

Avista Corp.
1411 East Mission PO Box 3727
Spokane, Washington 99220-3727
Telephone 509-489-0500
Toll Free 800-727-9170



September 14, 2009

State of Washington
Washington Utilities & Transportation Commission
1300 S. Evergreen Park Drive
Olympia, Washington 98504-8002

Attention: Mr. David Danner, Executive Director and Secretary

RE: WN U-29 – Natural Gas Service
Avista's Annual Purchased Gas Adjustment (PGA)

Enclosed for filing with the Commission is a copy of the following proposed tariff sheets:

Twelfth Revision Sheet 155 canceling Eleventh Revision Sheet 155
Fifteenth Revision Sheet 156 canceling Fourteenth Revision Sheet 156

The Company requests that the proposed tariff sheets be made effective on November 1, 2009.

This filing reflects the Company's proposed annual Purchased Gas Cost Adjustment (PGA) to: 1) pass through changes in the estimated cost of natural gas for the forthcoming year (Schedule 156), and 2) revise the amortization rate(s) to refund or collect the balance of deferred gas costs (Schedule 155). Below is a table summarizing the proposed changes reflected in this filing.

| <u>Service</u> | <u>Sch. No.</u> | <u>Commodity Change per therm</u> | <u>Demand Change per thm</u> | <u>Total Sch. 156 Change</u> | <u>Sch. 155 Amort. per therm</u> | <u>Total Rate Change per therm</u> | <u>Percent Change</u> |
|----------------|-----------------|-----------------------------------|------------------------------|------------------------------|----------------------------------|------------------------------------|-----------------------|
| General | 101 | (\$0.32705) | \$0.00099 | (\$0.32606) | \$0.09657 | (\$0.22949) | (20.2%) |
| Lg. General | 111 | (\$0.32705) | \$0.00093 | (\$0.32612) | \$0.09274 | (\$0.23338) | (23.9%) |
| Ex. Lg. Gen. | 121 | (\$0.32705) | \$0.00088 | (\$0.32617) | \$0.07423 | (\$0.25194) | (26.6%) |
| Interruptible | 131 | (\$0.32705) | \$0.00059 | (\$0.32646) | \$0.07161 | (\$0.25485) | (29.0%) |

Transportation customers served under Schedule 146 will see a decrease of 0.1% as a result of a small amortization surcharge being eliminated.

Commodity Costs

As shown in the table above, the estimated commodity cost (WACOG) change is a *decrease* of 32.7 cents per therm. The proposed WACOG is 51.1 cents per therm compared to the present WACOG of 83.8 cents per therm included in rates. Wholesale gas prices have fallen dramatically since July 2008 and Avista has been hedging gas on a periodic basis throughout 2009 for the forthcoming PGA year. Approximately 64% of estimated annual load requirements for the PGA year (Nov '09-Oct '10) will be hedged at a fixed price, comprised of: 1) 42% of volumes hedged for a term of one year or less, 2) 10% of prior multi-year hedges, and 3) 12% from underground storage. Through August, most of the planned hedge volumes for the PGA year have been executed at a weighted average price of \$5.82 per dekatherm (\$0.582 per therm).

The Company used a 30-day historical average of forward prices (ending Aug. 31) by supply basin to develop an estimated cost associated with index/spot purchases. The estimated monthly volumes to be purchased by basin are multiplied by the (30-day) average price for the corresponding month and basin. These index/spot volumes represent approximately 36% of estimated annual load requirements for the coming year and the annual weighted average price for these volumes is \$4.78 per dekatherm.

Available underground storage capacity at Jackson Prairie represents approximately 12% of annual load requirements (20% of load requirements during the Jan.-Mar. withdrawal period). The estimated weighted average cost for all storage volumes is \$2.80 per dekatherm. The company also utilizes (optimizes) its underground storage capacity to provide additional benefits to customers beyond the winter/summer price differential and supply reliability.

