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SECTION 7 – MISCELLANEOUS CHARGES AND FEES

7.1 Residential Connection and Reconnection Charge \$40.00

Each Applicant for Residential Gas Delivery Service shall pay to the Company a Connection Charge of forty dollars (\$40) before Gas Delivery Service is activated by the Company at Customer's premises. Whenever a Residential Customer's Gas is turned off at Customer's request, or Customer's meter is disconnected by reason of non-compliance with these Rules and Regulations, a Reconnection Charge of forty dollars (\$40) must be paid and other satisfactory arrangements made with the Company before the account is reactivated and Gas Delivery Service reconnected.

7.2 Non-Residential Connection and Reconnection Charge \$60.00

Each Applicant for Non-Residential Gas Delivery Service shall pay to the Company a Connection Charge of sixty dollars (\$60) before Gas Delivery Service is activated by the Company at Customer's premises. Whenever a Non-Residential Customer's Gas is turned off at Customer's request, or Customer's meter is disconnected by reason of non-compliance with these Rules and Regulations, a Reconnection Charge of sixty dollars (\$60) must be paid and other satisfactory arrangements made with the Company before the account is reactivated and Gas Delivery Service reconnected.

7.3 Change of Account Charge ~~\$30.00~~ \$26.00

If a change of occupants in a premise with existing Gas Delivery Service occurs without a physical service disconnection, a Change of Account may occur. The Company shall bill to the Applicant a Change of Account Charge in the amount of ~~thirty~~ twenty six dollars (~~\$30~~) (\$26).

7.4 Late Payment Charge

Charges for services due and rendered which are unpaid as of the past due date are subject to a Late Payment Charge of three (3) dollars or 1.5% of any unpaid balance, whichever is greater, except the accounts of federal, state and local governmental entities, agencies and instrumentalities. Unless otherwise agreed by contract, a Late Payment Charge shall be applied to the accounts of federal, state and local governmental entities, agencies and instrumentalities at a rate no greater than allowed and in a manner permitted by applicable law.

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(continued)

Maximum Daily Transportation Quantity of the Service Agreement; provided further that deliveries for Customers with confirmed nominations within their (i.e., the nominating Customer's) Primary Delivery Point MDQ will be scheduled prior to deliveries for Customers with confirmed nominations which are either (i) in excess of their (i.e., the nominating Customer's) Primary Delivery Point MDQ, or (ii) at a point other than the nominating Customer's Primary Delivery Point.

2) Receipt Point Scheduling Priorities

To the extent capacity at a specific point of receipt is insufficient to schedule the receipt point nominations of Customer's awarded capacity in 14.4, C. 1) a., above, Company shall allocate capacity at the subject receipt point based on the following categories:

- a. Firm Transportation Service for Customers under Rate Schedule CTS FTS nominating quantities at Primary Receipt Points.
- b. Firm Transportation Service for Customers nominating quantities at Alternate Receipt Points on a Service Agreement. In the event nominations exceed available receipt point capacity, Company will schedule receipt quantities pro rata based on receipt point nominations, provided further, however, that Customer in this category 2) b. shall have the opportunity to revise receipt point nominations under the adjustment day procedures set forth in Section 14.4, A. 2) b.

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The amount due Company for Delivery Imbalance shall be the Imbalance Volume multiplied times the sum of:

The Company's purchased gas cost recovery factor as authorized by the Commission or the actual price for delivered Gas incurred by the Company to resolve the Imbalance Parties imbalance, whichever is greater, for the month multiplied by the applicable factor as follows:

Imbalance Level	Factor
0% - 5%	1.00
Greater than 5% - 20%	1.10
Greater than 20%	1.20

Imbalance Level shall be calculated by dividing the imbalance quantity by the sum of the total quantities scheduled for receipt and/or delivery.

b. Imbalance Due Imbalance Party

In the event of a Delivery Imbalance when actual delivered Gas quantities are less than Scheduled Deliveries or a Receipt Imbalance when actual Gas receipts exceed Scheduled Receipts, Company will pay the Imbalance Party for such excess receipts or deficiency of deliveries.

Such payments will be based on the lowest Posted Price for the month multiplied by one of the following factors:

Imbalance Level	Factor
0% - 5%	1.00
Greater than 5% - 20%	0.90
Greater than 20%	0.80

RULES AND REGULATIONS

(continued)

Imbalance Level shall be calculated by dividing the imbalance quantity by the sum of the total quantities scheduled for receipt and/or delivery.

For imbalances due Imbalance Party, the Posted Price shall ~~equal~~ be equivalent to the cash-out price for such imbalance as provided in the FGT FERC Gas Tariff, as such tariff provisions may change from time to time or the Company's purchased gas recovery factor as authorized by the Commission, whichever is lower.

c. Existing Imbalances

Unless otherwise agreed to by Company and Imbalance Party, imbalances existing prior to the effective date of this provision shall be corrected within 90 days pursuant to the procedures in effect prior to the effectiveness of this tariff sheet.

