipt Contract Demand that Customer wishes to transfer.

8.4 Company is under no obligation to permit the transfer requested in paragraph 8.3, but may permit such transfer provided that:

(i) Company determines that sufficient capacity exists in the Facilities to accommodate the transfer;

(ii) Company determines that the construction or installation of new Facilities that are directly attributable to the transfer is not required;

(iii) the transfer does not occur during the Primary Term of the Schedule of Service;

(iv) three (3) years are added to the balance of Customer's Secondary Term for the new Schedule of Service (the "New Term") for the Service that has been transferred;

(v) the Price Point for Service under the new Schedule of Service for the Service that has been transferred shall be determined in the manner described in paragraph 3.2 using the New Term;

(vi) the FT-R Demand Rate applicable to the Service under the Schedule of Service that has been transferred shall be the FT-R Demand Rate in effect at the Receipt Point to which Service under the Schedule of Service has been transferred; and

(vii) Customer executes a transfer of Service agreement.

8.5 Transfers Between Receipt Points and Delivery Points

A Customer entitled to receive Service under Rate Schedule FT-R shall not be entitled to transfer all or any portion of Service under Rate Schedule FT-R to a Delivery Point.

9.0 TERM SWAPS

9.1 Term Swap Between Receipt Points Within the Same Project Area

If Customer desires to swap the Service Termination Date of a Schedule of Service with the Service Termination Date of another Schedule of Service and the Receipt Points for the Schedules of Service are within the same Project Area, Customer shall give Notice to Company of Customer's request for such swap specifying the particular Receipt Points, the Service Termination Dates and the Schedules of Service, if necessary, that Customer wishes to swap.

9.2 Company is under no obligation to permit the swap requested in paragraph 10.1, but may permit such swap provided that:

(i) Company determines that sufficient capacity exists in the Facilities to accommodate the swap;

(ii) Company determines that the construction or installation of new Facilities that are directly attributable to the swap is not required;

(iii) the swap does not occur during the Primary Term of the Schedule of Service;

(iv) the Receipt Contract Demand and the FT-R Demand Rate;

(a) at each Receipt Point; and

(b) for each Service Termination Date

do not change as a result of the swap;

(v) the Price Point in effect for each Schedule of Service after the swap shall be the Price Point in effect for the other Schedule of Service immediately prior to the time the Service Termination Dates were swapped; and

(vi) Customer executes new Schedules of Service.

9.3 Term Swaps Between Receipt Points in Different Project Areas

If Customer desires to swap the Service Termination Date of a Schedule of Service with the Service Termination Date of another Schedule of Service and the Receipt Points for the Schedules of Service are in different Project Areas, Customer shall give Notice to Company of Customer's request for such swap specifying the particular Receipt Points, the Service Termination Dates and the Schedules of Service, if necessary, that Customer wishes to swap.

9.4 Company is under no obligation to permit the swap requested in paragraph 10.3, but may permit such swap provided that:

(i) Company determines that sufficient capacity exists in the Facilities to accommodate the swap;

(ii) Company determines that the construction or installation of new Facilities that are directly attributable to the swap is not required;

(iii) the swap does not occur during the Primary Term of the Schedule of Service;

(iv) the Receipt Contract Demand and the FT-R Demand Rate:

(a) at each Receipt Point; and

(b) for each Service Termination Date

do not change as a result of the swap;

(v) subject to subparagraph 9.4(vi), the Price Point in effect for each Schedule of Service after the swap shall be the Price Point in effect for the other Schedule of Service immediately prior to the time the Service Termination Dates were swapped;

(vi) three (3) years are added to the balance of Customer's Secondary Term for each Schedule of Service (the "New Term") if the remaining term of either of the Schedules of Service is less than three (3) years and the Price Point that shall apply to each Schedule of Service shall be the Price Point determined in the manner described in paragraph 3.2 using the New Term for such Schedules of Service; and

(vii) Customer executes new Schedules of Service.

