

2. FIRM SALES SERVICE

2.01 CONDITIONS OF SERVICE

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

FIRM SALES SERVICE RATE SCHEDULE RECLASSIFICATION

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

A request for firm sales service from an existing transportation service or interruptible sales service customer must be received by the Company by ~~February 15th~~ March 31st in any given year, except in 2014, when the date has been extended to March 30th. If approved, such a request will be effective on the first day of the customer's billing cycle which occurs on or after July 1st. Approval will be conditioned upon execution of a minimum two-year service agreement.

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4. INTERRUPTIBLE SALES SERVICE

4.01 CONDITIONS OF SERVICE

SERVICE ARRANGEMENTS

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

A request for interruptible sales service from an existing transportation or firm sales service customer must be received by the Company by ~~February 15th~~ March 31st in any given 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 1st of that same year. Any requests received after February 15th may be approved in the Company's sole discretion.

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.

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 as defined in § 4.02. 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. 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

TRANSPORTATION BYPASS FIRM (TBF), MUNICIPAL TRANSPORTATION (MT), TRANSPORTATION SERVICE FIRM (TSF) AND TRANSPORTATION SERVICE INTERRUPTIBLE (TSI)

5.01 CONDITIONS OF SERVICE

APPLICABILITY

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

TRANSPORTATION BYPASS FIRM (TBF)

The Company provides firm transportation service for customers qualifying under the classification provisions of § 5.02. 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.

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 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 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.

REQUEST FOR SERVICE (TBF, MT, TSF AND TSI)

Existing Customers

A written request for transportation service from an existing customer must be received by the Company by ~~March 7th~~ ~~February 15th~~ in any given year, except in 2020 when this date will be extended to 30 days after the Commission's order in Docket No. 19-057-02. The request must contain account and specific meter numbers. A fully executed contract and any other requirements must be received by the Company by February 28th of the same year except in 2020 when this date will be extended to 44 days after the Commission's order in Docket No. 19-057-02. The customer must meet with Dominion Energy Utah's telemetry gas technician by April 15th of the same year except in 2020 when this date will be extended to May 1st. 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 May 15th of the same year. QuestLine Access Agreements must be received by the Company by May 31st of the same year. If a customer fails to meet any of these deadlines, then the customer will not be permitted to receive TBF, MT, TSF or TSI service during that year. If approved, such a request will be effective on July 1st of the same year.

New Customers

New Customers must provide a fully executed contract for Transportation service before the Company will install telemetering equipment. 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 15th of any given month. Transportation service will commence on the 1st 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 1st 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.

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

CONTRACT TERM AND ACKNOWLEDGEMENTS

All contracts will have an end date of June 30th. 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

Customers taking service on the TSF or TBF rate schedules will be billed, in equal monthly amounts, an annual firm demand charge for each Dth of contracted firm transportation. Contracted firm transportation volumes are not subject to the interruption provisions outlined in § 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

A fuel reimbursement of 1.5% will apply to all volumes transported on the MT, TBF, TSF and TSI rate schedules. The reimbursement will be collected by redelivering 1.5% less volume 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.
- (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 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.

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