The Company's gas procurement plan uses a diversified approach to procure gas for the coming year. While the plan generally incorporates a structured approach for the hedging portion of the portfolio, the company exercises flexibility and discretion in all areas of the plan based on changes in the wholesale market. The Company typically meets with the Commission Staff quarterly to discuss the state of the wholesale market and the status of the company's procurement plan. In addition, the company communicates with the Staff when it believes it makes sense to deviate from its procurement plan and/or opportunities arise in the market.

Demand Costs

The Demand Cost shown in the table primarily represents the cost of pipeline transportation to the Company's system. As shown in the table above, there is essentially no change in the demand cost included in rates.

Schedule 155 / Amortization Rate Change

As shown in the table above, the proposed change in the amortization rates are an increase between 7.1 and 9.7 cents per therm, reflecting a two-year amortization of the estimated deferral balance at November 1. The Company projects that there will be a

\$28.4 million (refund) deferred gas cost balance at November 1. Two additional rate decreases were implemented by the Company in 2009 to accelerate amortization of the growing deferral balance since the November 2008 PGA. These additional decreases have resulted in a present amortization rate (refund) of 18.4 cents per therm for Schedule 101 (residential and small commercial) customers. However, gas prices have continued to fall throughout the year, and the deferral balance has continued to grow despite the increased amortization rate(s).

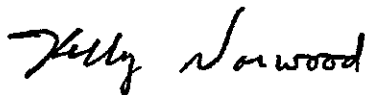
A one-year amortization rate to refund the estimated balance of \$28.4 million would be a refund rate of 16.8 cents per therm. Eliminating a refund rate of this magnitude in the 2010 PGA filing would, all other things being equal, result in an increase of nearly 20%. In other words, even if the Company had *no change* in its WACOG from the 2009 to the 2010 PGA filings, it would have nearly a 20% increase to eliminate a 16.8 cent refund rate. In order to mitigate the potential 2010 PGA increase, the Company proposes to refund the deferral balance over a two-year period, rather than one. Using the same scenario described above (no change in WACOG from 2009 to 2010), there would be *no* PGA rate change in 2010 and approximately a 10% increase in 2011 to eliminate the smaller refund rate. The Company believes that the substantial reduction in the WACOG in this filing presents a unique opportunity to mitigate future PGA increase(s) via a two-year refund of the deferral balance.

The annual revenue change reflected in this filing is a decrease of \$40.6 million, or a decrease in annual gas revenue of 21.0%. The average residential or small commercial customer using 70 therms per month will see a *decrease* of \$16.06 per month, or approximately 20.2%. The present bill for 70 therms is \$79.43 while the proposed bill is \$63.37.

Also enclosed are the workpapers supporting the proposed rate changes and a media release which will be issued coincident with this filing. The Company will also send a bill insert to customers regarding the proposed decrease prior to November 1.

If you have any questions regarding this filing, please call Craig Bertholf at 509-495-4124 or Brian Hirschhorn at 509-495-4723.

Sincerely,



Kelly O. Norwood, Vice President
State & Federal Regulation

Enc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have served Avista Corporation's Tariff WUTC WN-U-29 Natural Gas Service via electronic mail where available or by mailing a copy thereof, postage prepaid to the following:

Chad M. Stokes
Cable Huston Benedict Haagensen & Lloyd, LLP
1001 SW 5th, Suite 2000
Portland, OR 97204-1136

Paula Pyron
Northwest Industrial Gas Users
4113 Wolfberry Court
Lake Oswego, OR 97035-1827

Washington Utilities & Transportation Commission
David W. Danner, Executive Director & Secretary
1300 Evergreen Park Dr. SW
Olympia, WA 98504
Sent via the UTC Web Portal

Mr. Simon ffitch
Office of the Attorney General
800 Fifth Avenue, Suite 2000
Seattle, WA 98164

Spokane County
Ron Oscarson, Director of Facilities
1211 W. Gardner Avenue
Spokane, WA 99260-0060

SCC and SFCC-Purchasing
2000 N Greene Street
Spokane, WA 99207

Gonzaga University
P.O. Box 3464
Spokane, WA 99220

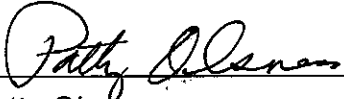
Washington Department of Corrections
P.O. Box 1899
Airway Heights, WA 99001

Franz Bakery
Attn: Jim Groenenthal
110 N. Fancher
Spokane, WA 99212

St. Lukes
Attn: Accounts Payable
P.O. Box 469
Spokane, WA 99210

Quarry Tile
6328 East Utah
Spokane Valley, WA 99212

Dated at Spokane, Washington this 14th day of September 2009.



