
**RATE SCHEDULE 80
FIRM STORAGE SERVICE****AVAILABLE:**

To eligible Non-Residential Customers taking Firm Transportation Service of Customer-Owned Gas under **Rate Schedule 31**, **Rate Schedule 32**, **Rate Schedule 33**, or **Rate Schedule 60** (Special Contract) of this Tariff, or to eligible Natural Gas commodity suppliers of such Non-Residential Customers, provided that firm storage capacity designated for this service exists and the applicable Customer has met all of the applicable prerequisites to service described herein.

The Firm Storage Service offered under this Rate Schedule will be provided by the Company using storage capacity at Mist that is developed in advance of core Customer needs and the same firm capacity is also being simultaneously made available to the Company's firm interstate storage customers on a non-discriminatory basis. On an annual basis, the amount of storage capacity that is not under existing firm storage service agreements that is made available under this Rate Schedule is subject to change as the non-contracted for capacity may be subject to recall by the Company for core Customer use. Accordingly, the Company reserves its right not to offer or commence the Storage Service hereunder, or to limit the total amount of capacity that is available under this Rate Schedule when, in Company's sole discretion: (i) any impairment of its firm services to core Customers, including its ability to use storage to support such firm services and gas purchases for firm services, would or may result; and/or (ii) there is not sufficient available firm natural gas storage capacity at Mist that is designated for service under this Rate Schedule or an expansion is required, including, the lack of available firm injection and/or withdrawal capacity, and the lack of adequate capacity on the Company's system; and/or (iii) the Customer does not meet the prerequisites to service. All references to "Storage Service" or "Firm Storage Service" refer to the storage and related transportation on NW Natural's distribution system from the Receipt Point(s) to Mist and from Mist to the Storage Delivery Point(s) under this Rate Schedule.

All gas stored under this Rate Schedule must be consumed by a Customer capable of receiving the service from Mist within the Company's service territory in Oregon.

SERVICE DESCRIPTION:

The Firm Storage Service to be provided under this Rate Schedule consists of a bundled storage and transportation service of Customer-Owned Gas from the designated Receipt Point to Mist and from Mist to the designated Storage Delivery Point subject to excused interruption by the Company due to force majeure. The subsequent firm or interruptible transportation of the gas from the Storage Delivery Point to the Delivery Point at a Customer's facility shall take place according to the terms of the Transportation Rate Schedule that is applicable to a Customer's service account where the gas will be consumed as well as the terms of **Schedule T** and other provisions of the Company's Tariff.

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**RATE SCHEDULE 80
FIRM STORAGE SERVICE**
(continued)**SERVICE DESCRIPTION (continued):**

From time to time, subject to the Company having available capacity for the Storage Service as described above, the Company will offer Firm Storage Service for Customer-Owned Gas to Requesting Parties and/or Customers meeting the prerequisites to service on a non-discriminatory basis. An Agreement for Firm Storage Service shall be for a term as set forth in the applicable Service Agreement. Firm Storage Service, Working Gas, Maximum Daily Injection Quantity (MDIQ), and Maximum Daily Withdrawal Quantity (MDWQ) will not be subject to curtailment, interruption, or discontinuance except as provided herein or in the Service Agreement. The Firm Storage Service offered under this Rate Schedule shall have an equal priority with the firm interstate storage service that is provided by the Company and the treatment of service requests and the scheduling priority for these firm storage customers will be on a non-discriminatory basis.

Subject to the other applicable provisions herein, once a Service Agreement has been entered into, a Storage Service Customer may nominate to withdraw amounts up to the specified MDWQ and the Company will schedule such amounts on a firm basis until such Customer's Working Gas inventory falls below fifty percent (50%) of its Maximum Storage Capacity. In such an event, the level of firm withdrawals that a Customer can request will be less than the full MDWQ, and will be limited to the amount specified in the withdrawal table attached to Customer's Service Agreement. The scheduling of Authorized Overrun Quantities in excess of a Customer's applicable MDIQ and MDWQ, may be allowed, but will have the lowest scheduling priority as described further herein.

