

**SCHEDULE 111
LARGE VOLUME GENERAL SERVICE RATE**

APPLICABILITY

Service under this schedule shall be for natural gas supplied for all purposes to customers having an annual fuel requirement of not less than 50,000 therms and where the customer's major fuel requirement is for process use.

RATE

Delivery Charge		\$0.165920	per therm	
OTHER CHARGES:				
Schedule 177	Cost of Gas (WACOG)	\$0.357110	per therm	(R)
Schedule 191	Temporary Gas Cost Rate	(\$0.037040)	per therm	(R)
Schedule 192	Intervenor Funding	\$0.000080	per therm	(R)
Schedule 193	Conservation Alliance Plan	\$0.000000	per therm	
Schedule 196	Oregon Earnings Sharing	\$0.000000	per therm	
Schedule 197	Environmental Remediation Cost	\$0.000514	per therm	
	Total	\$0.486584	per therm	(R)

SERVICE AGREEMENT

Customers receiving service under this rate schedule shall execute a service agreement for a minimum period of twelve consecutive months' use. The Annual Minimum Quantity is to be negotiated and included as part of the service agreement but in no case shall the Annual Minimum Quantity be less than 50,000 therms. The service agreement term shall be for a period not less than one year and the termination date of the service agreement in any year shall be September 30th.

ANNUAL DEFICIENCY BILL

In the event customer purchases less than the Annual Minimum Quantity as stated in the service agreement, customer shall be charged an Annual Deficiency Bill. Annual Deficiency Bill shall be calculated as the difference between the Annual Minimum Quantity less actual purchase or transport therms times the difference between the per therm rates effective in this schedule and any modifying schedules less the weighted average commodity cost of system supply gas as such costs are reflected in the Company's tariff.

(continued)

CASCADE NATURAL GAS CORPORATION

P.U.C. OR. No. 10

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TERMS OF PAYMENT

Each monthly bill shall be due and payable within fifteen days from the date of rendition.

TAX ADDITIONS

The rates named herein are subject to increases as set forth in Schedule 100 for Municipal Exactions.

GENERAL TERMS

Service under this rate schedule is governed by the terms of this schedule, the Rules contained in this Tariff, any other schedules that by their terms or by the terms of this rate schedule apply to service under this rate schedule, and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.