RATE DESIGNATION: 040
CLASS OF SERVICE: LARGE VOLUME INTERRUPTIBLE
SERVICE AREA: ALL MINNESOTA SERVICE AREA

Availability: For use by Customers whose maximum daily requirements exceed 199 MMBtu. Customers must give satisfactory evidence of their ability and willingness to discontinue the use of natural gas during periods of curtailment by the use of standby facilities, plant shut down or otherwise.

Curtailment Priority: Gas is subject to curtailment for the protection of interruptible gas served on Rate 020 and gas having a higher service priority.

Net Rate:

Basic Service: $5.58905 per day*

* For Comparison Only: Basic Service $170.00/month

Nonflexible Charges: $0.27186/Therm

Flexible Charge: Specific price to be set for a Customer by the Company but not less $0.19702 per therm (Company's cost of gas plus $0.00600 per therm) and not more than $0.34670 per therm (Company's gas cost plus $0.15568 per therm). The Company will provide two days' written notice of rate changes, unless shorter notice is provided by contract. Customer will pay the non-flexible therm charge unless placed on the flexible rate. The flexible rate shall apply at Customer request or at any time a Customer uses, for price reasons, an alternate energy supply or service from a supplier not regulated by the Minnesota Public Utilities Commission. Application of the flexible rate shall continue for a minimum period of one year. Customer shall give the Company two months' written notice of intent to change to nonflexible service. In no case shall the flexible rate apply to a customer who is connected to a district heating facility as of June 1, 1987 or who utilizes indigenous biomass energy supplies. Any Customer changing from a flexible rate to a nonflexible rate will pay all costs incurred by the Company due to the change.

Cost-of-Gas Adjustment: Rider 6B is applicable hereto.

Conservation Improvement Program Cost Recovery Adjustment: Rider CIP is applicable hereto.

Gas Affordability Service Program Cost Recovery Adjustment: Rider GAP is applicable hereto.

Tax Adjustment: Rider TXM applicable hereto.

Volumetric Adjustments: The volume of gas to be billed will be the metered volume adjusted to a pressure of 14.73 psia and a temperature of 60° F. Further volumetric adjustments will be made, as applicable for the type of meter used, for factors such as, but not limited to, basic meter constants, super compressibility and specific gravity, in accordance with the procedures recommended in the A.G.A. Gas Measurement Committee Report Number Three (and any future revisions thereof).

Heat Value Adjustment: In any billing month in which the metered volume of gas delivered to the Company by its pipeline transporter is adjusted for a variation in heat value from a 1,000 BTU per cubic foot base, a comparable adjustment will be made in the metered volume of gas delivered to the customer.

RATE DESIGNATION: 040
CLASS OF SERVICE: LARGE VOLUME INTERRUPTIBLE
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Notice of Gas Usage: Customers receiving service under this rate must give the Company's central gas dispatcher no less than hours' notice of any change in customer gas usage, for either increases or decreases greater than 500 therms per day, from the usage level per day the Customer had been operating at when the Company was last notified, and receive approval for such change from the Company's central gas dispatcher. The term "day" shall mean the period of twenty-four (24) consecutive hours starting at the time designated as the start of the gas day by the interstate pipeline delivering gas to the Company's system. Failure to properly notify the Company shall result in the allocation of any pipeline penalties and/or charges for unauthorized changes in usage of gas. The customer shall be subject to a charge of $10.00 for each MMBtu of over or under use for unauthorized changes in gas usage.

Gas Usage a During Curtailment Period: In the event the Customer on any "day" uses gas in excess of the volume authorized by the Company's central gas dispatcher, the customer shall be subject to a charge of $10.00 for each MMBtu of such excess gas used in addition to the therm charges for gas usage under this rate, plus any pipeline penalties that resulted from the Customer's excess use of gas during the curtailment period. All penalty charges collected for unauthorized gas will be credited back to firm sales customers in the annual true-up filing. Any charge assessed hereunder will not entitle the customer to continue such excess use of gas. The term "day" shall mean the period of twenty-four (24) consecutive hours starting at the time designated as the start of the gas day by the interstate pipeline delivering gas to the Company's system.

Late Payment Charge: For balances in excess of $10.00 outstanding for more than 15 days after the statement is rendered shall be assessed a late payment charge of one and one half percent. The minimum late payment charge assessed shall be $1.00.

Rules and Regulations: Service hereunder is subject to the provisions of the Company's Gas Service Standards.