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# **3. INTERRUPTIBLE**

## SERVICE INTERRUPTIBLE SALES SERVICE (IS) AND TRANSPORTATION SERVICE INTERRUPTIBLE (TSI)

## 3.01 CONDITIONS OF SERVICE AVAILABILITY

The Company provides interruptible <u>service</u> to end-use <u>commercial and industrial</u> customers qualifying under the classification provisions of each interruptible rate schedule listed in this tariff. Customers on interruptible service rate schedules must also meet the requirements of § 9.02.

## SERVICE AVAILABILITY

Interruptible sService is available for interruptible customers only to the extent that in the Company's sole judgment the service can be provided. Transportation Service Interruptible (TSI) customers must also have sufficient gas supplies available for their use. In the case of salesInterruptible Sales service (IS), the Company must also have sufficient gas supplies to provide this service without impairing its ability to serve firm sales service customers. Interruptible service is subject to interruption at any time. See Interruption Conditions in § 3.02.

## STANDBY EQUIPMENT AND FUEL

It is the customer's responsibility to provide standby equipment and/or <u>alternate</u> fuel, <u>or service</u> as deemed by the customer to be necessary, during periods of interruption (see 3.02) or emergency service restrictions (see § 7.03).

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## 3.02 PERIODS OF INTERRUPTION

#### **INTERRUPTION CONDITIONS**

Service under interruptible service rate schedules is subject to temporary periods of interruption upon notice by the Company, whenever the Company, in its sole discretion, determines interruption is required to serve customers with firm service. Notice will be given by electronic means, phone, text message and/or email and may be given using an automated notification system. Customer is responsible for providing contact information to the Company and updating it as necessary.. Resumption of service will not occur until the Company, in its sole discretion, can fulfill the demand of its firm service customers. Service under interruptible service rateschedules is subject to temporary periods of interruption upon notice by the Company, whenever the Companydetermines interruption is required to serve firm selve service austemers. Service may also be

determines interruption is required to serve firm sales service customers. Service may also beinterrupted to

inject gas into storage reservoirs, for maintenance or replacement of facilities or for other reasons related to serving firm service customers. Resumption of service will not occur until the Company, at its discretion, can fulfill the demand of its firm service customers. The Company shallnotify

customers when service may resume.

#### SCHEDULE OF INTERRUPTION

All interruptible service is subject to simultaneous interruption. Upon notice from the Company, interruptible customers are required to <u>discontinue use of interruptible volumesinterrupt</u> as soon as is operationally possible, but no later than two hours from <u>the issuance of the notice</u> to <u>discontinue use.notice</u>. The Company requires eEach interruptible customer <u>mustto</u> provide, and update as necessary, contact information that enables the Company to immediately notify a customer of a required interruption. In the event the Company is unable to notify a customer using the contact information, the customer may be subject to the charges and penalty described below.

System emergencies, irregularities of weather or other operating conditions may require immediate interruption. At times there may be a need for interruption on an isolated portion of the Company's system. If the simultaneous interruption of a different portion of the system will not assist in remedying the situation that gives rise to the need for interruption, customers in those areas will not be subject to simultaneous interruption.

At the time of an interruption, the Company shall use reasonable efforts to advise customers of the cause of the interruption. When feasible, interruptions may be partial. In such event, interruptible transportation and sales customers will be required to interrupt partially on a pro rata basis based on representative daily use levels. However, customers who are unable to partially interrupt or who prefer to interrupt 100%, if at all, may, at the Company's discretion, be allowed to interrupt on an all-or-nothing basis. Initially customers who are allowed to interrupt on an all-or-nothing basis will be required to interrupt partially and those who interrupt on an all-or-nothing basis over the course of a year, but in no event shall the Company be liable if it is unable to do so.



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## FAILURE TO INTERRUPT

A customer who fails to <u>limitinterrupt or discontinue natural gas use during periods</u> of interruption when properly <u>notified</u>called upon by the Company to do so will incur a \$40-perdecatherm penalty for all interruptible volumes utilized during the course of an interruption. Each failure to interrupt will result in the imposition of the <u>\$40</u> per-decatherm penalty. Any such penalties recovered by the Company shall be credited to the ratepayers as a reduction to the Infrastructure Rate-Adjustment Tracker.

If any interruptible customer fails to reduce or discontinue use of natural gas, and in the case of a transportation customer failing to interrupt or reduce gas usage or nominations in accordance with this section, then the customer will pay the penalty and other charges as follows:

<b>DNG Penalty</b>	Supplier Non-Gas Cost	Commodity Cost
\$40.00/Dth	SNG rate from the IS Rate Schedule	Highest gas cost during period of interruption

If a customer fails to interrupt when called upon by the Company to do so, then beginning on July 1<sup>st</sup> following the failure to interrupt, the customer will be moved from the interruptible rate schedule to an available firm rate schedule for three years for those interruptible volumes it failed to interrupt so that the total firm amount for the next three years is equal to the amount burned during

the interruption. If the customer is in this three-year firm period and uses volumes in excess of their firm amount during an interruption, the customer's total firm amount will be equal to the amount burned on the most recent interruption and the three-year penalty period will begin again on the following July 1<sup>st</sup> to interrupt. To the extent that the Company determines that providing firm service is operationally infeasible, then the customer will pay a demand charge that would have applied for those interruptible volumes it failed to interrupt for three years, beginning on July 1<sup>st</sup> following the failure to interrupt, but will continue to receive interruptible service. At the conclusion of the three- year period the firm amount may be reduced upon request by the customer.

Under no circumstances will the penalty provision be considered as giving the customer the right to use gas during a requested interruption or restriction of service. Customers failing to comply with interruption required by the Company may also be subject to immediate termination or restriction of service.

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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<u>and</u>. Interruptible sales service customers must contract for service on an annualbasis. Customers must apply for interruptible sales 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.

<u>A request for interruptible sales service from an existing transportation or firm sales</u> <u>service customer must be received by the Company by February 15th in any given year. If approved,</u> <u>such a request will be effective on the first day of that customer's billing cycle which occurs on or</u> <u>after July</u>

<u>1st of that same year.</u> Any requests received after February 15th may be approved in the <u>Company's sole discretion</u>. A request for interruptible sales service from an existing transportation or firm sales service customer must be received by the Company by February 15<sup>th</sup> 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 1<sup>st</sup>.

Additionally, by September 15th of each year, a representative with authority to sign on behalf of the interruptible customer will warrant that the customer:

- (a) 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
- (b) Understands and acknowledges the financial and other consequences associated with a failure to interrupt when properly called upon to do so, in accordance with § 3.02.

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

- a. By February 28<sup>th</sup> 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:
  - . 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



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Understands and acknowledges the financial and other consequences associated with a failure to interrupt when properly called uponto 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 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<u>as defined in § 4.02</u>. 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:

Greater of \$3,000 or [(Peak Winter Day x 55 days) - (Annual Historical Use)] x Distribution Non-Gas Rates

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## 5. TRANSPORTATION SERVICE <u>TRANSPORTATION BYPASS</u> FIRM (TBF), MUNICIPAL TRANSPORTATION (MT), TRANSPORTATION SERVICE <u>FIRM (TSF) AND</u> <u>TRANSPORTATION SERVICE INTERRUPTIBLE (TSI)</u>

## 5.01 CONDITIONS OF SERVICE

## APPLICABILITY

This service applies to <u>the</u> transportation of customer'<u>s-acquired</u> gas through the Company's distribution system <u>to a meter at the customer's end-use site</u>, including services provided under <u>TBF</u>, <u>MT</u>, <u>TSF</u>, and <u>TSI rate schedules</u>.

## TRANSPORTATION BYPASS FIRM (TBF)

<u>The Company provides firm transportation service for customers qualifying under</u> the classification provisions of § 5.02. Service is subject to provisions of § 5.05 and § 5.06. <u>Customers initiating or increasing firm transportation service must also meet the requirements of</u> § 9.02.

## MUNICIPAL TRANSPORTATION SERVICE (MT)

The Company provides MT firm service only for municipalities as defined in Utah Code Ann. § 10-1-104(5) or successor statute and under the classification provisions of § 5.03. Service is subject to provisions of § 5.05 and § 5.06. Customers initiating or increasing MT firm service must also meet the requirements of § 9.02.

## TRANSPORTATION SERVICE FIRM (TSF)

The Company provides firm transportation service for customers qualifying under the classification provisions of § 5.04. Service is subject to provisions of § 5.05 and § 5.06. Customers initiating or increasing firm transportation service must also meet the requirements of § 9.02.

## TRANSPORTATION SERVICE INTERRUPTIBLE (TSI)

The Company provides interruptible transportation service for customers qualifying under the classification provisions of § 5.04. Service is subject to provisions of § 5.05 and § 5.06. Customers initiating or increasing interruptible transportation service must also meet the requirements of § 9.02. Customers can take TSI service combined with TSF service or independently. Volumes under TSI service are subject to interruptible provisions as detailed in § 3.01-§ 3.02.



Additionally, by September 15<sup>th</sup> of each year, a representative with authority to sign on behalf of the interruptible customer will warrant that the customer:

- (A) 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 service required, and the customer can and will interrupt when called upon to do so by the Company, and
- (B) Understands and acknowledges the financial and other consequences associated with a failure to interrupt when properly called upon to do so, in accordance with § 3.02.

## REOUEST FOR SERVICE (TBF. MT. TSF AND TSI)

Existing Customers

<u>A written request for transportation service from an existing customer must be received by the</u> <u>Company by February 15<sup>th</sup> in any given year. The request must contain account and specific meter</u> <u>numbers.</u> A fully executed contract and any other requirements must be received by the Company by <u>February 28<sup>th</sup> of the same year. The customer must meet with Dominion Energy Utah's telemetry gas</u> <u>technician by April 15<sup>th</sup> of the same year. Any customer facilities required by the Company to</u> <u>facilitate telemetry, which may include AC power or other equipment, must be installed by the</u> <u>customer and operational by May 15<sup>th</sup> of the same year. QuestLine Access Agreements must be</u> <u>received by the Company by May 31<sup>st</sup> of the same year. If a customer fails to meet any of</u> <u>these deadlines, then the customer will not be permitted to receive TBF, MT, TSF or TSI service</u> <u>during</u>

that year. If approved, such a request will be effective on July 1<sup>st</sup> of the same year.

