**ALL PRICING ZONES**
**TRANSPORTATION OF CUSTOMER-OWNED GAS**
RATE CODES 400, 410, 560, 570, 900 & 980 D

**Applies to:** Customers in all Pricing Zones communities who use Company's distribution system to carry or transport Customer-owned gas to the Customer's premises. Such gas may be directly purchased under separate contract from producers, pipeline companies or other third parties. Delivery shall be through one meter, at one point, and where such premises are adjacent to an existing gas main of adequate capacity. Service hereunder is subject to Customer making satisfactory arrangements with Company for settlement of any contract demand and entitlement obligations under a General Service rate schedule. Resale of gas is not permitted, and all other terms and conditions of Company's General Rules and Regulations shall apply. Compressed Natural Gas (CNG) sold as vehicle fuel at a fueling station is not considered a resale of gas supply or distribution service, as provided by Section 5.08 of the Company's General Rules and Regulations. The Transportation Service Agreement shall be effective for a minimum of one year. The term of the Contract is otherwise negotiable and the Contract should contain all the pertinent terms.

**Character of Service:** Unless otherwise specified by written agreement, the availability of natural gas shall be at approximately 1,000 Btu per cubic foot delivered at atmospheric pressure plus one-fourth pound per square inch.

**Rate:**

The rates for Customer Charges and non-gas therm charges (transportation rate) shall be the same as those found in the applicable Non-Residential General Service or Large General Service N
rate schedules. All applicable provisions of the Non-Residential General Service or Large N
General Service rate schedules (with the exception of Rider PGA and Rider ECR) are applicable for the Transportation of Customer-Owned Gas rate schedule. The charges in Sections I and II below are for informational purposes.

I. **Customer Charge:**

Maximum daily requirement - 200 Dth or less (Non-Residential General Service): N
$0.98619/Day

Maximum daily requirement - Over 200 Dth (Large General Service): $7.39645/Day

The Customer shall be responsible for all costs associated with any specific plant such as telemetering required in providing contract carriage service to the Customer. The additional charge is 1.6% per month of the Company's additional investment.

**Minimum Bill:** Customer Charge, including additional investment charges.

II. **Transportation Rate:**

Maximum daily requirement - 200 Dth or less (Non-Residential General Service): N
$0.16322/Thm

Maximum daily requirement - Over 200 Dth (Large General Service): $0.07554/Thm

The transportation rates are applicable to all volumes delivered to the Customer's premises but are exclusive of applicable supply cost charges described in Sections III through VI below.

**ALL PRICING ZONES**
**TRANSPORTATION OF CUSTOMER-OWNED GAS**
**(continued)**

RATE CODES 400, 410, 560, 570, 900 & 980 D

III. **Balancing Service:** Customer shall be obligated to balance on a daily basis the receipt of Customer-owned gas by Company at the city gate with deliveries of such gas by Company to Customer's premises, subject to restrictions and conditions of Company's pipeline supplier and subject to the provisions of this tariff. Customer is responsible for keeping informed as to the daily receipt of customer-owned gas delivered to Company by its supplier of gas so as to enable the Customer to adjust its consumption of gas to ensure that receipt and deliveries of gas into and out of Company's system will be in balance. On a monthly basis, Company will provide a statement to Customer, that will show imbalances resulting from the over- or under-delivery of gas, adjusted for losses.

Annual PGA Reconciliation: The revenue generated from balancing charges shall be included in the annual PGA reconciliation filing as a reduction to the cost of gas for system sales customers.