PREREQUISITES TO SERVICE:

The availability of the Storage Service is subject to the following prerequisites:

1. (a) For a Non-Residential Customer requesting Storage Service under this Rate Schedule, it will be required to have firm Transportation Service volumes on the Company's system that on average equal to or exceed 5,000 Dth/day for a service single account, a storage withdrawal MDWQ of at least 5,000 Dth/day, and the Company must determine that the Delivery Point for the applicable service account is capable of receiving the gas from Mist from the Storage Delivery Point through subsequent transportation on the Company's distribution system.
(b) If a Natural Gas commodity supplier is requesting Storage Service under this Rate Schedule, it will be required to have a storage withdrawal MDWQ of at least 5,000 Dth/d and either have its own firm Transportation Service Agreement in place to transport the stored gas following redelivery at the Storage Delivery Point, or it must provide information to the Company regarding the Oregon Firm Transportation Service Customer service account(s) and the associated Delivery Point(s) on the Company's system that will likely be receiving the gas by sale from the commodity supplier at the Storage Delivery Point so that the Company can verify that the stored gas will be ultimately consumed in Oregon by a Non-Residential Customer of the Company capable of receiving the gas from Mist as required under this Rate Schedule;

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FIRM STORAGE SERVICE**
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PREREQUISITES TO SERVICE (continued):

2. The Storage Service request is deemed to be valid by the Company (See the Requests for Service section below);
3. The Company has determined that adequate firm storage capacity designated for the service exists at Mist (no expansions are required), including for firm injection and withdrawals as well as capacity on its distribution system at levels sufficient to accommodate the Storage Service request;
4. The Requesting Party has met the Company's creditworthiness standards;
5. Unless a Storage Account transfer or title transfer takes place as provided for herein, the gas to be stored under this Rate Schedule will be redelivered and consumed within the Company's service territory in Oregon; and
6. The Requesting Party has executed a Service Agreement with the Company.

DEFINITIONS:

Except as otherwise provided for below, the terms used in this Rate Schedule are defined in the Definitions section of the Tariff.

Agreement. Means the terms of this Rate Schedule, as may be amended and supplemented from time to time, together with the applicable Service Agreement (including all Exhibits). All references to "Storage Services" refer to storage and related transportation on NW Natural's distribution system under this Rate Schedule.

Authorized Overrun or Authorized Overrun Quantities. Shall mean a quantity of Gas in excess of Customer's Maximum Daily Injection or Withdrawal Quantity, which the Company agrees, in its sole discretion, to inject or withdraw for Customer on any Gas Day.

Maximum Daily Injection Quantity (MDIQ). Means the maximum quantity of Gas, specified in the Service Agreement, which Customer is entitled to inject into Mist on any Day. Unless otherwise agreed by the Company, the MDIQ will be 40% of the MDWQ contracted for.

Maximum Daily Withdrawal Quantity (MDWQ). Means the maximum quantity of Gas, specified in the Service Agreement, which Customer is entitled to withdraw from Mist on any Day.

Maximum Storage Capacity (MSC). Means the maximum quantity of Gas which Customer is entitled to store at Mist at any given time.

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**RATE SCHEDULE 80
FIRM STORAGE SERVICE**
(continued)

DEFINITIONS (continued):

Mist. Means the underground natural gas storage facilities constructed and operated by the Company located in Columbia County, Oregon, near the town of Mist.

NAESB. Means North American Energy Standards Board.

Requesting Party. Means any person, including existing Customers or Natural Gas commodity suppliers, that makes a request to the Company for new or additional Storage Service under this Rate Schedule.

Storage Account. Shall mean, for accounting purposes, the account maintained by the Company into which Customer nominates Gas for injection or from which Customer nominates Gas for withdrawal under a Service Agreement. The Storage Account may not have a negative gas inventory balance.

Storage Delivery Point. Means the redelivery point for the stored gas on the Company's system in Oregon that is deemed acceptable for the redelivery by the Company and such point shall be specified in the Customer's Service Agreement.

Storage Service. As used herein means intrastate Natural Gas Firm storage and related Transportation Service from the Receipt Point to Mist and from Mist to the Storage Delivery Point on the Company's local distribution system in Oregon. Specifically, the injection, storage and withdrawal of gas from Mist, related Transportation, and any ancillary activities as may be provided to Customer by the Company pursuant to the terms of this Rate Schedule, and an applicable Service Agreement with such Customer.

Transporter. Means any upstream third party which provides transportation services required to effectuate delivery of the gas to be stored under this Rate Schedule to the Company's system.

Working Gas. Means the actual quantity of working gas in storage for Customer's Storage Account at the beginning of any given Gas Day.

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**RATE SCHEDULE 80
FIRM STORAGE SERVICE**
(continued)**REQUESTS FOR SERVICE:**

A Requesting Party desiring Storage Service under this Rate Schedule may make an oral or written request to the Company. The request shall include, at a minimum:

1. The exact legal name of the Requesting Party;
2. The proposed MDIQ and MDWQ;
3. The proposed term of service;
4. The proposed Storage Delivery Point and the subsequent Firm Transportation contract and Delivery Point on the Company's system in Oregon; and
5. Other necessary information, if any.