## New Customers

<u>New Customers must provide a fully executed contract for Transportation service before the</u> <u>Company will install telemetering equipment.</u> Any customer facilities required by the Company to facilitate telemetry, which may include AC power or other equipment, must be installed by the customer and operational by the 15<sup>th</sup> of any given month. Transportation service will commence on the 1<sup>st</sup> of the following month. If service is needed before the Transportation service begins, the customer may take service on the GS rate schedule until the 1<sup>st</sup> of the following month.

## TRANSPORTATION SERVICE AGREEMENT (TBF. MT. TSF AND TSI)

Each TBF, MT, TSF and TSI customer must enter into a service agreement with the Company. The service address is the location of the end-use meter(s). The primary end-use site is the first meter site at the service address. Other meter sites on the same contiguous property are defined as secondary end-use sites.

<u>The service agreement will also identify a primary receipt point where the customer's gas</u> <u>can enter the Company's distribution system (Approved Receipt Point). The Company may also, in</u> <u>its sole discretion, accept the customer's gas at alternate receipt points (Alternate Receipt Points).</u> <u>The Company reserves the right to require each customer to utilize the Approved Receipt Point when,</u> <u>in the Company's sole discretion, its operational needs support such a change from any Alternate</u> <u>Receipt Point(s).</u>



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## CONTRACT TERM AND ACKNOWLEDGEMENTS

All contracts will have an end date of June 30<sup>th</sup>. At least annually the customer must provide to the Company current contact information.

## FACILITY MODIFICATIONS

Any costs to modify existing Company facilities or to install new Company facilities required in order to provide 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 service and to ensure that proper billing and accounting can be performed. The Company will require telemetering equipment as a prerequisite to providing transportation service. Customers may increase the daily contract limit if additional equipment is added or if operational changes necessitate firm service backup. All service is subject to the availability of new or additional service requirements shown in § 9.02.

## FEES, COSTS AND CHARGES

In the event that the Company incurs fees, charges or costs as a result of the transportation of a customer's gas to the Company's distribution system by an upstream pipeline the Company will provide a statement of such charges or costs. The customer will reimburse the Company for all fees, charges or costs associated with such transportation.

## FIRM DEMAND CHARGE

<u>Customers taking service on the TSF or TBF rate schedules will be billed, in equal</u> monthly amounts, an annual firm demand charge for each Dth of contracted firm transportation. <u>Contracted firm transportation volumes are not subject to the interruption provisions outlined in §</u> 3.02. A customer will be required to pay the firm demand charge for each month during a temporary discontinuance of service.

## ADMINISTRATIVE CHARGE

Customers taking service on rate schedules TBF, MT, and TSF and TSI will be billed an annual administrative charge of \$4,500 for each end-use site in equal monthly amounts. If a customer has more than one end-use site on contiguous property covered by a single gas purchase contract, a

\$4,500 annual administrative charge will be billed to one end-use site. Other end-use sites for that customer will be billed a \$2,250 annual administrative charge. A customer will be required to pay the

administrative charge for each month during a temporary discontinuance of service. A customer taking service on multiple rate schedules at the same end use site will be charged one administrative charge.

## TRANSPORTATION IMBALANCE CHARGE



Customers taking service on rate schedules TBF, MT, TSF and TSI will be assessed a charge for the services used each day to manage the difference between the customer's scheduled quantities, less fuel, and the customer's actual usage on any given day that are outside of a 5% tolerance. This charge will include storage, no-notice transportation and other related costs incurred by the Company to manage imbalances on a daily basis. The charge will be assessed based on the daily quantities exceeding the 5% tolerance rounded to the nearest tenth. The charge is set forth on the transportation rate schedules and will be recalculated in each pass through filing. The amounts collected will be credited to sales customers in each pass through filing. A customer taking service on multiple rate schedules at the same end use site will have one imbalance for the aggregate activity related to that end use site.

## FUEL REIMBURSEMENT

<u>A fuel reimbursement of 1.5% will apply to all volumes transported on the MT, TBF,</u> <u>TSF and TSI rate schedules. The reimbursement will be collected by redelivering 1.5% less volume</u> than is received into the Company's distribution system for transportation.

## LIABILITY AND LEGAL REMEDIES (TBF. MT. TSF AND TSI)

When the Company has identified unsafe conditions at the customer's premises, the Company may take any and all steps necessary to eliminate such conditions at the customer's premises, including but not limited to shutting off gas service, excavating, and evacuating gas from the ground. The Company may also, but is not required to, monitor conditions at the Customer's premises to ensure safe operation while maintaining service to customer during system maintenance and/or repair. Customer will cooperate with Company, and permit Company to access customer's premises, to ensure that unsafe conditions are eliminated. Customer will pay Company any and all costs, fees, and expenses incurred in eliminating such unsafe conditions, and monitoring Customer's

premises during maintenance and repair work. The Customer will indemnify the Company against all claims, demands, cost or expense for loss, damage, or injury to persons or property in any manner directly or indirectly connected with growing out of the activities referenced in this Section, the serving or use of gas service by Customer, at or on the Customer's side of the point of delivery.

## **INTERRUPTION (TSI)**

Should interruptions be required for TSI service, customers will be interrupted as described in § 3.02.

## GAS PURCHASE ARRANGEMENT DURING PERIODS OF INTERRUPTION (TSI)

Customers may offer to sell their gas supplies to the Company, and the Company may agree to purchase such gas supplies, for its use during periods of interruption in serving firm sales customers. If a customer opts to sell its gas supply to the Company, and the Company agrees to buy it, such sale shall be made upon the following conditions.

(1) The customer's gas purchase contract may not preclude continued deliveries by its supplier during periods of interruption of the Company's transportation service.



(2)	Customer agrees that its gas purchase contracts will not allow, during a period of interruption, for the sale, exchange, transportation or beneficial use of Company- requested gas supplies for the benefit of anyone other than: (a) the Company, or (b) parties holding a pre-existing higher contractual priority to the gas supplies.
	In no event will customer sell or exchange its gas supplies or otherwise interfere with the Company's ability to purchase customer's gas supplies during a period of interruption.
(3)	Upon notification of interruption of service by the Company, the customer agrees to immediately begin nominating the Company requested amount of gas and will continue such nomination during the period of interruption unless instructed otherwise by the Company.
<u>(4)</u>	The Company will require volumes equal to the average of the three most recently confirmed gas day nominations (less imbalance payback to customers) up to the amount of gas under contract to be available for purchase during an interruption, but will not require volumes in excess of the customer's representative daily use. Volumes not delivered upon request will be subject to the penalty described in (7) below.
(5)	All gas purchased by the Company under this provision shall be at the point where deliveries are made to the upstream pipeline system upon which the Company has contracted for transportation service or delivered directly to the facilities of the Company. The Company will make arrangements for transportation of these purchases during periods of interruption to its own distribution system. The Company's planned gas purchases under the provisions of this section shall be used to meet the requirements of firm sales customers, and all gas purchased is considered necessary to meet the needs of firm customers.
(6)	If the customer agrees to sell and the Company agrees to purchase the price will agreed upon by the parties.
(7)	For volumes that the Company requests to be nominated but which are not available to the Company because of the customer's unexcused failure to nominate (see § 7.02 or because customer has sold, exchanged, transported or otherwise used said gas for the benefit of anyone other than the Company in violation of subsection (2) above), the Company shall impose a penalty equal to the highest purchased gas cost during the period of interruption plus \$15/Dth for the volume of gas requested but not delivered.

from an approved interconnect point between the Company's distribution system and anupstream pipeline to a redelivery meter serving customer's premises. Each transportation servicecustomer must identify in the contract the interconnect/delivery points(s) where it will deliver itsnatural gas supply into Dominion Energy Utah's system (approved point). Dominion Energy Utahreserves the right, as provided herein, to require each transportation customer to deliver its naturalgas supplies to that approved point when, in Dominion Energy Utah's sole discretion, its operationalneeds support such a change from any alternate point that might currently be being used by the customer.



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## **INITIAL SERVICE AGREEMENT**

Each transportation customer will be required to enter into a service agreement with the Company. Transportation customers must contract for service on an annual basis.

A written request for transportation service from an existing firm or interruptible salesservice customer must be received by the Company by February 15 in any given year, except in 2014, when the date has been extended to March 30. A fully executed contract and any other requirementsmust be received by the Company by February 28 of any given year, except in 2014, when the date has been extended to April 30. Customer must meet with Dominion Energy Utah's telemetrygas technician by April 15 of any given year, except in 2014, when the date has been extended to April

30. Any customer facilities required to facilitate telemetry, which may include power, phone linesor other, required by Dominion Energy Utah must be installed by customer and operational by May 15 of any given year. Questline access agreements must be received by Dominion Energy Utah by May 31 of any given year. If a customer fails to meet any of these deadlines, then customer will notbe permitted to receive TS service during that year. If approved, such a request will be effective on the first day of that customer's billing cycle which occurs on or after July 1<sup>st</sup>.

## **TERM**

Service shall be for a minimum of one year.

## FEES, COSTS AND CHARGES

In the event that the Company incurs fees, charges or costs as a result of the transportation of a customer's gas to the Company's distribution system by an upstream pipeline the Company will



provide a statement of such charges or costs. The customer will reimburse the Company for all fees, charges or costs associated with such transportation.

## ADMINISTRATIVE CHARGE

Customers taking service on rate schedules FT 1, MT, and TS will be billed anannual administrative charge of \$4,500 for each end use site in equal monthly amounts. If a customer has more than one end use site on contiguous property covered by a single gas purchasecontract, a

\$4,500 annual administrative charge will be billed to one end use site. Other end use sites for that customer will be billed a \$2,250 annual administrative charge. A customer will be required to pay the

administrative charge for each month during a temporary discontinuance of service.

#### TRANSPORTATION IMBALANCE CHARGE

Customers taking service on rate schedules FT 1, MT and TS will be assessed a chargefor daily imbalances that are outside of a 5% imbalance tolerance. "Daily imbalance" is defined as the difference between the customer's nominated volumes, less fuel, and the actual usage on anygiven day. When the Daily Imbalance exceeds 5% of the actual usage, the charge will be assessedbased on the daily Dth imbalance rounded to the nearest tenth. This charge will include storage, nonotice transportation and other related costs incurred to manage imbalances. The charge is set forth on the transportation rate schedules and will be recalculated in each pass through filing and updated at least annually.

