SCHEDULE 447

SPECIAL CONTRACT
NATURAL GAS SERVICE - OREGON

PURPOSE:

The purpose of this schedule is to describe generally the terms and conditions of service provided by the Company pursuant to special contracts approved by the Oregon Public Utility Commission under OAR 86-022-035. In each case, the rights and obligations of the parties are as specified in detail in the respective special contracts. In the event of ambiguity or conflict between the summaries in this schedule and the substantive provisions of the special contracts, the terms of the special contracts shall be controlling. The Company will maintain copies of the special contracts for public inspection at its District and General Offices.

DESCRIPTIONS OF SPECIAL CONTRACTS:

1. Biomass One L.P. Interruptible Transportation

A. TERM:

This agreement was entered on January 14, 1991 and is effective April 1, for an initial twelve-month term and continues from month to month thereafter, provided that either party at any time may terminate the Agreement on thirty days written notice to the other party.

B. RATES:

The rate for all gas transportation under this tariff shall be 0.027 per therm. (T)
By Letter of Agreement dated August 15, 1997, the minimum annual bill (T)
shall be $38,000. (T)

C. SPECIAL CONDITIONS:

Biomass shall notify the Company's gas management center before 3:00 p.m. Pacific Standard Time at least three business days, or longer if required by operating conditions, before the customer wishes to receive an initial delivery or have a change in delivery go into effect. Notice will be by telephone or other mutually agreeable means to the customer's designated contact at the Company's gas management center. The customer shall
include in the notice an estimate of how much gas the customer will deliver (M)
for transportation and other information as required by the Company, such (M)
as supplier(s), and delivery point(s). Increases in deliveries will be (M)
accepted subject to the conditions of the customer’s service agreement. (M)

(continued)

SCHEDULE 447 (continued)

SPECIAL CONTRACT
NATURAL GAS SERVICE - OREGON

(M)

Service to Biomass under this tariff shall be interrupted prior to any curtailment or interruption of any sales or transportation customer being serviced at a higher margin rate.

D. ELIGIBILITY CRITERIA:

The agreement is designed for service to a customer that:

(1) has facilities that utilize wood waste in place of natural gas for the energy requirements of its facilities;

(2) is a large-use customer and requires, at a minimum, purchase of 300,000 therms each month;

(3) has demonstrated that wood waste is available at a price providing an economic alternative to gas;

(4) is willing to accept curtailment prior to higher margin interruptible customers;

(5) will transport gas on a seasonal basis, from April 1 through October 31 each year;

(6) is an independent power producer; and

(7) is willing to accept all other provisions of the agreement.

(continued)

SCHEDULE 447 (continued)

SPECIAL CONTRACT
NATURAL GAS SERVICE - OREGON

(D)

2. Roseburg Forest Products - Riddle (M)

A. GENERAL:

The agreement provides for the interruptible transportation of customer-owned gas by the Company to the customer's laminated veneer lumber plant (Plant), and potentially the customer's adjacent plywood plant, located near the city of Riddle. Except as provided herein, the agreement is subject to all applicable rules and regulations provided in the Company's tariff for natural gas service.

B. TERM:

This agreement will become effective on or about November 1, 2000 and will continue in effect for a primary term of ten years. The agreement may continue in effect from year to year thereafter, unless terminated by written notice by either Party not less than sixty days prior to the end of the primary term or any subsequent anniversary date.

C. RATES:

The rates for transportation service under this agreement are $0.025 per therm for the first 4.6 million therms used per year and $0.020 per therm for all therms used in excess of 4.6 million therms per year.

D. ANNUAL MINIMUM REQUIREMENT:

$50,000 for the initial twelve-month of the Agreement and $100,000 for each twelve-month period thereafter. The annual minimum may be reduced on a pro rata basis for any whole or partial days of curtailment, interruption or entitlement, force majeure event, or significant reduction in the production output of the Plant. (M)

(continued)

SCHEDULE 447 (continued)

SPECIAL CONTRACT
NATURAL GAS SERVICE - OREGON

E. ELIGIBILITY CRITERIA: (M)

The agreement is designed for service to a customer that:

(1) is a large-use customer that has demonstrated that it has a viable alternative to using natural gas at its facility;

(2) has demonstrated that it is more economic to use an alternative fuel rather than take service from the Company under its filed tariff rates;

(3) is willing to be interrupted prior to other customers paying a higher rate for similar service;

(4) is willing to accept all other provisions of the agreement.

