
GAS RATE NO. A2

USAGE BALANCING SERVICE

APPLICABILITY:

This rate is applicable to 3rd Party Suppliers providing gas supply services to a Supplier Group of End-Use Customers, or to End-Use Customers acting as their own Supply Agent, in accordance with the Utility's requirements and other End-Use Customers as applicable.

SPECIAL PROVISIONS:

Incorporated herein, and made part of this Gas Rate No. A2, are the Terms and Conditions for Gas Service, as amended from time to time. Capitalized terms used in this rate schedule are defined in the Terms and Conditions for Gas Service.

USAGE IMBALANCES

The Utility shall cash out monthly a 3rd Party Supplier, or End-Use Customers acting as their own Supply Agent, the following in connection with positive or negative monthly net Usage Imbalances associated with a Supplier Group of End-Use Customers, or an End-Use Customer acting as its own Supply Agent, receiving Gas Delivery Service under Gas Rate Nos. D3, D4, D5, and D7 .

Negative monthly net Usage Imbalances reflect situations where a Supplier Group of End-Use Customers, or an End-Use Customer acting as its own Supply Agent, consumed greater volumes of Gas than accumulated Daily Gas Supply Deliveries for the month.

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Positive monthly net Usage Imbalances reflect situations where a Supplier Group of End-Use Customers, or an End-Use Customer acting as its own Supply Agent, consumed lesser volumes of Gas than accumulated Daily Gas Supply Deliveries for the month.

Any net monthly Usage Imbalances in excess of 30% will be administered under Gas Rate No. A4.

MONTHLY CASH-OUT:

1. Cash-out charges for net monthly negative Usage Imbalances are as follows (Charges posted to bill):

100% of applicable Gas Supply Charge from Rider A for monthly net Usage Imbalances of greater than 0% up to and including 5%

102.5% of applicable Gas Supply Charge from Rider A for monthly net Usage Imbalances of greater than 5% up to and including 10%

105% of applicable Gas Supply Charge from Rider A for monthly net Usage Imbalances of greater than 10% up to and including 15%

110% of applicable Gas Supply Charge from Rider A for monthly net Usage Imbalances of greater than 15% up to and including 30%

Monthly net Usage Imbalances greater than 30% will be administered under Gas Rate No. A4

2. Cash-out credits for net monthly positive Usage Imbalances are as follows (Utility will purchase amounts from a 3rd Party Supplier, or End-Use Customer acting as its own Supply Agent that are not offset by other charges.):

100% of applicable Gas Supply Charge from Rider A for monthly net Usage Imbalances of greater than 0% up to and including 5%

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97.5% of applicable Gas Supply Charge from Rider A for monthly net Usage Imbalances of greater than 5% up to and including 10%

95% of applicable Gas Supply Charge from Rider A for monthly net Usage Imbalances of greater than 10% up to and including 15%

90% of applicable Gas Supply Charge from Rider A for monthly net Usage Imbalances of greater than 15% up to and including 30%

Monthly net Usage Imbalances greater than 30% will be administered under Gas Rate No. A4.

3. Cash out charges for volumes purchased and injected to bring a Customer Banking Volume inventory to the granted level will be charged to the End-Use Customer at the following rate:

105% of the applicable Gas Supply Charge from Rider A or Citizens' storage WACOG, whichever is greater.

BILLING:

Charges and credits for Usage Balancing Service will be calculated monthly and billed at month end to the applicable 3rd Party Supplier, or End-Use Customer acting as its own Supply Agent or as otherwise applicable to an End-Use Customer. Utility will purchase amounts from a 3rd Party Supplier, or End-Use Customer acting as its own Supply Agent that are not offset by other charges.