

NATURAL GAS RATE SCHEDULE N-5

INTERRUPTIBLE SERVICE

I. APPLICABILITY

This rate schedule is applicable, by written contract, to industrial and/or institutional customers for Interruptible Natural Gas service, provided the customer shall maintain in usable condition, standby facilities for alternate fuels to be used during periods of interruption or otherwise as deemed necessary by the customer, and must maintain, at the customer's cost, the appropriate communication equipment and power source for the Commission installed flow metering and monitoring equipment. The Customer must be ready to interrupt his/her use of gas upon verbal notice or a curtailment order from the Commission and upon such interruption, shall refrain from increasing or resuming his/her use of gas until permitted to do so by the Commission. The permission to restore gas service can be given by the Commission to the customer by verbal notice or a restoration order.

II. CHARACTER OF SERVICE

Deliveries under this rate schedule shall be through a single point of delivery and shall be subject to curtailment or interruption. In addition, the gas received and used under the rate schedule defined herein shall be metered at the point of delivery and shall not be utilized for resale. The heat value of natural gas shall not be less than 1000 Btu per cubic foot.

III. MONTHLY RATE

A customer served under Schedule N-5 will pay monthly service fees associated with the Commission cost to distribute gas supply, interrupt gas supply, restore gas supply, and provide general customer related and other administrative services that are necessary to provide gas service under this rate schedule. Table 20-5 below provides a summary of the monthly rates charges furnished to Commission customers served under Schedule N-5.

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Table 20-5
Summary of Schedule N-5 Monthly Rates

LINE	DESCRIPTION	CHARGE	UNITS
	Interruptible:		
1	Base Facilities Charge	\$215.00	Per month
	Plus Commodity Charge	Negotiated	

IV. MINIMUM MONTHLY BILL

The minimum monthly bill shall be the Base Facilities Charge levied upon any natural gas customer served by the Commission, under the rate schedule defined herein, based on the calculated Commission cost of making natural gas service available to this customer.

V. NEGOTIATED RATES & CHARGES

If and when a customer appropriately installs and maintains facilities to utilize alternate sources of fuel, limited to #2, #4, #5, or #6 fuel oil or liquefied petroleum gas and/or contracts with the Commission for Storage Service, the Commodity Charge will be determined based on the negotiated price. The negotiated price will be based on an agreed upon cost of gas that is based on the Commission's and the Customer's cost of gas.

VI. PURCHASED GAS ADJUSTMENT

The Purchase Gas Adjustment (PGA) is applicable to all natural gas sales under the schedule defined herein. Further detail related to PGA is provided in Rate Schedule PGA.

VII. SPECIAL PROVISIONS

Whenever curtailment or interruption of gas delivered hereunder is required, the Commission shall issue a curtailment order to the Customer specifying the quantity of gas to be curtailed and the time at which such curtailment is to be made. When restoration of service is permissible, the Commission shall similarly issue a restoration order specifying the quantity of gas to be restored and the time at which such restoration is to be made. Customer shall carry out all such orders at the time specified therein. A curtailment order shall be issued

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at least one (1) hour in advance of its effective time.

- A. In the event the Customer fails to discontinue the use of gas after one (1) hour upon receiving a notice that the Interruptible Gas under his/her schedule is not available, or if the Customer shall exceed the demand set forth in the contract, all gas so used under this curtailment or event of interruption shall be considered Unauthorized Overrun Gas. Unauthorized Overrun Gas will be paid for by the Customer at a rate of \$25.00 per MCF plus the cost of the gas purchased including any upstream transportation charges, in addition to the regular Commodity Charge for such gas levied upon the Customer by the Commission.
- B. When a Customer is notified to curtail service, or while service is being curtailed such Customer finds it impossible to continue operations on his standby fuel because of some bona fide emergency and the Commission has gas available from storage or some other source than its contract demand service from Piedmont Natural Gas, the Commission may in its discretion furnish emergency gas service at a rate to be specified at the time, upon request from the Customer for such service. The Commission shall not be liable in any way to any Customer for failure in whole or in part, temporary or permanent, to deliver emergency gas under this provision.

VIII. GENERAL PROVISIONS

- A. Natural gas, or its equivalent, having not less than 1,000 British Thermal Units per cubic foot of gas will be supplied at seven (7) inches water column (1/4 PSI) unless higher pressure is approved by the Commission. Delivery pressure in excess of seven (7) inches water column (1/4 PSI) shall be corrected to such pressure by volume.
- B. The rate of charges as stated herein is subject to change by the Commission.
- C. Gas service supplied hereunder shall be at a single point of metering, unless otherwise provided, and shall not be resold.
- D. Billing, payments, and penalties will be handled in accordance with the Commission's existing policies, or as such practices may be changed or amended.

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- E. The Commission shall install and maintain metering and regulating equipment. The point of delivery shall be the outlet of the natural gas meter and the Commission will not be liable to the Customer or any of his agents, servants, or employees, or to any person whomsoever for any loss, damage, or injury to person or property resulting from said gas or its use after it leaves said point of delivery, all risk thereof and therefrom being assumed by the Customer, except when caused by the exclusive negligence or willful acts of employees of the Commission. The Commission's representatives shall have the right of ingress and egress to the Customer's property at any time for any purpose involving the service of gas as provided under this rate schedule.
- F. Service under this rate schedule is subject to the rules, regulations and tax levies of duly constituted regulatory bodies having jurisdiction over either or both parties.
- G. The Customer agrees that all appliances, equipment and piping beyond the point of delivery will be installed according to applicable codes and maintained in a safe condition. A violation of this provision shall be grounds for the Commission to immediately discontinue service until the condition is corrected and inspected.
- H. Commission agrees that all piping, meter and regulatory equipment owned by the Commission will be installed according to applicable codes and good practice and maintained in a safe condition.