(M)

(continued)

SCHEDULE 447 (continued)

SPECIAL CONTRACT
NATURAL GAS SERVICE - OREGON

3. Collins Products LLC - Klamath Falls (M) (N)

A. GENERAL:

The Agreement provides for the interruptible transportation of customer-owned gas by the Company to the Customer's plant located at Ashland Highway near the city of Klamath Falls. Except as provided herein, the Agreement is subject to all applicable rules and regulations provided in the Company's tariff for natural gas service.

B. TERM: (C)

The original Agreement was entered into on December 6, 2013 and has an initial term of 3 years. After the Initial Term, this Agreement will continue in effect from year to year unless terminated with 90 days' prior written notice given by the terminating Party to the other Party. (C)

C. RATES AND CHARGES:

The rates for transportation service under this Agreement include: (N,I)

For the volumes of Customer Gas transported by Avista and delivered to Customer's Facility, Avista will calculate Customer's monthly transportation charge as follows:

1. From the Effective Date (defined in Section B) through February 28, 2014, the rate will be the Customer's current rate of $0.046949/therm;

2. From the later of March 1, 2014, or the date of the Commission's approval of this Agreement, through December 31, 2014, the customer's rate shall be $0.06000/therm;

3. From January 1, 2015, through December 31, 2015, the customer's rate shall be $0.07500/therm;

4. On and after January 1, 2016, the rate shall be the then current Schedule 456 rates in effect at time of delivery, if Customer desires to continue interruptible transportation service. If the Customer desires to receive natural gas service under one of Avista's other retail rate schedules, the Parties shall enter into a new service agreement. (N,I) (M)

continued

SCHEDULE 447 (continued)

SPECIAL CONTRACT
NATURAL GAS SERVICE - OREGON

D. ANNUAL MINIMUM REQUIREMENT: (M) (C)

There is no annual minimum usage requirement associated with this agreement. The maximum daily usage Avista will transport on its distribution system is 5,000 therms per day. (C)

E. ELIGIBILITY CRITERIA:

The Agreement is designed for service to a customer that:

(1) Is a large-use customer and has demonstrated that they have an economically competitive alternative to using the Company's gas distribution facilities;

(2) Has stand-by facilities and an alternate fuel supply to meet customer's energy requirements during periods of interruption.

(3) Is willing to be interrupted prior to other customers paying a higher rate for similar service;

(4) Is willing to accept all other provisions of the Agreement. (M)

(continued)

SCHEDULE 447 (continued)

SPECIAL CONTRACT
NATURAL GAS SERVICE - OREGON

5. Murphy Plywood Company – Sutherlin (M)

A. GENERAL

The Agreement provides for the interruptible transportation of customer-owned gas by the Company to the Customer's plywood plant (Plant) located in Sutherlin. Except as provided herein, the Agreement is subject to all applicable rules and regulations provided in the Company's tariff for natural gas service.

B. TERM

This Agreement will become effective on or about August 21, 2002 and continue in effect for a primary term of ten years. If the Company installs additional gas distribution facilities in order to meet Customer's increased gas requirements, the ten-year primary term will reinitiate following installation of those facilities. The Agreement will continue in effect from year-to-year following the primary term unless cancelled by written notice provided at least twelve months prior to the end of the primary term or any subsequent anniversary date.

C. RATES

The rates for transportation service under this Agreement are as follows:
$0.0275 per therm for the first 3.0 million therms per year
$0.020 per therm for the next 1.6 million therms per year
$0.010 per therm for all therms over 4.6 million per year

D. ANNUAL MINIMUM CHARGE

$55,000 per year until the Company installs additional distribution facilities to meet Customer's increased gas requirements. $75,000 per year following the installation of additional distribution facilities. The annual minimum charge will be reduced on a pro rata basis for 1) any whole or partial days of curtailment, interruption or entitlement in the delivery of gas, 2) a force majeure event, or 3) a significant reduction in the output of the Plant.

(continued)

(M)

SCHEDULE 447 (continued)

SPECIAL CONTRACT
NATURAL GAS SERVICE - OREGON

E. OTHER PROVISIONS (M)

If the Company installs additional distribution facilities and the Plant closes during the primary term, the Customer will be required to pay the lesser of: 1) 160% of the cost of the additional facilities less all distribution revenue received from the Customer following the installation of the facilities, or 2) the undepreciated cost of the additional facilities.

F. ELIGIBILITY CRITERIA

The Agreement is designed for a service to a customer that:

(1) Is a large-use customer and is located within reasonable proximity to one of the Company's pipeline transporters;

(2) Has demonstrated that it is more economic to take service directly from the pipeline transporter than from the Company under its filed tariff rates;

(3) Has the ability and financial resources to construct facilities which would allow for service directly from the pipeline transporter;

(4) Is willing to be interrupted prior to other customers paying a higher rate for similar service;

(5) Is willing to accept all other provisions of the Agreement.

(M)

(D)