

METROPOLITAN
UTILITIES DISTRICT

SCHEDULE FT
FIRM GAS TRANSPORTATION SERVICE
EFFECTIVE JANUARY 2, 2023

(Supersedes Schedule FT effective January 2, 2020)

AVAILABILITY

Transportation service under this rate schedule is available to customers purchasing gas from third-party suppliers and delivering said gas to District's system at town border stations (TBS) for transportation and delivery to customer premises, providing:

1. Customer's premises are at a location abutting upon District gas mains of adequate capacity to render such service.
2. Customer can make all necessary arrangements, at customer's expense, to cause delivery of customer's gas to District town border stations as needed.
3. The Receipt Point must be at a town border station to be designated by District. The Delivery Point must be a District designated meter on customer premises.
4. Customer shall enter into written contract for firm transportation services which shall include but not be limited to all terms and conditions, of this rate schedule. Term of contract shall be for not less than one year.

RATE - MONTHLY BILLING

The monthly charge for transportation of natural gas under this rate schedule shall include the following:

1. Customer Charge
 - First Meter \$100.00
 - Additional Meters \$50.00
2. Demand Charges:
 - System Costs \$5.50 per DTH of maximum daily
 - Stranded Pipeline/Supply costs* \$3.71 per DTH of maximum daily contract requirements

** This charge shall apply for a period of five years from date that a firm service sales customer converts to firm transportation. The District may release capacity to the customer at a rate equal to this charge for up to 60% of the Customers Peak Day usage.*

3. Commodity Charge \$ 0.5592 per DTH delivered
4. Minimum Monthly Bill - Customer charge plus total applicable demand charges.

APPLICATION FEE AND OTHER CHARGES

In addition to the monthly charges set forth above, Customer shall pay:

1. Application Fee - \$250.00 with each Request for Transportation Service, as provided in the Other Terms and Conditions of this rate schedule
2. Telemeter and Phone Line -- all costs related to telemetering and any other facilities constructed or installed to provide Transportation Service may be charged to the Customer
3. Directly Assignable Costs - any pipeline demand charges previously related to the Customer's requirements that the District must continue to pay even after the Customer begins receiving Transportation Service and any fees paid to others by the District related to such service providing such charges are not included in the above monthly demand charges.

PAYMENT

The monthly bill will be rendered at the above net rate. If not paid within fifteen (15) days of date of bill, unpaid gas charges are subject to a late payment charge of four (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.

EMERGENCY PRIORITY

Gas transportation 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 are required to enter into an End User Agreement with Northern Natural Gas (NNG.) Customer shall make daily nominations to NNG and will settle all imbalances with NNG.

MUD will provide Customer two measurement emails daily to assist in tracking daily usage. The first email will occur approximately at 5:30 AM and the second email will occur at approximately 10:40 and will have the daily total in Mcf or Ccf depending on meter size. If the automatic emails system does not send the email then the Customer will be required to base usage off historical numbers or projected use. The District will not be responsible for any NNG charges due to this automatic system failing to send these emails. The District will pass any charges incurred from Northern directly to the Customer and provide support of such charges.

EMERGENCY SALES

Emergency Sales Service will be available only if, in the sole discretion of the District, it can be provided without jeopardizing service to other sales and transportation customers of the District. In emergency situations, on a reasonable-efforts basis, the District will purchase and resell to the customer as much gas as the customer nominates, and the District can obtain from its suppliers.

The rate for emergency-sales-service gas shall be agreed upon at time of nomination and shall include all incremental costs associated with obtaining the replacement gas supplies including the cost of operating District peakshaving facilities if necessary, plus the District's normal firm service sales rate margin over commodity cost of gas. In no case will the rate be less than the District's current highest firm-service gas-sales rate plus one dollar (\$1.00) per MMBtu.