9.5 Term Swaps Between Schedules of Service Under Rate Schedule FT-R and other Schedules of Service

Except as provided in article 9, a Customer entitled to receive Service under Rate Schedule FT-R shall not be entitled to swap the Service Termination Date of any Schedule of Service under Rate Schedule FT-R with the Service Termination Date under any Schedule of Service.

10.0 TITLE TRANSFERS

10.1 A Customer entitled to receive Service under Rate Schedule FT-R may transfer all or a portion of Customer's Inventory to another Customer or may accept a transfer of all or a portion of Customer's Inventory from another Customer provided such Customer is entitled to receive service under any Rate Schedule that permits title transfers and such title transfer is in accordance with the Terms and Conditions of Service Respecting Title Transfers in Appendix "C" of the Tariff.

11.0 RENEWAL OF SERVICE

11.1 Renewal Notification

Customer shall be entitled to renew all or any portion of Service under a Schedule of Service under Rate Schedule FT-R as Service under either Rate Schedule FT-R or Rate Schedule FT-P, if Customer gives Notice to Company of such renewal at least one (1) year prior to the Service Termination Date. If Customer does not specify which Rate Schedule the Service is to be renewed under, the Service shall be renewed under Rate Schedule FT-R. If Customer does not provide such Notice, the Service shall expire on the Service Termination Date.

11.2 Irrevocable Notice

Customer's Notice to renew pursuant to paragraph 11.1 shall be irrevocable one (1) year prior to the Service Termination Date.

Any renewal of Service is subject to the Financial Assurances provisions in Article 10 of the General Terms and Conditions.

11.3 Renewal Term

Customer's Notice shall specify a renewal term of not less than one (1) year consisting of increments of whole months. The Price Point for the renewal term shall be determined in the manner described in paragraph 3.2 based on the length of the renewal term requested by Customer.

12.0 APPLICATION FOR SERVICE

12.1 Applications for Service under this Rate Schedule FT-R shall be in such form as Company may prescribe from time to time.

13.0 GENERAL TERMS AND CONDITIONS

13.1 The General Terms and Conditions of the Tariff and the provisions of any Service Agreement for Service under Rate Schedule FT-R are applicable to Rate Schedule FT-R to the extent that such terms and conditions and provisions are not inconsistent with this Rate Schedule.

SERVICE AGREEMENT

RATE SCHEDULE FT-R

BETWEEN:

NOVA Gas Transmission Ltd., a body corporate having an office in Calgary, Alberta ("Company")

- and -

•, a body corporate having an office in •, • ("Customer")

IN CONSIDERATION of the premises and the covenants and agreements in this Service Agreement, the parties covenant and agree as follows:

1. Customer acknowledges receipt of a current copy of the Tariff.

2. The capitalized terms used in this Service Agreement have the meanings attributed to them in the General Terms and Conditions of the Tariff, unless otherwise defined in this Service Agreement.

3. Customer requests and Company agrees to provide Service pursuant to Rate Schedule FT-R in accordance with the attached Schedules of Service. The Service will commence on the Billing Commencement Date and will terminate, subject to the provisions of this Service Agreement, on the Service Termination Date.

4. Customer agrees to pay to Company each Billing Month, for all Service rendered under this Service Agreement, an amount equal to the aggregate charges for Service described in Rate Schedule FT-R.

5. Customer shall:

(a) provide such assurances and information as Company may reasonably require respecting any Service to be provided pursuant to this Rate Schedule FT-R including, without limiting the generality of the foregoing, an assurance that necessary arrangements have been made among Customer, producers of gas for Customer, purchasers of gas from Customer and any other Person relating to such Service, including all gas purchase, gas sale, operating, processing and common stream arrangements; and

(b) at Company's request provide Company with an assurance that Customer has provided the Person operating facilities upstream of any Receipt Point in respect of which Customer has the right to receive service with all authorizations necessary to enable such Person to provide Company with all data and information reasonably requested by Company for the purpose of allocating volumes of gas received by Company among Company's Customers and to bind Customer in respect of all such data and information provided.

If Customer fails to provide such assurances and information forthwith following request by Company, from time to time, Company may at its option, to be exercised by Notice to Customer, suspend the Service to which such assurances and information relate until such time as Customer provides the assurances and information requested, provided however that any such suspension of Service shall not relieve Customer from any obligation to pay any rate, toll, charge or other amount payable to Company.