Patty Olsness
Rates Coordinator

AVISTA UTILITIES
(State of Washington)

Exhibit "A"

Media Notice to Public of Applicant's Proposed Tariffs

September 14, 2009



Contact:

Media: Debbie Simock (509) 495-8031, debbie.simock@avistacorp.com

Investors: Jason Lang (509) 495-2930, jason.lang@avistacorp.com

Avista 24/7 Media Access (509) 495-4174

Avista Requesting to Reduce Natural Gas Prices for Washington and Idaho Customers to Lowest Level Since 2003

SPOKANE, Wash. – Sept. 14, 2009, 1:30 p.m. PDT: Natural gas prices for Avista's (NYSE:AVA) residential and small commercial customers in Washington and Idaho will decrease by 20.2 percent and 17.0 percent respectively, if the utility commissions in both states approve the company's annual Purchase Gas Cost Adjustment (PGA) filed today. Avista has requested a Nov. 1 effective date.

This is the third time in 2009 that Avista has requested to decrease rates for its 145,500 natural gas customers in Washington and 73,000 Idaho customers. If approved, natural gas rates for Washington and Idaho residential customers will have decreased by about 25 percent since the beginning of this year.

If the request is approved, an Avista residential customer in Washington using an average 70 therms per month could expect their bill to decrease by \$16.06 for a revised monthly bill of \$63.37. A residential customer in Idaho using an average 66 therms per month could expect their bill to decrease by \$12.74 for a revised monthly bill of \$62.21. Large commercial and industrial customers in both states could expect decreases over 20 percent.

"Our customers will see their natural gas rates at the lowest level in six years which is especially good news with the heating season approaching. However, it's still important to make wise energy choices to help manage winter heating bills," said Kevin Christie, Avista's director of gas supply.

Steep declines in wholesale natural gas prices caused by lower demand and an abundance of natural gas supplies have driven natural gas prices to their lowest level in several years. However, Christie cautioned that the market remains volatile and wholesale prices could increase again over the coming year.

Avista follows a flexible, diversified natural gas purchasing plan and leverages the company's underground natural gas storage facility. For a portion of customers' natural gas needs, Avista purchases lower-cost gas during spring and summer months and places it in underground storage for use during the heating season when wholesale gas prices are typically highest.

Currently about 75 percent of an Avista customer's monthly bill is the actual cost of natural gas which Avista does not mark up. This portion of a customer's bill is typically adjusted annually- up or down - in PGA filings.

The remaining 25 percent covers the cost of delivering natural gas – the equipment and people needed to provide safe and reliable delivery of service. The Washington Utilities and

Transportation Commission (WUTC) is currently reviewing Avista's request to increase this portion of a customer's monthly bill to recover investments made in its natural gas system.

Customers can take advantage of a number of billing options, energy efficiency programs, incentives and rebates offered by Avista to help them proactively manage their natural gas usage. Comfort Level Billing is an option that gives qualifying customers the opportunity to smooth seasonal energy bill highs and lows by averaging energy bills over 12 months. Information is available at www.everylittlebit.com.

Avista Corp. is an energy company involved in the production, transmission and distribution of energy as well as other energy-related businesses. Avista Utilities is our operating division that provides electric service to 353,000 homes and businesses and natural gas to 313,000 homes and businesses in three Western states, serving more than 492,000 customers. Avista's primary, non-regulated subsidiary is Advantage IQ. Avista stock is traded under the ticker symbol "AVA." For more information about Avista, please visit www.avistacorp.com.

Avista Corp. and the Avista Corp. logo are trademarks of Avista Corporation.

