AVISTA CORPORATION dba Avista Utilities

SCHEDULE 146

TRANSPORTATION SERVICE FOR CUSTOMER-OWNED GAS - WASHINGTON

AVAILABLE:

To Commercial and Industrial Customers in the State of Washington whose requirements exceed 250,000 therms of gas per year provided that the Company's existing distribution system has capacity adequate for the service requested by Customer.

APPLICABLE:

To transportation service for a Customer-owned supply of natural gas. Service shall be supplied at one point of delivery and metering for use by a single customer.

MONTHLY RATE:

\$200.00 Customer Charge, plus

First 20,000 therms 6.793 ¢ per therm Next 30,000 therms 6.066 ¢ per therm Next 250,000 therms 5.487 ¢ per therm Next 200,000 therms 5.089 ¢ per therm All over 500,000 therms 3.874 ¢ per therm

ANNUAL MINIMUM:

Each Customer shall be subject to an Annual Minimum Deficiency Charge if their gas usage during the prior year did not equal or exceed 250,000 therms. Such Annual Minimum Deficiency Charge shall be determined by subtracting the Customer's actual usage for the twelve-month period ending each August from 250,000 therms multiplied by 6.066¢ per therm.

SPECIAL TERMS AND CONDITIONS:

1. Service hereunder shall be provided subject to execution of a contract between the Customer and the Company for a term of not less than one year. The contract shall also specify the maximum daily volume of gas to be transported.

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Effective January 13, 2005*

*By authority of the Commission's Order No. 7 in Docket No. UG-041515