6. Customer acknowledges that the Facilities have been designed based on certain assumptions and forecasts described in Company's Annual Plan, and that interruption and curtailment of Service may occur if the aggregate gas volume actually received or the aggregate gas volume actually delivered at the Facilities is different than forecast.

7. Every notice, request, demand, statement, bid or bill provided for in Rate Schedule FT-R, this Service Agreement and the General Terms and Conditions, or any other notice which either Company or Customer may desire to give to the other (collectively referred to as "Notice") shall be in writing and each of them and every payment provided for shall be directed to the Person to whom given, made or delivered at such Person's address as follows:

Customer:

- •
- •
- •

Attention: •

Fax: •

Company:

- •
- •
- •

Attention: Customer Account Representative

Fax: •

Notice may be given by fax or other telecommunication and any such Notice shall be deemed to be given four (4) hours after transmission. Notice may also be given by personal delivery or by courier and any such Notice shall be deemed to be given at the time of delivery. Any Notice may also be given by prepaid mail and any such Notice shall be deemed to be given four (4) business days after mailing, Saturdays, Sundays and statutory holidays excepted. In the event of disruption of regular mail, every payment not made electronically shall be personally delivered, and any other Notice shall be given by one of the other stated means.

(a) Notwithstanding the foregoing:

(i) Company may give any Notice on the Website; and

(ii) Company and Customer shall give Notice for the matters listed in the Notice Schedule for Electronic Commerce in Appendix "F" of the Tariff via the Website unless the Website is inoperative, in which case Notice shall be given by any other alternative means set out herein.

Any Notice posted on the Website shall be deemed to be given one (1) hour after posting.

(b) Notice may also be given by telephone followed immediately by fax, personal delivery, courier or prepaid mail, and in the case of Company, by posting on the Website, and any Notice so given shall be deemed to have been given as of the date and time of the telephone Notice.

8. The terms and conditions of Rate Schedule FT-R, the General Terms and Conditions and Schedule of Service under Rate Schedule FT-R are by this reference incorporated into and made a part of this Service Agreement.

IN WITNESS WHEREOF the parties have executed this Service Agreement by their proper signing officers duly authorized in that behalf all as of the • day of •, •.

•	NOVA Gas Transmission Ltd.
Per: ______________________	Per : ______________________
Per: ______________________	Per : ______________________

SCHEDULE OF SERVICE
RATE SCHEDULE FT-R

CUSTOMER: •

Schedule of Service Number	Receipt Point Number and Name	Legal Description	Maximum Receipt Pressure kPa	Secondary Term Start Date	Service Termination Date	Receipt Contract Demand $10^3m^3/d$	Price Point	Additional Conditions
•	• •	•	•	•	•	•	•	•

THIS SCHEDULE FORMS PART OF THE SERVICE AGREEMENT DATED • AND SHALL BE DEEMED TO BE ATTACHED THERETO.

•	NOVA Gas Transmission Ltd.
Per: ______________	Per : ______________
Per: ______________	Per : ______________

TRANSPORTATION SERVICE - SOUTHERN

DEFINITIONS

1. In this Toll Schedule, the following term shall have the following meaning:

   (a) "Enhanced T-South Service" means Transportation Service – Southern provided pursuant to a Service Agreement under which gas is to be delivered to the Huntingdon Delivery Area and, subject to the fulfillment of the conditions specified in the Service Agreement, to the Kingsgate Export Point;

   (b) "Kingsgate Export Point" means the point on the international boundary between Canada and the United States of America near Kingsgate, British Columbia, where the Foothills Pipe Lines (South BC) Ltd. pipeline facilities connect with the pipeline facilities of Gas Transmission Northwest Corporation; and

   (c) "Service Term" means in respect of each Firm Transportation Service – Southern specified in a Firm Service Agreement, the term of each such Firm Transportation Service – Southern as determined in accordance with Section 3.

   All other terms used in this Toll Schedule shall have the same meaning as set forth in the General Terms and Conditions.

