

AVISTA CORPORATION
dba Avista Utilities

SCHEDULE 151

GAS EXTENSION POLICY - WASHINGTON (Residential Service)

AVAILABLE:

For service piping or main extensions to the Company's distribution facilities where there is available, or will be made available, to the Company for resale a volume of gas adequate for the service requested, elevation and construction conditions permit and one or more bona fide, prospective residential customers make application for an extension thereof for permanent continuing uses.

APPLICABLE:

To service piping or main extensions installed, owned, operated and maintained by the Company.

DEFINITIONS:

"Extension" shall be the distribution main, pressure regulating devices, service piping and appurtenances required to connect existing facilities of the Company, having capacity adequate to supply the gas service requested, to the "meter location."

"Meter Location" shall be the point at which gas shall be delivered to and received by the applicant, shall be out-of-doors, and shall be at a point designated by the Company subject to the applicant's approval, provided that the length of service piping shall not exceed, by more than ten feet, the shortest distance between the Company's distribution main and the building to be served.

"Extension Cost" shall be the Company's estimate of the cost of furnishing and installing an extension assuming the existing distribution main is located in the center of the street or alley.

"Annual Revenue" shall be the Company's estimate of the annual payments under the applicable rate for the gas service requested.

A "year" shall begin with the first meter reading date after service is available and shall end twelve months thereafter.

ACCESS TO PREMISES:

The applicant shall grant to the Company the right to remove (and replace) or otherwise disturb, lawns, shrubs or other property on the applicant's premises as reasonably necessary for the purpose of installing an extension hereunder.

Issued May 17, 1999

Effective June 23, 1999

Issued by Avista Corporation
By _____

_____, Manager, Rates & Tariff Administration

WN U-29

Original Sheet 151A

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SCHEDULE 151A - Continued

EXTENSION RULES:

1. The Company will furnish and install, at its expense, an extension if the annual revenue therefrom will be not less than one-third the extension cost.

2. The Company will furnish and install, at its expense, an extension if the annual revenue therefrom will be more than one-sixth but less than one-third the extension cost provided the applicant agrees to pay, for gas service for a period of five years, an annual amount equal to not less than one-third the extension cost.

3. The Company will not be required to construct extensions where the annual revenue will be less than one-sixth the extension cost.

4. Facilities provided by the Company in accordance with Rule 2 above will be deemed an extension (hereafter called "existing extension") during the first five years that service is available therefrom. Applicants for service involving an addition to an "existing extension" during such five years will be considered as applicants for a new extension except that the annual minimum payments of such applicants for the remainder of the five year term of the existing extension shall not be less than the minimum payments required considering the new extension and the existing extension as a "combined extension." In the event the annual minimum payments required for the combined extension are less than those required for the existing extension, annual minimum payments of customers on the existing extension will be reduced to such lesser payments for the remainder of the original five-year term.

5. The Company may require applicants to advance to the Company a sum equal to 12 minimum monthly payments under the applicable schedule or agreement. Such advance, to be paid before the Company is required to initiate construction, shall be applied as a credit to the customer's gas account for the 12 months beginning with the first meter reading after gas service is made available.

Issued May 17, 1999

Effective June 23, 1999

Issued by Avista Corporation
By

, Manager, Rates & Tariff Administration