## FUEL REIMBURSEMENT

A fuel reimbursement of 1.5% will apply to all transportation volumes. The reimbursement will be collected by redelivering 1.5% less volume than is received into the Company's distribution system for transportation.

## FACILITY MODIFICATIONS

Any costs to modify existing Company facilities or to install new Company facilitiesrequired in order to provide 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 service and to ensure that proper billing and accounting can be performed. The Company will require telemetering equipment as a prerequisite to providing transportation service.

Customers may increase the daily contract limit if additional equipment is added or if operational changes necessitate firm service backup. All service is subject to the availability of new or additional service requirements shown in § 9.02.

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## 5.02 FIRM TRANSPORTATION SERVICE

The Company provides firm transportation service for industrial customersqualifying under the classification provisions of § 5.05 through § 5.08. Industrialcustomers initiating or increasing firm transportation service must also meet the requirements of § 9.02.

## FIRM DEMAND CHARGE

-Customers taking service on the TS and FT-1 rate schedule will be billed in equalmonthly amounts an annual firm demand charge for each Dth of contracted firmtransportation. Contracted firm transportation volumes are not subject to the interruptionprovisions outlined in § 5.04. A customer will be required to pay the firm demand chargefor each month during a temporary discontinuance of service.

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## 5.03 MUNICIPAL TRANSPORTATION SERVICE (MT)

-The Company provides MT firm service only for municipalities as defined in Utah Code Ann. § 10-1-104(5) or successor statute and under the classification provisions of § 5.06. Customers initiating or increasing MT firm service must also meet the requirements of §

<del>9.02.</del>

NOMINATIONS

The Company will provide MT customers with a daily estimate of usage for the MT service on the electronic bulletin board 24 hours in advance of the Company's nomination deadline. The estimated usage will be based on the same factors used by the Company to estimate the requirements of its sales customers and will include the required fuel reimbursement shown in § 5.01.

<u>MT customers will be responsible for all nominations on upstream pipelines, as well</u> as nominations to the Company, to ensure that sufficient gas supplies to meet the supplier's customers aggregate daily estimates of usage are delivered to the Companyreceipt point designated by the Company. In designating receipt points, MT service willhave priority

over Interruptible service. Firm sales service will have priority over MT, FT-1, and firm TS service. MT, FT-1 and firm TS service will have equal priority of delivery points.

-The Company will have the right to issue operational flow orders (OFOs) directing the increase or decrease in nominated volumes.

**IMBALANCES** 

The following imbalance procedures will be used to ensure that suppliers are providing the proper amount of gas for their MT customers and are not adversely impacting other suppliers or other customers on the Company's system.

**Facilities Charge for Daily Balancing** 

<u>MT customers shall pay a facilities charge for balancing services. The rate for this</u> service is shown in § 5.06 and will be applied to all volumes billed by the Company to the MT customers.

-Nomination Imbalance Penalty

-Subject to the exceptions noted below, any delivery of gas by an MT customer to the Company above or below the estimated daily usage, as explained in the "Nominations"



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paragraph for MT service, will be assessed the penalty as provided for in the "Daily Imbalances" paragraph of § 5.09.

**The MT customer may make imbalance nominations as provided for in** the "Monthly Imbalances" paragraphs in § 5.09. The Nomination Imbalance Penalty willnot apply to imbalance nominations or if the customer is complying with an OFO.



## **Treatment of Monthly Imbalances**

-Monthly imbalances will be treated as provided for in the "Monthly Imbalances" paragraphs of § 5.09.

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## 5.04 INTERRUPTIBLE TRANSPORTATION SERVICE

**COMPANY INTERRUPTION** 

Should interruptions be required, customers will be interrupted as described in § 3.02.

GAS PURCHASE ARRANGEMENT DURING PERIODS OF INTERRUPTION

-Customers may offer to sell their gas supplies to the Company, and the Company may agree to purchase such gas supplies, for its use during periods of interruption in servingfirm sales customers. If a customer opts to sell its gas supply to the Company, and the Company agrees to buy it, such sale shall be made upon the following conditions.

(1) The customer's gas purchase contract may not preclude continued deliveries byits supplier during periods of interruption of the Company's transportation service.

-(2) Customer agrees that its gas purchase contracts will not allow, during a periodof interruption, for the sale, exchange, transportation or beneficial use of Companyrequested gas supplies for the benefit of anyone other than: (a) the Company, or (b) parties holding a pre-existing higher contractual priority to the gas supplies.

In no event will customer sell or exchange its gas supplies or otherwise interfere with the Company's ability to purchase customer's gas supplies during a period of interruption.

(3) Upon notification of interruption of service by the Company, the customer agrees to immediately begin nominating the Company requested amount of gas and will continue such nomination during the period of interruption unless instructed otherwise by the Company.

(4) The Company will require volumes equal to the average of the three most recently confirmed gas day nominations (less imbalance payback to customers) up to the amount of gas under contract to be available for purchase during an interruption, but will not require volumes in excess of the customer's representative daily use. Volumes not delivered upon request will be subject to the penalty described in (7) below.

(5) All gas purchased by the Company under this provision shall be at the point where deliveries are made to the upstream pipeline system upon which the Companyhas contracted for transportation service or delivered directly to the facilities of the Company. The Company will make arrangements for transportation of these purchases during periods

of interruption to its own distribution system. The Company's planned gas purchasesunder the provisions of this section shall be used to meet the requirements of firm salescustomers, and all gas purchased is considered necessary to meet the needs of firmcustomers.



(6) The customer agrees to sell and the Company shall have the option topurchase customer's gas at the higher of the monthly market index price or the gas dailymarket index price, as defined in the Glossary.

(7) For volumes that the Company requests to be nominated but which are not available to the Company because of the customer's unexcused failure to nominate (see §

7.02 or because customer has sold, exchanged, transported or otherwise used said gas for the benefit of anyone other than the Company in violation of subsection (2) above), the Company shall impose a penalty equal to the highest purchased gas cost during the period of interruption plus \$15/Dth for the volume of gas requested but not delivered.

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## 5.025 FIRM TRANSPORTATION TRANSPORTATION BYPASS FIRM SERVICE RATE SCHEDULE (TBF)FT-1

## **FT-1 VOLUMETRIC RATES**

	Rates Per Dth Redelivered Each Month				
		= decatherm $=$ 1	0  therms = 1,000,00		
	First	Next	Next	All Over	
	10,000 Dth	112,500 Dth	477,500 Dth	600,000 Dth	
Base DNG	\$0.23673	\$0.22185	\$0.15574	\$0.03178	
Energy Assistance	0.00023	0.00023	0.00023	0.00023	
Infrastructure Rate Adjustment	0.04569	0.04282	0.03006	0.00613	
Tax Reform Surcredit	(0.01200)	(0.01124)	(0.00789)	0.0000	
Tax Reform Surcredit 2	(0.00579)	(0.00827)	(0.00578)	(0.0000)	
Distribution Non-Gas Rate	\$0.26486	\$0.24539	\$0.17236	\$0.03814	
Minimum Yearly Distribution No.	n-Gas Charge (b	oase)		\$79,000	
Daily Transportation Imbalance C	harge per Dth (	outside +/- 5% to	olerance)	\$0.07645	
<b>TBEFT-1 FIXED CHARGES</b> Monthly Basic Service Fee (BSF) (Does not apply as a credit toward distribution non-gas charge)		1	BSF Category 1 BSF Category 2	\$6.75 \$18.25	
For a definition of meter categorie	es see 8 8 03	Ι	BSF Category 3	\$63.50	
		I	BSF Category 4	\$420.25	
Administrative Charge (See § 5.0)	l). Annual			\$4,500.00	
	Monthly	Equivalent		\$375.00	
Firm Demand Charge per Dth ( §5.02)	(see Base Ann	nual		\$12.90	
	Infrastru	cture Adder		\$2.49079	
	Tax Refe	orm Surcredit		(0.65397)	
	Tax Refe	orm Surcredit 2		(0.24492)	
	Total An	nual		\$14.49	

## **TBEFT-1** CLASSIFICATION PROVISIONS

- (1) Industrial service on a minimum one-year agreement available to end use industrial customers who acquire their own gas supply and who will maintain a load factor of at least 50% where load factor is defined as: Actual or estimated average daily usage is at least 50% of peak winter day. (Actual or Estimated Annual Usage  $\div$ 365 days)  $\div$  Peak Winter Day  $\geq$  50%
- (2) Volumes must be transported to the Company's system under firm transportation capacity on upstream pipelines to interconnect points approved by the Company or on alternative transportation to approved interconnect points if customer's upstream firm transportation is disrupted.
- (3) Service is subject to a minimum yearly charge, an administrative charge, and a monthly basic service fee.



- (4) If the customer's gas is not delivered to the Company's system, the Company is not obligated to deliver gas to the customer. When the customer's gas is being delivered to the Company, the balancing provisions in § 5.09 will apply.
- (5) <u>Transportation Bypass</u> Firm transportation service is only available to those customers who receive all of their natural gas service through the Company's facilities.
- (6) All sales are subject to the applicable local charges and state sales tax stated in § 8.02.
- (7) Fuel reimbursement of 1.5% applies to all volumes transported; see § 5.01.
- (8) Annual usage must be at least 350,000 Dth plus an additional 225,000 Dth for every mile away from the nearest interstate pipeline. Distance from the interstate pipeline will be measured as the most feasible route that would be determined by a reasonable and prudent natural gas utility operator. A customer with another bona fide, lawful bypass option may be included in the <u>TBFFT 1</u> rate class upon approval by the Commission.
- (9) <u>TBFFT-1</u> customers are permitted to purchase interruptible transportation in excess of the firm demand amount to which they subscribe by paying the TS volumetric rates.
- (10) 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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## 5.036 MUNICIPAL TRANSPORT SERVICE (MT) RATE SCHEDULE

## MT RATE

		Rates Per Dth Used Each Month		
	Dth	Dth = decatherm = 10 therms = 1,000,000 Btu		
MT Volumetric		\$0.65141/Dth		
Energy Assistance		0.00293/Dth		
Infrastructure Rate Adjustment		0.07783/Dth		
Distribution Non-Gas Rate		\$0.73217/Dth		
Daily Transportation Imbalance Charge +/- 5% tolerance)	outside	\$0.07645/Dth		
MT FIXED CHARGES				
Monthly Basic Service Fee (BSF):		BSF Category 1	\$6.75	
For a definition of BSF categories see § 8	3.03.	BSF Category 2	\$18.25	
		BSF Category 3	\$63.50	
		BSF Category 4	\$420.25	
Administrative Charge (see § 5.01).	Annual		\$4,500.00	
	Monthly Equivale	nt	\$375.00	

## MT CLASSIFICATION PROVISIONS

- (1) Service is used for a municipal gas system owned and operated by a municipality as defined by Utah Code Ann. § 10-1-104(5). The customer must enter into a minimum one year contract specifying the maximum daily contract demand. If requested, the Company will provide MT customers with its forecast of the maximum daily demand for any contract period. The Company is not obligated to provide service in excess of the maximum daily contract demand.
  - (2) Annual 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 ÷ 365 days) ÷ Peak Winter Day ≥ 15%
- (3) If the customer's gas is not delivered to the Company's system, the Company is not obligated to deliver gas to the customer. When the customer's gas is being delivered to the Company, and the balancing provisions described in § 5.0<u>63 and § 5.09</u> will apply.
- (4) All sales are subject to any applicable local charges and sales tax stated in § 8.02.
- (5) Fuel reimbursement of 1.5% applies to all volumes transported. (See § 5.01).