A Storage Service request shall not be valid and the Company shall not be required to grant any Storage Service request if: (i) the Company determines, based on its credit analysis, that the Requesting Party does not meet the Company's creditworthiness standards; (ii) the Requesting Party does not meet the prerequisites to service set forth in this Rate Schedule; (iii) the service requested would require the construction, modification, expansion or acquisition of any storage or distribution system facilities; (iv) the service requested would not comply with this Rate Schedule; or (v) the Company lacks adequate injection/withdrawal or transportation capacity to provide the requested service; or (vi) the service requested is at less than the applicable maximum rate; provided, however, that the Company may agree to provide the service at less than the applicable maximum rate.

The Company shall consider a valid request, and will contact the Requesting Party regarding whether it can provide the requested Storage Service. If the Company is able to accommodate the request, the Company will provide the details according to which Company is willing to provide such service. If the Company can provide some, but not all of the requested Firm Storage Service, the Company will advise the Requesting Party of the maximum quantities that Company would be able to accommodate. If more than one request for Firm Storage Service is received, then the Company shall tender Service Agreements in order of the highest net present value proposed to be paid by such Requesting Parties. If the Company is unable to accept, in full, simultaneous requests for Firm Storage Service from Requesting Parties when they have proposed to pay the same rate, then the Company shall tender Service Agreements reflecting each Requesting Party's *pro rata* share of the capacity requested.

The Company shall tender a Service Agreement to the Requesting Party upon Company's acceptance of such party's request for Firm Storage Service. The Service Agreement shall be invalid unless signed by the Requesting Party and returned to the Company within thirty (30) days after the Company tenders such Service Agreement for execution.

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NORTHWEST NATURAL GAS COMPANY

P.U.C. Or. 25

First Revision of Sheet 80-6
Cancels Original Sheet 80-6

RATE SCHEDULE 80 FIRM STORAGE SERVICE (EXPERIMENTAL) (continued)

RATES AND CHARGES:

Monthly Deliverability Reservation Charge.

A monthly charge, as set forth in the Service Agreement, shall apply for each Dekatherm (Dth) of Customer's MDWQ. The maximum Monthly Deliverability Reservation Charge is \$5.0274/month and the minimum charge is \$0.

Monthly Capacity Charge.

A monthly charge, as set forth in the Service Agreement, shall apply for each Dth of Customer's MSC. The maximum Monthly Capacity Charge is \$.0600/month and the minimum charge is \$0.

Authorized Overrun Charge.

A charge, as set forth in the Service Agreement, may apply for each Dth of Gas withdrawn in excess of Customer's MDWQ or injected in excess of Customer's MDIQ (Authorized Overrun Quantities) on each Gas Day of a given Month. The maximum charge is \$0.1653 and the minimum charge is \$0.0000.

Fuel Charge.

Customers shall be assessed a 2.5% fuel-in-kind charge for each Dth of gas injected.

Other Applicable Charges.

Any other applicable charges as provided for in the Tariff may be set forth on the Service Agreement or monthly invoice, as appropriate.

Service Charge Credit.

If the Company fails to deliver to the designated Storage Delivery Point or receive at the Receipt Point hereunder, other than as may be excused by Force Majeure, ninety-five percent (95%) or more of the aggregate Confirmed Daily Nominations (as hereinafter defined) of all firm intrastate Storage Service Customers for more than twenty-eight (28) Days in any given Contract Year, then for each Gas Day during that Contract Year in excess of twenty-eight (28) Days that the Company so fails to deliver or receive (a "Credit Day"), Customer, as its sole remedy, shall be entitled to a Service Charge Credit calculated as set forth below.

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RATE SCHEDULE 80
FIRM STORAGE SERVICE
(continued)

RATES AND CHARGES (continued):

Service Charge Credit (continued).

For the purpose of this provision, Confirmed Daily Nomination shall mean for any Gas Day, the lesser of (1) Customer's Maximum Daily Withdrawal Quantity (MDWQ)(as may be reduced by the provisions of Customer's Service Agreement) or Maximum Daily Injection Quantity (MDIQ), as applicable; (2) the quantity of Gas that the connecting upstream interstate pipeline(s), local distribution company pipeline(s) or end-user(s) is/are capable of accepting for Customer's account at the designated Receipt Point or Storage Delivery Point; or (3) Customer's nomination to the Company. Additionally, for purposes of this subsection, Contract Year shall mean the 12-month period beginning with the commencement of Storage Service under a firm Service Agreement hereunder and ending one day prior to the anniversary date of service commencement, and each subsequent 12-month period thereafter during the term of the Agreement.