DEFINITIONS

The following terms may be used in this rate schedule and/or in contracts, applications for service and in other documents and communications (oral or written) necessary to the providing of service under this rate schedule:

- **Balance.** The term "balance" or "balancing" shall mean Customer's obligation to make deliveries equal Receipts.
- **Billing Day.** The term "billing day" shall mean the period of time commencing at 9:00 a.m. pipeline time and ending at 9:00 a.m. pipeline time the following day.
- **Billing Month.** The term "billing month" shall mean the period from 9:00 a.m. pipeline time of the first day of the calendar months to 9:00 a.m. pipeline time of the first day of the succeeding calendar month, unless a different period of time is specified in the Contract.
- **British Thermal Unit (Btu).** The term "British thermal unit" ("Btu") shall mean the amount of heat required to raise the temperature of one (1) pound of water from fifty-nine degrees Fahrenheit to sixty degrees Fahrenheit at a constant pressure of 14.73 psia.
- **CST.** The term "CST" shall mean central standard time or central daylight time, whichever is applicable.
- **Capacity.** The term "capacity" shall mean the maximum gas load which any part of the District's distribution system is capable of carrying on a sustained basis under operating conditions relevant to the determination.
- **Commodity Charge.** The term "commodity charge" shall mean that portion of the amount to be paid per Billing Month by Customer for Transportation Service which is based upon the total quantity of transportation gas delivered to Customer at Delivery Point.
- **Contract.** The term "contract" shall mean a written agreement, substantially in the form attached to this rate schedule as Exhibit A, providing for Transportation Service, which is executed by District and Customer, and any exhibits, attachments, and/or amendments thereto.
- **Critical Day.** The term "critical day" shall mean any day on which, in the sole judgment of District, curtailment of transportation gas or interruption of Transportation Service may be required due to capacity constraint, supply shortage, or as a result of any consideration reasonably determined by District. District shall make every effort to give Customer notice of Critical Day by 8:00 a.m. prior to the beginning of the Gas Day, but it may give such notice at any time.
- **Cubic Foot.** The term "cubic foot" shall mean the volume of gas which occupies one cubic foot when such gas is at a temperature of sixty degrees Fahrenheit (60°F), and at a pressure of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 psia) and corrected for deviation from ideal gas behavior.

- **Curtailement.** The term "curtailement" shall mean a reduction of the quantities of gas which District would otherwise deliver to Customer, whether due to capacity constraint, supply shortage, force majeure, or any other cause reasonably determined by District.
- **Curtailement Quantity.** The term "curtailement quantity" shall mean the lesser of the Daily Nominated Quantity, the daily Receipts, or the daily quantity of transportation gas allowed by District to be consumed by Customer during the curtailement period.
- **Customer.** The term "customer" shall mean any person, association, firm, public or private corporation, or any agency of the federal, state, or local government or legal entity responsible by law for payment for Transportation Service.
- **Customer Charge.** The term "customer charge" shall mean that portion of the amount to be paid per Billing Month by Customer for Transportation Service which is a fixed amount without regard to the Daily Contract Requirement or quantity of gas delivered.
- **Daily Contract Requirement.** The term "daily contract requirement" shall mean the maximum daily quantity of transportation gas District agrees to transport to Customer at Delivery Point under this rate schedule, as specified in the Contract. Minimum Daily Contract Requirement for Schedule FT shall be 200 Dth/day.
- **Daily Nominated Quantity.** The term "daily nominated quantity" shall mean the daily volume of transportation gas nominated by Customer to District for transportation from Receipt Point to Delivery Point.
- **Day.** The term "day" shall mean a period of time beginning at 12:00 Midnight pipeline time on the starting day and ending at 12:00 Midnight pipeline time on the following day.
- **Decatherm.** The term "decatherm" or "DTH" shall mean ten therms (1,000,000 Btu).
- **Deliveries.** The term "deliveries" shall mean the quantity of transportation gas delivered by District to Customer on a daily basis at Delivery Point.
- **Delivery Point.** The term "delivery point" or "point of delivery" shall mean the location where District's gas distribution facilities interconnect with Customer's facilities and where Customer and District have agreed that transportation gas received at Receipt Point will be delivered by District to Customer.
- **Demand Charge.** The term "demand charge" shall mean that portion of the amount to be paid per Billing Month by Customer for Transportation Service which is based upon Customer's FT Daily Contract Requirement as set forth in the Contract.
- **District.** The term "District" shall mean Metropolitan Utilities District.
- **Gas.** The term "gas" shall mean natural gas that is received by District from a transporting pipeline at Receipt Point and delivered by District to Customer at Delivery Point. In addition, the term shall

include liquefied natural gas and/or propane introduced by District into its gas distribution system and delivered to Customer as the equivalent of sales or transportation gas that Customer is otherwise entitled to have delivered by District.