APPLICATION

2. This Toll Schedule applies to all Firm Transportation Service - Southern, AOS and Interruptible Transportation Service - Southern, including Import Backhaul Service, provided by Westcoast on facilities in Zone 4 under the provisions of a Firm Service Agreement or an Interruptible Service Agreement into which the General Terms and Conditions and this Toll Schedule are incorporated by reference.

3. For all purposes of this Toll Schedule, the Demand Toll applicable to any Firm Transportation Service - Southern provided pursuant to a Firm Service Agreement shall be determined based upon the Service Term, and the Service Term for each such service shall be determined as follows:

   (a) in the case of each Firm Transportation Service – Southern provided for in a Firm Service Agreement entered into by a Shipper with Westcoast prior to November 1, 2005, the number of whole years remaining in the term of each such service as of November 1, 2005;

   (b) in the case of each Firm Transportation Service – Southern provided for in a Firm Service Agreement entered into by a Shipper with Westcoast after November 1, 2005, the number of whole years in the term of each such service specified in the Firm Service Agreement;

   (c) in the case of each such Firm Transportation Service – Southern which is renewed by a Shipper after November 1, 2005 in accordance with Section 2.06 of the General

Terms and Conditions, the number of whole years in the renewal term of each such service, with effect from the first day of the renewal term; and

(d) in the case of each Firm Transportation Service – Southern provided for in a Firm Service Agreement which is extended by the Shipper and Westcoast after December 31, 2005, the number of whole years remaining in the term of each such service, including the period of the extension, with effect from the first day of the month immediately following the execution by the Shipper of an amendment to the Firm Service Agreement providing for such extension.

MONTHLY BILL - FIRM TRANSPORTATION SERVICE - SOUTHERN

4. The amount payable by a Shipper to Westcoast in respect of Firm Transportation Service - Southern provided in any month pursuant to a Firm Service Agreement shall be an amount equal to:

(a) the product obtained by multiplying the Contract Demand for Firm Transportation Service - Southern specified in the Firm Service Agreement by the applicable Demand Toll specified in Appendix A for Firm Transportation Service – Southern; and

(b) the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for the month,

less the amount of any Contract Demand Credits to which the Shipper is entitled for the month pursuant to the General Terms and Conditions.

MONTHLY BILL - AOS, INTERRUPTIBLE TRANSPORTATION SERVICE - SOUTHERN AND IMPORT BACKHAUL SERVICE

5. If on any day Shipper has unutilized Firm Transportation Service - Southern at a Delivery Point in Zone 4 and would incur on such day tolls for AOS and Interruptible Transportation Service, other than Import Backhaul Service, at that Delivery Point or at any other Delivery Point in Zone 4, then, notwithstanding the provisions of the General Terms and Conditions and for the sole purpose of determining the amount of the Commodity Tolls payable by Shipper in accordance with this Toll Schedule for AOS and Interruptible Transportation Service - Southern, the following rules shall apply:

(a) firstly, in the case where Shipper would otherwise incur tolls on such day for AOS and Interruptible Transportation Service – Southern at a Delivery Point where Shipper has unutilized Firm Transportation Service – Southern, Shipper shall be deemed to have utilized Firm Transportation Service at such Delivery Point on such day in respect of a volume of gas not exceeding the volume of unutilized Firm Transportation Service at such Delivery Point;

(b) secondly, in the case where a Delivery Point at which Shipper has unutilized Firm Transportation Service – Southern is within the Huntingdon Delivery Area and Shipper has any remaining volume of unutilized Firm Transportation Service at such Delivery Point after applying the rule set out in paragraph (a) above, then Shipper shall be deemed to have made a diversion on such day pursuant to Section 7.01(a) of the

General Terms and Conditions of a volume of gas not exceeding the amount of the remaining volume of unutilized Firm Transportation Service, from that Delivery Point to any other Delivery Point within the Huntingdon Delivery Area at which Shipper would otherwise incur tolls for AOS and Interruptible Transportation Service - Southern;