A. Daily Balancing: Overage (positive) imbalance quantities (receipts greater than customer uses) and underage (negative) imbalance quantities (receipts less than customer uses) will be subject to the following charges. Receipts are defined as Customer supplied gas at the Company's town border station, as adjusted for losses on Company's local distribution system. Percentage tolerances shown below are based upon customer's receipts:

**ALL PRICING ZONES**
**TRANSPORTATION OF CUSTOMER-OWNED GAS**
**(continued)**

RATE CODES 400, 410, 560, 570, 900 & 980 D

i. Non-Constraint Day Overage and Underage Balancing Charges: A Non-Constraint Day shall mean any day other than a High Flow or Low Flow Constraint Day.

| Tolerance | Charges |
|---|---|
| 0 to +/- 10% | No Charge |
| +/- 10% up to +/- 20% | $0.25 per Dth |
| +/- 20% up to +/- 30% | $0.50 per Dth |
| Greater than +/- 30% | $1.00 per Dth |

ii. High Flow Constraint Day Overage and Underage Balancing Charges: A High Flow Constraint Day shall be defined as any day on which curtailment or interruption may be required of Company's uses due to constraints declared by Company's pipeline suppliers or constraints on Company's distribution system. Company shall notify the customer of a High Flow Constraint Day and make every effort to give the customer at least 2 (two) hours notice of a High Flow Constraint Day.

| Tolerance | Charges |
|---|---|
| 0 to -3% | $0.50 per Dth |
| Greater than -3% | The higher of $10.00 per Dth or the actual pipeline penalties incurred |
| 0 to +30% | No Charge |
| Greater than +30% | $1.00 per Dth |

iii. Low Flow Constraint Day Overage and Underage Balancing Charges: A Low Flow Constraint Day shall be defined as any day on which Company's pipeline suppliers curtail the receipt of gas when such pipelines experience over deliveries of gas into their system affecting the operating integrity of their system or constraints on Company's distribution system. Company shall notify customers of a Low Flow Constraint Day and make every effort to give the customer at least 2 (two) hours notice of a Low Flow Constraint Day.

| Tolerance | Charges |
|---|---|
| 0 to +3% | $0.10 per Dth |
| Greater than +3% | $5.00 per Dth |
| 0 to -30% | No Charge |
| Greater than -30% | $1.00 per Dth |

**ALL PRICING ZONES**
**TRANSPORTATION OF CUSTOMER-OWNED GAS**
**(continued)**

RATE CODES 400, 410, 560, 570, 900 & 980 D

B. Monthly Balancing:

i. Overdeliveries: In addition to the above daily balancing charges, daily overage imbalances (receipt of customer-owned gas greater than uses) will be deemed to have been sold to Company at a rate equal to the Gas Daily Index Price per dekatherm for the Chicago City-Gate GDD, less $0.08 (with the exception of customers that transport on the Northern Natural Gas Pipeline or the Northern Border Pipeline into Mason City, in which case the NNG Ventura City daily delivered price per dekatherm plus $0.04 will be used as the index price). The payment for such excess gas sold to Company shall be credited to the customer's monthly bill.

ii. Underdeliveries: In addition to the above daily balancing charges, daily underage imbalances will be deemed as "Overrun Gas". It is the gas taken from Company without backup service and for which prior nominations and arrangements have not been made. The rate for "Overrun Gas" shall be the Gas Daily Index Price per dekatherm for the Chicago City-Gate GDD, plus $0.08 (with the exception of customers that transport on the Northern Natural Gas Pipeline or the Northern Border Pipeline into Mason City, in which case the NNG Ventura City daily delivered price per dekatherm plus $0.20 will be used as the index price). If Company incurs incremental costs to secure gas for the customer, including any demand charges or penalties, over and above the penalty charges listed above, such incremental costs would be charged to customer.

This provision shall apply in billing for gas supply the Company will provide in the event the gas supply of small volume natural gas end users, as defined in Section 19.14(1) of the Iowa Administrative Code, is interrupted due to supply failure. Revenue from such billings shall be credited to the Company's system purchased gas adjustment.

IV. **Group Balancing Service Provision:** The transportation customer shall have the option to choose a group balancing service. By selecting such option, a defined group of customers shall be treated as one customer for the balancing terms of this tariff. This group of customers shall be defined as a Customer Pool. In all other respects, the gas transportation customer shall operate individually under the provisions of this tariff.