This news release contains forward-looking statements regarding the company's current expectations. Forward-looking statements are all statements other than historical facts. Such statements speak only as of the date of the news release and are subject to a variety of risks and uncertainties, many of which are beyond the company's control, which could cause actual results to differ materially from the expectations. These risks and uncertainties include, in addition to those discussed herein, all of the factors discussed in the company's Annual Report on Form 10-K for the year ended Dec. 31, 2008, and the Quarterly Report on Form 10-Q for the quarter ended June 30, 2009.

-0968-

To unsubscribe from Avista's news release distribution, send reply message to shirley.wolf@avistacorp.com

AVISTA UTILITIES
(State of Washington)

Exhibit "B"

Notice Posted in the Company Offices

September 14, 2009

AVISTA UTILITIES
NOTICE OF TARIFF CHANGE
(Gas Service Only)

Notice is given that the "Sheets" listed below of Tariff WN U-29, covering natural gas service have been filed with the Washington Utilities & Transportation Commission at Olympia, Washington.

Twelfth Revision Sheet 155 canceling Eleventh Revision Sheet 155 and,
Fifteenth Revision Sheet 156 canceling Fourteenth Revision Sheet 156

The effect of the proposed change is an estimated *decrease* to annual revenue of approximately \$40.6 million or about 21.0%.

This filing is a Purchased Gas Cost adjustment (PGA) filing to pass through changes in the estimated cost of natural gas for the forthcoming year and to revise the amortization rate(s) to refund or collect previous gas cost differences accumulated over the previous year.

This filing will have no effect on the annual net income of the Company.

If approved as filed customers will see the following rate changes:

| | | Rate Change Per Therm Increase <Decrease> | Estimated Monthly Percentage Increase <Decrease> |
|--------------|-----------------------|---|--|
| Schedule 101 | Residential | <\$0.22949> | <20.2%> |
| Schedule 111 | Large General Service | <\$0.23338> | <23.9%> |
| Schedule 121 | Large General Service | <\$0.25194> | <26.6%> |
| Schedule 131 | Interruptible Service | <\$0.25485> | <29.0%> |
| Schedule 146 | Transportation | <\$0.00008> | <.1%> |

The average residential customer using 70 therms per month will see an estimated monthly *decrease* from \$79.43 to \$63.37 or approximately \$16.06. The actual *decrease* will vary based on customer usage.

The Company is requesting that the Washington Utilities and Transportation Commission approve the company's filing effective November 1, 2009. A copy of the proposed tariff changes is available for review in the Spokane business office or can be obtained by calling (509) 495-4067 or writing:

Avista Utilities
Attention: Ms. Patty Olsness
P.O. Box 3727
Spokane, WA. 99220

September 14, 2009

AVISTA UTILITIES
(State of Washington)

Exhibit "C"

Proposed Tariff Sheets

September 14, 2009

AVISTA UTILITIES
(State of Washington)

Exhibit "D"

Pipeline Tariff Sheets
Used In This Filing

September 14, 2009

TF0305 0030003P158Third Revised Sheet No. 5
 TF04 Second Revised Sheet No. 5
 TF05Laren M. Gertsch, Director
 TF06072909 080109

STATEMENT OF RATES
 Effective Rates Applicable to
 Rate Schedules TF-1, TF-2, TI-1, TFL-1 and TIL-1
 (Dollars per Dth)