I. Release of Transporter Pipeline Capacity

To the extent Transporter transportation capacity entitlements are available, as provided in Company's Service Agreement(s) with Transporter, the Company may release a portion of such capacity entitlements to Shipper. Shipper shall enter into Transporter Service Agreements, and any other agreements Transporter may require under its FERC Gas Tariff, so that Shipper may accept quantities of released Transporter capacity based on the capacity requirements of those Customers served by the respective Shipper. Capacity releases from the Company shall be made on a temporary basis in accordance with applicable FERC rules and regulations, as such may change from time to time. Shipper shall have the sole responsibility for complying with the provisions of the Transporter Service Agreements and respective FERC Gas Tariffs. Shipper shall take all actions

**RATE SCHEDULE
RESIDENTIAL SALES SERVICE – 1 (RS-1)**

Availability:

Throughout the Company's service areas.

Applicability and Character of Service:

Firm Service provided to any individually metered Residential Customer whose annual Gas usage is less than 150 therms. ~~This rate schedule is closed to all Customers except those receiving service under rate schedule RS-1 as of the effective date Commission Order No. PSC-08-0436-PAA-GU, and except as provided in Section 5.2 of this tariff.~~ Customers, who restore service or apply for service at a premise where Company provided service under rate schedule RS-1 at the time service was discontinued, shall receive service at such premise under this rate schedule.

Gas Delivery Service Rates and Charges:

The following non-fuel rates for the delivery of Gas to the Consumer's premises apply to all Customers served under this Rate Schedule for the respective monthly Billing Period.

Customer Charge: ~~\$16.50~~ \$13.00 per month

Gas Delivery Service Rate: ~~\$0.46972~~ \$0.70441 per Therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

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**Rate Schedule RS-1
(continued)**

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.
- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. ~~Further, the rate for Gas Delivery Service may be adjusted to provide for recovery by the Company of the costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural Gas. At such time as the Company has recovered its cost, bills rendered under this Rate Schedule shall return to the Gas Delivery Service rate stated herein.~~ A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

**RATE SCHEDULE
RESIDENTIAL SALES SERVICE – 2 (RS-2)**

Availability:

Throughout the Company's service areas.

Applicability and Character of Service:

Firm Service provided to any individually metered Residential Customer whose annual Gas usage is equal to or greater than 150 therms but less than 300 therms. ~~This rate schedule is closed to all Customers except those receiving service under rate schedule RS-1 as of the effective date Commission Order No. PSC-08-0436 PAA-GU, and except as provided in Section 5.2 of this tariff.~~ Customers, who restore service or apply for service at a premise where Company provided service under rate schedule RS-1 2 at the time service was discontinued, shall receive service at such premise under this rate schedule.

Gas Delivery Service Rates and Charges:

The following non-fuel rates for the delivery of Gas to the Consumer's premises apply to all Customers served under this Rate Schedule for the respective monthly Billing Period.

Customer Charge:	\$20.25 <u>\$16.00</u> per month
Gas Delivery Service Rate:	\$0.46880 <u>\$0.56729</u> per Therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Issued By: Stuart L. Shoaf, President
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Effective:

**Rate Schedule RS-2
(continued)**

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.
- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. ~~Further, the rate for Gas Delivery Service may be adjusted to provide for recovery by the Company of the costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural Gas. At such time as the Company has recovered its cost, bills rendered under this Rate Schedule shall return to the Gas Delivery Service rate stated herein.~~ A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

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**RATE SCHEDULE
RESIDENTIAL SALES SERVICE – 3 (RS-3)**

Availability:

Throughout the Company's service areas.

Applicability and Character of Service:

Firm Service provided to any individually metered Residential Customer ~~at a premise receiving Gas Delivery Service prior to the effective date of Commission Order No. _____, whose annual Gas usage is equal to or greater than 300 therms, and to all Residential Service Customers regardless of annual therm usage at premises establishing service following the effective date of the above Commission Order.~~ Customers, who restore service or apply for service at a premise where Company provided service under rate schedule RS-3 at the time service was discontinued, shall receive service at such premise under this rate schedule.

Gas Delivery Service Rates and Charges:

The following non-fuel rates for the delivery of Gas to the Consumer's premises apply to all Customers served under this Rate Schedule for the respective monthly Billing Period.

Customer Charge:	\$24.00 <u>\$20.00</u> per month
Gas Delivery Service Rate:	\$0.46903 <u>\$0.50381</u> per Therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Rate Schedule RS-3
(continued)

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.
- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. ~~Further, the rate for Gas Delivery Service may be adjusted to provide for recovery by the Company of the costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural Gas. At such time as the Company has recovered its cost, bills rendered under this Rate Schedule shall return to the Gas Delivery Service rate stated herein.~~ A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

**RATE SCHEDULE
GENERAL SALES SERVICE – 1 (GS-1)**

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage is less than 2000 therms.