The term Customer Pool Agent shall mean the person, corporation, partnership, or other legal entity that acts on behalf of the Customer Pool. The Customer Pool Agent shall enter into a group balancing service agreement with the Company under this tariff which shall be for a term of not less than six months. The Company may act as the Customer Pool Agent, based upon terms and conditions agreeable to Company and the Customer Pool.

**ALL PRICING ZONES**
**TRANSPORTATION OF CUSTOMER-OWNED GAS**
**(continued)**

RATE CODES 400, 410, 560, 570, 900 & 980 D

**Applicability:**

a. The Customer Pool Agent must notify Company of the delivery point(s) to be grouped at least one (1) working day prior to the date for beginning of the month nominations which are submitted in compliance with Paragraph VIII of this tariff.

b. The Customer Pool Agent will provide the Company with individual delivery point daily nominations. Each delivery point within the pool must have operational telemetering in place.

c. The Customer Pool Agent shall be responsible for pipeline imbalances, penalties, overrun gas charges or other charges it may create with the pipeline suppliers.

d. All balancing charges or balancing-related obligations of the Customer Pool shall be the responsibility of the Customer Pool Agent. Should the Customer Pool Agent fail to satisfy such obligation, the individual customers in the Customer Pool shall remain responsible for such obligations.

e. If the Customer Pool or its Agent does not comply with the provisions of its pool balancing service agreement, Company may terminate the pool balancing agreement and each gas transportation customer whose delivery point is part of the customer pool will be individually responsible for the settlement of gas transportation imbalances and other charges regardless of payments that the gas transportation customer may have rendered to the customer pool agent.

f. Company reserves the right to terminate the service agreement for due cause within three (3) days of written notice. Prior to the written notice, Company will notify the customer of the problems and allow the agent to correct it within five (5) working days.

g. In the event the pool balancing service agreement is terminated during any month, the gas transportation customer whose delivery point is within the customer pool shall be billed separately for any imbalances.

**ALL PRICING ZONES**
**TRANSPORTATION OF CUSTOMER-OWNED GAS**
**(continued)**

RATE CODES 400, 410, 560, 570, 900 & 980 D

V. **Nomination and Dispatching:** The charge is $200.00 per month for each metering point. Any cost incurred by Company directly related to customer's failure to adequately balance receipts and deliveries of customer-owned gas shall be billed to Customer.

VI. **Reconnection/Administrative:** Transportation Customers electing to return to Company's General Service rates are subject to a $500.00 charge for the associated contractual or administrative services. Large Volume Customers, as defined in 199 IAC 19.14(1), may only return to firm supply service subject to the Company's ability to obtain additional supply and firm pipeline capacity to serve the firm load, and as long as the Large Volume Customer's return to firm service does not adversely impact existing Customers. Customers may return to interruptible service if they meet the qualifications for the rate. A Gas Service Agreement must be completed for any Customer who is returning to system supply service.

VII. **Tax Adjustment Clause:** See Rider TAX.

VIII. **Alternative Fuel Supply:** See Rider AFS.

IX. **Temporary Interruptible Overrun Service:** See Section III.

X. **Tax Benefit Rider:** See Rider TBR.

XI. **Prompt Payment Provision:** After 20 days, add 1 1/2% on the past-due amount.

XII. **Order of Gas Delivery:** The natural gas deliveries metered to the Customer's premises, shall be categorized, for billing purposes, as having gone through the meter in the following order:

1. Customer's nominations of System Supplied Gas or any other negotiated transportation and/or supply service with the Company;
2. Customer-owned gas from others; Customer-owned gas delivered to Company's system will be reduced by a lost and unaccounted for percentage to determine the amount of Customer-owned gas delivered to Customer's premises. Customer's gas purchased from third parties shall not be interrupted because of supply curtailment by Company;

