

CPS Energy

LARGE VOLUME

GAS RATE

LVG

APPLICATION

This rate is applicable to gas service supplied through one metering station for fuel used (a) for commercial services, (b) for industrial, manufacturing or processing purposes, or for steam generation for power purposes, including auxiliary apparatus used exclusively for manufacturing or processing purposes, or (c) for heating and/or cooling plants.

This rate is not applicable to gas supplied for:

- (1) standby service
- (2) resale
- (3) single family residential units.

TYPE OF SERVICE

Natural gas will be supplied at a nominal gauge pressure of four ounces per square inch. If natural gas is metered at a pressure higher than four ounces, measurements will be adjusted to the equivalent of four ounces. When mains of adequate capacity and suitable pressure are not adjacent to the premises served or to be served, the required service may be provided pursuant to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service and the CPS Energy Policy for Gas Main Extensions and Service Installations.

MONTHLY BILL

Rate

\$ 350.00 Service Availability Charge

Demand Charge

\$ 1.10 Winter Billing (December-March)
Per CCF/Day of Billing Demand

\$ 0.85 Non-Winter Billing (April-November)
Per CCF/Day of Billing Demand

Energy Charge

\$ 0.306 Per CCF for all CCF

1 CCF equals 100 cubic feet

Billing Demand

For the winter period December through March, the Billing Demand (CCF/Day) shall be equal to the greatest of the following:

- a) the monthly metered consumption divided by days in the billing period
- b) 600 CCF/Day
- c) such higher demand (CCF/Day) as may be specified in the Customer's Application and Agreement for Gas Service.

For the non-winter period April through November, the Billing Demand (CCF/Day) shall be equal to the greatest of the following:

- a) the maximum billing demand (CCF/Day) as established during the previous winter period months of December through March
- b) 600 CCF/Day
- c) such higher demand (CCF/Day) as may be specified in the Customer's Application and Agreement for Gas Service.

For new customers having no winter CCF usage history, the billing demand (CCF/Day) as defined above shall be equal to the greater of (b) or (c) as defined herein.

Minimum Bill

The Minimum Bill shall be equal to the Service Availability Charge plus the Demand Charge (Winter Billing or Non-Winter Billing as the case may be) or such higher Minimum Bill as may be specified in the Customer's Application and Agreement for Gas Service. The Minimum Bill is not subject to reduction by credits allowed under the adjustments below.

Adjustments

Plus or minus an amount which reflects the difference in the unit gas cost factor for the current month above or below a basic cost of \$0.220 per CCF sold. The unit gas cost factor for the current month is computed as the sum of:

- (a) The current month's estimated unit gas cost per CCF, which is computed based upon the current month's estimated CCF purchases, unit gas cost by supplier, any known changes in gas cost, and pipeline losses; plus
- (b) An adjustment, if indicated by the current status of the over and under recovery of gas costs for the recovery year in progress, to correct for the difference between the preceding month's estimated unit gas cost and the current computation for this value. This adjustment is computed by multiplying the difference between the preceding month's estimated unit gas cost (corrected for any gas supplier surcharge) and the current computation for this value times the CCF purchased during the preceding month and then dividing the result by the current month's estimated CCF sales; plus
- (c) An adjustment, if indicated by the current status of the over and under recovery of gas costs for the recovery year in progress, to correct for the difference between the preceding month's estimated value for the second preceding month's unit gas cost and actual unit gas cost for that month. This adjustment is computed by multiplying the difference between the preceding month's estimated value for the second preceding month's unit gas cost and the actual unit gas cost for that month (corrected for any gas supplier surcharge) times the CCF purchased during the preceding month and then dividing the result by the current month's estimated CCF sales; plus
- (d) An adjustment, as necessary, which may be derived and applied to the unit gas cost factors during the months preceding, including, and/or following August each year, depending on the dollar amount of adjustment necessary to balance the annual cumulative actual gas cost with the annual cumulative gas cost recovery through these rates; plus
- (e) An adjustment to reflect offsetting credits to or additions to gas costs resulting from judicial orders or settlements of legal proceedings affecting gas costs or components thereof, including taxes or transportation costs, or to reflect accounting and billing record corrections or other out-of-period adjustments to gas costs.

Plus or minus the proportionate part of the increase or decrease in taxes, required payments to governmental entities or for governmental or municipal purposes which may be hereafter assessed, imposed, or otherwise required and which are payable out of or are based upon revenues of the gas system.

LATE PAYMENT CHARGE

The Monthly Bill will be charged if payment is made within the period indicated on the bill. Bills not paid within this period will be charged an additional 2 percent times the Monthly Bill excluding the adjustment for gas costs, garbage fees and sales taxes.

TERM OF SERVICE

Service shall be supplied for an initial period of not less than one year and shall be continued from year to year unless a longer period is specified in the CPS Energy Application and Agreement for Gas Service. Should a Customer's service requirement exceed the standard of service normally provided under this rate, a longer contract term may be required.

RULES AND REGULATIONS

Service is subject to CPS Energy Rules and Regulations Applying to Retail Electric & Gas Service which are incorporated herein by this reference.

CURTAILMENT

CPS Energy shall have the right at any and all times to immediately adjust in whole or in part, the supply of gas to Customers, in order to adjust to gas supplies available for resale or to adjust to other factors affecting delivery capability.