Effective: October 23, 2006

GAS RATE NO. S2

BACK-UP GAS SUPPLY SERVICE

APPLICABILITY:

This rate schedule is applicable to End-Use Customers for each Single Account with annual usage greater than 50,000 Therms using Basic Delivery Service in Gas Rate Nos. D3, D4, and D5 who have elected Back-up Gas Supply Service in accordance with the Utility's requirements. Customers utilizing Back-Up Gas Supply Service must have automated meter reading devices, under Gas Rate No. A7.

SPECIAL PROVISIONS:

Incorporated herein, and made part of this Gas Rate No. S2, 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.

CAPACITY CHARGE:

The applicable capacity charge for all back-up gas supply volumes contracted under this Gas Rate No. S2 is set quarterly. The current applicable capacity charge is identified on Rider A.

COMMODITY CHARGE:

The applicable charge for all gas supplied under this Gas Rate No. S2 is set each month and is identified on Rider A.

BILLING:

End-Use Customers electing Back-up Gas Supply Service will select a level of Back-up Gas Supply Service annually. Each month, capacity charges will be determined based on that level of Back-up Gas Supply Service chosen. Commodity charges are billed only as incurred for Gas Delivery Service Customers under Gas Rate Nos. D3, D4, and D5. This service is not available to customers who have opted out of Banking.