(c) thirdly, if Shipper has any remaining volume of unutilized Firm Transportation Service – Southern at any Delivery Point after applying the rules set out in paragraphs (a) and (b) above, then Shipper shall be deemed to have made a diversion on such day pursuant to Section 7.01(c) of the General Terms and Conditions of a volume of gas not exceeding the amount of such remaining volume of unutilized Firm Transportation Service from such Delivery Point to the nearest Downstream Delivery Point at which Shipper would otherwise incur tolls for AOS and Interruptible Transportation Service - Southern; and

(d) fourthly, if Shipper has any remaining volume of unutilized Firm Transportation Service – Southern at any Delivery Point after applying the rules set out in paragraphs (a), (b) and (c) above, then Shipper shall be deemed to have made a diversion on such day pursuant to Section 7.01(b) of the General Terms and Conditions of a volume of gas not exceeding the amount of such remaining volume of unutilized Firm Transportation Service, from such Delivery Point to the nearest Upstream Delivery Point at which Shipper would otherwise incur tolls for AOS and Interruptible Transportation Service – Southern.

6. The amount payable by a Shipper to Westcoast in respect of AOS, Interruptible Transportation Service - Southern, and Import Backhaul Service provided on each day in a month shall be an amount equal to the sum of:

(a) the product obtained by multiplying the applicable Commodity Toll specified in Appendix A for AOS, Interruptible Transportation Service - Southern and Import Backhaul Service, respectively, by the Receipt Volume for such AOS or Interruptible Transportation Service - Southern (as determined after applying the rules set out in Section 5) or for such Import Backhaul Service, respectively, at the point from which the residue gas is sourced, which is thermally equivalent to the volume of residue gas (i) delivered to or for the account of Shipper at the Delivery Point, or (ii) transmitted through Zone 4 for the account of Shipper on each such day during the month;

(b) the product obtained by multiplying the difference between the Commodity Tolls specified in Section 7.03 of the General Terms and Conditions by the volume of gas deemed to be diverted to a Downstream Delivery Point in accordance with Section 4(c) on each such day during the month; and

(c) the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for each day in the month.

APPENDIX A

DEMAND AND COMMODITY TOLLS
TRANSPORTATION SERVICE - SOUTHERN

Firm Transportation Service - Southern

	Demand Tolls $\$/10^3m^3/mo.$			
Service Term	PNG Delivery Point	Inland Delivery Area	Huntingdon Delivery Area*	FortisBC Kingsvale to Huntingdon**
1 year	92.99	244.37	410.45	166.08
2 years	90.28	237.25	398.49	161.24
3 years	87.57	230.13	386.54	156.40
4 years	86.67	227.76	382.55	154.79
5 years or more	85.76	225.39	378.57	153.18

* To be increased to the percentage amount of the applicable toll specified in a Service Agreement for Enhanced T-South Service

** For Firm Transportation Service - Southern provided by Westcoast pursuant to a Firm Service Agreement dated April 15, 2002 between Westcoast and FortisBC Energy Inc.

Plus the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for each day in the month.

Authorized Overrun Service

	Commodity Tolls $\$/10^3m^3$			
Months	PNG Delivery Point	Inland Delivery Area	Huntingdon Delivery Area	FortisBC Kingsvale to Huntingdon*
November to March	3.693	9.706	16.302	6.596
April to October	2.955	7.765	13.041	5.277

* For AOS provided by Westcoast pursuant to a Firm Service Agreement dated April 15, 2002 between Westcoast and FortisBC Energy Inc.

Plus the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for each day in the month.

Interruptible Transportation Service - Southern

	Commodity Tolls $\$/10^3m^3$			
Months	PNG Delivery Point	Inland Delivery Area	Huntingdon Delivery Area	FortisBC Kingsvale to Huntingdon
November to March	4.413	11.596	19.478	7.881
April to October	3.348	8.797	14.776	5.979

Plus the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for each day in the month.

Import Backhaul Service

	Commodity Tolls $\$/10^3m^3$		
Months	Inland Delivery Area	PNG Delivery Point	Compressor Station No. 2
November to March	7.882	15.065	19.478
April to October	5.979	11.428	14.776

Plus the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for each day in the month.