The Service Charge Credit for each Credit Day for a particular Customer shall be computed as follows:

$$\begin{array}{rcl} \text{Service Charge} & & A + B \\ \text{Credit for Each} & & \\ \text{Credit Day} & = & \frac{\quad}{(30.41)} \times \frac{C - D}{(C)} \end{array}$$

- where A = Customer's Monthly Reservation Charge (product of Reservation Charge per Dth and MDWQ)
- B = Customer's Monthly Capacity Charge (product of Capacity Charge per Dth and MSC)
- C = Customer's Confirmed Daily Nomination for the Credit Day
- D = Actual quantity of gas delivered or received by Owner for Customer's account at the Storage Delivery Point for the Credit Day

At the anniversary date of a Customer's Contract Year, Owner will determine the applicable number of Days that performance fell below 95%, if any, and then determine if any Credit Days apply. If Credit Days are applicable to such Customer, Owner will calculate the Service Charge Credit and it will appear as a credit to the charges listed on such Customer's next regular monthly invoice for Storage Service. Additionally, if Customer's failure to receive gas at a downstream Delivery Point hereunder on any Gas Day is due to an interruption of interruptible transportation of the gas from the Storage Delivery Point to the Delivery Point at Customer's facility, then such an event shall not be considered in terms of calculating the Service Charge Credit provided for in this provision so long as the Confirmed Daily Nomination for the Firm Storage Service was otherwise available to the Customer for redelivery at the Storage Delivery Point on such day.

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**RATE SCHEDULE 80
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(continued)****INJECTIONS AND WITHDRAWALS:**

Maximum Storage Capacity. Customer's MSC shall be set forth in the Service Agreement.

Injections. Subject to Force Majeure, or as otherwise provided for herein, Customer will be allowed to nominate to inject Customer-Owned Gas into Mist on each Gas Day on a firm basis in an amount that is confirmed by the Company up to Customer's MDIQ, as set forth in the Service Agreement, so long as injection of such quantities does not cause Customer to exceed its MSC. On any Gas Day, Company is not obligated to receive more than the MDIQ in the Service Agreement.

Withdrawals. Subject to Force Majeure, or as otherwise provided for herein, Customer will be allowed to nominate to withdraw Customer-Owned Gas from Mist on each Gas Day on a firm basis in an amount that is confirmed by the Company up to Customer's MDWQ, as set forth in the Service Agreement, so long as the withdrawal of such quantities does not cause Customer to incur a negative Working Gas balance; provided, however, that once a Firm Storage Service Customer's Working Gas inventory falls below fifty percent (50%), then firm withdrawals shall be limited to the amount specified in the withdrawal table attached to Customer's Service Agreement.

The withdrawal of any amounts above the firm amount in the withdrawal table up to the MDWQ may be requested by Customer and will be accommodated by the Company on an as-available basis, and such quantities will be scheduled ahead of interruptible interstate Storage Services or Authorized Overrun Quantity nominations. On any Gas Day, the Company is not obligated to deliver more than the lesser of the MDWQ or the firm amount specified in the withdrawal table attached to the Service Agreement.

STORAGE ACCOUNT VOLUME TRANSFERS TO AN INTERSTATE STORAGE ACCOUNT:

Customer will be allowed to transfer Working Gas amounts between its Storage Account under this Rate Schedule and a storage account that such same Customer may have with the Company for interstate storage service upon prior written notice to the Company, but such transfer shall not impact any amounts due and owing under each applicable service agreement prior to the date of the transfer and invoice account balances may not be transferred under this provision. A Customer's ability to make such account transfers will not modify the MSC, MDIQ, or MDWQ amounts specified in the Service Agreement applicable to this Rate Schedule nor will it modify the MSC, MDIQ, or MDWQ amounts specified in the interstate storage service agreement. Additionally, Customers will not be allowed to increase the MDIQ, MDWQ, or MSC amounts set forth in the Service Agreement under this Rate Schedule by requesting to combine some or all of such amounts with those in an interstate storage service agreement for purposes of modifying the specified injection, withdrawal, or storage capacity amounts set forth under such separate storage service agreements.

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RATE SCHEDULE 80
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(continued)

TITLE TRANSFERS:

A Customer ("Transferor") may request that the Company transfer title to Working Gas quantities in Transferor's Storage Account to the intra or interstate Storage Account of another Customer or to the Company ("Transferee"). Subject to the provisions herein, the Company will document the change in Storage Account balances for the respective parties, but Transferor and Transferee will be responsible for any other Gas sale documentation that may be necessary to complete the title transfer transaction. The provisions in this section, however, do not apply to any permanent assignment of all or any portion of a Customer's Service Agreement and in such an event, the assignment provisions would apply.