- **Gas Day.** The Term "gas day" shall mean the period of time commencing at 9:00 a.m. pipeline time on the starting day and ending at 9:00 a.m. on the following day.
- **FT.** The term "FT" shall mean Firm Gas Transportation.
- **IT.** The term "IT" shall mean Interruptible Gas Transportation.
- **Imbalance.** The term "imbalance" shall mean the difference between the quantity of transportation gas received by District from the transporting pipeline at Receipt Point for Customer's account and the quantity of transportation gas delivered by District to Customer at Delivery Point. Imbalances will be handled by Northern Natural Gas.
- **Interruption.** The term "interruption" shall mean the total cessation of Transportation Service provided under this rate schedule, whether due to capacity constraint, supply shortage, force majeure, or any other cause reasonably determined by District.
- **Mcf.** The term "Mcf" shall mean one thousand (1,000) cubic feet of natural gas.
- **MMBtu.** The term "MMBtu" shall mean one million (1,000,000) Btu.
- **Natural Gas.** The term "natural gas" shall mean any mixture of hydrocarbons or of hydrocarbons and non-combustible gases, in a gaseous state, consisting principally of methane.
- **Negative Daily Imbalance.** The term "negative daily imbalance" shall mean the difference between daily Receipts and the greater quantity of daily Deliveries.
- **Negative Monthly Imbalance.** The term "negative monthly imbalance" shall mean the difference, at any time during a Billing Month, between cumulative daily Receipts and the greater quantity of cumulative daily Deliveries.
- **Northern Natural Gas Company.** Northern Natural Gas Company or "Northern" is the owner and operator of the interstate natural gas pipeline which transports gas from various producing basins and pipeline interconnects to District's gas distribution system.
- **Nomination.** The term "nomination" shall mean the quantity of gas that District is requested to transport on a daily basis from Receipt Point to Delivery Point.
- **Pipeline Time.** The term "pipeline time" will coincide with either Central Standard Time or Central Daylight Time, whichever is in effect at that particular time of the year.
- **Positive Daily Imbalance.** The term "positive daily imbalance" shall mean the difference between daily Receipts and the lesser quantity of daily Deliveries.

- **Positive Monthly Imbalance.** The term "positive monthly imbalance" shall mean the difference, at any time during a Billing Month, between cumulative daily Receipts and the lesser quantity of cumulative daily Deliveries.
- **Receipts.** The term "receipts" shall mean the quantity of transportation gas the District receives on a daily basis from Customer at Receipt Point.
- **Receipt Point.** The term "receipt point" shall mean the point at which Customer delivers gas to District.
- **Service.** The term "service" or "transportation service" shall mean the availability of the transportation of gas by District to Customer whether or not gas is actually transported.
- **Therm.** The term "therm" shall mean 100,000 Btu.
- **Town Border Station (TBS).** The term "town border station" shall mean the physical location where District's distribution system interconnects with Northern's interstate pipeline. The TBS generally consists of facilities to regulate gas pressure and measure volumes of gas.
- **Transportation.** The term "transportation" shall mean transportation of gas.
- **Year.** The term "year" shall mean a period of 365 consecutive days; provided, however, that any such year which contains a date of February 29 shall consist of 366 consecutive days.

OTHER TERMS AND CONDITIONS

- Filing Transportation will not commence until the Customer files with the District completed End User Agreement on Northern Natural Gas and Application for Firm Service Gas Transportation.
- Gas Quality Gas purchased by Customer from a third party for Transportation by the District shall be commercially clean and merchantable. Such gas shall be comparable in quality to and interchangeable with gas purchased from the District's pipeline supplier. The District reserves the right to refuse to accept gas that does not meet the District's quality specifications.

The District reserves the right to commingle Customer's gas with other gas suppliers including propane and liquefied natural gas.

