



**SCHEDULE 44**  
**Base Rate Effective 5/10/2013 Billing**

**CITY OF SHELBY**

**INTERRUPTIBLE GAS SERVICE**  
**WITH OR WITHOUT PARTIAL FIRM REQUIREMENTS**

**AVAILABILITY**

Gas service under this rate schedule is available by written contract to eligible large industrial consumers, whose use of gas is principally for process purposes, and where space heating is incidental only. This service is offered only to customers who average daily gas usage is reasonably anticipated to equal or exceed 50 dekatherms per day.

**STANDBY ALTERNATE FUEL CAPACITY**

Customers purchasing gas pursuant to this Rate Schedule shall maintain, in useable condition, alternate fuel facilities with ample on-site alternate fuel capability for supplying 100% of the establishment's gas requirements during periods of gas interruption or curtailment. Such interruption or curtailment shall be immediately effective upon verbal or written notification by the City and Customer shall refrain from using gas until permitted to do so by the City. It is understood and agreed that the City will have the right to suspend gas service without further notice to the Customer in the event the Customer fails to curtail Customer's use of gas in accordance with the City's notice of curtailment.

**CHARACTER OF SERVICE**

Natural gas supplied under this schedule is sold on an interruptible basis only and shall be supplied through a single delivery point and be separately metered. Commingling of gas purchased under this schedule with gas purchased under other rate schedules is prohibited. All natural gas delivered under this rate is for the exclusive use of the customer and shall not be resold.

**MEASUREMENT, BILLING AND PAYMENT**

For measurement purposes, the volume of natural gas delivered under this rate schedule shall be measured in cubic foot units. Volumes of gas hereunder will be determined in accordance with the City's measurement base. For billing purposes, the volume of natural gas billed under this rate schedule shall be billed by the hundred cubic foot units (CCF).

**RATE**

The City of Shelby Natural Gas System Rates shall be set forth on Sheet No. 40 in this tariff and are incorporated herein by reference. The customer's total bill is calculated using the following components.

$$\text{Total Bill} = \text{FC} + (\text{U} \times \text{CR})$$

- FC = Monthly Facilities Charge
- U = Customer Monthly Usage in CCF
- CR = Total Commodity Rate for the current period in CCF

The Total Commodity Rate is adjusted for each billing period by adding the Base Commodity rate to the average incremental cost of gas supply for the current period. This value is computed on a per dekatherm basis and converted to a per hundred cubic feet basis using the current heating value content of the gas. The Total Commodity Rate will be calculated each billing cycle and set forth on Schedule 40. The base commodity rate is shown below.

Base Commodity Rate

Interruptible Industrial	First 1500 MCF/month	\$2.08/dekatherm
	Next 1500 MCF/month	\$1.66/dekatherm
	Next 3000 MCF/month	\$1.36/dekatherm
	Next 9000 MCF/month	\$1.12/dekatherm
	All volumes over 15,000 MCF/month	\$0.92/dekatherm

**PROVISIONS:**

1. Whenever curtailment or interruption of interruptible gas delivered hereunder is required, the City shall issue a curtailment order to consumer, specifying the quantity of gas to be curtailed and the time at which such curtailment is to be made.

When restoration of service is permissible, the City shall similarly issue a restoration order specifying the quantity of gas to be restored and the time at which such restoration is to be made. Consumer shall carry out all such orders at the time specified therein. A curtailment order shall be issued at least one hour in advance of its effective time.

2. In the event customer fails to discontinue the use of interruptible gas after one hour's notice that the interruptible gas under this schedule is not available, all gas so used shall be paid for by the consumer at a rate of \$55.00 per DT of maximum day use of such unauthorized gas, in addition to the regular commodity charge for such gas and any charges for firm gas.

3. When a customer is notified to curtail service, or while gas service is being curtailed, customer finds it impossible to continue operations on his standby fuel because some bona fide emergency and the City has gas available from some source other than its Contract Demand Service from Transcontinental Gas Pipe Line Corporation, the City may, at its discretion, furnish emergency gas service upon request from customer for such service. All emergency gas so used shall be paid for by the consumer at the rate of \$3.00 per dekatherm of gas plus the highest incremental gas commodity cost for gas purchased by the City in the current month. The City shall not be liable in any way to any customer for failure in whole and in part, temporary or permanent, to deliver emergency gas under this provision.