Transferor shall nominate a title transfer no later than the nomination deadline provided for herein. The nomination request shall specify: (1) Transferor's Service Agreement number or type; (2) Transferee's name and Service Agreement number or type; (3) quantity of gas subject to the transfer; (4) Gas Day on which the transfer is requested to occur; and (5) Mist as the Title Transfer Point. No later than the deadline specified herein, the Company shall notify Transferor and Transferee if the title transfer request is authorized.

If Transferee is a Customer, the Transferee must meet the Company's credit and prerequisite to service requirements and must have an executed Service Agreement in place with the Company. The Company may reject a title transfer request if: (a) it would cause either Transferor or Transferee to violate any contract quantity limitations set forth in its Service Agreement; (b) Transferor or Transferee is not a Customer or the Company; or (c) the Company's credit and prerequisites to service requirements are not satisfied.

A title transfer shall be deemed to occur at the Title Transfer Point. There shall be no charge for each title transfer authorized by the Company. However, Transferor and Transferee shall each be responsible for all applicable charges payable to the Company under their respective service agreements.

STORAGE BALANCE AT SERVICE AGREEMENT EXPIRATION OR TERMINATION:

Customer shall be responsible for the withdrawal of all of its positive Firm Storage Service balance in its Storage Account: (i) on or before sixty (60) days after the date upon which any applicable Service Agreement expires by its own terms; or (ii) on or before thirty (30) days after the date of termination; provided that during such grace periods following expiration or termination, Customer shall pay Company the maximum rates specified herein for the additional Storage Service that is provided notwithstanding any previously negotiated discount applicable to the service prior to the Agreement expiration or termination. Such withdrawals shall be made at withdrawal rates that are mutually

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RATE SCHEDULE 80
FIRM STORAGE SERVICE
(continued)

STORAGE BALANCE AT SERVICE AGREEMENT EXPIRATION OR TERMINATION (continued):

agreed upon between Company and Customer subject to operating conditions at Mist. If Customer fails to remove its positive storage balance by the end of such grace period and Customer does not enter into a new Firm Storage Service Agreement, then Company shall purchase from Customer the Gas in Customer's Storage Account, free and clear of any adverse claims, at a price equal to fifty percent (50%) of the price set forth in the Canadian Gas Price Reporter, Natural Gas Market Report – Natural Gas Price Summary under the heading “The One-month spot price average” “For AECO/NIT transactions,” in USD/MMBtu, that is applicable for the month in which the gas purchase takes place; provided, however, that if Customer's failure to remove the Gas during such grace period is due to the Company's inability to confirm the nomination (up to the applicable firm MDWQ), then Customer shall be entitled to additional time at no additional charge to complete the withdrawal equal to the number of days Customer was prevented from withdrawing.

NOMINATIONS, SCHEDULING AND SERVICE PRIORITY:

Daily Nomination Procedure. All nominations must be submitted to the Company's Gas Supply Department by email (preferred) or by facsimile using a format that is approved by the Company. The contact information for the Company is set forth in the Company's Storage Service Operating Policies and Procedures document, which contains further details regarding nomination and scheduling of Storage Service not inconsistent with this Rate Schedule and which document will be provided to each Customer, and such document may be updated from time to time. Oral nominations may be accepted, however, they must be emailed to Company within a reasonable amount of time. The Company will acknowledge receipt of the nomination request by email reply.

Required Information. Each nomination request shall specify: (1) the Gas Day Customer desires to inject or withdraw; (2) the applicable Customer upstream or downstream transportation agreement number; (3) Receipt Point; or in the case of delivery, both the Storage Delivery Point and the Delivery Point at Customer's facility where they gas will be consumed must be provided; (4) net Dth requested at the receipt or delivery points; (5) contact name and phone number; and (6) any other data required by upstream transporters or the Company to complete the nomination process.

Deadline. All nomination requests must be received by the Company one (1) hour prior to the applicable NAESB nomination cycle deadlines for timely noms, evening, intraday 1 (ID1), and intraday 2 (ID2). Additionally, post ID2 nominations are available to Customers to the extent the Company and any applicable upstream transporter is able to accommodate such changes. If confirmed, any actual Gas flows on the Company's system for injections or withdrawals will not begin until the time specified for gas flow under the NAESB guidelines for the next available processing cycle depending on when the nomination is received. The Company may, but is not required to, waive the one (1) hour requirement if, in its sole judgment, operating conditions permit such waiver.