- Thermal Balancing The quantity of transportation gas received by the District from the transporting pipeline and the quantity of transportation gas delivered to the Customer under the applicable Schedule shall be thermally balanced. The transportation pipeline's statement as to volumes, heating value, and thermal balancing shall be taken as conclusive.
- Liability
 - General. Gas shall be and shall remain the property of the customer while being transported and delivered by the District. The District shall not be liable to the Customer for any loss arising from

or out of gas Transportation Service while in the District's system or for any other cause, except for gross or willful negligence of the District's own employees.

- Insurance. The Customer shall be responsible for determining the extent of and maintaining all insurance it deems necessary to protect its property interest in such gas before, during, and after receipt by the District.

- Measurement

- The quantity of gas transported on a daily basis shall be determined by District gas meter located at Delivery Point. The quantity of gas measured shall be expressed in MMBtu's. The number of MMBtu's transported by District from Receipt Point to Delivery Point in any day shall be determined by multiplying the volume of gas in cubic feet by the average heating value of the gas, expressed in Btu's per cubic foot, as applicable for such day and dividing this product by one million. If, for any reason, metering equipment is out of service or out of repair so that the quantity of gas delivered is not correctly indicated by the reading thereof, the gas delivered during such period shall be estimated by the parties on the basis of the best data available using the first of the following methods which is feasible:

By using the registration of any check measuring equipment installed and accurately registering;
or

By correcting the error if the percentage of error is ascertainable by calibration, test or mathematical calculations; or

By estimating the quantity of delivery by deliveries during a preceding period under similar conditions when the meter was registering accurately.

- Automatic meter reading equipment (AMR) shall be required at Delivery Point prior to the commencement of any transportation services provided for in this Rate Schedule. Customer shall be invoiced the estimated cost associated with the procurement and installation of said automatic meter reading equipment. Upon remittance, District shall purchase and install automatic meter reading equipment at the Delivery Point. Customer shall furnish an acceptable location for installation of automatic meter reading equipment, as well as provide for the necessary electrical and telephone connections. Customer shall be responsible for any and all one-time and recurring charges associated with electrical or telephone service required for the installation, and any electrical or telephone service required shall list Customer as the customer. Upon completion of the automatic meter reading installation, District shall determine total installation cost and invoice or credit customer, whichever is applicable, the difference between the total and estimated cost.
- If directed by the District, the Customer shall read the District's gas meter each day at the time specified by the District and report such reading to the District.

- Request for Service

- Requests for service under this rate Schedule must be made by filing with the District the information required on the form entitled "Request for Firm Gas Transportation Service" as attached to this rate schedule as Application for Firm Service Gas Transportation.
 - A Request for Service will not be approved until all the information required by the Request for Transportation Service has been delivered to the District and the Application Fee of \$250.00 has been paid. The District reserves the right to request additional information from any applicant, but requesting such information will not normally delay service if the applicant has otherwise provided all of the information and paid the fee as required.
 - After a Request for Transportation Service is approved, the applicant shall have one year from notification of approval to execute and send to the District a Contract for Transportation Service. If such Contract is not executed by the Customer and received by the District within such period, the Request for Transportation Service shall be deemed null and void. Transport of gas shall begin no sooner than two (2) months after execution of a Contract for Transportation Service.
- **Nominations** Customer, or its agent, shall make daily nominations to Northern Natural Gas are required by the pipeline. MUD will be point operator for delivery to our system and will confirm all nominations.
 - **Capacity Constraints** Service under this Schedule is subject to the physical, operational, and contractual constraints of the District's gas system, pertinent to the Delivery Points and Receipt Points.
 - **Customer's Balancing Obligation** Customer shall use an end User Agreement with Northern Natural Gas then all Balancing shall be between Customer and Northern. The District will pass any charges incurred from Northern directly to the Customer and provide support of such charges.
 - **Failure to Comply** If the Customer fails to comply with or perform any of the obligations on its part to be complied with or performed under this Rate Schedule, the District shall have the right to give Customer written notice of the District's intention to terminate the Transportation on account of such failure, then the District shall have the right to terminate such Transportation at the expiration of five days after the giving of said notice, unless within five days the Customer shall make good such failure. Termination of such Transportation for any such cause shall be a cumulative remedy as to the District, and shall not release the Customer from its obligation to make payment of any amount or amounts due or to become due from the Customer to the District under this rate Schedule. In order to resume Transportation after termination of service hereunder, it shall be necessary for Customer to file a new request.