**ALL PRICING ZONES**
**TRANSPORTATION OF CUSTOMER-OWNED GAS**
**(continued)**

RATE CODES 400, 410, 560, 570, 900 & 980 D

XIII. **Pipeline Demand/Reservation Charge Rider:** Applicable to all transportation Customers that contract for gas transportation services that previously received system sales service under Firm or Interruptible Service Rate Schedules. This rider shall commence with the implementation of transportation service. Company shall cease charging the Pipeline Demand/Reservation Charge to a Customer based upon one of the following:

1. The first month of transportation, at which time the Company's obligation to pay the interstate pipeline demand/reservation charge is terminated, including its related transition charge which was previously related to a Customer's requirements; or
2. The anniversary date of transportation service for Customer; or
3. IPL sells the pipeline capacity release directly to the Customer to utilize for their gas transportation; or
4. IPL directly assesses any stranded interstate pipeline commitments to the Customer.

The Pipeline Demand/Reservation charges are listed as follows:

| Previously received services: | Charges: | |
|---|---|---|
| Firm Non-Residential General & Large General Service: | Difference between firm and interruptible PGAs (volumetric charge) | N |
| Partial Firm Non-Residential General & Large General Service: | Demand PGA | N |

The Pipeline Demand/Reservation charge will be added as a separate line on the transportation bill.

| **Billing Rate Codes:** | **Northern** | **Natural** | **ANR** | |
|---|---|---|---|---|
| Maximum Daily Requirement: | | | | |
| 200 Dth or less (Non-Residential General Service) | 900 | 400 | 560 | N, D |
| Over 200 Dth (Large General Service) | 980 | 410 | 570 | D |

**General Terms and Conditions:**
Service hereunder is also subject to the provisions of the Company's "General Terms and Conditions for Gas Transportation."

**ALL PRICING ZONES**
**SMALL VOLUME TRANSPORTATION OF CUSTOMER-OWNED GAS**
RATE CODES 950, 960 & 970 D

**Applies to:** All non-residential Customer's who use the Company's distribution system to carry or transport Customer-owned gas to the Customer's premises, whose usage does not exceed 25,000 Therms in any billing month and does not exceed 100,000 Therms in any consecutive 12 month period. Such gas may be directly purchased under separate contract from producers, pipeline companies or other third parties. Delivery shall be through one meter, at one point, and where such premises are adjacent to an existing gas main of adequate capacity. Small volume transportation service is available on a "first-come/first-served" basis to the first five hundred Customers who sign up for this service. Resale of gas is not permitted, and all other terms and conditions of Company's General Rules and Regulations shall apply. Compressed Natural Gas (CNG) sold as vehicle fuel at a fueling station is not considered a resale of gas supply or distribution service, as provided by Section 5.08 of the Company's General Rules and Regulations. The Customer must have primary firm delivery service to the city gate and produce evidence of such upon request. The Transportation Service Agreement shall be effective for a minimum of one year. The term of the Contract is otherwise negotiable and the Contract should contain all the pertinent terms.

**Character of Service:** Unless otherwise specified by written agreement, the availability of natural gas shall be at approximately 1,000 Btu per cubic foot delivered at atmospheric pressure plus one-fourth pound per square inch.

**Rate:**

I. **Customer Charge:** $0.98619/Day

**Minimum Bill:** The Customer Charge for any billing period: $0.98619 per day per meter.

II. **Transportation Rate:** $0.16322/Thm

III. **Daily Balancing:** The Customers that elect small volume transportation service may purchase this service in lieu of installing telemetry, thereby satisfying the requirements of daily balancing. The cost of this service is 1.05 cents per Thm gas delivered to the Customer. No additional daily balancing fees shall be imposed. The revenue generated from this service shall be included in the next annual PGA reconciliation as a reduction to the cost of gas for system sales Customers.