Gas Delivery Service Rates and Charges:

Customer Charge: ~~\$25.00~~ \$20.00 per month

Gas Delivery Service Rate ~~\$0.38488~~ \$0.43981 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

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Rate Schedule GS-1
(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. ~~Further, the rate for Gas Delivery Service may be adjusted to provide for recovery by the Company of the costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural Gas. At such time as the Company has recovered its cost, bills rendered under this Rate Schedule shall return to the Gas Delivery Service rate stated herein.~~ A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

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**RATE SCHEDULE
GENERAL SALES SERVICE – 2 (GS-2)**

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 2,000 therms but less than 25,000 therms.

Gas Delivery Service Rates and Charges:

Customer Charge: \$70.00 per month

Gas Delivery Service Rate ~~\$0.33790~~ \$0.31801 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

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Rate Schedule GS-2
(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. ~~Further, the rate for Gas Delivery Service may be adjusted to provide for recovery by the Company of the costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural Gas. At such time as the Company has recovered its cost, bills rendered under this Rate Schedule shall return to the Gas Delivery Service rate stated herein.~~ A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

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**RATE SCHEDULE
GENERAL SALES SERVICE – 3 (GS-3)**

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage equal to or greater than 25,000 therms but less than 150,000 therms.

Gas Delivery Service Rates and Charges:

Customer Charge: ~~\$925.00~~ \$500.00 per month

Gas Delivery Service Rate \$0.06610 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

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Rate Schedule GS-3
(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. ~~Further, the rate for Gas Delivery Service may be adjusted to provide for recovery by the Company of the costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural Gas. At such time as the Company has recovered its cost, bills rendered under this Rate Schedule shall return to the Gas Delivery Service rate stated herein.~~ A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

**RATE SCHEDULE
GENERAL SALES SERVICE – 4 (GS-4)**

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage equal to or greater than 150,000 therms but less than 1,000,000 therms.

Gas Delivery Service Rates and Charges:

Customer Charge: ~~\$5,000.00~~ \$2,000.00 per month

Gas Delivery Service Rate ~~\$0.03748~~ \$0.11749 per Therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Service Agreement:

A Service Agreement accepted by the Company is a condition precedent for Service under this Rate Schedule. The term of the Service Agreement shall be set forth therein but shall not be less than one (1) year.

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Rate Schedule GS-4
(continued)

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.
- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. ~~Further, the rate for Gas Delivery Service may be adjusted to provide for recovery by the Company of the costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural Gas. At such time as the Company has recovered its cost, bills rendered under this Rate Schedule shall return to the Gas Delivery Service rate stated herein.~~ A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

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**RATE SCHEDULE
GENERAL SALES SERVICE – 5 (GS-5)**

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage equal to or greater than 1,000,000 therms.

Gas Delivery Service Rates and Charges:

Customer Charge: ~~\$6,000.00~~ \$3,000.00 per month

Gas Delivery Service Rate ~~\$0.01406~~ \$0.03554 per Therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Service Agreement:

A Service Agreement accepted by the Company is a condition precedent for Service under this Rate Schedule. The term of the Service Agreement shall be set forth therein but shall not be less than one (1) year.

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Rate Schedule GS-5
(continued)

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.
- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. ~~Further, the rate for Gas Delivery Service may be adjusted to provide for recovery by the Company of the costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural Gas. At such time as the Company has recovered its cost, bills rendered under this Rate Schedule shall return to the Gas Delivery Service rate stated herein.~~ A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

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**RATE SCHEDULE
FIRM TRANSPORTATION SERVICE 1 (FTS-1)**

Availability:

Throughout the Company's Service Area.

Applicability and Character of Service:

Firm Transportation Service provided to any individually metered non-residential Customer whose annual Gas usage is less than 2000 therms, and for which the Company has received a Request for Transportation Service in compliance with the provisions of Section 14 of this Tariff.

Gas Delivery Service Rates and Charges:

Customer Charge: ~~\$25.00~~ \$20.00 per month

Gas Delivery Service Rate: ~~\$0.38488~~ \$0.43981 per therm

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

Rate Schedule FTS-1
(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. ~~Further, the rate for Gas Delivery Service may be adjusted to provide for recovery by the Company of the costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural Gas. At such time as the Company has recovered its cost, bills rendered under this Rate Schedule shall return to the Gas Delivery Service rate stated herein.~~ A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

**RATE SCHEDULE
FIRM TRANSPORTATION SERVICE – 2 (FTS-2)**

Availability:

Throughout the Company's Service Area.