- (6) MT service may not be provided if it will subject the Company to regulatory jurisdiction by anyone other than the Commission.
- (7) An MT customer will be required to notify the Company before it proposes to extend service beyond the state of Utah or into a service area designated by the Federal Energy Regulatory Commission (FERC) pursuant to 7(f) of the Natural Gas Act. Such service extension will be cause for termination of MT service by the Company, unless it is demonstrated, prior to service extension, that an order has been issued by the FERC, or any other federal, state or local entity potentially exercising regulatory jurisdiction, showing respectively that the Company will not be subject to the regulatory jurisdiction of the FERC or other federal, state or local entity, and, with respect to an order issued by the FERC, that the Company will not lose any Hinshaw status that it may have. The Company may also terminate MT service commenced upon the issuance of any such order described above if the order is stayed or if an administrative or judicial appeal of such order results in a finding that providing the MT service subjects it to the jurisdiction of the FERC, or other federal, state or judicial appeal of such order results in a finding that providing the MT service subjects it to the jurisdiction of the FERC, or other federal, state or judicial appeal of such order results in a finding that providing the MT service subjects it to the jurisdiction of the FERC, or other federal, state or local entity, or results in a loss of any Hinshaw status it may have.
- (8) Service is only available for cities where the Company does not have a franchise or an existing distribution system.
- (9) For municipal customers with usage on more than one rate schedule, the usage for different rate schedules must be separately metered and subject to the appropriate administrative charge as provided for in the Administrative Charge paragraph of § 5.01.
- (10) 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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## 5.047 TRANSPORTATION SERVICE RATE SCHEDULE (TSI and TSF)

## **TS VOLUMETRIC RATES**

	Rates Per Dth Redelivered Each Month Dth = decatherm = $10$ therms = $1,000,000$ Btu			
	First	Next	Next	All Over
	200 Dth	1,800 Dth	98,000 Dth	100,000 Dth
Base DNG	\$0.73301	\$0.47917	\$0.19596	\$0.07253
Energy Assistance	0.00077	0.00077	0.00077	0.00077
Infrastructure Rate Adjustment	0.04646	0.03037	0.01242	0.00460
Tax Reform Surcredit	(0.04435)	(0.02899)	(0.01186)	(0.00439)
Tax Reform Surcredit 2	(0.01022)	(0.00912)	(0.00779)	(0.00157)
Distribution Non-Gas Rate	\$0.72567	\$0.47220	\$0.18950	\$0.07194
Penalty for failure to interrupt or lin Daily Transportation Imbalance Ch	C			See § 3.02 \$0.07645
<b>TS FIXED CHARGES</b> Monthly Basic Service Fee (BSF):			BSF Category 1	\$6.75
Monuny Dusie Service Fee (DSF).			<i>c</i> .	
		-	BSF Category 2	\$18.25
For a definition of BSF categories	See § 8.03.		BSF Category 3	\$63.50
			BSF Category 4	\$420.25
Administrative Charge (see § 5.01)	. Annual			\$4,500.00
	Monthly	y Equivalent		\$375.00
Firm Demand Charge per Dth <u>TSF</u> <u>Volumes</u> (see §5.012).	Base Ai			\$25.81
	Infrast	ructure Adder		\$1.63580
	Tax Reform Surcredit Tax Reform Surcredit 2			(\$1.56163) (0.39758)
	Total A		\$25.49	
	Month	y Equivalent		\$2.12

## TS CLASSIFICATION PROVISIONS

- (1) Service is available to end-use customers acquiring their own gas supply.
- (2) Customer must accept redelivery of all volumes received by the Company for its account. Imbalances will be subject to the provisions of § 5.09.
- (3) Service is subject to a monthly basic service fee and an administrative charge.
- (4) The interruptible portion of transportation service is provided on a reasonable-efforts basis, subject to interruption at any time after notice and as otherwise provided under Section 3.
- (5) The Customer may offer to sell, and the Company may agree to purchase, the Customer's interrupted volumes in accordance with the provisions of § 5.04.



- (6) All customers may be subject to additional local charges and state and local taxes stated in § 8.02.
- (7) Fuel reimbursement of 1.5% applies to all volumes transported; see § 5.01.
- (8) The Energy Assistance rate is subject to a maximum of \$50 per month and other conditions as specified in \$8.03.
- (9) Customer meter must be a rotary or turbine meter or AL800 or larger diaphragm meter. If meter needs to be replaced it will be replaced at customers expense.
- (10) If the customer's gas is not delivered to the Company's system, the Company is not obligated to deliver gas to the customer and the balancing provisions in § 5.06 will apply.

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## 5.058 NOMINATIONS

## **PRIORITY OF SERVICE**

Firm sales service will have priority over IS, TBF, MT, TSF, and TSI service. TBF, MT, and TSF service will have priority over TSI with TBF, MT, and TSF service holding equal priority. A TBF, MT, or TSF customer utilizing its Approved Receipt Point will hold priority over a TBF, MT, or TSF customer utilizing the same point as an Alternate Receipt Point. A TSI customer utilizing its Approved Receipt Point will hold priority over a TSI customer utilizing the same point as an Alternate Receipt Point.

## NOMINATION SCHEDULE

<u>TBFA transportation, MT, TSF, and TSI</u> customers must make nominations each day in accordance with the applicable North American Energy Standards Board (NAESB) Schedule for the quantity of natural gas (Dth) it desires to have transported on the succeeding gas day. All nominations must be placed in a manner specified by the Company.

The Company shall commence, upon receipt of volumes, to deliver equivalent quantities of natural gas less fuel reimbursement pursuant to § 5.01. A transportation customer shall provide the Company with permission to obtain from the customer's upstream pipeline transporter volumes delivered to the Company on the customer's behalf.

The Company will have the right to direct nominating parties to increase or decrease their nominated volumes to match expected usage. These directions will be provided through operational flow orders (OFOs).

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## 5.069 CUSTOMER IMBALANCES MANAGEMENT

A transportation customer <u>(TBF, MT, TSF, and TSI)</u> must monitor the amount of gas delivered to the Company's system from any upstream pipeline less fuel reimbursement and its usage of gas at its premises. If necessary, a customer must make adjustments to maintain a balance between gas received to the Company's system less fuel reimbursement and its usage.

The Company may monitor customer usage through telemetered, electronic measurement equipment at the end use delivery site or otherwise. Imbalances between volumes received at an interconnect point by the Company from the upstream pipeline less fuel reimbursement and actual usage will be treated as provided in this section.

<u>There are four ways imbalances are managed, (1) monthly imbalance, (2) daily</u> <u>imbalance, (3) restriction on daily imbalances, and (4) hold burn to scheduled quantity restrictions.</u>

## (1) MONTHLY IMBALANCES

<u>The Company shall allow a + 5% monthly imbalance tolerance</u>. The monthly <u>imbalance tolerance amount will be calculated by multiplying the sum of the volumes delivered to an end use site by the Company on a customer's behalf by + 5%.</u>

To remedy imbalances outside the + 5% monthly imbalance tolerance, the Company will permit customers to trade imbalances with other customers.

For customers choosing to participate in an open trading system and signing a trading agreement, the Company will make their imbalance information available to other participating customers. The information will be available on the Company's web site. Customers shall have the ability after the first gas day of the following month to trade imbalances with other customers to reduce or eliminate imbalances. All contractual arrangements, exchange of consideration, documentation, and imbalance pricing will be the responsibility of the trading partners.

Once customers have agreed to trade their imbalances, each trading partner must notify the Company as required in the trading agreement. This notice to the Company will be deemed to be the Customer's direction to Company to make the imbalance trade on the Customer's account. If the trading partner's notices coincide, the Company will adjust customer's accounts to reflect the imbalance trade. When notices do not coincide, imbalances will not be considered traded. The Company will not be liable for any losses suffered by a customer if the trading partners are unable to finalize their trade after the Company has been notified of the trade and adjusted the Customer's accounts. The Company shall not be liable for any losses incurred by a customer if an imbalance trade is not noticed by both trading partners.

After the closing of the previous month, an additional 15-day period will be allowed for customers to bring any remaining imbalance within the + 5% tolerance through nomination or imbalance trading. If the Company does not have final reported imbalance data on the Company's web site available to customers on the first day of the following month, an additional day will be allowed for each day the information is delayed. Nothing in this section is meant to prevent customers from taking make up actions sooner; however, the customer shall give prior notice to the



Company of the actions being taken to remedy the imbalance to allow the Company to schedule its operations. The Company reserves the right to limit a customer's nominations or usage when necessary to protect the integrity of the system. Any remaining imbalance may be cashed out in the following manner:

 (A) Positive imbalances may be purchased by the Company for the lesser of the transportation market index price, as explained below, or the commodity cost component of the Company GS rate schedule listed in the Article 2, each less \$1.00/Dth. The transportation market index price and the GS commodity cost component may, at the Company's discretion, be the price associated with the month in which the imbalance occurred or the month following the month in which

month in which the imbalance occurred or the month following the month in which the imbalance occurred.

