

CASCADE NATURAL GAS CORPORATION

OPTIONAL CUSTOMER OWNED GAS SUPPLY
SUPPLEMENTAL SCHEDULE NO. 183

AVAILABILITY:

This schedule is available throughout the territory served by the Company under the tariff of which this schedule is a part, provided that the party desiring natural gas to be transported by the Company is a customer or has contracted to become a customer of the Company under either unbundled distribution system transportation Rate Schedule No. 163, No. 164 or 179; provided in the sole judgment of the Company that adequate facilities exist in the Company's system to accommodate the transportation of gas.

RATE:

A. Dispatching Service Charge: \$500.00 per month

All customers receiving gas supply service through this schedule will be invoiced a monthly Dispatching Service Charge under this schedule or under one of the other gas supply or distribution system transportation rate schedules, but in no event shall customer be billed a monthly Dispatching Service Charge under more than one schedule for service at a single metering facility.

B. Commodity Gas Supply Charge:

The charges for the commodity cost of gas for customers electing this option shall include all the cost of such supply incurred by the Company at the city gate (excluding pipeline transportation charges), if any.

All volumes delivered to customers, including those volumes transported by Company for the customer, will be billed under the appropriate distribution system transportation rate schedule (plus any applicable add-on and discount schedules). All volumes determined to have been tendered by customers or customers' agent to Northwest Pipeline Corporation and subsequently tendered to the Company for transportation each month may be reflected on the next regularly issued bill. The volume reflected as transportation shall not exceed the total volume delivered by the Company to the customer in the applicable billing period.

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

CONTRACT:

Customers receiving service under this schedule shall execute a contract for a period not less than the period covered under the customer's gas purchase contract with customer's supplier. However, in no event shall the contract be for less than one (1) year. Said contract shall state the maximum daily volume of gas to be transported as well as the distribution system transportation rate schedule(s) under which customer will be receiving all gas delivered by Company. If interstate pipeline transportation of customer's gas is to be contracted for by Company, said contract shall also specify the optional pipeline capacity schedule to be applicable, and in the absence of such specification, customer shall be responsible for all arrangements for interstate pipeline transportation.

WAIVER OF FIRM GAS SUPPLY:

Customer(s) electing to provide their own gas supplies under this schedule in lieu of firm system supply waive protection from supply failure curtailment of all of their requirements. Company has no obligation to purchase or reserve gas supply or interstate pipeline capacity for customer(s) electing to provide their own gas supplies and/or their own interstate pipeline capacity.

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

- Continued on Next Page -

CNG/007-06-01

ISSUED June 8, 2007

EFFECTIVE June 15, 2007

BY


Jon T. Stoltz

ISSUED BY CASCADE NATURAL GAS CORPORATION

TITLE Senior Vice President
Regulatory & Gas Supply

JUN 15 2007

PUG
Utility Program

CASCADE NATURAL GAS CORPORATION

**OPTIONAL CUSTOMER OWNED GAS SUPPLY
SUPPLEMENTAL SCHEDULE NO. 183**
(Continued from Previous Page)

OPERATING OBLIGATIONS AND CONDITIONS FOR THE TRANSPORTATION OF CUSTOMER OWNED GAS:

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

Customer served on this schedule is required to report estimated gas transportation requirements daily to the Company's dispatch department at least thirty-two (32) hours prior to the beginning of each gas day, unless other arrangements are agreed upon in writing with the Company. Such estimated requirement shall be considered as customer's daily nomination. The gas day shall be as defined in Company Rule No. 15. Such daily nomination will separately identify gas quantities, if any, pursuant to obligations 3 and 4 below, as well as customer's current estimated gas requirement at customer's facility (excluding gas provided to the transporting pipeline for compression and line loss "fuel"). In the event Company's dispatcher(s) determines that customer's actual consumption is out of balance with customer's nomination, dispatcher(s) shall inform customer of the adjustments necessary to get back in balance. Changes to a customer's daily nomination are allowed during the gas day provided the change is communicated to the Company two (2) hours prior to the upstream pipeline's renomination deadline.

Failure to report estimated gas transportation requirements or comply with the written arrangements may be considered as a zero (0) nomination for such gas day and may result in the penalties described in No. 6, below.

2. Customer served on this schedule is required to notify the Company's dispatch department in advance of operating changes that would cause actual gas day consumption to vary, either up or down, by 10% or more from the reported gas day estimate. Such notification may mitigate potential penalties but will not indemnify customer from the responsibility for penalties described in No. 6, below.

