

JUN 15 2007
PUG
Utility Program

CASCADE NATURAL GAS CORPORATION

BUY-SELL SUPPLY SERVICE
SCHEDULE NO. 190

AVAILABILITY:

This Buy-Sell Gas Supply Service schedule is available throughout the territory served by the Company as a supplemental schedule to the distribution system transportation rate schedules, provided, in the sole judgement of the Company, adequate capacity to provide the service contemplated is available to the Company. Service under this schedule shall be in conjunction with service provided under Optional Customer Owned Gas Supply Supplemental Schedule No. 183 along with Optional Firm Pipeline Capacity Supplemental Schedule No. 185 or Optional Interruptible Pipeline Capacity Supplemental Schedule No. 186.

GAS SUPPLY:

The gas supply delivered under this schedule shall be secured by the customer, under a gas purchase contract between the supplier of the customer's choice and the customer. The customer is solely responsible for the administration of the gas purchase contract(s), including but not limited to, choice of supplier(s), execution of a gas supply contract, scheduling of deliveries and payment for gas delivered.

BUY-SELL SERVICE AND RATE:

- A. Cascade shall purchase from Customer such gas supplies as shall be nominated by Customer, up to the maximum peak day volume set forth in Customer's contracts for service under Rate Schedule Nos. 185 or 186 to be transported by the upstream pipeline from the point of receipt by the pipeline to the point of delivery to Cascade.
- B. Cascade shall accept redelivery of such supplies from the pipeline, less any volumes retained by the pipeline for fuel and shrinkage, for the account of the Customer and shall sell such supplies to Customer at Cascade's actual cost to purchase such supplies.

CONTRACT:

The primary contract term for buy-sell service under this schedule shall correspond to the primary term of the Contract for Optional Firm Pipeline Capacity Supplemental Schedule No. 185 service and/or the primary term of the Contract for Optional Interruptible Pipeline Capacity Supplemental Schedule No. 186 service. The contract shall contain provisions specifying (1) receipt point ("the Receipt Point(s)") and the volumes available at such Receipt Point(s) where the transporting pipeline will receive such gas supplies and (2) the delivery point(s) where such gas supplies will be delivered by the pipeline to Cascade.

SPECIAL TERMS AND CONDITIONS:


- I. Title and Ownership. Title to and ownership and control of the gas supplies delivered and purchased under contracts pursuant to this schedule shall pass to and vest in Cascade at the Receipt Point and pass to and vest in the Customer at point of Cascade's delivery to customer.
- II. Delivery Pressure. Customer shall deliver the gas supplies under contracts pursuant to this schedule at a pressure sufficient to enter the transporting pipeline's facilities against the working pressure maintained therein from time to time.
- III. Quality. The gas supplies sold and delivered by Customer at the Receipt Point(s) shall be of such quality to meet the quality specifications of the transporting pipeline.
- IV. Measurement. Measurements and determinations made by the transporting pipeline pursuant to its customary system procedures and constants shall govern contracts pursuant to this schedule.

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CNG/O07-06-01

ISSUED June 8, 2007

EFFECTIVE June 15, 2007

BY 
Jon D. Stoltz

ISSUED BY CASCADE NATURAL GAS CORPORATION

TITLE Senior Vice President
Regulatory & Gas Supply

CASCADE NATURAL GAS CORPORATION

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SPECIAL TERMS AND CONDITIONS (Continued):

- V. Warranty and Risk. Customer warrants title to the gas supplies delivered under contracts pursuant to this schedule and the right to sell the same and that it is free from all liens, encumbrances, and adverse claims. Customer agrees to pay, or cause to be paid, to the persons entitled thereto or to make settlement for all royalties, overriding royalties, payments out of production and other like charges arising out of or with respect to the gas supplies. Customer shall defend, indemnify, and hold Cascade, its parents, subsidiaries, and affiliates, and their directors, officers, employees, and agents harmless against all suits, actions, claims, liabilities, losses, damages and expenses, including costs of action and attorney's fees, arising from or out of any adverse claims of any and all persons to, in, or against the gas supplies delivered by Customer to Cascade. If Customer's title is questioned by any person or is involved in litigation, Cascade shall have the right to withhold services relating to the gas supplies as to which a question has been raised until such title is free of such question or litigation, or until Customer furnishes a bond or other assurance acceptable to Cascade conditioned to save Cascade harmless.

- VI. Possession and Control. As between the Customer and Cascade, Customer shall be in exclusive control and possession of the gas supplies and responsible therefor until delivery of the gas supplies to Cascade at the Receipt Point; Cascade shall be in exclusive control and possession of the gas supplies and responsible therefor until delivery of the gas supplies to Customer, after which Customer will be in exclusive control and possession of the gas supplies and responsible therefor. As between Customer and Cascade, the party which shall be in exclusive control and possession of the gas supplies shall be responsible for all injury or damage caused thereby. Customer shall indemnify and hold harmless Cascade, its parents, subsidiaries, and affiliates and their directors, officers, employees, and agents from any suits, actions, claims, liabilities, losses, damages, and expenses, including costs of action and attorney's fees before and during trial and any appeal, arising out of Customer's possession or control of the gas supplies.

- VII. Other Terms and Conditions. All Terms and Conditions contained in the other service rate schedules used in conjunction with this schedule remain in full force, as such Terms and Conditions may be in effect from time to time.

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