(B) Negative imbalances may be sold to the customer for \$1.00/Dth plus the greater of the transportation market index price or the GS commodity cost component listed in Article 2. The transportation market index price and the GS commodity cost component may, at the Company's discretion, be the price associated with the month in which the imbalance occurred or either of the two months following the month in which the imbalance occurred.

## TRANSPORTATION MARKET INDEX PRICE

The transportation market index price is used in the imbalance cash out provisions outlined above. It is a monthly price relevant to the location of each customer's deliveries into the Company's distribution system and based on first-of-the-month index prices published by Platts Energy Trader. The pricing is as follows: (1) deliveries made north of the Company's Indianola gate station —Kern, Wyoming index price; (2) deliveries at or downstream of Indianola—So Cal Gas index price; and (3) deliveries in Grand and San Juan counties—Northwest,(Rocky Mountains-) index price.

In the event that the first-of-the-month index prices listed above are unavailable from <u>Platts Energy Trader, the Company will determine a transportation market index price using a similar</u> <u>index, publication, or comparable methodology.</u>

## IMBALANCES REMAINING AT CONTRACT TERMINATION

If a customer terminates transportation service, any supply imbalances will be treated as if they were month-end imbalances. Imbalances will be treated as outlined above. The + 5% monthly tolerance window shall not apply and customers must eliminate all imbalances. The Company is not responsible to facilitate an "imbalance trading" opportunity for customers due to contract termination; however, such customers may participate in the "imbalance trading" process after service termination for a 15-day period.

## (2) DAILY IMBALANCE

<u>Customers are expected to maintain daily imbalances within a +5% tolerance.</u> <u>Customers will be assessed a charge for the services used each day to manage the difference between the</u>



customer's scheduled quantities, less fuel, and the customer's actual usage on any given day that are outside of the 5% tolerance. See Transportation Imbalance Charge § 5.01

## (3) RESTRICTION ON DAILY IMBALANCE

<u>Company will issue a Restriction on Daily Imbalances, through an OFO, in order to</u> <u>require customers or nominating parties to adjust receipts or usage to meet a daily imbalance</u> <u>tolerance as directed by the Company. These restrictions will be issued in the event a customer's</u> <u>imbalance may contribute to an expected aggregate imbalance that may 1) require the Company to</u> <u>take action to maintain system integrity, or 2) reasonably be expected to force the Company to</u> <u>materially alter its prior day's planned level of a) gas purchases, b) Company production, or c)</u> <u>storage injections or withdrawals. Restrictions will remain in place for the period that such</u> <u>conditions are reasonably expected to continue.</u>

The Company will provide notice of such restriction, through an OFO, to each affected nominating party not less than two hours prior to the first nomination deadline for the affected period or as soon as reasonably practicable. Notice will be given by electronic means, phone, text message, or email and may be given using an automated notification system. Nominating party is responsible for providing contact information to the Company and updating it as necessary. Restrictions may be applied on a system-wide basis, a nominating-party-by-nominating-party basis, a customer-by- customer basis, or a geographic area basis, as circumstances reasonably require.

Notices of balancing restrictions will be provided to each affected nominating party and will include reasonable specificity regarding:

(A) The duration and nature of the balancing restrictions imposed;

(B) The events or circumstances that require the restrictions;

(C) The type of imbalances that may be subjected to penalties;

If, after the Company provides notice, a customer or nominating party fails to comply with balancing restrictions reasonably imposed by the Company, a balancing penalty will be assessed of the greater of \$1.00/Dth or the absolute value of the difference between the monthly market index price and the gas daily market index price as defined in the glossary plus \$0.25/Dth.

A balancing penalty of up to \$25/Dth may be imposed in cases where a nominating party or customer has repeatedly ignored, after written notice, the Company's reasonable balancing restrictions.

<u>Customers or nominating parties may exchange or aggregate imbalances in order to avoid</u> or mitigate penalties. Penalties that are not totally avoided by exchange or aggregation shall be borne by the customer or prorated among the customers as directed by the nominating party. If no direction is received, the Company will assign the imbalance to each of the nominating party's accounts on a pro- rata basis for all such accounts that are contributing to the imbalance that adversely affect the system on the tenth business day following the last day of the notice.

The Company reserves the right to take any action reasonably necessary to restrict deliveries or usage in order to maintain a balanced distribution system, when required for system integrity.



## (4) HOLD BURN TO SCHEDULED OUANTITY RESTRICTIONS

<u>The Company will issue a Hold Burn to Scheduled Quantity restriction through an</u> OFO when, the Company determines such actions are required to maintain safe and reliable service to serve firm sales customers.

<u>A Hold Burn to Scheduled Quantity restriction prohibits a customer from using more gas than</u> they have scheduled to receive into the system. The Company will provide notice of such restriction, through an OFO, to each affected customer and nominating party as soon as reasonably practicable. Restrictions may be applied on a system-wide basis, a nominating-party-by-nominatingparty basis, a customer-by-customer basis, or a geographic area basis, as circumstances reasonably require. The Company reserves the right to take any action reasonably necessary to restrict deliveries or usage in order to maintain a balanced distribution system when required for system integrity. A balancing penalty of \$25 per Dth plus the gas daily market index price as defined in the glossary will be

imposed when a customer uses more gas at an end use site than is scheduled. Customers or nominating parties may not exchange or aggregate imbalances in order to avoid or mitigate penalties incurred during a Hold Burn to Scheduled Quantity restriction. Hourly measurement data will be used and a customer will be penalized for using more than 1/24<sup>th</sup> of their daily scheduled quantity in aggregate for the duration of the Hold Burn to Scheduled Quantity restriction.

<u>Overrun is not allowed during a Hold Burn to Scheduled Quantity restriction. Volumes</u> <u>burned above the customer's total contract limit will incur an overrun penalty of \$40 per Dth and on</u> <u>the subsequent July 1<sup>st</sup>, the customer will be required to increase their firm contract limit for three</u> <u>years to equal the amount burned during the Hold Burn to Scheduled Quantity restriction. To the</u> <u>extent that the</u>

<u>Company determines that providing the full amount burned as firm service is operationally</u> <u>infeasible, then the customer will pay a demand charge, beginning on July 1<sup>st</sup> following the Hold Burn</u> <u>to Scheduled Quantity restriction, that would have applied for those volumes it burned above the what</u> <u>is available as firm service but will receive interruptible service for those volumes.</u>

If a Hold Burn to Scheduled Quantity restriction overlaps with a period of interruption as described in § 3.02 at locations where a customer holds both a firm (TBF, MT, or TSF) contract and an interruptible (TSI) contract, penalties as described above will be applied to each Dth burned above the total scheduled quantity up to the firm contract limit. Volumes burned above the firm contract limit will be assessed penalties described in § 3.02 under Failure to Interrupt.

Under no circumstances will the penalty provision be considered as giving the customer the right to use gas during a requested restriction of service. Customers failing to comply with a Hold Burn to Scheduled Quantity restriction issued by the Company may also be subject to immediate termination or restriction of service.

## **DAILY IMBALANCES**

The Company will allow  $\pm$  5% of a customer's volumes delivered from upstream pipelines as a daily imbalance tolerance window. In the event a customer's imbalance contributes to an aggregate imbalance that would 1) require the Company to take action to maintain system integrity, or 2) reasonably be expected to force the Company to materially alter its prior day's planned level of a)gas purchases, b) Company production, or c) storage injections or withdrawals, then the Companymay,



for the period that such conditions are reasonably expected to continue, require customersor nominating parties to adjust deliveries or usage, and/or to suspend all or a portion of the daily imbalance tolerance window. A customer or nominating party may adjust deliveries bydirecting a change in nominations, alter usage, or utilize park and loan or other services offered bythe appropriate upstream pipeline.

The Company will provide notice of such restriction, to each affected nominating partynot less than two hours prior to the first nomination deadline for the affected period or as soonas reasonably practicable, to the extent system integrity or upstream allocations allow. If otherthan written notice is initially provided, then subsequent written notice will provide the time of contact and the person contacted. Restrictions may be applied on a system wide basis, a nominating partyby- nominating party basis, a customer by customer basis, or a geographic area basis, ascircumstances reasonably require.

(1) The duration and nature of the balancing restrictions imposed;

(2) The events or circumstances that require the restrictions;

(3) The type of imbalances that may be subjected to penalties; and

(4) Actions that the customer or nominating party can take to avoid penalties.

If, after notice provided as above, a customer or nominating party fails to complywith balancing restrictions reasonably imposed by the Company, a balancing penalty of the greater of

\$1.00/Dth or the absolute value of the difference between the monthly market index price and the gas daily market index price as defined in the glossary for the upstream pipeline from which the



deliveries were made or were to be made, plus \$0.25/Dth, except under conditions of forcemajeure, will be charged for those imbalances that adversely affect the system.

Customers or nominating parties may exchange or aggregate imbalances in order to avoid or mitigate penalties. Penalties that are not totally avoided by exchange or aggregation shall be borneby the customer or prorated among the customers as directed by the nominating party. If no directionis received, the Company will assign the imbalance to each of the nominating party's accounts on a pro- rata basis for all such accounts that are contributing to the imbalance that adversely affect the system on the tenth business day following the last day of the notice.

The Company reserves the right to take any action reasonably necessary to restrictdeliveries or usage in order to maintain a balanced distribution system, when required for systemintegrity. A balancing penalty of up to \$25/Dth may be imposed in cases where a nominating partyor customer has repeatedly ignored, after written notice, the Company's reasonable balancingrestrictions. There is no daily imbalance tolerance during periods of interruption.

## MONTHLY IMBALANCES

The Company shall allow a  $\pm$  5% monthly imbalance tolerance window. The monthly imbalance tolerance window will be calculated by multiplying the sum of the volumes-received at an interconnect point by the Company on a customer's behalf by  $\pm$  5%.

To remedy imbalances outside the  $\pm$  5% monthly imbalancing tolerance window, the Company will permit customers to trade imbalances with other customers.

For customers choosing to participate in an open trading system and signing a trading agreement, the Company will make their imbalance information available to other participating customers. The information will be available on the Company's web site. Customers shall have the ability after gas day one of the following month to trade imbalances with other customers to reduce or eliminate imbalances. All contractual arrangements, exchange of consideration, documentation, and imbalance pricing will be the responsibility of the trading partners.