Applicability and Character of Service:

Firm Transportation Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 2,000 therms but less than 25,000 therms, and for which the Company has received a Request for Transportation Service in compliance with the provisions of Section 14 of this Tariff.

Gas Delivery Service Rates and Charges:

Customer Charge:	\$70.00 per month
Gas Delivery Service Rate:	\$.33790 <u>\$0.31801</u> per therm

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

Rate Schedule FTS-2
(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. ~~Further, the rate for Gas Delivery Service may be adjusted to provide for recovery by the Company of the costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural Gas. At such time as the Company has recovered its cost, bills rendered under this Rate Schedule shall return to the Gas Delivery Service rate stated herein.~~ A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

**RATE SCHEDULE
FIRM TRANSPORTATION SERVICE -3 (FTS-3)**

Availability:

Throughout the Company's Service Area.

Applicability and Character of Service:

Firm Transportation Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 25,000 therms but less than 150,000 therms, and for which the Company has received a Request for Transportation Service in compliance with the provisions of Section 14 of this Tariff.

Gas Delivery Service Rates and Charges:

Customer Charge: \$~~925.00~~ \$500.00 per month

Gas Delivery Service Rate: \$0.06610 per therm

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By: Stuart L. Shoaf, President
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Effective:

Rate Schedule FTS-3
(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. ~~Further, the rate for Gas Delivery Service may be adjusted to provide for recovery by the Company of the costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural Gas. At such time as the Company has recovered its cost, bills rendered under this Rate Schedule shall return to the Gas Delivery Service rate stated herein.~~ A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President
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Effective:

**RATE SCHEDULE
FIRM TRANSPORTATION SERVICE -4 (FTS-4)**

Availability:

Throughout the Company's Service Area.

Applicability and Character of Service:

Firm Transportation Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 150,000 therms but less than 1,000,000 therms, and for which the Company has received a Request for Transportation Service in compliance with the provisions of Section 14 of this Tariff.

Gas Delivery Service Rates and Charges:

Customer Charge: ~~\$5,000.00~~ \$2,000.00 per month

Gas Delivery Service Rate: ~~\$0.03748~~ \$0.11749 per therm

Minimum Bill:

The minimum monthly bill shall be the Customer Charge and any applicable terms and conditions contained in the Service Agreement.

Service Agreement:

A Service Agreement accepted by the Company is a condition precedent for Service under this Rate Schedule. The term of the Service Agreement shall be set forth therein but shall not be less than one (1) year.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

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Effective:

Rate Schedule FTS-4
(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. ~~Further, the rate for Gas Delivery Service may be adjusted to provide for recovery by the Company of the costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural Gas. At such time as the Company has recovered its cost, bills rendered under this Rate Schedule shall return to the Gas Delivery Service rate stated herein. A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.~~

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**RATE SCHEDULE
FIRM TRANSPORTATION SERVICE 5 (FTS-5)**

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Transportation Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 1,000,000 therms, and for which the Company has received a Request for Transportation Service in compliance with the provisions of Section 14 of this Tariff.

Rates and Charges:

Customer Charge:	\$6,000.00 <u>\$3,000.00</u> per month
Gas Delivery Rate:	\$0.03554 <u>\$0.03554</u> per therm

Minimum Bill:

The minimum monthly bill shall be the Customer Charge and any applicable terms and conditions contained in the Service Agreement.

Service Agreement:

A Service Agreement accepted by the Company is a condition precedent for Service under this Rate Schedule. The term of the Service Agreement shall be set forth therein but shall not be less than one (1) year.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

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Rate Schedule FTS-5
(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. ~~Further, the rate for Gas Delivery Service may be adjusted to provide for recovery by the Company of the costs incurred, including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural Gas. At such time as the Company has recovered its cost, bills rendered under this Rate Schedule shall return to the Gas Delivery Service rate stated herein.~~ A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

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**RATE SCHEDULE
BILLING ADJUSTMENTS**

1. Purchased Gas Adjustment Clause

- A. The fuel charge of the Monthly Purchase Gas Adjustment Rate for Gas supplied in any billing period shall be adjusted by the Company's expected weighted average cost of gas (WACOG). The WACOG may not exceed the Commission approved purchased gas cost recovery factor based on estimated gas purchases for the twelve-month period of January through December, in accordance with the methodology adopted by the Commission on May 19, 1998, in Order No. PSC-98-0691-FOF-PU, Docket No. 980269-PU, including seasonal factors, or as such methodology may be amended from time to time by further order of the Commission. The factor determined as set forth above shall be multiplied by 1.00503 for regulatory fees, and rounded to the nearest \$0.000001 per therm, to be applied to the total number of therms consumed by the customer during the billing period.
- B. The purchased gas cost recovery factor for the billing months of January ~~2007~~ 2008 through December ~~2007~~ 2008 is ~~103.9~~ 97.200 cents per therm. This factor was approved by the Commission on November ~~30~~ 26, ~~2006~~ 2007 by Order No. ~~PSC-06-0995-FOF-GU~~ PSC-07-0934-FOF-GU.
- C. The purchased gas cost recovery factor shall serve as a cap or maximum recovery factor. If re-projected expenses for the remaining period exceed projected recoveries by at least 10.0% for the twelve-month period, a mid-course correction may formally be requested by the Company. For changes in market conditions and costs, the Company, upon one day's notice to the Commission, shall have the option of flexing downward (reducing the WACOG), or upward (increasing the WACOG) to the extent that the increase does not exceed the authorized cap. The current WACOG may be adjusted for prior month's differences between projected and actual costs of gas purchased, but may not exceed the approved cap.