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RATE SCHEDULE 80
FIRM STORAGE SERVICE
(continued)**NOMINATIONS, SCHEDULING AND SERVICE PRIORITY (continued):**

Confirmation. The Company will notify Customer to confirm the nomination in advance of the applicable nomination deadline specified in the Company's Storage Operating Policies and Procedures based on when Customer's nomination is received by the Company. The Company's ability to confirm nominations will be determined based on its system operating ability for the Gas Day consistent with the service priorities set forth herein as well as the availability of the designated take away transportation capacity. Unless otherwise agreed or as limited by system operating constraints, all confirmed volumes will be delivered by Customer, or redelivered by the Company, at a uniform hourly rate of confirmed daily quantity divided by twenty-four (24). Variance from the uniform hourly rate will be allowed by the Company if the Company determines that it would not be detrimental to the operation of the Company's storage and related transportation facilities or adversely affect the Company's other Customers. The Company must receive confirmation from Customer's upstream transporter prior to commencing any receipts for Customer, and for redelivery, the Company must confirm the account under which the gas will be transported on after redelivery at the Storage Delivery Point.

Receipt Point(s) and Storage Delivery Point(s). The Company and Customer shall designate in the Service Agreement a list of the currently available Receipt Point(s) and Storage Delivery Point(s). The Receipt Point(s) shall be at mutually agreeable point(s) of interconnection between an interstate pipeline and the Company's facilities. The Storage Delivery Point(s) shall be at the Company's side of the metering facilities located at the Deer Island or Molalla gate interconnections between the Company's system and the facilities of Northwest Pipeline Corporation, or another point that is acceptable to the Company in its sole discretion. The subsequent transportation of the gas from the Storage Delivery Point to a Delivery Point in Oregon on the Company's distribution system will be subject to the provisions of the Rate Schedule or Special Contract terms for the Transportation of Customer-Owned Gas on the Company's system that are in place with respect to such Customer (or as designated by a Customer's commodity supplier), including any service limitations, service priority, and rates applicable to such transportation.

Customer Scheduling of Transportation.

The Customer hereunder shall be solely responsible for making all arrangements and paying for the Transportation of the gas to the Receipt Point(s) for injection into Mist, and for specifying and/or making all arrangements for the Transportation of the gas after withdrawal and redelivery by the Company at the Storage Delivery Point(s).

Other Transporter Charges.

Customer shall be responsible for all penalties and charges assessed by an upstream or downstream Transporter which solely arise from Customer's failure to provide delivery or receive redelivery of the Gas quantities provided pursuant to the nomination process in this Section.

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RATE SCHEDULE 80
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(continued)**NOMINATIONS, SCHEDULING AND SERVICE PRIORITY (continued):***Service Priorities.*

(a) The Firm Storage Service provided under this Rate Schedule will have equal priority with the firm storage service provided to the Company's interstate storage customers as well as the storage service provided to the Company's local distribution customers. The scheduling of Firm Storage Service hereunder will have a superior priority over the scheduling of as-available firm withdrawal quantities for intrastate and interstate storage customers, interruptible interstate storage services, as well as any intrastate or interstate Authorized Overrun Quantities related to the storage services provided by the Company. Once confirmed, firm nominations will not be reduced ("bumped") in full or in part by Company due to a subsequent intraday firm nomination, unless Customer is changing its own prior nomination through an intraday nomination request. Firm Storage Service under this Rate Schedule will have scheduling priority (or "bumping rights") over previously scheduled as-available firm withdrawals for intrastate or interstate storage customers, interruptible interstate storage customers, and Authorized Overrun Quantities for both intrastate and interstate storage customers, except that firm nominations will not bump previously scheduled lower classes of service after the ID2 nomination cycle. Firm service nominations received outside of the timely or evening nomination cycles may be prorated based on prior confirmation of other firm Customer's as-available MDWQ requests.

(b) In the event that the Company must restrict initial Firm intrastate and interstate storage injection requests or previously scheduled and confirmed firm injection amounts for reasons allowed in this Rate Schedule, they will be restricted on a *pro rata* basis based on each customer's applicable MDIQ using the NAESB "elapsed pro-rata" methodology. In the event that the Company must restrict initial firm intrastate and interstate storage withdrawal requests or previously scheduled and confirmed firm withdrawal amounts for reasons allowed in this Rate Schedule, they will be restricted on a *pro rata* basis based on each Customer's applicable MDWQ using the NAESB "elapsed pro rata" methodology. In the event that such action must be taken, the Company will notify Customers via phone, facsimile, or electronic mail.