Once customers have agreed to trade their imbalances, each trading partner must notify the Company as required in the trading agreement. This notice to the Company will be deemed to bethe Customer's direction to Company to make the imbalance trade on the Customer's account. If the trading partner's notices coincide, the Company will adjust customer's accounts to reflectthe imbalance trade. When notices do not coincide, imbalances will not be considered traded. The Company will not be liable for any losses suffered by a customer if the trading partners are unable to finalize their trade after the Company has been notified of the trade and adjusted the Customer's accounts. The Company shall not be liable for any losses incurred by a customer if an imbalance trade is not noticed by both trading partners.

After the closing of the previous month, an additional 15 day period will be allowed for customers to bring any remaining imbalance within the <u>+</u> 5% tolerance window through nomination or imbalance trading. If the Company does not have final reported imbalance data on the Company's web site available to customers on the first day of the following month, an additional day will be allowed for each day the information is delayed. Nothing in this section is meant toprevent customers from taking make up actions sooner; however, the customer shall give prior noticeto the



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Company of the actions being taken to remedy the imbalance to allow the Company to scheduleits operations. The Company reserves the right to limit a customer's nominations or usagewhen necessary to protect the integrity of the system. Any remaining imbalance may be cashed outin the following manner:

(1) Positive imbalances may be purchased by the Company for the lesser of the transportation market index price, as explained below, or the commoditycost component of the Company GS rate schedule listed in the Article 2, each less

\$1.00/Dth. The transportation market index price and the GS commoditycost component may, at the Company's discretion, be the price associated with the

month in which the imbalance occurred or the month following the month in which the imbalance occurred.

(2) Negative imbalances may be sold to the customer for \$1.00/Dth plus the greaterof the transportation market index price or the GS commodity cost component listedin Article 2. The transportation market index price and the GS commoditycost component may, at the Company's discretion, be the price associated with the month in which the imbalance occurred or either of the two months followingthe month in which the imbalance occurred.

#### TRANSPORTATION MARKET INDEX PRICE

The transportation market index price is used in the imbalance cash out provisionsoutlined above. It is a monthly price relevant to the location of each customer's deliveries into the Company's distribution system and based on first of the month index prices published by Platts-Energy Trader. The pricing is as follows: (1) deliveries made north of the Company's Indianola gatestation Questar Pipeline index price; (2) deliveries at or downstream of Indianola—Southern-California Gas

Company index price; and (3) deliveries in Grand and San Juan counties — Northwest Pipeline (Rocky Mountains) index price.

In the event that the first of the month index prices listed above are unavailable from Platts Energy Trader, the Company will determine a transportation market index price using a similar index, publication, or comparable methodology.

## IMBALANCES REMAINING AT CONTRACT TERMINATION

If a customer terminates transportation service, any supply imbalances will be treated as if they were month end imbalances. Imbalances will be treated as outlined above. The  $\pm$  5% monthly tolerance window shall not apply and customers must eliminate all imbalances. The Company is not responsible to facilitate an "imbalance trading" opportunity for customers due to contract termination; however, such customers may participate in the "imbalance trading" process after service termination for a 15 day period.

Issued by C. L. Bell, VP &	Advice No.	Section Revision No.	Effective Date
General Manager	1 <u>8</u> 7-0 <u>7</u> 4	<u>2</u> 4	September June 1,
			201



# 8. GENERAL BILLING PROVISIONS

#### 8.01 GAS MEASUREMENT

#### **METERING**

The Company will supply the customer with gas to each separate building or structure only through the metering facilities furnished and owned by the Company. The Company will determine the place for setting or resetting a meter. The customer will furnish shelter or protection satisfactory to the Company for any meter installed on the customer's premises. When the customer fails to provide adequate meter protection, the Company may exercise remedies outlined in § 7.02.

#### POINT OF DELIVERY

All rate schedules apply to gas received at one point of delivery, the outlet of the Company's meter set. Multiple delivery points to a single customer may be combined as one point of delivery where it is desirable for the Company's operating convenience to render one bill. In no event shall multiple delivery points be combined into a single service agreement where the delivery points are not connected to the same service line.

#### MULTIPLE RATES

Interruptible sales customers are allowed to base load a portion of their usage on firm sales service. In such cases, gas delivered through the meter will be billed on a daily basis, if the data is available, in the following schedule order; GS, FS, IS. <u>TBFFT-1</u> transportation customers are allowed to base load their usage with interruptible transportation service and will be billed on a daily basis as follows: <u>TBFFT-1</u>, TS. In every case the highest basic service fee will apply. Customers selecting multiple rates must specify a maximum daily contract limit by rate schedule. The billing for volumes exceeding contract limits will revert to the first rate block in subsequent rates.

## MASTER METERING

#### **Mobile Home Parks**

The Company will not serve new mobile home park applicants on a master meter. For service to existing master metered mobile home parks see § 7.05.

#### **Residential and Commercial Structures**

New natural gas service to any residential or commercial structure will not be provided through a master meter unless it is determined by the Company that a master meter is the only feasible method of providing such service.



## VOLUME TO DTH CONVERSION

The Volume Multiplier as shown on the customer's billing statement adjusts the volume of gas as measured by the Company's meter to the actual heat content of gas as measured and sold in decatherms (the customer's actual Dth usage). The heat content of the gas flowing in the Company's lines will be the arithmetical average of the daily average heat content, as determined from recording calorimeters or other appropriate devices.

Issued by C. L. Bell, VP &	Advice No.	Section Revision No.	Effective Date
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## 8.03 FEES AND CHARGES

## **BASIC SERVICE FEE (BSF)**

Customers taking service on rate schedules GS, FS, <u>TBFFT-1</u>, MT, TS, and IS will be billed an annual BSF on a monthly basis for each meter installed. In no event will a customer be billed more than one BSF for each meter. A customer will be required to pay the BSF for each month during a temporary discontinuance of service.

The amount of the BSF is based on the meter capacity as shown in the table below:

Basic Service Fee Classification				
BSF Category	Meter Capacity in cu. ft./hr. @ Delivered Pressure			
1	0 to 899			
2	900 to 6,999			
3	7,000 to 23,999			
4	Greater than 24,000			

#### **CONNECTION FEE**

When natural gas service is initiated or changed from one party to another at a premise, there will be a connection fee as set forth below. The connection fee is applicable to all customers. There may be additional charges for shut off non-pay customers in accordance with provisions below. Tax at the applicable state and local rates will be charged on any connection fee.

## **Full Connection Fee**

This fee will be charged when initiation of service or a change of service is requested to a premises. This would normally involve the Company reading the meter, removing the meter seal, conducting a spot test on the premises and checking the appliances. A customer may arrange to pay the full connection fee in three equal monthly installments provided that the first of the three payments is made at the time service is initiated. There are circumstances in initiating or changing service at a premises in which the Company is only required to perform some of the activities listed above. In such cases, the following connection fees may apply.

#### **Limited Connection Fee**

This fee will be charged when initiation of service or a change of service is requested and the Company only reads the meter, removes the meter seal and conducts a spot test on the premises.



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#### **Energy Assistance Balancing Account**

Items in the Energy Assistance Balancing Account (Account 191.8) will include:

- 1. Energy Assistance rate collection.
- 2. Energy Assistance credit.
- 3. Administrative costs.
- 4. Interest expense.

No less than once per year, the Company will file with the Commission to adjust the Energy Assistance rate and the Energy Assistance credit to target the \$1.5 million funding level established in Docket No. 09-057-16. To the extent the Company collects or pays out more or less than \$1.5 million, these differences will be included in the filing.

#### **Two-Way Carrying Charge**

An annual interest rate, as described in § 8.07 Calculation of Carrying Charge, shall be applied to the Energy Assistance Balancing Account (Account 191.8) as adjusted for the corresponding tax deferral balance in Account 283. Interest will be assessed on the monthly balance of this account.

Issued by C. L. Bell, VP &	Advice No.	Section Revision No.	Effective Date
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# **10. APPENDIX**

This appendix is provided for informational purposes only, and is supplemental to Commission required provisions.

## 10.01 UTAH STATE SALES TAX RATES

The Utah state sales tax is applied to gas service, connection fee, and any applicable franchise fee. A list of sales tax rates by taxing jurisdiction can be found at the Utah State Tax Commission at https://tax.utah.gov/

Area or Locality	Residential	Commercial & Industrial
Beaver County	<del>3.250%</del>	<del>5.950%</del>
Beaver City	4 <del>.250%</del>	<del>6.950%</del>
Box Elder County	<del>3.250%</del>	<del>5.950%</del>
Brigham City, Perry, Willard	<del>3.800%</del>	<del>6.500%</del>
Snowville	4.250%	<del>6.950%</del>
Cache County	<del>3.600%</del>	<del>6.300%</del>
Cache Valley Transit District, Hyde Park, Millville	<del>3.850%</del>	<del>6.550%</del>
Hyrum, Logan, Nibley, North Logan, Providence, Richmond, River Heights, Smithfield,	<del>3.900%</del>	<del>6.600%</del>
Carbon County	<del>3.250%</del>	<del>5.950%</del>
Price	<del>3.650%</del>	<del>6.350%</del>
Wellington	<del>3.550%</del>	<del>6.250%</del>
Daggett County	4 <del>.250%</del>	<del>6.950%</del>
Davis County	<del>3.800%</del>	<del>6.500%</del>
<ul> <li>Bountiful, Centerville, North Salt Lake, Woods Cross,</li> <li>West Bountiful</li> </ul>	<del>3.900%</del>	<del>6.600%</del>
Duchesne County	<del>3.250%</del>	<del>5.950%</del>
Duchesne City	<del>3.350%</del>	<del>6.050%</del>
Roosevelt	<del>3.650%</del>	<del>6.350%</del>
Emery County	<del>3.250%</del>	<del>5.950%</del>
Garfield County	4.250%	<del>6.950%</del>
Boulder, Panguitch, Tropic	<del>5.250%</del>	<del>7.950%</del>
Grand County	<del>3.250%</del>	<del>5.950%</del>
Moab	5.150%	7.850%