| Rate Schedule and Type of Rate | Base Tariff Rate | | ACA(2) | Currently Effective Tariff Rate(3) | |
|-----------------------------------|---------------------|---------|--------|--|---------|
| | Minimum | Maximum | | Minimum | Maximum |
| Rate Schedule TF-1 (4)(5) | | | | | |
| Reservation | | | | | |
| (Large Customer) | | | | | |
| System-Wide | .00000 | .37984 | - | .00000 | .37984 |
| 15 Year Evergreen Exp. | .00000 | .38101 | - | .00000 | .38101 |
| 25 Year Evergreen Exp. | .00000 | .36445 | - | .00000 | .36445 |
| Volumetric | | | | | |
| (Large Customer) | | | | | |
| System-Wide | .00756 | .03000 | .00170 | .00926 | .03170 |
| 15 Year Evergreen Exp. | .00369 | .00369 | .00170 | .00539 | .00539 |
| 25 Year Evergreen Exp. | .00369 | .00369 | .00170 | .00539 | .00539 |
| (Small Customer) (6) | .00756 | .67209 | .00170 | .00926 | .67379 |
| Scheduled Overrun | .00756 | .40984 | .00170 | .00926 | .41154 |
| Rate Schedule TF-2 (4)(5) | | | | | |
| Reservation | .00000 | .37984 | - | .00000 | .37984 |
| Volumetric | .00756 | .03000 | - | .00756 | .03000 |
| Scheduled Daily Overrun | .00756 | .40984 | - | .00756 | .40984 |
| Annual Overrun | .00756 | .40984 | - | .00756 | .40984 |
| Rate Schedule TI-1 | | | | | |
| Volumetric (7) | .00756 | .40984 | .00170 | .00926 | .41154 |
| Scheduled Overrun | .00756 | .40984 | .00170 | .00926 | .41154 |
| Rate Schedule TFL-1 (4)(5) | | | | | |
| Reservation | - | - | - | - | - |
| Volumetric | - | - | - | - | - |
| Scheduled Overrun | - | - | - | - | - |
| Rate Schedule TIL-1 | | | | | |
| Volumetric | - | - | - | - | - |
| Scheduled Overrun | - | - | - | - | - |

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Gas Transmission Northwest Corporation
 FERC Gas Tariff
 Third Revised Volume No. 1-A

Sixteenth Revised Sheet No. 4
 Superseding
 Fifteenth Revised Sheet No. 4

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR
 TRANSPORTATION OF NATURAL GAS
 Rate Schedules FTS-1 and LFS-1

| | RESERVATION | | RESERVATION | | DELIVERY (c) | | FUEL (d) | |
|---------------------------|------------------------------------|----------|-----------------------------------|----------|--------------|----------|----------|---------|
| | DAILY MILEAGE (a) (Dth-MILE) | MINIMUM | DAILY NON-MILEAGE (b) (Dth) | MINIMUM | MAXIMUM | MINIMUM | MAXIMUM | MINIMUM |
| BASE | 0.000463 | 0.000000 | 0.036632 | 0.000000 | 0.000016 | 0.000016 | 0.0050% | 0.0000% |
| STF (e) | (e) | 0.000000 | (e) | 0.000000 | 0.000016 | 0.000016 | 0.0050% | 0.0000% |
| EXTENSION CHARGES | | | | | | | | |
| MEDFORD | | | | | | | | |
| E-1(f) | 0.003290 | 0.000000 | 0.005498 | 0.000000 | 0.000026 | 0.000026 | --- | --- |
| E-2(g) (1) (WWP) | 0.008298 | 0.000000 | --- | --- | 0.000000 | 0.000000 | --- | --- |
| E-2(h) (1) (Diamond 1) | 0.002972 | 0.000000 | --- | --- | 0.000000 | 0.000000 | --- | --- |
| E-2(h) (1) (Diamond 2) | 0.001166 | 0.000000 | --- | --- | 0.000000 | 0.000000 | --- | --- |
| COYOTE SPRINGS | | | | | | | | |
| E-3(i) | 0.001412 | 0.000000 | 0.001420 | 0.000000 | 0.000000 | 0.000000 | --- | --- |
| OVERRUN CHARGE(j) | --- | --- | --- | --- | --- | --- | --- | --- |
| SURCHARGES | | | | | | | | |
| ACA (k) | --- | --- | --- | --- | 0.001700 | 0.001700 | --- | --- |

