SCHEDULE F RESIDENTIAL HIGH-EFFICIENCY FURNACE PROGRAM

PURPOSE:

The purpose of this program is to improve the energy efficiency of Natural Gas space heating in residential dwellings.

AVAILABLE:

To Residential Customers in all territory served by the Company under the Tariff of which this schedule is a part, that install Natural Gas furnaces in accordance with the specifications of this schedule. In the case of a new construction installation, the builder may be considered to be the Customer.

To qualify for an incentive, the dwelling address must match an existing service address or match the address shown by new service and meter installation records.

DESCRIPTION:

The Company will offer an incentive for every installation of Natural Gas space heating equipment with efficiency ratings of 90% Annual Fuel Utilization Efficiency (AFUE) or greater in a residential dwelling. For purposes of this program, a current code-approved automatic setback thermostat, if not already installed in the dwelling, must accompany the space heating equipment installation.

In order to be eligible under this program, the residential dwelling must meet one of the following criteria: (1) an existing Natural gas furnace is being replaced; (2) the consumer is in the process of converting to natural gas space heating from other fuels; or (3) the installation is in a new construction dwelling.

SPECIAL PROVISIONS:

- 1. A cash payment of \$200.00 will be paid to the participant when a qualifying product has been installed. Payment will be made to the Customer upon receipt of a completed application form, including installation verification completed by the installing contractor.
- The Company will conduct random inspections and/or verification of the equipment installations performed under this program to assure compliance with the conditions of the program.

TERM:

This schedule will terminate when the service is deemed no longer cost-effective, or upon demonstration of sustained market transformation, or at such time as the Commission may approve.

GENERAL RULES AND REGULATIONS:

Service under this schedule is subject to the General Rules and Regulations contained in this Tariff and to those prescribed by regulatory authorities, as amended from time to time.

Issued September 5, 2001 NWN Advice No. WUTC 01-9 Effective with service on and after October 15, 2001