



UG-950392
(c) 4-26-95

March 30, 1995

Advice No. 800

Mr. Steve McLellan, Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, Washington 98504-7250

SUBJECT: Application for Special Contract Service Agreement between
Washington Natural Gas Company and The Boeing Company

Dear Mr. McLellan:

Enclosed is the Company's application for a service agreement between Washington Natural Gas Company and The Boeing Company. The service agreement represents the culmination of successful negotiations between the two companies.

Washington Natural files herewith three copies of the application and requests that the Commission approve it as a special contract pursuant to the provisions of WAC 480-80-335. Accompanying the application as supporting schedules are copies of the contract itself and exhibits providing the documentation required by WAC 480-80-335(5).

All supporting schedules in this filing are proprietary in nature for both parties to the contract, and the Company claims confidentiality and protection from inspection or copying under WAC 480-09-015 and the underlying provisions of chapter 42.17 RCW and RCW 80.04.095. We further understand that, prior to any release of this material, Washington Natural Gas Company will be notified in order to allow the Company to invoke any and all statutory procedures for securing a court order protecting the material as proprietary and confidential.

Yours very truly,

Ronald J. Amen, Director
Rates and Special Studies

Enclosures

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OFFICE OF THE
CLERK OF THE
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BEFORE THE WASHINGTON UTILITIES
AND TRANSPORTATION COMMISSION

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WASHINGTON UTILITIES
AND TRANSPORTATION COMMISSION
MAY 11 1981

In the Matter of the Application) Docket No. _____
of Washington Natural Gas Company)
for an Order Approving a Transpor-) APPLICATION OF
tation Service Agreement as a) WASHINGTON NATURAL
Special Contract) GAS COMPANY
_____)

Washington Natural Gas Company ("the Company") applies to the Commission for approval of a Transportation Service Agreement ("Agreement") as a special contract pursuant to WAC 480-80-335.

1. The Company's address is: 815 Mercer Street, P.O. Box 1869, Seattle, WA 98109.

2. The Company entered into the Agreement with The Boeing Company ("Boeing") which is subject to Commission approval prior to implementation. The Agreement accompanies this Application as confidential Exhibit "A".

3. Boeing requires gas service to conduct operations at certain facilities ("the Boeing Facilities"). Boeing has secured its own gas supplies for use at the Boeing Facilities. Boeing has also secured transportation capacity on Northwest Pipeline Corporation's pipeline facilities.

4. The gas which Boeing secures must be transported through the Company's distribution system from an interconnection with the pipeline facilities to points of delivery at the Boeing Facilities.

1 The gas must also be measured at or before the points of delivery.

2 5. The Company is willing to provide the services that
3 Boeing requires. However, Boeing's service needs do not conform to
4 any Company tariff that is currently effective. Boeing and the
5 Company therefore negotiated the Agreement. In consideration for
6 the services offered under the Agreement, Boeing has agreed to an
7 initial Agreement term of 20 years. The Agreement will commence on
8 the first day of the calendar month after the Commission approves
9 the Agreement as a special contract.

10 6. Boeing has further agreed not to bypass the Company's
11 distribution system for the duration of the initial Agreement term.
12 This is significant. Absent this commitment, the continuing
13 potential for bypass at the Boeing Facilities is very real. The
14 Agreement ensures that the Company will not lose its single largest
15 customer.

16 7. The Agreement does not result in discrimination between
17 customers receiving like and contemporaneous service under
18 substantially similar circumstances. Boeing possesses specific
19 service needs at the Boeing Facilities. The Agreement responds to
20 these needs and provides the services which Boeing has requested.
21 No other customer of the Company receives this combination of
22 services at this time. The Company and Boeing negotiated the
23 Agreement because Boeing's service needs do not conform to any
24 applicable tariff of the Company, and because certain services
25 which Boeing desires are not specifically addressed in the
26 Company's tariff.

27 APPLICATION OF WASHINGTON NATURAL
28 GAS COMPANY - 2

1 8. The Company submits a Statement in Support of Application
2 in compliance with WAC 480-80-335(5). The Statement accompanies
3 this Application as confidential Exhibit "B".

4 WHEREFORE, the Company requests that the Washington Utilities
5 and Transportation Commission make its order granting this
6 Application and approving the Transportation Service Agreement as
7 a special contract.

8 DATED this 30th day of March, 1995.

9 WASHINGTON NATURAL GAS COMPANY

10 BY Ronald J. Amen
11 Ronald J. Amen, Director
Rates and Special Studies

12 STATE OF WASHINGTON)
13 COUNTY OF KING) ss.

14 Ronald J. Amen, being first duly sworn, deposes and says that
15 he is Director - Rates and Special Studies of Washington Natural
16 Gas Company, the Applicant in the proceeding entitled above, that
17 he has read the foregoing Application and knows the contents
hereof; that the same are true of his own knowledge, except as to
18 matters which are therein stated on information or belief, and as
19 to those matters he believes them to be true.

20 Ronald J. Amen
21 Ronald J. Amen

22 SUBSCRIBED AND SWORN to before me this 30th day of March,
23 1995.

24 Caroline Evans
25 NOTARY PUBLIC in and for the State
26 of Washington, residing at:
27 My Commission expires 1-15-96