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**RATE SCHEDULE
BILLING ADJUSTMENTS**
(continued)

2. Tax and Fee Adjustment

The rates and charges contained in this Tariff may be increased by any tax and/or fee of assessment applicable to the sale or transportation of gas which shall be imposed on the Company after October 1, 1966. This increase shall be on a per therm basis and shall be applied for billing periods commencing on or during thirty (30) days following the effective date of such tax, fee or assessment.

3. Energy Conservation Cost Recovery Adjustment Clause

The Gas Delivery Service rates per therm applied in any billing period shall be adjusted by the Company's conservation recovery factor made pursuant to the Conservation Cost Recovery Clause in accordance with the revised methodology adopted by the Commission on May 10, 1993 in Order No. PSC-93-0709-FOF-EG. Docket No. 930002-EG, or as such methodology may be amended from time to time by further order of the Commission. The cost recovery factor for the period January 1, ~~2007~~ 2008 through December 31, ~~2007~~ 2008 is as follows:

<u>RATE CLASS</u>	<u>ADJUSTMENT FACTOR</u>
Residential	\$0.72100 <u>\$10.066</u> cents per therm
Commercial	\$0.58200 <u>\$7.825</u> cents per therm
Large Commercial	\$0.27900 <u>\$3.660</u> cents per therm

These factors were approved by the Commission on November 1, 2006 by Order No. ~~PSC-06-0908-PHO-GU~~ PSC-07-0935-FOF-GU.

4. Competitive Rate Adjustment Clause

The ~~non-fuel energy charge or transportation charge~~ gas delivery service rate for gas supplied or transported after July 1, 1990 to customers other than those served under Company's Rate Schedules FTS-5 and CTS Rider is subject to adjustment, in accordance with the following provisions, for prior shortfalls or surpluses in Company's Contract Transportation Service revenues.

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7.1 Residential Connection and Reconnection Charge \$40.00

Each Applicant for Residential Gas Delivery Service shall pay to the Company a Connection Charge of forty dollars (\$40) before Gas Delivery Service is activated by the Company at Customer's premises. Whenever a Residential Customer's Gas is turned off at Customer's request, or Customer's meter is disconnected by reason of non-compliance with these Rules and Regulations, a Reconnection Charge of forty dollars (\$40) must be paid and other satisfactory arrangements made with the Company before the account is reactivated and Gas Delivery Service reconnected.

7.2 Non-Residential Connection and Reconnection Charge \$60.00

Each Applicant for Non-Residential Gas Delivery Service shall pay to the Company a Connection Charge of sixty dollars (\$60) before Gas Delivery Service is activated by the Company at Customer's premises. Whenever a Non-Residential Customer's Gas is turned off at Customer's request, or Customer's meter is disconnected by reason of non-compliance with these Rules and Regulations, a Reconnection Charge of sixty dollars (\$60) must be paid and other satisfactory arrangements made with the Company before the account is reactivated and Gas Delivery Service reconnected.

7.3 Change of Account Charge \$26.00

If a change of occupants in a premise with existing Gas Delivery Service occurs without a physical service disconnection, a Change of Account may occur. The Company shall bill to the Applicant a Change of Account Charge in the amount of twenty six dollars (\$26).

7.4 Late Payment Charge

Charges for services due and rendered which are unpaid as of the past due date are subject to a Late Payment Charge of three (3) dollars or 1.5% of any unpaid balance, whichever is greater, except the accounts of federal, state and local governmental entities, agencies and instrumentalities. Unless otherwise agreed by contract, a Late Payment Charge shall be applied to the accounts of federal, state and local governmental entities, agencies and instrumentalities at a rate no greater than allowed and in a manner permitted by applicable law.

RULES AND REGULATIONS
(continued)

Maximum Daily Transportation Quantity of the Service Agreement; provided further that deliveries for Customers with confirmed nominations within their (i.e., the nominating Customer's) Primary Delivery Point MDQ will be scheduled prior to deliveries for Customers with confirmed nominations which are either (i) in excess of their (i.e., the nominating Customer's) Primary Delivery Point MDQ, or (ii) at a point other than the nominating Customer's Primary Delivery Point.