(c) If Firm intrastate and interstate storage customers must be pro-rated and any Customer has not made a timely nomination to schedule its pro rata share on any such Gas Day, then the Customers that made timely nomination requests shall, to the extent practicable, be given the ability to inject or withdraw in amounts greater than their allocated pro-rata share, not to exceed such Customer's MDIQ and MDWQ amounts set forth in their Service Agreements. These additional amounts will be identified by the Company and will be subject to bumping in later cycles except post ID2 by firm intrastate or interstate Customers then electing to receive their portion of the pro-rata share determined for them for that Gas Day. If there is available space in the post ID2 cycle, if requested by a Customer, the Company would schedule requests for firm Customers at that time.

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RATE SCHEDULE 80
FIRM STORAGE SERVICE
(continued)**NOMINATIONS, SCHEDULING AND SERVICE PRIORITY (continued):**

Authorized Overrun. Authorized Overrun Quantities may be curtailed by all higher priority levels of service, including interruptible.

Interruption Notices. In the event that an interruption or restrictions are required, the Company will notify Customers of their revised confirmed amounts via email, facsimile, or phone call.

Nomination Changes. In the absence of a nomination, no changes or action will be taken by the Company with regard to a Customer's Storage Account.

Routine Maintenance. The Company shall have the right to interrupt, or discontinue Firm Storage Service in whole or in part from time to time to perform routine repair and maintenance on Company's system as necessary to maintain the operational capability of Company's facilities or to comply with applicable regulatory requirements. The Company shall exercise due diligence to schedule routine repair and maintenance so as to minimize disruptions of service to Customers and shall provide reasonable advance notice of the same to Customers by facsimile or email at least thirty (30) days in advance of the scheduled routine repair and maintenance. Upon request, Customers shall provide the Company with any information on their plans to utilize Mist during the scheduled routine repair and maintenance period and shall cooperate with the Company to minimize service disruptions. In any such disruption, quantities of gas deliverable under firm Service Agreements shall take priority over quantities of gas deliverable by the Company to intrastate and interstate storage customers at lower priorities. Notice of such interruptions or discontinuances shall be issued by Company to Customer via facsimile or email. Such interruptions or discontinuances shall in no way serve to alter the obligation(s) of a Customer under any applicable Service Agreement.

GAS PRESSURE, QUALITY AND MEASUREMENT:

Gas Pressure. Customer shall deliver or cause to be delivered to Company all Gas at the Receipt Point(s) at such pressures sufficient to enter Company's system. The Company shall redeliver Gas to Customer at the current operating pressures on Company's system at the Storage Delivery Point.

Quality. Gas delivered by or on behalf of the Customer to the Company at the Receipt Point(s) shall conform to the third party Transporter's Gas quality standards. Gas redelivered by Company to Customer at the Storage Delivery Point(s) shall conform to the Company's quality standards in Rule 24, or its successor rule.

Measurement. Measurement of Gas quantities hereunder shall be performed by Company in accordance with standard gas industry practices as set forth in the Tariff.

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RATE SCHEDULE 80
FIRM STORAGE SERVICE
(continued)**BILLING AND PAYMENT:**

Monthly Statements. The bill payment provisions in Rule 7 of the Tariff, to the extent applicable, shall apply to this Rate Schedule. Regarding Storage Service, the statement will include: (a) the applicable rate(s); (b) the quantities being billed at each rate; and (c) documentation sufficient to support the billed quantities.

Payment. Payment shall be due as set forth on the invoice. Unless otherwise agreed, Customer shall pay by wire transfer or other electronic means acceptable to the Company in immediately available funds to the Company the full amount due. If the day for payment should fall upon a Saturday, Sunday or U.S. banking holiday, then such payment shall be made on the next Business Day. If Customer fails to pay such amounts when due, a late payment charge will be assessed as prescribed under **Schedule C** of this Tariff.

Billing Adjustments. If an error is discovered by either the Company or Customer, in the amount billed in any statement rendered by Company, the Company shall use its best efforts to correct any such billing error within sixty (60) Days of the discovery of such error by the Company, if the Company discovers the error, or the Company's receipt of notification of such error from Customer, if the error is discovered by the Customer. If Customer, in good faith, disputes the amount of any such statement or any part thereof, Customer shall pay the Company such amount as it concedes to be correct pending resolution of the dispute; provided, however, if Customer disputes the amount due, Customer must provide supporting documentation acceptable in industry practice to support the amount disputed. If the disputed amount is subsequently found to correct, then Customer shall pay the Company such amount, together with any late payment charge provided for above that accrued from the original charge due date. All statements shall be considered final, and any and all objections thereto shall be deemed waived, unless made in writing within three (3) years of Customer's receipt thereof. Nothing in this section shall prevent the Company from terminating Storage Service to a Customer for non-payment of the undisputed amounts per statements rendered pursuant to **Rule 11** of this Tariff. Customer is responsible for the payment of any applicable taxes assessed by taxing authorities that may be associated with the Storage Service provided under this Rate Schedule. Further, nothing in this provision shall be construed to relieve Customer of its obligation to pay any required taxes not included in the Company's rates assessed by a taxing authority on Customer, including any taxes that may later be determined by a taxing authority to have been applicable to the Storage Service.

