

JAN 30 2004

WASHINGTON STATE UTILITIES COMM.

Fourth Revision Sheet No. 678
Canceling
Third Revision Sheet No. 678

WN U-3

CASCADE NATURAL GAS CORPORATION

INTERRUPTIBLE ELECTRIC GENERATION GAS SERVICE
SCHEDULE NO. 678

AVAILABILITY:

This schedule is available throughout the territory served by the Company under the tariff of which this schedule is a part, provided in the sole judgment of the Company, there is adequate gas supply and transportation facilities in place to provide service at requested quantities. Service under this schedule shall be limited to natural gas delivered for natural gas driven turbine generators having a natural gas requirement of no less than 200,000 therms per day.

Customers served under this schedule agree to maintain standby fuel burning facilities and have an adequate supply of standby fuel to replace the entire supply of gas to be delivered hereunder.

Service under this schedule shall be subject to curtailment by the Company when in the judgment of the Company such curtailment or interruption of service is necessary. Company shall not be liable for damages for or because of any curtailment of natural gas deliveries hereunder.

RATE OPTIONS:

Service under the **SPOT MARKET GAS SUPPLY** rate option requires customer to secure both gas supply and pipeline transportation capacity services either through the Company or through third party arrangements.

RATE:

Total Delivery Charges inclusive of Distribution Service for natural gas deliveries to electric generation facilities shall be based upon the following table:

<u>Therms Per Day</u>	<u>Gas Supply Commodity</u>	<u>Williams' Northwest Pipeline Transportation</u>	<u>Company Distribution Service</u>	(T)
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SPOT MARKET GAS SUPPLY:	-----Total Cost to City Gate-----			
For 0 To 199,999 Ths/Day	Spot Market	+ WNWP Transportation	+ \$0.14671 Per Therm	(T)
200,000 Ths/Day or More	Spot Market	+ WNWP Transportation	+ \$0.02665 Per Therm	(T)

City Gate costs shall include cost of spot market gas delivered to Williams Northwest Pipeline (WNWP) main line facilities plus all transportation charges, GTI, FERC Annual Charge, Fuel Reimbursement Charge plus any Gathering Charge, Standby Charge, U.S. Custom's Fee, and any other charge the Company may incur in receiving gas transported to the city gate. (T)

RATE ADJUSTMENTS:

Service under this schedule is subject to various adjustments as specified in Schedules 595, 596, 598 and 599 (when applicable) as well as any other applicable adjustments as approved by the Washington Utilities and Transportation Commission.

ANNUAL MINIMUM BILL:

Annual minimum charge is to be negotiated and included as part of contract between Company and Customer and may be in addition to amounts otherwise due under this schedule, but in no case shall be less than \$20,170 per year.

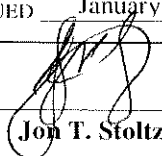
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(M) Denotes material moved from Sheet No. 678-A

CNG/W04-01-01

ISSUED January 30, 2004

EFFECTIVE March 1, 2004

BY 
Jon T. Stoltz

ISSUED BY **CASCADE NATURAL GAS CORPORATION**

TITLE Senior Vice President
Regulatory & Gas Supply

JAN 30 2004

WASHINGTON UTILITIES TRANSPORTATION COMMISSION

Third Revision Sheet No. 678-A
Canceling
Second Revision Sheet No. 678-A

WN U-3

CASCADE NATURAL GAS CORPORATION

**INTERRUPTIBLE ELECTRIC GENERATION GAS SERVICE
SCHEDULE NO. 678**

(Continued from previous page)

(K)

CONTRACT:

Customers receiving service under this rate schedule shall execute a contract for a minimum period of one (1) year.

TERMS OF PAYMENT:

Above rates are net. Each monthly bill shall be due and payable fifteen (15) days from the date of rendition.

UNAUTHORIZED USE OF GAS:

Gas taken by customer under this schedule by reason of its 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 \$0.25 per therm for all gas used between 103% and 105% of the customer's gas day allocation and \$0.50 per therm for all gas used in excess of 105%, in addition to the regular charges incurred in the RATE section of this 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.

SPECIAL TERMS AND CONDITIONS:

1. The application of this rate is subject to the general service provisions of the Company as they may be in effect from time to time and as approved by the Washington Utilities and Transportation Commission.
2. Gas purchased under this schedule shall not be submetered or resold to others.
3. Service under this schedule shall be rendered through one or more meters at a single point of delivery and may at Company's option be rendered in conjunction with firm natural gas service to said customer.
4. Notice of curtailment and restoration of delivery of natural gas under this schedule shall be considered sufficient if given by Company to customer in writing, or by telegraph, or orally in person or by telephone to the person or persons designated from time to time by customer to receive such notices.
5. For the purposes of determining therms per day during start up and shut down, a partial gas day will qualify for the 200,000 therms or more per day rate if during the first 24 hours after start up and/or the last 24 hours prior to shut down equals at least 200,000 therms.

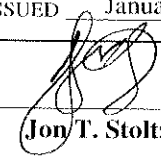
TAX ADDITIONS:

The rate named herein are subject to increases as set forth in Schedule No. 500, entitled "Tax Additions".

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BY 
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TITLE Senior Vice President
Regulatory & Gas Supply