Area or Locality	<b>Residential</b>	<del>Commercia</del> & Industria
ron County	2.2500/	
Iron County	<del>3.250%</del> <del>5.950% Brian Head</del>	
	<del>5.250%</del>	<del>7.950%</del>
	<del>3.350%</del>	<del>6.050%</del>
Juab County	<del>3.250%</del>	<del>5.950%</del>
Millard County	<del>3.250%</del>	<del>5.950%</del>
Morgan County	<del>3.250%</del>	<del>5.950%</del>
Piute County	<del>3.250%</del>	<del>5.950%</del>
Rich County	<del>3.250%</del>	<del>5.950%</del>
Salt Lake County	<del>4.150%</del>	<del>6.850%</del>
Alta	<del>5.650%</del>	<del>8.350%</del>
South Salt Lake	<del>4.350%</del>	<del>7.050%</del>
San Juan County	<del>3.250%</del>	<del>5.950%</del>
Monticello	<del>3.650%</del>	<del>6.350%</del>
Sanpete County	<del>3.250%</del>	<del>5.950%</del>
Centerfield	<del>3.350%</del>	<del>6.050%</del>
Ephraim, Mt. Pleasant	<del>3.550%</del>	<del>6.250%</del>
Gunnison	<del>3.650%</del>	<del>6.350%</del>
Sevier County	<del>3.250%</del>	<del>5.950%</del>
Richfield, Salina	<del>3.650%</del>	<del>6.350%</del>
Summit County	<del>3.350%</del>	<del>6.050%</del>
Park City	<del>5.250%</del>	7.950%
Tooele County	3.250%	5.950%
Erda, Grantsville, Lakepoint, Lincoln, Stansbury Park	3.550%	<del>6.250%</del>
Tooele	<del>3.650%</del>	<del>6.350%</del>
Uintah County	<del>3.350%</del>	<del>6.050%</del>
Vernal	<del>3.650%</del>	<del>6.350%</del>
Utah County	4.050%	<del>6.750%</del>
Cedar Hills, Orem	4.150%	<del>6.850%</del>
Wasatch County	3.250%	<del>5.950%</del>
Heber	3.550%	<del>6.250%</del>
	<del>4.650%</del>	7.350%
	<del>5.150%</del>	7.850%
Washington County	<del>3.250%</del>	<del>5.950%</del>



Area or Locality	Residential	Commercial & Industria
Hurricane, Ivins, La Verkin, Santa Clara, St. George, Washington City	<del>3.550%</del>	<del>6.250%</del>
Springdale	4 <del>.850%</del>	<del>7.550%</del>
Wayne County	<del>3.250%</del>	<del>5.950%</del>
Weber County	4.150%	<del>6.850%</del>



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## **10.02 LOCAL CHARGE RATES FOR EACH MUNICIPALITY**

Many municipalities have imposed a Municipal Energy Sales and Use Tax (MET) on natural gas service. The following table shows the MET imposed by each municipality. The MET cannot exceed 6%. The MET applies to gas service, connection fee, and any applicable franchise fee. A list of MET / franchise tax rates by taxing jurisdiction can be found at the Utah State Tax Commission website https://tax.utah.gov/

### Date of latest update: January 1, 2014

Municipality	Municipal Energy or Franchise Tax
Alpine	<del>6.0%</del>
Alta	<del>6.0%</del>
American Fork	<del>6.0%</del>
Beaver	<del>6.0%</del> -
Bluffdale	<del>6.0%</del>
Bountiful	<del>6.0%</del>
Brian Head	<del>6.0%</del>
Brigham City	4 <del>.0%</del>
Castle Dale	<del>3.0%</del>
Cedar City	<del>6.0%</del>
Cedar Hills	<del>6.0%</del>
Centerfield	6.0%
Centerville	<del>6.0%</del>
Central Valley	<del>6.0%</del>
Charleston	<del>5.0%</del>
Clearfield	<del>6.0%</del>
Cleveland	<del>6.0%</del>
Clinton	<del>6.0%</del>
Corinne	4 <del>.0%</del>
Daniel	4.0%
Delta	<del>4.0%</del>



<b>Municipality</b>	Municipal Energy or Franchise Tax
<del>Draper</del>	<del>6.0%</del>
<del>Duchesne</del>	6.0%
Eagle Mountain	<del>3.0%</del>
East Carbon	6.0%
Elmo	<del>6.0%</del>
Elk Ridge	6.0%
Elsinore	3.0%
Enoch	<del>5.0%</del>
Enterprise	6.0%
Ephraim	6.0%
Farmington	<del>6.0%</del>
Ferron	<del>3.0%</del>
Fielding	6.0%
Fillmore	<del>6.0%</del>
Fountain Green	<del>5.0%</del>
Garland	4 <del>.0%</del>
Grantsville	<del>6.0%</del>
Gunnison	<del>6.0%</del>
Harrisville	<del>6.0%</del>
Heber City	<del>6.0%</del>
Helper	2.0%
Herriman	6.0%
Hideout	6.0%
Highland	6.0%
Hinckley	4 <del>.0%</del>
Holden	<del>3.0%</del>
Holladay	6.0%
Huntington City	6.0%



Municipality	Municipal Energy or Franchise Tax
Hurricane	<del>6.0%</del>
Hyrum	<del>6.0%</del>
Ivins	4 <del>.5%</del>
Kamas	4 <del>.0%</del>
Kaysville	<del>6.0%</del>
LaVerkin	<del>6.0%</del>
Layton City	<del>6.0%</del>
Leeds	<del>6.0%</del>
Lehi City	<del>6.0%</del>
Lindon	<del>6.0%</del>
Logan	<del>6.0%</del>
Mapleton City	<del>6.0%</del>
Midvale	<del>6.0%</del>
Midway	<del>6.0%</del>
Milford	<del>6.0%</del>
Millville	<del>6.0%</del>
Minersville	<del>6.0%</del>
Moab	<del>3.0%</del>
Monticello	<del>6.0%</del>
Murray	<del>6.0%</del>
Mt. Pleasant	<del>6.0%</del>
Myton	<del>5.0%</del>
Naples	<del>6.0%</del>
New Harmony	<del>6.0%</del>
Nibley	<del>6.0%</del>
North Logan	<del>3.0%</del>
North Ogden City	<del>6.0%</del>
North Salt Lake	<del>6.0%</del>



Municipality	Municipal Energy or Franchise Tax
Ogden	<del>6.0%</del>
Orangeville	<del>6.0%</del>
Orem	6.0%
Panguitch	6.0%
Park City	<del>6.0%</del>
Parowan	<del>6.0%</del>
Payson	<del>6.0%</del>
Perry	<del>6.0%</del>
Plain City	<del>6.0%</del>
Pleasant Grove	<del>6.0%</del>
Pleasant View	<del>6.0%</del>
Price	<del>6.0%</del>
Providence	<del>4.0%</del>
Provo	<del>6.0%</del>
Randolph	<del>5.0%</del>
Richfield	<del>3.0%</del>
Richmond	<del>6.0%</del>
River Heights	<del>5.0%</del>
Riverton	<del>6.0%</del>
Roosevelt	<del>6.0%</del>
Roy City	<del>6.0%</del>
Salem	<del>6.0%</del>
Salt Lake City	<del>6.0%</del>
Sandy	6.0%
Santa Clara	6.0%
Santaquin	6.0%
Saratoga Springs	6.0%
<u>Scipio</u>	4 <del>.0%</del>



Municipality	Municipal Energy or Franchise Tax
Smithfield	<del>6.0%</del>
South Jordan	<del>6.0%</del> -
South Ogden	6.0%
South Salt Lake	6.0%
South Weber	<del>6.0%</del> -
Spanish Fork	6.0%
Springville	6.0%
St. George	<del>6.0%</del>
Stockton	<del>5.0%</del>
Sunnyside	<del>6.0%</del>
Sunset City	<del>6.0%</del>
Syracuse	<del>6.0%</del>
Taylorsville	6.0%
Tooele	6.0%
Toquerville	6.0%
Tremonton	<del>6.0%</del>
Trenton	<del>3.0%</del>
<u>Uintah</u>	<del>5.0%</del>
Vernal	<del>6.0%</del>
<del>Vineyard</del>	<del>6.0%</del>
Washington City	<del>6.0%</del>
Washington Terrace	6.0%
Wellington	6.0%
Wellsville	<del>5.0%</del>
West Bountiful	6.0%
West Jordan City	6.0%
West Point	6.0%
West Valley City	6.0%



Municipality	Municipal Energy or Franchise Tax
Willard	<del>6.0%</del>
Woodland Hills	6.0%
Woodruff	<del>6.0%</del>
Woods Cross	<del>6.0%</del>



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# 11. GLOSSARY

This Glossary is intended for convenience and reference use only. The operational provisions of this tariff are controlling in any case where there is an inconsistency.

A

account

A record of gas service as established by the Company upon acceptance of a customer's application for meter turn-on. See also, definition of "customer."

### actual billing days

The number of days from the customer's previous meter read to the current meter read.

### administrative charge

A charge based on administrative costs for transportation service rate schedules.

#### advice letter

Letter notifying Utah tariff holders of a tariff sheet change.

#### annual historical use

The actual quantity of natural gas (Dth) used by a customer during an annual contract term.

#### annual load factor

See load factor.

#### applicant

A prospective customer who applies for a main extension, service line and meter, or meter turn-on.

#### application

Main Extension Application--Written request completed on the Company's main extension application form for an extension of an existing main, either by the property owner or designated agent.

Service Line Application--Written request completed on the Company's service line application form for installation of a service line and meter, either by the property owner or designated agent.

Gas Service Application--Applicant's written, telephoned, or electronically transmitted request for initiation of gas service.

Interruptible Sales Service Application--Written request on Company's Service Agreement form to participate in the Company's interruptible sales service.



#### base load

Gas required for non-seasonal purposes, such as water heating and cooking. In situations where a customer receives service on multiple rates, the daily contract limit for the firm rate class.

#### Basic Service Fee (BSF)

A fixed charge, determined by the applicable BSF category, that is charged periodically to a customer without regard to consumption.

## Basic Service Fee (BSF) Category

Grouping of meters into four separate categories of capacity and cost. Used to determine applicable BSF charge.

#### billing month

Period of approximately 30 days upon which the customer's gas consumption is computed and bills are rendered.

#### block break point

The point at which volumes of billed Dth are charged at the next block rate in a declining block rate structure.

#### Btu

A British thermal unit, equivalent to the amount of heat required to raise the temperature of one pound of water one degree Fahrenheit.