Issued by: John A Roscher, Director, Rates & Regulatory Affairs

Issued on: November 21, 2008

Effective on: January 1, 2009



TransCanada Home ▶ Pipelines ▶ Customer Express

Pricing & Tolls - Foothills-BC



**TransCanada's Foothills BC Transportation Rates
2009 Rates Effective January 1, 2009**

| Service | Tariff Rate | | Information Purposes A/BC to Kingsgate | |
|--|-------------------|-----------------|---|-----------------|
| | \$/GJ/km (Cdn) | ¢/GJ/d (Cdn) | ¢/Mcf/d (Cdn) | ¢/MMBtu (US) |
| FT Firm Service - Zone 8 | | | | |
| FT Rate | 0.0092839365 | Monthly | 5.2 | 5.6 |
| IT Interruptible Service - Zone 8 | | | | |
| IT Rate | 0.0093359287 | Daily | 5.7 | 6.1 |

- For information purposes, the maximum Shipper's Haul Distance used in the Shipper's monthly charge for Service calcul 170.7 km.
- Rates are payable in Canadian dollars and GJ units are used for billing purposes. Mcf and MMBtu units are provi information purposes only.
- Conversion Factors below have been used to calculate the rates provided for information purposes:
 - Cdn\$/US\$ 1.19 - subject to change (updated Nov 1/08)
 - ¢/GJ to ¢/MMBtu x 1.055056
 - ¢/GJ to ¢/Mcf at a heat value of 37.8 MJ/m³
- All rates are based on 100% load factor utilization. The IT rate is 110% of the FT rate.
- Rates do not include G.S.T.
- Inquiries regarding the BC System may be directed to:
 - Bruce Newberry at 403.920.5579
 - Dan Morrison at 403.920.6139

Other information for TransCanada's BC System:

Current

- ▶ [Fuel Rates & Heating Values](#)
- ▶ [AB Border Heat Values](#)

Archives

- ▶ [Rates: 2008 \(April 1\)](#) | [2008](#) | [2007](#) | [2006](#) | [2005](#) | [2004](#)
- ▶ [Fuel Rates & Heating Values](#)
- ▶ [AB Border Heat Values](#)

TABLE OF RATES, TOLLS & CHARGES

| Service | Rates, Tolls and Charges | | |
|-----------------------------------|--|--|--|
| 1. Rate Schedule FT-R | Refer to Attachment "1" for applicable FT-R Demand Rate per month & Surcharge for each Receipt Point Average Firm Service Receipt Price (AFSRP) \$183.99/10 ³ m ³ | | |
| 2. Rate Schedule FT-RN | Refer to Attachment "1" for applicable FT-RN Demand Rate per month & Surcharge for each Receipt Point | | |
| 3. Rate Schedule FT-D | FT-D Demand Rate per month \$ 4.87/GJ | | |
| 4. Rate Schedule STFT | STFT Bid Price. Minimum bid of 100% of FT-D Demand Rate | | |
| 5. Rate Schedule FT-DW | FT-DW Bid Price. Minimum bid of 125% of FT-D Demand Rate | | |
| 6. Rate Schedule FT-A | FT-A Commodity Rate \$ 0.50/10 ³ m ³ | | |
| 7. Rate Schedule FT-P | Refer to Attachment "2" for applicable FT-P Demand Rate per month | | |
| 8. Rate Schedule LRS | <u>Contract Term</u> | <u>Effective LRS Rate (\$/10³m³/day)</u> | |
| | 1-5 years | 10.28 | |
| | 6-10 years | 8.59 | |
| | 15 years | 7.71 | |
| | 20 years | 6.84 | |
| 9. Rate Schedule LRS-2 | LRS-2 Rate per month | \$50,000 | |
| 10. Rate Schedule LRS-3 | LRS-3 Demand Rate per month | \$129.55/10 ³ m ³ | |
| 11. Rate Schedule IT-R | Refer to Attachment "1" for applicable IT-R Rate & Surcharge for each Receipt Point | | |
| 12. Rate Schedule IT-D | IT-D Rate | \$ 0.1759/GJ | |
| 13. Rate Schedule FCS | The FCS Charge is determined in accordance with Attachment "1" to the applicable Schedule of Service | | |
| 14. Rate Schedule PT | <u>Schedule No</u> | <u>PT Rate</u> | <u>PT Gas Rate</u> |
| | 9006-01000-0 | \$ 60.50/d | 1.0 10 ³ m ³ /d |
| | 9009-01001-1 | \$660.00/d | 50.0 10 ³ m ³ /d |
| 15. Rate Schedule OS | <u>Schedule No.</u> | <u>Charge</u> | |
| | 2008333534 | \$ 212.00 / month | |
| | 2009367515 | \$ 45.00 / month | |
| | 2009367513 | \$ 90.00 / month | |
| | 2009227545 | \$ 9.00 / month | |
| | 2009367511 | \$ 6.00 / month | |
| | 2009367517 | \$ 5.00 / month | |
| | 2009367518 | \$ 48.00 / month | |
| | 2009367514 | \$ 146.00 / month | |
| | 2009369554 | \$ 350.00 / month | |
| | 2009367512 | \$ 1,671.00 / month | |
| | 2009367516 | \$ 18.00 / month | |
| | 2009367441 | \$ 43.00 / month | |
| | 2009367265 | \$ 169.00 / month | |
| | 2009367442 | \$ 88.00 / month | |
| | 2009376113 | \$ 185.00 / month | |
| 2009367266 | \$ 9.00 / month | | |
| 2003004522 | \$ 83,333.00 / month | | |
| 16. Rate Schedule CO ₂ | <u>Tier</u> | <u>CO₂ Rate (\$/10³m³)</u> | |
| | 1 | 553.44 | |
| | 2 | 438.58 | |
| | 3 | 294.62 | |