IV. **Monthly Balancing:** The Customer's that elect this service shall be obligated to balance on a billing month basis. The Customer's shall also have the option to be a part of a Customer Pool and to be balanced monthly on a Pool-basis. Should a net overage or underage imbalance exist at the end of each billing month, the imbalance shall be calculated as follows: a net overage imbalance (receipt of Customer-owned gas greater than uses) will be deemed to have been sold to the Company at a rate equal to the calendar month average of the Gas Daily Index Price per dekatherm for the Chicago City-Gate GDD, less $0.08; and a net underage imbalance will be deemed as "Overrun Gas," which is gas taken from the Company for which prior nominations and arrangements have not been made. The rate for "Overrun Gas" shall be equal to the calendar month average of the Gas Daily Index Price per dekatherm for the Chicago City-Gate GDD, plus $0.08. A net overage or underage imbalance shall be calculated on a billing month basis and

**Monthly Balancing: (continued)**
should a net imbalance exist at the end of every six months (June and December), it shall be resolved by an additional charge or credit to the Customer's next bill.

Each independent gas supplier to the Customer's participating in this service is responsible for delivering daily gas volumes to the Company city gate as specified by the Company. If the independent supplier does not deliver the specified nominated volume for any three days in a consecutive twelve month period, the affected Customer's transportation agreement(s) shall be terminated. The Customer's shall make satisfactory settlement of all applicable charges with the Company before returning as a sales Customer and will not be eligible for transportation service for a minimum of 12 months.

V. **Nomination and Dispatching**: The Company shall do gas nominations for all Customers. The nomination and dispatching charge is $47.00 per month for each metering point. Any cost incurred by the Company which is directly related to the Customer's failure to adequately deliver the nominated amount of gas shall be paid by the Customer.

VI. **Reconnection/Administrative:** If a Customer notifies the Company before July 1, or an otherwise agreed upon date prior to November 1 of each year, they will have the opportunity to return to the Company's Non-Residential General Service rates by paying N
an administrative fee of $50.00. Otherwise, they will be subject to a $500.00 reconnection fee. Return to the Company's Firm Service will be on a best efforts basis unless the Customer's previous supplier releases the Customer's firm capacity back to the Company.

VII. **Energy Efficiency Cost Recovery Clause:** See Rider ECR.

VIII. **Tax Adjustment Clause:** See Rider TAX.

IX. **Tax Benefit Rider:** See Rider TBR.

X. **Alternative Fuel Supply:** See Rider AFS.

XI. **Prompt Payment Provision:** After 20 days, add 1 1/2% on the past-due amount.

**Pipeline Demand/Reservation Charge Rider:** Applicable to all Customer's that contract for small volume transportation services that previously received system sales service under Firm or Interruptible Service Rate Schedules. This rider shall commence with the implementation of small volume transportation service. The Company shall cease charging the Pipeline Demand/Reservation Charge to a Customer based upon one of the following:

**ALL PRICING ZONES**
**SMALL VOLUME TRANSPORTATION OF CUSTOMER-OWNED GAS**
**(continued)**

RATE CODES 950, 960 & 970 D

**Pipeline Demand/Reservation Charge Rider: (continued)**

1. The first month of transportation, at which time the Company's obligation to pay the interstate pipeline demand/reservation charge is terminated, including its related transition charge which was previously related to a Customer's requirements; or
2. The anniversary date of small volume transportation service for the Customer; or
3. IPL sells the pipeline capacity release directly to the Customer to utilize for their gas transportation; or
4. IPL directly assesses any stranded interstate pipeline commitments to the Customer.

| **Billing Rate Codes:** | **Northern** | **Natural** | **ANR** | |
|---|---|---|---|---|
| Small Volume Transportation | 950 | 960 | 970 | D |

**General Terms and Conditions:**
Service hereunder is also subject to the provisions of the Company's "General Terms and Conditions for Gas Transportation." Provisions in the Small Volume Transportation of Customer-Owned Gas tariff control any conflict between this tariff and the "General Terms and Conditions for Gas Transportation."

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