2) Receipt Point Scheduling Priorities

To the extent capacity at a specific point of receipt is insufficient to schedule the receipt point nominations of Customer's awarded capacity in 14.4, C. 1) a., above, Company shall allocate capacity at the subject receipt point based on the following categories:

- a. Firm Transportation Service for Customers under Rate Schedule FTS nominating quantities at Primary Receipt Points.
- b. Firm Transportation Service for Customers nominating quantities at Alternate Receipt Points on a Service Agreement. In the event nominations exceed available receipt point capacity, Company will schedule receipt quantities pro rata based on receipt point nominations, provided further, however, that Customer in this category 2) b. shall have the opportunity to revise receipt point nominations under the adjustment day procedures set forth in Section 14.4, A. 2) b.

RULES AND REGULATIONS
(continued)

The amount due Company for Delivery Imbalance shall be the Imbalance Volume multiplied times the sum of:

The Company's purchased gas cost recovery factor as authorized by the Commission or the actual price for delivered Gas incurred by the Company to resolve the Imbalance Parties imbalance, whichever is greater, for the month multiplied by the applicable factor as follows:

Imbalance Level	Factor
0% - 5%	1.00
Greater than 5% - 20%	1.10
Greater than 20%	1.20

Imbalance Level shall be calculated by dividing the imbalance quantity by the sum of the total quantities scheduled for receipt and/or delivery.

b. Imbalance Due Imbalance Party

In the event of a Delivery Imbalance when actual delivered Gas quantities are less than Scheduled Deliveries or a Receipt Imbalance when actual Gas receipts exceed Scheduled Receipts, Company will pay the Imbalance Party for such excess receipts or deficiency of deliveries.

Such payments will be based on the lowest Posted Price for the month multiplied by one of the following factors:

Imbalance Level	Factor
0% - 5%	1.00
Greater than 5% - 20%	0.90
Greater than 20%	0.80

RULES AND REGULATIONS

(continued)

Imbalance Level shall be calculated by dividing the imbalance quantity by the sum of the total quantities scheduled for receipt and/or delivery.

For imbalances due Imbalance Party, the Posted Price shall be equivalent to the cash-out price for such imbalance as provided in the FGT FERC Gas Tariff, as such tariff provisions may change from time to time or the Company's purchased gas recovery factor as authorized by the Commission, whichever is lower.

c. Existing Imbalances

Unless otherwise agreed to by Company and Imbalance Party, imbalances existing prior to the effective date of this provision shall be corrected within 90 days pursuant to the procedures in effect prior to the effectiveness of this tariff sheet.

I. Release of Transporter Pipeline Capacity

To the extent Transporter transportation capacity entitlements are available, as provided in Company's Service Agreement(s) with Transporter, the Company may release a portion of such capacity entitlements to Shipper. Shipper shall enter into Transporter Service Agreements, and any other agreements Transporter may require under its FERC Gas Tariff, so that Shipper may accept quantities of released Transporter capacity based on the capacity requirements of those Customers served by the respective Shipper. Capacity releases from the Company shall be made on a temporary basis in accordance with applicable FERC rules and regulations, as such may change from time to time. Shipper shall have the sole responsibility for complying with the provisions of the Transporter Service Agreements and respective FERC Gas Tariffs. Shipper shall take all actions

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**RATE SCHEDULE
RESIDENTIAL SALES SERVICE – 1 (RS-1)**

Availability:

Throughout the Company's service areas.

Applicability and Character of Service:

Firm Service provided to any individually metered Residential Customer whose annual Gas usage is less than 150 therms. Customers, who restore service or apply for service at a premise where Company provided service under rate schedule RS-1 at the time service was discontinued, shall receive service at such premise under this rate schedule.

Gas Delivery Service Rates and Charges:

The following non-fuel rates for the delivery of Gas to the Consumer's premises apply to all Customers served under this Rate Schedule for the respective monthly Billing Period.

Customer Charge:	\$13.00 per month
Gas Delivery Service Rate:	\$0.70441 per Therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

**Rate Schedule RS-1
(continued)**

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.
- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

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**RATE SCHEDULE
RESIDENTIAL SALES SERVICE – 2 (RS-2)**

Availability:

Throughout the Company's service areas.

Applicability and Character of Service:

Firm Service provided to any individually metered Residential Customer whose annual Gas usage is equal to or greater than 150 therms but less than 300 therms. Customers, who restore service or apply for service at a premise where Company provided service under rate schedule RS-2 at the time service was discontinued, shall receive service at such premise under this rate schedule.

Gas Delivery Service Rates and Charges:

The following non-fuel rates for the delivery of Gas to the Consumer's premises apply to all Customers served under this Rate Schedule for the respective monthly Billing Period.