Effective Date: April 29, 2009 revised pursuant to NEB Order AO-1-TGI-01-2009

www.transcanada.com/Alberta/info_postings/tariff/02_2009rates.pdf

Westcoast Energy Inc.
TOLL SCHEDULES - SERVICE

APPENDIX A

**DEMAND AND COMMODITY TOLLS
TRANSPORTATION SERVICE - SOUTHERN**

Firm Transportation Service - Southern

| Service Term | Demand Tolls \$/10 ³ m ³ /mo. | | | |
|-----------------|--|-------------------------|-----------------------------|--|
| | PNG Delivery Point | Inland Delivery Area | Huntingdon Delivery Area | Terasen Kingsvale to Huntingdon* |
| 1 year | 102.97 | 230.92 | 454.51 | 223.58 |
| 2 years | 99.97 | 224.20 | 441.27 | 217.07 |
| 3 years | 96.97 | 217.47 | 428.03 | 210.56 |
| 4 years | 95.97 | 215.23 | 423.62 | 208.39 |
| 5 years or more | 94.97 | 212.99 | 419.20 | 206.22 |

* For Firm Transportation Service - Southern provided by Westcoast pursuant to a Firm Service Agreement dated April 15, 2002 between Westcoast and Terasen Gas Inc.

Plus the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for each day in the month.

AOS and Interruptible Transportation Service - Southern

| Months | Commodity Tolls \$/10 ³ m ³ | | | |
|-------------------|--|-------------------------|-----------------------------|--|
| | PNG Delivery Point | Inland Delivery Area | Huntingdon Delivery Area | Terasen Kingsvale to Huntingdon* |
| November to March | 4.486 | 10.062 | 19.804 | 9.742 |
| April to October | 3.365 | 7.546 | 14.853 | 7.307 |

* For AOS provided by Westcoast pursuant to a Firm Service Agreement dated April 15, 2002 between Westcoast and Terasen Gas Inc.

Plus the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for each day in the month.

Import Backhaul Service

| Months | Commodity Tolls \$/10 ³ m ³ | | |
|-------------------|--|-----------------------|-----------------------------|
| | Inland Delivery Area | PNG Delivery Point | Compressor Station No. 2 |
| November to March | 9.742 | 15.318 | 19.804 |
| April to October | 7.307 | 11.488 | 14.853 |

Plus the amount of tax on fuel gas consumed in operations payable under the Motor Fuel Tax Act (British Columbia) and the Carbon Tax Act (British Columbia) which is allocated to Shipper by Westcoast for each day in the month.

Effective Date: March 1, 2009