

**SCHEDULE NO. 3  
INTERRUPTIBLE GAS SERVICE  
EFFECTIVE JANUARY 2, 2011**

**(Supersedes Schedule No. 3 effective January 2, 2007)**

**AVAILABILITY**

1. This rate schedule is available to customers purchasing gas from the District who agree to use for a period of not less than one year, and who have satisfied the District of their ability and willingness to discontinue the use of said gas, during periods of curtailment or interruption, by substituting the use of standby facilities, or plant shutdown.
2. Gas service under this schedule is available only for the purposes and to the extent that gas is available therefor pursuant to the Rules and Regulations of the District at the time application is made.
3. Availability of service under this schedule is limited to customers whose gas-burning equipment is at a location abutting upon District gas mains of adequate capacity to render such service, or is sufficiently near a main where an adequate supply exists so that at the discretion of the District an extension of gas main is justified.
4. The gas supplied under this schedule will be separately metered and not used inter-changeably with gas supplied under any other schedule, and is subject to all terms and conditions of the District's Standard Form written contract to be executed by the customer prior to commencement of any main extension for delivery of gas hereunder.

**METERING AND BILLING UNITS**

District gas meters register in units of cubic feet. For billing purposes, gas meters are read in units of either 100 cubic feet (CCF) or 1,000 cubic feet (Mcf). In most cases, the index readings from the meter can be directly applied in the billing process. In some instances, direct readings from the meter index require correction for pressure and/or temperature. Some of the district's larger commercial/industrial meters are equipped with correction devices including an additional index showing the corrected usage.

Supercompressibility Adjustment – Due to the behavior of gas molecules under high pressure, additional correction to index readings in certain situations will be applied. For example, meter readings for customers receiving gas metered at pressures equal to or greater than 40 psig or for customers receiving gas metered at pressures equal to or greater than 10 psig with annual usage of 50,000 Mcf or more shall be adjusted for supercompressibility. The supercompressibility adjustment factor shall be specifically identified on the customer's monthly bill.

Billing Units – The billing unit under this rate schedule is a decatherm [one million British thermal units (Btu)]. The number of decatherms billed hereunder in any month shall be determined by multiplying the volume of gas in cubic feet by the average heating value of the gas, expressed in Btu per cubic foot as applicable for such month and dividing this product by one million.

Daily Meter Readings – Arrangements for the installation of telemetering equipment and phone line for providing daily meter readings using the Metretek System must be made to the satisfaction of the District.

**RATE - MONTHLY BILLING**

Service Charge	\$1,078.00
First 5000 decatherms	\$.5125 per Decatherm
Over 5000 decatherms	\$.4207 per Decatherm

(over)

## **GAS COST**

The Base Commodity Charge will be combined with the Weighted Average Cost of Gas (WACOG) for a combined Commodity Billing Rate. WACOG shall be derived in accordance with Schedule GCA, Gas Cost Adjustment Provisions.

Rates included herein are subject to adjustment for monthly changes in the cost of natural gas to the District as provided for in gas rate Schedule GCA, Gas Cost Adjustment Provisions. For current billing rate and/or billing rate history contact the District's Marketing or Rate Divisions.

## **MINIMUM MONTHLY BILL**

\$1,078.00 Net — Except that minimum bills will be waived for billing months of November through March providing the meter registers zero consumption for the billing period.

## **STATUTORY PAYMENT TO CITIES**

Under Sections 14-2138 and 2139, R.R.S.1997, the District is required to pay to each city or village 2 percent of retail sales of gas. Two percent has not been included in the above rate. Therefore, the rate for all customers residing inside corporate limits is 2 percent greater than the rate indicated above.

## **PAYMENT**

The monthly bill will be rendered at the above net rate. If not paid within 15 days of date of bill, unpaid gas charges are subject to a late payment charge of 4 percent. An additional late payment charge of .5 percent per month will be charged on the portion of any account in arrears two or more months.

## **MONTHLY NOMINATION**

1. Each large volume (requirements of 200,000 cubic feet or more per day) customer must notify the District 3 work days prior to the first of the month of its intent to burn an alternate fuel in lieu of natural gas for the month. If no such notification is made, customer is committed to using natural gas when available for customer's monthly energy requirements.
2. To the extent that a large volume customer uses an alternate fuel to displace natural gas without the proper notification to District as outlined in paragraph 1, a nomination penalty shall apply.
3. The nomination penalty shall be the highest nomination charge that District must pay to its natural gas suppliers for the month plus \$.05 per decatherm and shall be applied to the difference between customer's average monthly gas use for the previous twelve months and the actual gas used during the month in which penalty applies.

## **TURN-ON CHARGE**

A turn-on charge will be required upon application for gas service.

## **PRIORITY**

Gas supplied under this schedule will have priority assigned in accordance with effective gas tariffs under which District purchases and/or transports gas, but normally gas shall be curtailed under this schedule before curtailment occurs on any other District rate schedule.

## **EMERGENCY PRIORITY**

Gas service under this schedule is subject to curtailment to meet fuel requirements of higher emergency priority customers. Emergency priority customers shall be determined by District or as directed by other governmental authority having jurisdiction.

## **PENALTIES**

Customers who fail to curtail the use of gas hereunder when requested shall be subject to a charge at least equal to any payment the District is required to make to its gas supplier as a result of such unauthorized use, but in no event will the charge be less than \$7 per DTH of unauthorized use in addition to monthly billing rates stated in this schedule.