#### Budget Plan

Monthly payment plan available to a General Service customer under which the customer's estimated annual billing is divided into 12 monthly payments.

#### Budget Plan Year

The 12-month period that begins when a customer initiates or renews the budget plan.

#### business day

Week days exclusive of Company observed holidays.

### С

#### calculated bill

Bill based on estimated gas usage that considers usage relative to customers with similar usage history in the same geographical area during a previous billing period and the current usage by those same customers in the period being estimated.

#### calorimeter

An apparatus for measuring the heating value of a fuel.

#### capacity release

The temporary assignment of capacity held by the Company on an upstream pipeline. Capacity release will be offered on a "pre-arranged" basis, by a posting on the upstream pipeline electronic bulletin board or as otherwise required by the upstream pipeline FERC approved tariff.

B



#### commercial customer

Type of customer using natural gas service for space heating, air conditioning, water heating, clothes drying, cooking, or other applications in either a place of business engaged primarily in the sale of goods or services (including educational and health care institutions, local, state and federal government agencies, etc.) or master metered rental property.

#### Commission

Public Service Commission of Utah.

#### commodity cost

That portion of a rate for gas service that is based on those costs that are related to the volumes of gas used by the customer

#### Company

Questar Gas Company dba Dominion Energy Utah.

#### **confirmation**

Is a process by which nominations are verified with upstream parties. If the verified capacity is greater than or equal to the total nominated quantities, all nominated quantities

are scheduled. If verified capacity is less than nominated quantities, nominated quantities will be allocated according to priority of service. See scheduled quantity.

#### connection fee

<u>A charge imposed to cover the average costs associated with initiation or reinstatement</u> of service. Additional charges will be assessed in cases of unauthorized use.

#### contract term

The period of time specified in an agreement between the customer and the Company for which service will be provided and received.

#### connection fee

A charge imposed to cover the average costs associated with initiation or reinstatement of service. Additional charges will be assessed in cases of unauthorized use.

contribution in aid of construction

That portion of total construction costs, over and above any allowances given by the Company, that is paid by the customer prior to commencement of construction of a main extension and/or service line.

#### customer

Individual, firm or organization classified as either a residential, commercial or industrial customer purchasing and/or transporting natural gas from the Company at each point of delivery, under each rate classification, contract, or schedule. See also definition of "account."

#### D

#### daily contract limit

Contracted peak winter day use or other limit specified in customer's contract.



#### daily mean temperature

The sum of the high and low temperatures of the day divided by two.

#### days

Calendar days, unless otherwise specified.

#### default payment

An amount due from a customer if a main is extended or a service line is run for that customer and within two years the terms of the main extension and service line contracts are not met.

### deferred payments agreement (DPA)

An installment payment plan by which a residential customer can pay a delinquent bill over a period of up to 12 months.

#### degree-day (heating)

A unit used in estimating fuel consumption, based upon temperature difference and time. For any day when the daily mean temperature is less than  $65^{\circ}$  F., there exist as many degree days as there are Fahrenheit degrees difference between the mean temperature of the day and  $65^{\circ}$  F. For example, if the mean temperature for the day is  $55^{\circ}$ , then there are 10 degree days ( $65^{\circ} - 55^{\circ}$ ). When the daily mean temperature is  $65^{\circ}$  or more, there are zero degree days.

#### degree-day deficiency

The cumulation of degree days for a specified period of time. For example, in a billing period consisting of 31 days of gas usage, the degree-day deficiency is the sum of the daily degree days during the billing period.

### degree-day factor

An average measurement of gas usage per degree-day unit.

#### delivered pressure

The pressure of the natural gas in, psia, as it enters the meter.

#### demand charge

That portion of a rate for gas service that is based on the maximum or peak-day needs of each customer.

#### discontinuance

Discontinuance of service is at the customer's request as opposed to <u>termination</u> of service by the Company for nonpayment or breach of contract.

## Е

Extension Area Charge (EAC)



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A monthly charge applicable in service extension areas in lieu of a lump sum non-refundable payment to be paid over a period of years and approved by the Commission.

F

### firm service

Type of service offered to qualifying customers under a schedule or contract that anticipates no interruptions.

### firm transportation service

Firm transportation service offered to any qualifying customer under the FT, TS or MT rate schedules.

#### fuel line

The gas piping owned and maintained by the customer between the meter and gas-operated equipment.

### fuel reimbursement

Reimbursement collected by redelivering 1.5% less volumes than were received into the Company's distribution system for transportation service.

## G

### gas daily market index price

DailyThe Questar mid-point index price of gas delivered from the pipeline immediately upstream from the city gate(s) as published in Platt's for Gas Daily for the day in which the imbalance or gas purchase occurred-Gas Daily Price Survey. If Platt's Gas Daily <u>publicationPrice Survey</u> is not available, then the Company will determine a <del>gas</del>-daily market index price using a similar index, publication, or comparable methodology.

#### gas balancing account adjustment provisions

Provision for balancing the Company's actual purchased gas costs against the amount collected in rates. Also known as the "191 Account."

## general service customer

One who receives service under the Company's GS rate schedule.

## I

#### imbalance

A condition occurring when an interruptible transportation customer has a different amount of its own gas delivered into the Company's distribution system than is used less fuel reimbursement at the meter serving his premises.

## imbalance tolerance window

A level of imbalance which customers are allowed under the balancing provisions.



#### master meter

A single meter used to measure the volume of gas delivered to multiple residential or commercial units, mobile home parks, or separate permanent structures.

#### maximum daily usage

The largest volume of gas delivered to a customer in one 24-hour period ending at 12 p.m.

#### meter

An instrument for measuring and indicating, or recording, the volume of gas that has passed through it.

#### minimum bill

Charge for having connected service even if no gas or less than a specified minimum amount of gas is used during the billing period.

#### minimum charge

Charge for having connected service even if no gas or less than a specified minimum amount of gas is used during the applicable period.

#### mobile home

A residential dwelling with a "T" code in the Company's billing records.

#### monthly market index price

Monthly market index price is the first-of-the-month index price of gas delivered from the pipeline immediately upstream from the city gate(s) as reported in Platts Energy Trader for the month in which the imbalance or gas purchase occurred. If the Platts Energy Trader publication is not available, then the Company will determine a monthly market index price using a similar index, publication, or comparable methodology.

#### multi-family dwelling

Residential buildings designated with an "A" code in the Company's billing records, which includes structures with two or more dwelling units.

#### Municipal Energy Tax (MET)

A tax levied by a municipality on the sale or use of natural gas or electricity

## Ν

#### non-registering meter

A meter that, upon reading, incorrectly indicates usage has not occurred or the usage registered is so minimal as to require a laboratory test for confirmation.

#### NGV

Natural gas powered vehicles.

#### nomination

<u>A request by a specific Transportation Service customer or that customer's</u> <u>authorized supplier/agent (nominating party) to have a physical quantity of customer-owned gas</u> <u>delivered to a</u>



specific Company receipt point(s) for a specific gas day or period. Nominations are not considered final until confirmed by the applicable Transportation Service Provider. See confirmation.

non-registering meter

<u>A meter that, upon reading, incorrectly indicates usage has not occurred or the usage registered is</u> so minimal as to require a laboratory test for confirmation.

0

<u>overrun</u>

Volume burned in excess of daily contract limit.

## Р

## peak winter day

Customer's actual peak winter daily usage during the three most recently completed calendar years. When actual daily use is not available, the peak winter day will be estimated by multiplying the average daily usage for the customer's peak winter month by 1.4.

### psia

Pounds per square inch absolute.

## point of delivery

Outlet of the Company's meter installed to supply the customer with the service contracted for.

## premises

An individually metered place of residence such as a single family dwelling or an apartment unit.

## R

## rate schedule

The aggregate of rates, charges and provisions that define and characterize a rate class under which service is supplied to a customer.

## redelivery point

A point of interconnection between Company and an end user, where customer-owned natural gas being transported is redelivered from the Company's distribution system to the customer's premises.

## released capacity

Firm capacity on an upstream pipeline which is released by Dominion Energy Utah.

#### representative daily use

The peak daily usage experienced by a customer over the previous three calendar years or a number determined by the Company to be representative of a customer's peak daily use.

#### residential customer



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Type of customer using natural gas service for space heating, air conditioning, water heating, clothes drying, or cooking in a personal residence such as a home, an apartment, or a condominium.

## S

#### Scheduled quantity

The final physical quantity of customer-owned gas confirmed by the Transportation Service Provider as delivered to a specific Company receipt point(s) for a specific Transportation Service customer on a specific gas day.

#### security deposit

Amount required to secure payment of future gas bills which is imposed either at meter turnon or when a customer has demonstrated poor credit with the Company.

#### service line

Gas pipe that carries gas from the main to the Company's meter.

#### service turn-on order

The work order signed by the applicant upon completion of meter turn-on and lighting of the customer's gas appliances. See also definition of "application."

#### shared appliance

An appliance serving more than one premises.

#### shared meter

A meter shared by a small number of premises, such as a duplex, or a home with a basement apartment.

#### standard billing period

A billing period that contains between 20 and 40 days.

## summer billing months

April through October.

#### summer season

April 1 through October 31.

## Т

tail block rate

The last block in any rate schedule.

#### tariff

The published volume of rate schedules, conditions of service and billing provisions under which natural gas will be supplied to customers by the Company.

#### temporary discontinuance of service



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### U

upstream pipeline

A pipeline that may be used to transport gas to the Company's system.

usage

A measured consumption of natural gas, stated either in volumetric or thermal units.

## V

Volume Multiplier

The factor used to convert the volume of gas as measured by the Company's meter to actual heat content of gas as sold in decatherms. It is a combination of several factors including altitude, gas pressure, the chemical composition of the gas, etc. Compressibility of the gas volume is calculated using the AGA Transmission Measurement Committee Report No. 8 Gross Characterization Method. The heat content and other gas component values flowing in the Company's lines will be determined daily from recording calorimeters or other appropriate devices, and averaged for the customer's billing period.

## W

Weather Normalization Adjustment (WNA)

An adjustment to reduce the effect of variations in the monthly bill due to weather.

#### weather zone

A climatological area in which normal and actual weather data is gathered for use in calculating WNA.

winter billing months

November through March.

#### winter season

November 1 through March 31.

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