

1. Availability: Service under this rate schedule is available to Northwest Natural Gas and other “Transportation for Resale” customers with similar cost characteristics, i.e., customers for whom the cost of providing service is approximately equal to that of Northwest Natural Gas.
2. Applicability and Character of Service: This rate schedule shall apply to transportation service provided for resale to end use customers. The end-use customers for this service are firm customers. Customers under this rate schedule are required to secure Daily Firm Nominations at the MDQ level. If customers do not secure Daily Firm Nominations and demonstrate firm capacity on the pipeline, they may be interrupted.
3. Rate:
 - A. Fixed Charge: The customer charge shall be \$185.00 per month plus a charge of \$150.00 per month for administrative costs related to transportation.
 - B. Tariff Margin Charge: All volumes received by the customer hereunder shall be charged a rate equal to the tariff margin of \$0.07428 per therm. Additional costs will be assigned as they are authorized by the FERC or state Commissions to be charged for transportation services, including but not limited to take-or-pay costs, TCR costs, and GRI costs.
 - C. Firm/Interruptible Daily Firm Nominations: Firm/Interruptible service is available contingent upon adequate distribution system capacity and customer having arranged for firm transportation of gas supply. Terms and Conditions for Transportation Services shall apply. The customer is responsible for purchasing interstate pipeline capacity from a third party non-regulated supplier (as demonstrated by providing Company with a Certification signed by the customer and the third party supplier). The customer is also responsible for overrun penalties, balancing charges and any out of balance penalties incurred from its transportation of gas by its pipeline suppliers. The following rates shall apply:

| Distribution Charge Per Therm for Firm Nominations | Distribution Charge Per Therm for Interruptible Volumes |
|----------------------------------------------------|---------------------------------------------------------|
| \$0.10614 | \$0.07614 |

4. Payment: The bill is due seventeen days after issuance. There shall be a late payment charge of one and one-half percent (1.5%) per month on the unpaid balance.
5. Volume Adjustment:

Rates are based on gas with the equivalent heating value of 1000 Btu’s. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A. of MERC’s General Rules, Regulations, Terms and Conditions. Btu’s will be calculated on an arithmetic average.
6. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.