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RATE SCHEDULE 80
FIRM STORAGE SERVICE
(continued)**FORCE MAJEURE:**

Except in regard to a Customer's obligation to make a payment that is due, neither shall be liable in damages to the other if rendered unable, by reason of an event of *force majeure*, to perform, in whole or in part, any firm obligation set forth in any Agreement. For purposes of this provision, the term *Force Majeure* as used in this Rate Schedule shall mean: any causes or circumstances not due to the fault of the Party claiming *force majeure* beyond such party's reasonable control, including, but not limited to, acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or pipelines, freeze-offs, water encroachment, unscheduled downhole repairs, loss of well control, interruptions or failures of any upstream or downstream pipelines relied upon to effectuate any service under this Rate Schedule, the binding order of any court or governmental authority having jurisdiction, and any other cause, whether of the kind herein enumerated or otherwise, not reasonably within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome. Failure to prevent or settle any strike or strikes shall not be considered to be a matter within the control of the party claiming suspension and shall be entirely within the discretion of the party affected, and the requirement that any event of *force majeure* be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts by acceding to the demands of those directly or indirectly involved in such strikes or lockouts when such course is inadvisable in the discretion of the party having such difficulty. The term *Force Majeure* shall not include: (i) instances where the party claiming excuse failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (ii) economic hardship.

Upon the occurrence of an event of *Force Majeure*, the party affected shall give notice to the other party including the particulars of the event as soon as practicable, by telephone followed by written confirmation. After the occurrence, the obligations of both parties, except for unpaid financial obligations arising prior to such event, shall be suspended to the extent and for the period of such *Force Majeure* condition.

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RATE SCHEDULE 80
FIRM STORAGE SERVICE
(continued)**DEFAULT:**

Termination for Default. The Company may terminate any Agreement if Customer fails to comply with, observe, perform, or shall default in any material respect with respect to any obligation under the Agreement, including, but not limited to, the failure to pay any undisputed invoices when due, except when such failure is excused by *Force Majeure* or attributable to Company's wrongful act or failure to act. If the Company exercises its right to terminate, the Company shall give Customer written notice of the default and, Customer shall be given a period of thirty (30) calendar days from the date of such notice in which to cure the default. If such default cannot be reasonably cured within such thirty (30) day period, Customer may request and the Company, in its sole discretion, may grant Customer additional time to cure the default, provided that Customer demonstrates to the Company's satisfaction that it is making or has made substantial efforts to effect such cure and is proceeding diligently to complete such cure. Effective as of the date of termination of the Agreement, all outstanding amounts for any Storage Services rendered by the Company prior to such date shall become immediately due and payable.

Withdrawal of Storage Account Balance upon Termination for Default. Customer shall be responsible for the withdrawal of all of its positive Storage Account balance on or before thirty (30) days after the termination date of any Service Agreement under this default provision. Such withdrawals shall be made at withdrawal rates that are mutually agreed upon between Company and Customer subject to operating conditions at Mist. If Customer fails to do so, the Company shall take title to any of Customer's positive Storage Account balance remaining at Mist as of the termination date, free and clear of all liens, encumbrances, and adverse claims.

Other Rights Preserved. The availability or exercise of the right to terminate an Agreement pursuant to the above provisions shall not limit the right of the Company to seek any other remedy available to it at law or in equity in the event of a Customer's default.

NOTICE:

All notices and communications to the Company shall be made pursuant to Tariff Rule 5. Customer's notice information shall be set forth in the Service Agreement.

GENERAL TERMS:

The terms of this Rate Schedule will apply in addition to the terms and conditions in the Company's Storage Service Operating Policies and Procedures document as well as the designated Transportation Rate Schedule or Special Contract applicable upon redelivery. Service under this Rate Schedule is also governed by the terms and conditions of NW Natural's Oregon Tariff, including the General Rules and Regulations and other relevant General Schedules, as amended from time to time.

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