Customer Charge:	\$16.00 per month
Gas Delivery Service Rate:	\$0.56729 per Therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

**Rate Schedule RS-2
(continued)**

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.
- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

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**RATE SCHEDULE
RESIDENTIAL SALES SERVICE – 3 (RS-3)**

Availability:

Throughout the Company's service areas.

Applicability and Character of Service:

Firm Service provided to any individually metered Residential Customer whose annual Gas usage is equal to or greater than 300 therms. Customers, who restore service or apply for service at a premise where Company provided service under rate schedule RS-3 at the time service was discontinued, shall receive service at such premise under this rate schedule.

Gas Delivery Service Rates and Charges:

The following non-fuel rates for the delivery of Gas to the Consumer's premises apply to all Customers served under this Rate Schedule for the respective monthly Billing Period.

Customer Charge:	\$20.00 per month
Gas Delivery Service Rate:	\$0.50381 per Therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

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Effective:

Rate Schedule RS-3
(continued)

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.
- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

**RATE SCHEDULE
GENERAL SALES SERVICE – 1 (GS-1)**

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage is less than 2000 therms.

Gas Delivery Service Rates and Charges:

Customer Charge:	\$20.00 per month
Gas Delivery Service Rate	\$0.43981 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

Rate Schedule GS-1
(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

**RATE SCHEDULE
GENERAL SALES SERVICE – 2 (GS-2)**

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 2,000 therms but less than 25,000 therms.

Gas Delivery Service Rates and Charges:

Customer Charge:	\$70.00 per month
Gas Delivery Service Rate	\$0.31801 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

Rate Schedule GS-2
(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

**RATE SCHEDULE
GENERAL SALES SERVICE – 3 (GS-3)**

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage equal to or greater than 25,000 therms but less than 150,000 therms.

Gas Delivery Service Rates and Charges:

Customer Charge: \$500.00 per month

Gas Delivery Service Rate \$0.06610 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

Rate Schedule GS-3
(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

**RATE SCHEDULE
GENERAL SALES SERVICE – 4 (GS-4)**

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage equal to or greater than 150,000 therms but less than 1,000,000 therms.

Gas Delivery Service Rates and Charges:

Customer Charge: \$2,000.00 per month

Gas Delivery Service Rate \$0.11749 per Therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Service Agreement:

A Service Agreement accepted by the Company is a condition precedent for Service under this Rate Schedule. The term of the Service Agreement shall be set forth therein but shall not be less than one (1) year.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

Rate Schedule GS-4
(continued)

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.
- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

**RATE SCHEDULE
GENERAL SALES SERVICE – 5 (GS-5)**

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage equal to or greater than 1,000,000 therms.

Gas Delivery Service Rates and Charges:

Customer Charge: \$3,000.00 per month

Gas Delivery Service Rate \$0.03554 per Therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Service Agreement:

A Service Agreement accepted by the Company is a condition precedent for Service under this Rate Schedule. The term of the Service Agreement shall be set forth therein but shall not be less than one (1) year.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

Rate Schedule GS-5
(continued)

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.
- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

**RATE SCHEDULE
FIRM TRANSPORTATION SERVICE 1 (FTS-1)**

Availability:

Throughout the Company's Service Area.

Applicability and Character of Service:

Firm Transportation Service provided to any individually metered non-residential Customer whose annual Gas usage is less than 2000 therms, and for which the Company has received a Request for Transportation Service in compliance with the provisions of Section 14 of this Tariff.

Gas Delivery Service Rates and Charges:

Customer Charge:	\$20.00 per month
Gas Delivery Service Rate:	\$0.43981 per therm

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

Rate Schedule FTS-1
(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

**RATE SCHEDULE
FIRM TRANSPORTATION SERVICE – 2 (FTS-2)**

Availability:

Throughout the Company's Service Area.

Applicability and Character of Service:

Firm Transportation Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 2,000 therms but less than 25,000 therms, and for which the Company has received a Request for Transportation Service in compliance with the provisions of Section 14 of this Tariff.

Gas Delivery Service Rates and Charges:

Customer Charge:	\$70.00 per month
Gas Delivery Service Rate:	\$0.31801 per therm

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

Rate Schedule FTS-2
(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

**RATE SCHEDULE
FIRM TRANSPORTATION SERVICE -3 (FTS-3)**

Availability:

Throughout the Company's Service Area.

Applicability and Character of Service:

Firm Transportation Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 25,000 therms but less than 150,000 therms, and for which the Company has received a Request for Transportation Service in compliance with the provisions of Section 14 of this Tariff.

Gas Delivery Service Rates and Charges:

Customer Charge: \$500.00 per month

Gas Delivery Service Rate: \$0.06610 per therm

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

Rate Schedule FTS-3
(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

**RATE SCHEDULE
FIRM TRANSPORTATION SERVICE -4 (FTS-4)**

Availability:

Throughout the Company's Service Area.

