

2. FIRM SALES SERVICE

2.01 CONDITIONS OF SERVICE

The Company provides firm service for residential, commercial and industrial customers qualifying under the classification provisions of each firm sales rate schedule listed in Article 2. Customers initiating or increasing firm sales service must also meet the requirements of § 9.02.

FIRM SALES SERVICE RATE SCHEDULE RECLASSIFICATION

Changes in rate schedules may be allowed upon written approval of the Company when requested by the customer in writing. A change may be allowed after a customer has been on the current rate schedule for at least one full year, and if the customer demonstrates that a change in the use of natural gas has occurred that will cause the existing schedule to no longer be appropriate. A customer will be allowed to change rate schedules only on the first day of that customer's next billing cycle.

A request for firm sales service from an existing transportation service or interruptible sales service customer must be received by the Company by <u>February 15th March 1st</u> in any given year, except in 2014, when the date has been extended to March 30th. If approved, such a request will be effective on the first day of the customer's billing cycle which occurs on or after July 1st. Approval will be conditioned upon execution of a minimum two-year service agreement.

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4. INTERRUPTIBLE SALES SERVICE

4.01 CONDITIONS OF SERVICE

SERVICE ARRANGEMENTS

Each interruptible sales customer will be required to enter into a service agreement with the Company. Interruptible sales service customers must contract for service on an annual basis. Customers must apply for interruptible sales service on a service agreement form provided by the Company. The Company may reject applications if, in its sole discretion, the Company is not able to contract for or it does not have adequate gas supplies or acceptance of the customer would not provide benefit to firm sales customers. Applications providing the greatest benefit to firm sales customers will be accepted first.

A request for interruptible sales service from an existing transportation or firm sales service customer must be received by the Company by <u>February 15th March 1st</u>-in any given year, except in 2014, when the date has been extended to March 30. If approved, such a request will be effective on the first day of that customer's billing cycle which occurs on or after July 1st.

Additionally, each interruptible customer will, as a condition of service, provide the following:

- a. By February 28th of each year, except in 2014 when this deadline will be extended until April 30, 2014, a representative with authority to sign on behalf of the interruptible customer will represent and warrant that the customer:
 - i. Has and maintains a backup system capable of providing back-up service during an interruption, or otherwise is able to fully interrupt the interruptible portion of its gas service when required, and that the customer can and will interrupt when called upon to do so by the Company, and
 - ii. Understands and acknowledges the financial and other consequences associated with a failure to interrupt when properly called upon to do so.

DAILY CONTRACT LIMIT

The Company will, at its discretion, allow an interruptible sales customer to use natural gas in excess of its daily contract limit to be charged at the customer's contracted rate schedule. If the Company notifies the customer to limit usage to its contract amount, any usage beyond that limit will

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incur a penalty as described in § 3.02. The Company reserves the right to limit usage to the daily contract limit.

FACILITY MODIFICATIONS

Any cost to modify existing Company facilities or to install new Company facilities required to provide this service shall be paid to the Company by the customer in advance of construction, unless other arrangements have been made. All such facilities are the property of the Company. The Company may at its option withhold service until all necessary facilities are in place to ensure safe and efficient service and to ensure that proper billing and accounting can be performed.

SERVICE FOR NEWLY INSTALLED FACILITIES

Customers installing new facilities in the Company's service territory and requesting interruptible sales service may be served as an IS customer on a reasonable-efforts basis.

MINIMUM YEARLY CHARGE FOR IS CUSTOMERS

For billing purposes, at the end of each contract year, IS customer's annual bills will be adjusted in order to satisfy the minimum of a 15% load factor requirement. If a customer terminates service or if in the judgment of the Company the customer will not meet its minimum load factor requirement, the Company may assess the minimum yearly charge prior to the end of the contract year. The payment necessary to satisfy the minimum yearly charge will be calculated as follows:

[(Peak Winter Day x 55) - (Annual Historical Use)] x DNG Rates

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4.02 IS RATE SCHEDULE

IS VOLUMETRIC RATES

	Rates Per Dth Used Each Month			
	Dth = decatherm = 10 therms = 1,000,000 Btu			
	First 2,000 Dth	Next 18,000 Dth	All Over 20,000 Dth	
Base DNG	\$0.42429	\$0.06407	\$0.03771	
Energy Assistance	0.00657	0.00657	0.00657	
Infrastructure Rate Adjustment	0.00000	0.00000	0.00000	
Distribution Non-Gas Rate	\$0.43086	\$0.07064	\$0.04428	
Supplier Non-Gas Rate	\$0.17984	\$0.17984	\$0.17984	
Commodity Rate	This Portion of the rates will be based on the monthly market index price. The price will be adjusted for fuel reimbursement on upstream pipelines and Questar Gas, and other applicable charges and expenses, including but not limited to bad debt expenses. The rates will be posted on the Company's web site by the 5 th working day of each month. In the Company's fall 2014 pass-through case this rate will change to the weighted average cost of gas.			
Minimum Yearly Charge	Greater of \$3,000.00 or [(Peak Winter Day x 55 days) – (Annual Historical Use)] x Distribution Non-Gas <u>RatesCost</u>			
Penalty for failure to interrupt or limit usage to contract limits whenSee § 3.02.requested by the Company.				

IS FIXED CHARGES

Monthly Basic Service Fee (BSF):	BSF Category 1	\$6.75
Does not apply as a credit toward the minimum yearly charge.	BSF Category 2	\$18.25
For a definition of BSF categories, see § 8.03.	BSF Category 3	\$63.50
	BSF Category 4	\$420.25

IS CLASSIFICATION PROVISIONS

- (1) Service on an annual contract basis available to commercial and industrial customers.
- (2) Customer must maintain the ability to interrupt natural gas service.



- (3) Customer's load factor is 15% or greater where load factor is defined to be: Actual or estimated average daily usage is at least 15% of peak winter day.
 - (Actual or Estimated Annual Use \div 365 days) \div Peak Winter Day \ge 15%
- (4) Service is subject to minimum yearly charge based on a 15% load factor requirement. See § 4.01. The charge is prorated to the portion of the year gas service is available. See § 8.03.
- (5) Customer must enter into a service agreement. See § 4.01.
- (6) Service is subject to a monthly basic service fee.
- (7) Minimum annual usage of 7,000 Dth is required.
- (8) All sales are subject to the additional local charges and state sales tax stated in § 8.02.
- (9) The Energy Assistance rate is subject to a maximum of \$50.00 per month and other conditions as specified in \$8.03.

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