
RATE SCHEDULE 42
LARGE VOLUME NON-RESIDENTIAL
SALES AND TRANSPORTATION SERVICE
(continued)

(N)

SPECIAL PROVISIONS (continued):

- C. The initial MDDV shall be used for billing purposes until the next Peak Period. Commencing with the first Peak Period month following the establishment of the initial MDDV, and with each Peak Period thereafter, the MDDV for billing purposes shall be determined as follows:
 - (i) In each month of the Peak Period the MDDV for billing purposes shall equal the higher of (a) the Customer's most recent billing MDDV or (b) the Customer's actual MDDV of record for that billing month, as determined from AMR data, or from the calculated method described in (B)(ii) above, whichever applies.
 - (ii) The MDDV to be used for billing purposes in the non-Peak Period months shall equal the highest MDDV of record for the most recent Peak Period.

- 5. **Out of Cycle Adjustments To MDDV.** Upon Customer request, and upon a showing to Company's sole satisfaction that a change in Customer operations results in a change to the Customer MDDV, the Company may adjust the Customer MDDV at any time. Any change in MDDV is subject to revision to reflect the Customer's actual maximum Gas Day usage for billing purposes.

- 6. **Special Conditions for Calculating MDDV under the Peak Demand Capacity Charge Option for the billing months July 2004 through October 2004.** The MDDV calculation to be used to apply the Peak Demand Capacity Charge in the initial four billing months (July through October) following the implementation of the Company's rate redesign is as follows:

The MDDV will be the lower of (i) the MDDV of record for the customer for the 2003-2004 Peak Period, or (ii) the MDDV recorded for the customer in each month July through October. Where data for the 2003-2004 Peak Period is not available, or where such data is incomplete, the initial MDDV shall be determined based upon the best information then available.

Effective with the first month of the 2004-2005 Peak Period, the MDDV will be established as set forth in Special Provision 4(C).

- 7. **Combinations of Service.** When combinations of Firm and Interruptible services are elected, the Customer's Firm Service MDDV shall be specified and all Firm Service volumes up to the Customer's Firm Service MDDV shall be first through the meter for billing purposes.

(N)

GENERAL TERMS:

Service under this Rate Schedule is governed by the terms of this Rate Schedule, the General Rules and Regulations contained in this Tariff and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

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Effective with service on
and after July 1, 2004

BY AUTHORITY OF WUTC ORDER IN DOCKET UG-031885

Issued by: **NORTHWEST NATURAL GAS COMPANY**
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