

AS FILED

UG-931386

222 FAIRVIEW AVENUE NORTH, SEATTLE, WASHINGTON 98109

(206) 624-3900 FACSIMILE (206) 624-7215

CASCADE

Natural Gas

CORPORATION

December 6, 1993

Mr. Steve McLellan, Secretary  
Washington Utilities &  
Transportation Commission  
1300 S. Evergreen Park Drive SW  
Olympia, WA 98504-9022

Dear Mr. McLellan:

On December 1, 1993, WUTC Staff inquired about a non-confidential information summary associated with the Company's Special Contract application for service to Longview Fibre Company's cogeneration project. The requested non-confidential summary is attached in response to Staff's inquiry.

If there are any questions concerning this information on the associated special contract application, please contact me directly.

Very truly yours,



Joseph L. McGrath  
Manager - Rates

JLM/dka

L 000549

**CASCADE NATURAL GAS CORPORATION**

Summary information regarding the Service Agreement between Longview Fibre Company and Cascade Natural Gas Corporation, dated September 1, 1993.

1. The specific initial contract rate or rates for the services sold by Cascade under the referenced contract.

Longview Fibre Company (Longview) shall pay a monthly Demand Charge of \$.1725 per therm per day of Daily Contract Quantity (DCQ). The DCQ shall be 360,000 therms per day. The initial Commodity Rate shall be \$.0050 per therm for the first 180,000 of use per day and \$.0030 per therm for all daily volumes over 180,000 therms. Longview will also be invoiced a monthly dispatch service charge under the terms of Distribution Rate Schedule No. 663.

2. The Term of the Contract.

The primary term shall be 25 years. The agreement shall continue on a year to year basis thereafter unless terminated by either Party with 1 years advance written notice.

3. The nature of the service provided by Cascade.

The service provided by Cascade under the referenced Agreement is considered to be firm natural gas distribution transportation service. No upstream services such as firm capacity on Northwest Pipeline or storage are provided in the Agreement.

4. Applicable Rate Schedules.

The agreement requires Longview to comply with the Operating Obligations and Condition provisions embodied in Cascade's supplemental Rate Schedule Nos. 681 through 684 and 690, as applicable, as well as their successors.

5. Rate Escalation Provisions.

On October 1, 1994 and each October 1 thereafter, the Commodity Rate shall be escalated by the percentage change in the Consumer Price Index for the "All Urban Customers - U.S. City Average - All Items," for the twelve months ending three months prior to each October 1. In addition, Longview shall reimburse Cascade for State Utility Tax and other governmental levies imposed upon Cascade in rendering transportation service for Longview.

L 000550