3. **Monthly Under-nominations:** Each customer served on Schedule 163 or 164 shall be required to satisfy any monthly imbalance condition as such conditions are specified within Williams' Northwest Pipeline System FERC Tariff, Section 15. Upon notification by the Company that customer has an imbalance greater than 5,000 MMBtu or 5%, the customer will have 45 non-entitlement days to eliminate any such imbalance. The Company will bill the customer an imbalance penalty if the customer has not completely satisfied such imbalance condition. These non-entitlement penalties are "\$10.00 per MMBtu on the imbalance over the greater of 5,000 MMBtu or 5%" on a monthly basis.


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

- Continued on Next Page -

CNG/O07-06-01

ISSUED June 8, 2007

EFFECTIVE June 15, 2007

BY 
Jon T. Stoltz

ISSUED BY CASCADE NATURAL GAS CORPORATION

TITLE Senior Vice President
Regulatory & Gas Supply

CASCADE NATURAL GAS CORPORATION

**OPTIONAL CUSTOMER OWNED GAS SUPPLY
 SUPPLEMENTAL SCHEDULE NO. 183**
 (Continued from Previous Page)

OPERATING OBLIGATIONS AND CONDITIONS FOR THE TRANSPORTATION OF CUSTOMER OWNED GAS: (Continued)

5. Penalties from Northwest Pipeline Corporation and/or other costs incurred by Company as a result of nomination imbalance or an unauthorized overrun, will be passed on directly to those customer(s) or groups of customers whose take levels contribute to the imposition of the penalty. Such penalty shall be allocated among such customers, including Company's system supply customers, in proportion to the nomination imbalance or unauthorized overrun associated with each customer or group of customers.
6. The Company shall designate the daily volume of gas delivered to the customer under this schedule in the following sequence as applicable, unless other sequencing has been agreed to in writing by the Company:
- First - The volume of system supplies which are scheduled to be made a portion of customer's gas supply nomination, if any.
 - Second - If customer is providing a portion of its gas supply requirement with customer owned gas supplies, the volume of banked customer owned gas supplies, if any, shall be delivered prior to any other non system supply.
 - Third - The volume of storage gas supply scheduled to be delivered under **Optional Storage Service** schedule, if any.
 - Fourth - The volume of standby gas supply scheduled to be delivered under **Optional Firm Gas Supply Standby Service** schedule, if any.
 - Fifth - The volume of gas supply scheduled to be delivered under the **Optional Firm Gas Supply** schedule if any.
 - Sixth - The volume of spot market gas supply scheduled to be delivered, if any.
 - Seventh - The volume of customer purchased supplies scheduled for delivery under this **Optional Customer Owned Gas Supply** schedule.

AUTOMATIC ASSIGNMENT TO THE COMPANY OF GAS SUPPLY TO SERVE PRIORITY 1 AND 2 CUSTOMERS:

In the event of a curtailment situation under which the Company is required to curtail System Supply firm customers, Company may automatically take assignment of gas supplies under this schedule in order to protect service to the Company's priority 1 and 2 customers, as defined in Rule 17. In the event of such assignment, Company shall compensate customer with a credit equal to the then current Northwest Pipeline Corporation's IOS-1 commodity rate for all volumes assigned plus a penalty credit of \$0.60 per therm on all but the first 5% of customer's daily entitlement under this schedule.

UNAUTHORIZED USE OF GAS DURING CURTAILMENTS:

In the event of failure of customer's supplies or if capacity is preempted for service entitled to higher priorities than service to customer, Company may curtail deliveries to customer. Gas taken by customer under this schedule by reason of customer's failure to comply with Company's curtailment order shall be considered as an unauthorized overrun volume. Company shall bill and customer shall pay for such unauthorized overrun at the rate of \$0.60 per therm for all gas used in excess of 105% of the customer's gas day allocation plus the incremental costs of any supplemental gas supplies the Company may have had to purchase to cover such unauthorized use, in addition to the regular charges incurred in the RATE section and those charges directly assignable under Operating Obligations and Conditions, Item No. 6 of this schedule and the regular charges incurred in the RATE section of the distribution system transportation rate schedule. The payment of an overrun penalty shall not under any circumstances be considered as giving customer the right to take unauthorized overrun gas or to exclude any other remedies which may be available to the Company to prevent such overrun.

CNG/O07-06-01

ISSUED June 8, 2007EFFECTIVE June 15, 2007

BY


 Jon T. Stoltz
ISSUED BY **CASCADE NATURAL GAS CORPORATION**
 TITLE Senior Vice President
Regulatory & Gas Supply