Applicability and Character of Service:

Firm Transportation Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 150,000 therms but less than 1,000,000 therms, and for which the Company has received a Request for Transportation Service in compliance with the provisions of Section 14 of this Tariff.

Gas Delivery Service Rates and Charges:

Customer Charge:	\$2,000.00 per month
Gas Delivery Service Rate:	\$0.11749 per therm

Minimum Bill:

The minimum monthly bill shall be the Customer Charge and any applicable terms and conditions contained in the Service Agreement.

Service Agreement:

A Service Agreement accepted by the Company is a condition precedent for Service under this Rate Schedule. The term of the Service Agreement shall be set forth therein but shall not be less than one (1) year.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

Rate Schedule FTS-4
(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

**RATE SCHEDULE
FIRM TRANSPORTATION SERVICE 5 (FTS-5)**

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Transportation Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 1,000,000 therms, and for which the Company has received a Request for Transportation Service in compliance with the provisions of Section 14 of this Tariff.

Rates and Charges:

Customer Charge:	\$3,000.00 per month
Gas Delivery Rate:	\$0.03554 per therm

Minimum Bill:

The minimum monthly bill shall be the Customer Charge and any applicable terms and conditions contained in the Service Agreement.

Service Agreement:

A Service Agreement accepted by the Company is a condition precedent for Service under this Rate Schedule. The term of the Service Agreement shall be set forth therein but shall not be less than one (1) year.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Rate Schedule FTS-5

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

(continued)

- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective:

**RATE SCHEDULE
BILLING ADJUSTMENTS**

1. Purchased Gas Adjustment Clause

- A. The fuel charge of the Monthly Purchase Gas Adjustment Rate for Gas supplied in any billing period shall be adjusted by the Company's expected weighted average cost of gas (WACOG). The WACOG may not exceed the Commission approved purchased gas cost recovery factor based on estimated gas purchases for the twelve-month period of January through December, in accordance with the methodology adopted by the Commission on May 19, 1998, in Order No. PSC-98-0691-FOF-PU, Docket No. 980269-PU, including seasonal factors, or as such methodology may be amended from time to time by further order of the Commission. The factor determined as set forth above shall be multiplied by 1.00503 for regulatory fees, and rounded to the nearest \$0.000001 per therm, to be applied to the total number of therms consumed by the customer during the billing period.
- B. The purchased gas cost recovery factor for the billing months of January 2008 through December 2008 is 97.200 cents per therm. This factor was approved by the Commission on November 30, 2006 by Order No. PSC-07-0934-FOF-GU.
- C. The purchased gas cost recovery factor shall serve as a cap or maximum recovery factor. If re-projected expenses for the remaining period exceed projected recoveries by at least 10.0% for the twelve-month period, a mid-course correction may formally be requested by the Company. For changes in market conditions and costs, the Company, upon one day's notice to the Commission, shall have the option of flexing downward (reducing the WACOG), or upward (increasing the WACOG) to the extent that the increase does not exceed the authorized cap. The current WACOG may be adjusted for prior month's differences between projected and actual costs of gas purchased, but may not exceed the approved cap.

**RATE SCHEDULE
BILLING ADJUSTMENTS**
(continued)

2. Tax and Fee Adjustment

The rates and charges contained in this Tariff may be increased by any tax and/or fee of assessment applicable to the sale or transportation of gas which shall be imposed on the Company after October 1, 1966. This increase shall be on a per therm basis and shall be applied for billing periods commencing on or during thirty (30) days following the effective date of such tax, fee or assessment.

3. Energy Conservation Cost Recovery Adjustment Clause

The Gas Delivery Service rates per therm applied in any billing period shall be adjusted by the Company's conservation recovery factor made pursuant to the Conservation Cost Recovery Clause in accordance with the revised methodology adopted by the Commission on May 10, 1993 in Order No. PSC-93-0709-FOF-EG. Docket No. 930002-EG, or as such methodology may be amended from time to time by further order of the Commission. The cost recovery factor for the period January 1, 2008 through December 31, 2008 is as follows:

<u>RATE CLASS</u>	<u>ADJUSTMENT FACTOR</u>
Residential	\$10.066 cents per therm
Commercial	\$7.825 cents per therm
Large Commercial	\$3.660 cents per therm

These factors were approved by the Commission on November 26, 2007 by Order No. PSC-07-0935-FOF-GU.

4. Competitive Rate Adjustment Clause

The gas delivery service rate for gas supplied or transported after July 1, 1990 to customers other than those served under Company's Rate Schedules FTS-5 and CTS Rider is subject to adjustment, in accordance with the following provisions, for prior shortfalls or surpluses in Company's Contract Transportation Service revenues.

Issued By: Stuart L. Shoaf, President
Issued On:

Effective: