

Black Hills/Iowa Gas Utility Company, L.L.C.
d/b/a Black Hills Energy

Gas Tariff
Volume 1
Schedule of Rates
Applying to Black Hills Energy's
Town Plan and Mainline Customers
In the State of Iowa

Filed with the
Iowa Utilities Board

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Notwithstanding any other provision of this Iowa Utilities Board Gas Tariff, Fifth Revised Rate Schedule Volume No. 1 or any contracts with customers referred to specifically or generally in Sheet Nos. 3 through 67a, as revised, all rates and charges contained in this Tariff or the aforesaid contracts may be modified at any time by a subsequent filing made pursuant to the provisions of Chapter 476 of the Code of Iowa.

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Notwithstanding any other provision of this Iowa Utilities Board Gas Tariff, Fifth Revised Rate Schedule Volume No. 1 or any contracts with customers referred to specifically or generally in Sheet Nos. 3 through 67a, as revised, all rates and charges contained in this Tariff or the aforesaid contracts may be modified at any time by a subsequent filing made pursuant to the provisions of Chapter 476 of the Code of Iowa.

**RATE SCHEDULE GS-1, GENERAL SERVICE
GAS**

Availability	Service under this rate schedule is available to any customer located in the towns as listed on Sheet No. 44.						
Applicability and Character of Service	This rate schedule shall apply to firm gas service for customers whose normal requirement does not exceed 199 Dekatherms on a peak day, and such service normally shall not be subject to curtailment or interruption, but will be subject to curtailment by pipeline supplier in compliance with their approved Federal Energy Regulatory Commission curtailment plan.						
Rate	<p>The customer's monthly bill shall be the sum of the following components:</p> <ol style="list-style-type: none"> 1. Basic Monthly Charge: <table style="margin-left: 40px; border: none;"> <tr> <td style="padding-right: 20px;">A. Residential</td> <td style="padding-right: 20px;">\$15.60 per meter</td> <td style="border-left: 1px solid black; width: 10px;"></td> </tr> <tr> <td>B. Commercial & Industrial</td> <td>\$23.60 per meter</td> <td style="border-left: 1px solid black;"></td> </tr> </table> 2. Non-Gas Cost: \$0.11868 per Therm 3. Purchase Gas Cost: The rates above are subject to Purchased Gas Adjustments Uniform Clause Information Sheet No. 48. 4. Energy Efficiency Cost Recovery: The rates above are subject to Energy Efficiency Cost Recovery Information Sheet No. 52. 	A. Residential	\$15.60 per meter		B. Commercial & Industrial	\$23.60 per meter	
A. Residential	\$15.60 per meter						
B. Commercial & Industrial	\$23.60 per meter						
Basic Monthly Charge	The "customer charge" is a measure of the costs associated with Company's facilities that are not jointly used by other customers and other costs related directly to service to the individual customer. These costs are fixed and do not vary with the amount of gas the customer consumes.						
Minimum Bill	Residential - \$15.60 Commercial and Industrial - \$23.60 						
Taxes	The total bill is subject to state and local taxes.						
Late Payment Charge	After 20 days there shall be a 1-1/2% charge on the unpaid balance.						
Pressure Adjustment	The measured volume is subject to a pressure factor adjustment as listed on Sheet No. 28						
Terms and Conditions	The General Terms and Conditions contained in this tariff shall apply to this rate schedule.						

RATE SCHEDULE GS-2 GENERAL SERVICE – AIR CONDITIONING GAS
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1. Availability: Service under this rate schedule is available to any customer located in the towns as listed on Sheet No. 44.
2. Applicability and Character of Service: This rate schedule shall apply to separately metered gas service used exclusively in a gas cooling application. Customers eligible to be served on the air conditioning rate are those whose non-gas cooling usage is provided through a general service rate.
3. Rate:
 - A. Rate per month:

Basic monthly charge	-	Residential - \$9.20 per meter	T
	-	Commercial and Industrial - \$11.20 per meter	T
Non-Gas Cost	-	\$0.118680	
 - B. After 20 days there shall be a 1-1/2% charge on the unpaid balance.
 - C. Above rates are subject to the Large Volume Interruptible Purchased Gas Adjustments Uniform Clause Information Sheet No. 48.
 - D. Above rates are subject to Energy Efficiency Cost Recovery Information Sheet No. 52.
4. The measured volume is subject to a pressure factor adjustment as listed on Sheet No. 28.
5. The total bill is subject to state and local taxes.
6. Minimum Bill: Residential - \$9.20
Commercial and Industrial - \$11.20
7. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

RATE SCHEDULE GAS

HELD FOR FUTURE USE

**RATE SCHEDULE 491, LARGE VOLUME FIRM SERVICE
GAS**

Availability	Service under this rate schedule is available to the following customers located near the indicated town: Massena, Iowa: Natural Gas Pipeline Company of America.	
Applicability and Character of Service	This rate schedule shall apply to firm gas service for use in customers' pumping station served off the pipeline of the supplier. The Massena station is not to exceed 700 Dekatherms per day. Peak day gas requirements of 200 Dekatherms or more will be considered "Large Volume."	
Rate	The customer's monthly bill shall be the sum of the following components:	N
	1. Basic Monthly Charge: \$150.00 per meter	D
	2. Non-Gas Cost: \$0.02418 per Therm	D
	3. Purchase Gas Cost: The rates above are subject to Purchased Gas Adjustments Uniform Clause Information Sheet No. 48.	
	4. Energy Efficiency Cost Recovery: The rates above are subject to Energy Efficiency Cost Recovery Information Sheet No. 52.	
Basic Monthly Charge	The "customer charge" is a measure of the costs associated with Company's facilities that are not jointly used by other customers and other costs related directly to service to the individual customer. These costs are fixed and do not vary with the amount of gas the customer consumes.	N
Minimum Bill	The minimum bill shall be the basic monthly charge.	
Taxes	The total bill is subject to state and local taxes.	
Late Payment Charge	After 20 days there shall be a 1-1/2% charge on the unpaid balance.	
Pressure Adjustment	The measured volume is subject to a pressure factor adjustment as listed on Sheet No. 28	
Terms and Conditions	The General Terms and Conditions contained in this tariff shall apply to this rate schedule.	
Billing Interval	Customers served under this tariff sheet may be billed on more frequent than monthly intervals pursuant to Iowa Adm. Code 199-19.3(7).	

**RATE SCHEDULE LVJ-1, LARGE VOLUME JOINT GAS SERVICE
GAS**

Availability	All areas in Northern Natural Gas Company's Rate Zone 1.	
Applicability and Character of Service	This rate schedule shall apply to joint gas service consisting of a base of firm gas volumes, supplemented by interruptible gas volumes. Company will calculate a peak day requirement for each premise by dividing the peak month usage in the last thirty six (36) months by 20. Peak day gas requirements of 200 Dekatherms or more will be considered "Large Volume."	
Rate	The customer's monthly bill shall be the sum of the following components: <ol style="list-style-type: none"> 1. Basic Monthly Charge - \$150.00 per meter. 2. Demand Charge - Customer's MDQ times the Demand Charge Rate - \$0.05010 per Therm 3. Non-Gas Cost: \$0.02418 per Therm 4. Purchase Gas Cost: The rates above are subject to Purchased Gas Adjustments Uniform Clause Information Sheet No. 48. 5. Energy Efficiency Cost Recovery: The rates above are subject to Energy Efficiency Cost Recovery Information Sheet No. 52. 	N D D
Basic Monthly Charge	The "customer charge" is a measure of the costs associated with Company's facilities that are not jointly used by other customers and other costs related directly to service to the individual customer. These costs are fixed and do not vary with the amount of gas the customer consumes.	N
Minimum Bill	The minimum bill shall be the contract demand charge plus the basic monthly charge	
Taxes	The total bill is subject to state and local taxes.	
Late Payment Charge	After 20 days there shall be a 1-1/2% charge on the unpaid balance.	
Pressure Adjustment	The measured volume is subject to a pressure factor adjustment as listed on Sheet No. 28.	
Penalty for Unauthorized Takes When Service is Interrupted:	Applicable rate above per Dekatherm plus the greater of either the pipeline daily delivery variance charges or \$20.00 per Dekatherm, for gas used in excess of the volumes of gas to which customer is limited. Revenues for unauthorized takes will be credited to the Company's PGA mechanism.	
Terms and Conditions	The General Terms and Conditions contained in this tariff shall apply to this rate schedule.	
Billing Interval	Customers served under this tariff sheet may be billed on more frequent than monthly intervals pursuant to Iowa Adm. Code 199-19.3(7).	

RATE SCHEDULE 518, MAINLINE LARGE VOLUME JOINT GAS SERVICE GAS

1. Availability: All areas in Northern Natural Gas Company's Rate Zone 1.
2. Applicability and Character of Service: This rate schedule shall apply to industrial customers serviced off the pipeline of the supplier taking joint gas service consisting of a base of firm gas volumes, supplemented by interruptible gas volumes. Company will calculate a peak day requirement for each premise by dividing the peak month usage in the last thirty six (36) months by 20. Peak day gas requirements of 200 Dekatherms or more will be considered "Large Volume." T
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3. Rate:
 - A. Contract Demand:
Non-Gas Cost - \$0.0501 per Therm T

Sales Volumes:
Non-Gas Cost - \$0.00500 per Therm T
 - B. After 20 days there shall be a 1-1/2% charge on the past due amount.
 - C. There shall be a basic monthly charge of \$150.00 per meter.
 - D. The minimum bill shall be the contract demand charge plus the basic monthly charge.
 - E. Above rates are subject to Purchased Gas Adjustments Uniform Clause Information Sheet No. 48.
 - F. Any Customer who has executed a LVCS contract with Company will be subject to Rider No. 1D, Large Volume Contract Service Rider. T
 - G. Above rates are subject to Energy Efficiency Cost Recovery Information Sheet No. 52.
4. The total bill is subject to state and local taxes.
5. Penalty for Unauthorized Takes When Service is Interrupted: Applicable rate in Paragraph 3A above per Dekatherm plus the greater of either the pipeline daily delivery variance charges or \$20.00 per Dekatherm, for gas used in excess of the volumes of gas to which customer is limited. Revenues for unauthorized takes will be credited to the Company's PGA mechanism.
6. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.
7. Billing Interval: Customers served under this tariff sheet may be billed on more frequent than monthly intervals pursuant to Iowa Adm. Code 199-19.3(7).

**RATE SCHEDULE SVI-1, SMALL VOLUME INTERRUPTIBLE
GAS**

Availability	Service under this rate schedule is available to any customer located in the towns as listed on Sheet No. 44
Applicability and Character of Service	This rate schedule shall apply to small volume gas service, which is subject to interruption at any time upon order of Company. Peak day gas requirements which exceed 24 Dekatherms per day but are less than 200 Dekatherms per day will be considered "Small Volume."
Rate	The customer's monthly bill shall be the sum of the following components: <ol style="list-style-type: none">1. Basic Monthly Charge - \$50.00 per meter.2. Non-Gas Cost: \$.04852 per Therm3. Purchase Gas Cost: The rates above are subject to Purchased Gas Adjustments Uniform Clause Information Sheet No. 48.4. Energy Efficiency Cost Recovery: The rates above are subject to Energy Efficiency Cost Recovery Information Sheet No. 52.
Basic Monthly Charge	The "customer charge" is a measure of the costs associated with Company's facilities that are not jointly used by other customers and other costs related directly to service to the individual customer. These costs are fixed and do not vary with the amount of gas the customer consumes.
Minimum Bill	The minimum bill shall be the basic monthly charge.
Taxes	The total bill is subject to state and local taxes.
Late Payment Charge	After 20 days there shall be a 1-1/2% charge on the unpaid balance.
Pressure Adjustment	The measured volume is subject to a pressure factor adjustment as listed on Sheet No. 28.
Penalty for Unauthorized Takes When Service is Interrupted:	Applicable rate above per Dekatherm plus the greater of either the pipeline daily delivery variance charges or \$20.00 per Dekatherm, for gas used in excess of the volumes of gas to which customer is limited. Revenues for unauthorized takes will be credited to the Company's PGA mechanism.
Affidavit Required	Customers electing interruptible service must sign an affidavit confirming the customer has an alternative fuel capability or is willing to discontinue gas service during periods of curtailment.
Terms and Conditions	The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

RATES GAS

HELD FOR FUTURE USE

RATES GAS

HELD FOR FUTURE USE

**RATE SCHEDULE LVI-2, LARGE VOLUME INTERRUPTIBLE – ELECTRIC GENERATION
GAS**

Availability	All areas in Northern Natural Gas Company's Zone 1.	
Applicability and Character of Service	This rate schedule shall apply to electrical generation customers. This service is subject to interruption at any time upon order of Company. Peak day gas requirements of 200 Dekatherms or more will be considered "Large Volume."	
Rate	The customer's monthly bill shall be the sum of the following components:	N
	1. Basic Monthly Charge - \$150.00 per meter.	D
	2. Non-Gas Cost: \$0.02418 per Therm	D
	3. Purchase Gas Cost: The rates above are subject to Purchased Gas Adjustments Uniform Clause Information Sheet No. 48.	
	4. Energy Efficiency Cost Recovery: The rates above are subject to Energy Efficiency Cost Recovery Information Sheet No. 52.	
Basic Monthly Charge	The "customer charge" is a measure of the costs associated with Company's facilities that are not jointly used by other customers and other costs related directly to service to the individual customer. These costs are fixed and do not vary with the amount of gas the customer consumes.	N
Minimum Bill	The minimum bill shall be the basic monthly charge.	
Taxes	The total bill is subject to state and local taxes.	
Late Payment Charge	After 20 days there shall be a 1-1/2% charge on the unpaid balance.	
Pressure Adjustment	The measured volume is subject to a pressure factor adjustment as listed on Sheet No. 28.	
Penalty for Unauthorized Takes When Service is Interrupted:	Applicable rate above per Dekatherm plus the greater of either the pipeline daily delivery variance charges or \$20.00 per Dekatherm, for gas used in excess of the volumes of gas to which customer is limited. Revenues for unauthorized takes will be credited to the Company's PGA mechanism.	
Affidavit Required	Customers electing interruptible service must sign an affidavit confirming the customer has an alternative fuel capability or is willing to discontinue gas service during periods of curtailment.	
Terms and Conditions	The General Terms and Conditions contained in this tariff shall apply to this rate schedule.	
Billing Interval	Customers served under this tariff sheet may be billed on more frequent than monthly intervals pursuant to Iowa Adm. Code 199-19.3(7).	

**RATE SCHEDULE LVI-3, LARGE INTERRUPTIBLE – GRAIN DRYER
GAS**

Availability	All areas in Northern Natural Gas Company's Zone 1.
Applicability and Character of Service	This rate schedule shall apply to large volume gas service for commercial or industrial, having predominately seasonal needs, such as grain drying, the heating of anhydrous ammonia or other such uses. This service is subject to interruption at any time upon order of Company. Peak day gas requirements of 200 Dekatherms or more will be considered "Large Volume."
Rate	The customer's monthly bill shall be the sum of the following components: <div style="margin-left: 40px;"> <p>1. Basic Monthly Charge - \$450.00 per meter per month for the 4 months, September through December. N</p> <p>2. Non-Gas Cost: \$0.02418 per Therm D</p> <p>3. Purchase Gas Cost: The rates above are subject to Purchased Gas Adjustments Uniform Clause Information Sheet No. 48.</p> <p>4. Energy Efficiency Cost Recovery: The rates above are subject to Energy Efficiency Cost Recovery Information Sheet No. 52.</p> </div>
Basic Monthly Charge	The "customer charge" is a measure of the costs associated with Company's facilities that are not jointly used by other customers and other costs related directly to service to the individual customer. These costs are fixed and do not vary with the amount of gas the customer consumes.
Minimum Bill	The minimum bill shall be the basic monthly charge.
Taxes	The total bill is subject to state and local taxes.
Late Payment Charge	After 20 days there shall be a 1-1/2% charge on the unpaid balance.
Pressure Adjustment	The measured volume is subject to a pressure factor adjustment as listed on Sheet No. 28
Penalty for Unauthorized Takes When Service is Interrupted:	Applicable rate above per Dekatherm plus the greater of either the pipeline daily delivery variance charges or \$20.00 per Dekatherm, for gas used in excess of the volumes of gas to which customer is limited. Revenues for unauthorized takes will be credited to the Company's PGA mechanism.
Affidavit Required	Customers electing interruptible service must sign an affidavit confirming the customer has an alternative fuel capability or is willing to discontinue gas service during periods of curtailment.
Terms and Conditions	The General Terms and Conditions contained in this tariff shall apply to this rate schedule.
Billing Interval	Customers served under this tariff sheet may be billed on more frequent than monthly intervals pursuant to Iowa Adm. Code 199-19.3(7).

GAS

HELD FOR FUTURE USE

**RATE SCHEDULE LVI-1, LARGE VOLUME INTERRUPTIBLE SERVICE
GAS**

Availability	All areas in Northern Natural Gas Company's Zone 1.	
Applicability and Character of Service	This rate schedule shall apply to large volume gas service, which is subject to interruption at any time upon order of Company. Peak day gas requirements of 200 Dekatherms or more will be considered "Large Volume."	
Rate	The customer's monthly bill shall be the sum of the following components:	N
	1. Basic Monthly Charge - \$150.00 per meter	D
	2. Non-Gas Cost: \$0.02418 per Therm	D
	3. Purchase Gas Cost: The rates above are subject to Purchased Gas Adjustments Uniform Clause Information Sheet No. 48.	
	4. Energy Efficiency Cost Recovery: The rates above are subject to Energy Efficiency Cost Recovery Information Sheet No. 52.	
Basic Monthly Charge	The "customer charge" is a measure of the costs associated with Company's facilities that are not jointly used by other customers and other costs related directly to service to the individual customer. These costs are fixed and do not vary with the amount of gas the customer consumes.	N
Minimum Bill	The minimum bill shall be the basic monthly charge.	
Taxes	The total bill is subject to state and local taxes.	
Late Payment Charge	After 20 days there shall be a 1-1/2% charge on the unpaid balance.	
Pressure Adjustment	The measured volume is subject to a pressure factor adjustment as listed on Sheet No. 28	
Penalty for Unauthorized Takes When Service is Interrupted:	Applicable rate above per Dekatherm plus the greater of either the pipeline daily delivery variance charges or \$20.00 per Dekatherm, for gas used in excess of the volumes of gas to which customer is limited. Revenues for unauthorized takes will be credited to the Company's PGA mechanism.	
Affidavit Required	Customers electing interruptible service must sign an affidavit confirming the customer has an alternative fuel capability or is willing to discontinue gas service during periods of curtailment.	
Terms and Conditions	The General Terms and Conditions contained in this tariff shall apply to this rate schedule.	
Billing Interval	Customers served under this tariff sheet may be billed on more frequent than monthly intervals pursuant to Iowa Adm. Code 199-19.3(7).	

**RATE SCHEDULE 299 MAINLINE LV INTERRUPTIBLE SERVICE
GAS**

Availability	All areas in Northern Natural Gas Company's Zone 1.	
Applicability and Character of Service	This rate schedule shall apply to large volume gas service, which is subject to interruption at any time upon order of Company. Peak day gas requirements of 200 Dekatherms or more will be considered "Large Volume."	
Rate	The customer's monthly bill shall be the sum of the following components: <ol style="list-style-type: none"> 1. Basic Monthly Charge - \$150.00 per meter 2. Non-Gas Cost: \$0.0050 per Therm 3. Purchase Gas Cost: The rates above are subject to Purchased Gas Adjustments Uniform Clause Information Sheet No. 48. 4. Energy Efficiency Cost Recovery: The rates above are subject to Energy Efficiency Cost Recovery Information Sheet No. 52. 	N D
Basic Monthly Charge	The "customer charge" is a measure of the costs associated with Company's facilities that are not jointly used by other customers and other costs related directly to service to the individual customer. These costs are fixed and do not vary with the amount of gas the customer consumes.	N
Minimum Bill	The minimum bill shall be the basic monthly charge.	
Taxes	The total bill is subject to state and local taxes.	
Late Payment Charge	After 20 days there shall be a 1-1/2% charge on the unpaid balance.	
Pressure Adjustment	The measured volume is subject to a pressure factor adjustment as listed on Sheet No. 28	
Penalty for Unauthorized Takes When Service is Interrupted:	Applicable rate above per Dekatherm plus the greater of either the pipeline daily delivery variance charges or \$20.00 per Dekatherm, for gas used in excess of the volumes of gas to which customer is limited. Revenues for unauthorized takes will be credited to the Company's PGA mechanism.	
Affidavit Required	Customers electing interruptible service must sign an affidavit confirming the customer has an alternative fuel capability or is willing to discontinue gas service during periods of curtailment.	
Terms and Conditions	The General Terms and Conditions contained in this tariff shall apply to this rate schedule.	
Billing Interval	Customers served under this tariff sheet may be billed on more frequent than monthly intervals pursuant to Iowa Adm. Code 199-19.3(7).	

**RATE SCHEDULE SVJ-1, SMALL VOLUME JOINT SERVICE
GAS**

Availability	All areas in Northern Natural Gas Company's Zone 1.
Applicability and Character of Service	This rate schedule shall apply to joint gas service consisting of a base of firm gas volumes, supplemented by interruptible gas volumes. Company will calculate a peak day requirement for each premise by dividing the peak month usage in the last thirty six (36) months by 20. Peak day gas requirements that exceed 24 Dekatherms per day but are less than 200 Dekatherms per day, will be considered "Small Volume."
Rate	The customer's monthly bill shall be the sum of the following components: <ol style="list-style-type: none"> 1. Basic Monthly Charge - \$50.00 per meter 2. Contract Demand - \$0.05010 per Therm 3. Non-Gas Cost: 0.04852 per Therm 4. Purchase Gas Cost: The rates above are subject to Purchased Gas Adjustments Uniform Clause Information Sheet No. 48. 5. Energy Efficiency Cost Recovery: The rates above are subject to Energy Efficiency Cost Recovery Information Sheet No. 52.
Basic Monthly Charge	The "customer charge" is a measure of the costs associated with Company's facilities that are not jointly used by other customers and other costs related directly to service to the individual customer. These costs are fixed and do not vary with the amount of gas the customer consumes.
Minimum Bill	The minimum bill shall be the contract demand charge plus the basic monthly charge
Taxes	The total bill is subject to state and local taxes.
Late Payment Charge	After 20 days there shall be a 1-1/2% charge on the unpaid balance.
Pressure Adjustment	The measured volume is subject to a pressure factor adjustment as listed on Sheet No. 28
Penalty for Unauthorized Takes When Service is Interrupted:	Applicable rate above per Dekatherm plus the greater of either the pipeline daily delivery variance charges or \$20.00 per Dekatherm, for gas used in excess of the volumes of gas to which customer is limited. Revenues for unauthorized takes will be credited to the Company's PGA mechanism.
Affidavit Required	Customers electing interruptible service must sign an affidavit confirming the customer has an alternative fuel capability or is willing to discontinue gas service during periods of curtailment.
Terms and Conditions	The General Terms and Conditions contained in this tariff shall apply to this rate schedule.
Billing Interval	Customers served under this tariff sheet may be billed on more frequent than monthly intervals pursuant to Iowa Adm. Code 199-19.3(7).

**RATE SCHEDULE 221, MAINLINE SMALL VOLUME GAS SERVICE
 GAS**

Availability	All areas in Northern Natural Gas Company's Zone 1.	
Applicability and Character of Service	This rate schedule shall apply to industrial customers served off the pipeline of the supplier taking joint gas service consisting of a base of firm gas volumes, supplemented by interruptible gas volumes. Company will calculate a peak day requirement for each premise by dividing the peak month usage in the last thirty six (36) months by 20. Peak day gas requirements, which exceed 24 Dekatherms per day but are less than 200 Dekatherms per day, will be considered "Small Volume."	
Rate	The customer's monthly bill shall be the sum of the following components:	N
	1. Basic Monthly Charge - \$50.00 per meter	D
	2. Contract Demand - \$0.05010 per Therm	D
	3. Non-Gas Cost: \$0.00500 per Therm	
	4. Purchase Gas Cost: The rates above are subject to Purchased Gas Adjustments Uniform Clause Information Sheet No. 48.	
	5. Energy Efficiency Cost Recovery: The rates above are subject to Energy Efficiency Cost Recovery Information Sheet No. 52.	
Basic Monthly Charge	The "customer charge" is a measure of the costs associated with Company's facilities that are not jointly used by other customers and other costs related directly to service to the individual customer. These costs are fixed and do not vary with the amount of gas the customer consumes.	N
Minimum Bill	The minimum bill shall be the contract demand charge plus the basic monthly charge	
Taxes	The total bill is subject to state and local taxes.	
Late Payment Charge	After 20 days there shall be a 1-1/2% charge on the unpaid balance.	
Pressure Adjustment	The measured volume is subject to a pressure factor adjustment as listed on Sheet No. 28	
Penalty for Unauthorized Takes When Service is Interrupted:	Applicable rate above per Dekatherm plus the greater of either the pipeline daily delivery variance charges or \$20.00 per Dekatherm, for gas used in excess of the volumes of gas to which customer is limited. Revenues for unauthorized takes will be credited to the Company's PGA mechanism.	
Affidavit Required	Customers electing interruptible service must sign an affidavit confirming the customer has an alternative fuel capability or is willing to discontinue gas service during periods of curtailment.	
Terms and Conditions	The General Terms and Conditions contained in this tariff shall apply to this rate schedule.	
Billing Interval	Customers served under this tariff sheet may be billed on more frequent than monthly intervals pursuant to Iowa Adm. Code 199-19.3(7).	

**RATE SCHEDULE 429, MAINLINE SMALL VOLUME INTERRUPTIBLE
GAS**

Availability	All areas in Northern Natural Gas Company's Zone 1.	
Applicability and Character of Service	This rate schedule shall apply to industrial customers served off the pipeline of the supplier taking small volume gas service which is subject to interruption at any time upon order of Company. Peak day gas requirements, which exceed 24 Dekatherms per day but are less than 200 Dekatherms per day will be considered "Small Volume."	
Rate	The customer's monthly bill shall be the sum of the following components:	N
	1. Basic Monthly Charge - \$50.00 per meter	D
	2. Non-Gas Cost: \$0.00500 per Therm	D
	3. Purchase Gas Cost: The rates above are subject to Purchased Gas Adjustments Uniform Clause Information Sheet No. 48.	
	4. Energy Efficiency Cost Recovery: The rates above are subject to Energy Efficiency Cost Recovery Information Sheet No. 52.	
Basic Monthly Charge	The "customer charge" is a measure of the costs associated with Company's facilities that are not jointly used by other customers and other costs related directly to service to the individual customer. These costs are fixed and do not vary with the amount of gas the customer consumes.	N
Minimum Bill	The minimum bill shall be the basic monthly charge.	
Taxes	The total bill is subject to state and local taxes.	
Late Payment Charge	After 20 days there shall be a 1-1/2% charge on the unpaid balance.	
Pressure Adjustment	The measured volume is subject to a pressure factor adjustment as listed on Sheet No. 28	
Penalty for Unauthorized Takes When Service is Interrupted:	Applicable rate above per Dekatherm plus the greater of either the pipeline daily delivery variance charges or \$20.00 per Dekatherm, for gas used in excess of the volumes of gas to which customer is limited. Revenues for unauthorized takes will be credited to the Company's PGA mechanism.	
Affidavit Required	Customers electing interruptible service must sign an affidavit confirming the customer has an alternative fuel capability or is willing to discontinue gas service during periods of curtailment.	
Terms and Conditions	The General Terms and Conditions contained in this tariff shall apply to this rate schedule.	
Billing Interval	Customers served under this tariff sheet may be billed on more frequent than monthly intervals pursuant to Iowa Adm. Code 199-19.3(7).	

**RATE SCHEDULE SLV – SUPER LARGE VOLUME
GAS**

Availability	Service under this rate schedule is available to large volume customers supplied through Northern Natural Gas Company.	N
Applicability and Character of Service	This rate schedule shall apply to joint gas service consisting of a base of firm gas volume, supplemented by additional interruptible gas volumes authorized from day to day. Customer must have and maintain both the proven capability and adequate fuel supplies to use alternative fuel if the Company's service to such customer is interrupted. At Company's request, the customer must demonstrate it has such capability and fuel supplies for amounts in excess of firm entitlement volumes to maintain operations during periods of curtailment. Customer must have capacity to take 4,000 Mcf or more per day and annual consumption of 1 Bcf (1 million Mcf), except that, where consumption falls below this level due exclusively to efforts to conserve energy, or temporarily due to a strike or shutdown, customer is still eligible to take service under this tariff. Customer must document conservation efforts to justify consumption below 1 Bcf.	N
Cost/Benefit Analysis	In determining the rate, Company shall evaluate the individual customer's situation and perform a cost/benefit analysis.	N
Rate	The rate shall be negotiated between the parties and must pass the cost/benefit analysis.	N
Contracts	Service contracts with customers on this rate will be filed with the Board.	N
Basic Monthly Charge	The "customer charge" is a measure of the costs associated with Company's facilities that are not jointly used by other customers and other costs related directly to service to the individual customer. These costs are fixed and do not vary with the amount of gas the customer consumed.	N
Minimum Bill	The monthly minimum bill shall be the customer charge, the daily firm capacity charge, the demand charge and the applicable commodity charge for all volumes taken.	N
Penalty for Unauthorized Takes When Service is Interrupted	Applicable rate in Paragraph 3A above per Dekatherm plus the greater of either the pipeline daily delivery variance charges or \$20.00 per Dekatherm for gas used in excess of the volumes of gas to which customer is limited. Revenues for unauthorized takes will be credited to the Company's PGA mechanism.	N
Taxes	The total bill is subject to state and local taxes.	N

RATE SCHEDULE SLV – SUPER LARGE VOLUME (continued)
GAS

Billing Interval	Customers served under this tariff may be billed on more frequent than monthly intervals pursuant to Iowa Adm. Code 199-19.3(7).	N
Late Payment Charge	After 20 days there shall be a 1-1/2% charge on the unpaid balance.	N
Demand Charge	In order to meet customers' maximum demands, Company must design and have facilities sized to meet those maximum demands, regardless of whether the customer uses that volume of gas every day. Company incurs substantial costs associated with the investment and the operation and maintenance expenses associated with gas distribution facilities sized to accommodate individual customers' maximum rate of gas usage. Therefore, the level of "Peak Usage" or "Maximum Daily Quantity" (MDQ) represents the measure of Customer's use of capacity, and when applied to the Demand Charge, Customer's responsibility for Company's cost of maintaining that peak day capacity.	N
Maximum Daily Quantity (MDQ)	A Customer's MDQ represents the maximum quantity of gas that the customer requires and hence the capacity of the distribution facilities needed to serve that customer. The maximum quantity of gas a customer consumes is calculated using the definition for "Maximum Daily Quantity" as defined on Sheet GT-2. Company will estimate the number of units for new customers.	N
General Terms and Conditions	The General Terms and Conditions contained in this tariff shall apply to this rate schedule.	N

TAX ADJUSTMENT CLAUSE GAS

When any franchise, occupation, sales, license, excise, privilege or similar tax or fee of any kind is imposed upon the Company by any governmental authority based upon (1) the sale of gas service to customers, (2) the amount of gas energy sold to customers, (3) the gross receipts, net receipts or revenues to the Company therefrom, such tax or fee or value of service shall, insofar as practical, be charged on a pro rata basis to all customers receiving gas service from the Company within the boundaries of such taxing authority. Any such charge shall continue in effect only for the duration of such tax, assessment or service period. N
N
N
N
N
N

Current Applicable Requirements: N

1. Iowa Sales Tax. A state sales tax, as set forth in Section 422.43 of the Iowa Code, shall be applied to all billings for gas service, unless excepted under the provisions of Section 422.45 of the Iowa Code and the regulation applicable thereto. N
N
N
2. Local Option Sales Tax. Where a local option tax, as set forth in Section 422B of the Iowa Code, has been imposed in a county, it shall be applied to all billings for gas service to customers within the designated area(s) of application, except where such billings are subject to a franchise or user fee and therefore exempt under Rule 701-701.9 of the Iowa Administrative Code. N
N
N
N
3. School Infrastructure Local Option Tax. Where a school infrastructure local option tax, as set forth in Section 422E of the Iowa Code, has been imposed in a county, it shall be applied to all billings for gas service to customers within the county, except where such billings are subject to a franchise or user fee and therefore exempt under Rule 701-107.9 of the Iowa Administrative Code. N
N
N
N
4. Franchise Requirements. A franchise fee shall be billed to all billings for gas service furnished within the cities identified in the table below, showing the city franchise fee or rate, and the effective date of the charge. However, the franchise fee shall not be assessed to the city as a customer. The franchise fee will also be charged on the sale of natural gas sold to transportation customers by third-party suppliers where the franchise provides that such sales are subject to the franchise fee. N
N
N
N
N

TAX ADJUSTMENT CLAUSE GAS

Description	Percent	Description	Percent	
County Taxes		County Taxes (continued):		
ADAIR COUNTY IA	1.0	HAMILTON COUNTY IA	2.0	N
ALLAMAKEE COUNTY IA	2.0	HANCOCK COUNTY IA	2.0	N
AUDUBON COUNTY IA	2.0	JACKSON COUNTY IA	2.0	N
BENTON COUNTY IA	1.0	JASPER COUNTY IA	1.0	N
BLACK HAWK COUNTY IA	2.0	JONES COUNTY IA	2.0	N
BOONE COUNTY IA	2.0	KOSSUTH COUNTY IA	2.0	N
BREMER COUNTY IA	2.0	LINN COUNTY IA	1.0	N
BUCHANAN COUNTY IA	2.0	MILLS COUNTY IA	2.0	N
BUTLER COUNTY IA	2.0	MITCHELL COUNTY IA	2.0	N
CALHOUN COUNTY IA	1.0	MONONA COUNTY IA	2.0	N
CARROLL COUNTY IA	1.0	O'BRIEN COUNTY IA	2.0	N
CASS COUNTY IA	1.0	POCAHONTAS COUNTY IA	2.0	N
CLAY COUNTY IA	2.0	POLK COUNTY IA	1.0	N
CLAYTON COUNTY IA	2.0	POTTAWATTAMIE COUNTY	2.0	N
CRAWFORD COUNTY IA	2.0	SAC COUNTY IA	1.0	N
DALLAS COUNTY IA	1.0	STORY COUNTY IA	2.0	N
EMMET COUNTY IA	1.0	WEBSTER COUNTY IA	1.0	N
FAYETTE COUNTY IA	2.0	WINNEBAGO COUNTY IA	2.0	N
FREMONT COUNTY IA	2.0	WINNESHIEK COUNTY IA	2.0	N
HANCOCK CO IA (Forest Cty)	1.0	WOODBURY COUNTY IA	2.0	N
HARDIN COUNTY IA	2.0	WORTH COUNTY IA	2.0	N
HOWARD COUNTY IA	2.0			
DELAWARE COUNTY IA	2.0	Franchise Fees:		
DES MOINES COUNTY IA	2.0	BOXHOLM	1.0	N
DICKINSON COUNTY IA	2.0	DUBUQUE	2.0	N
DUBUQUE COUNTY IA	2.0	MADRID	1.0	N
FLOYD COUNTY IA	2.0	MONTICELLO	3.0	N
GREENE COUNTY IA	1.0	OGDEN	1.0	N
GRUNDY COUNTY IA	2.0			
GUTHRIE COUNTY IA	1.0			

PRESSURE FACTOR IN TOWN
 GAS

Ackley	0.9742	Glenwood	0.9810	Onawa	0.9742
Adair	0.9674	Glidden	0.9742	Orleans	0.9640
Anamosa	0.9878	Gowrie	0.9742	Ossian	0.9728
Andrew	0.9871	Grand Junction	0.9803	Paullina	0.9674
Anita	0.9742	Granger	0.9810	Peosta	0.9878
Arion	0.9742	Greene	0.9810	Petersburg	0.9790
Arlington	0.9742	Grimes	0.9810	Pilot Mound	0.9742
Arnolds Park	0.9674	Grundy Center	0.9810	Pocahontas	0.9742
Aurora	0.9810	Guttenberg	0.9946	Postville	0.9742
Baxter	0.9823	Hamburg	0.9810	Primghar	0.9606
Bellevue	0.9946	Hanlontown	0.9742	Ralston	0.9742
Boxholm	0.9810	Harcourt	0.9742	Randall	0.9810
Calmar	0.9728	Hawkeye	0.9742	Readlyn	0.9810
Carter Lake	0.9810	Hopkinton	0.9810	Ridgeway	0.9742
Cedar Falls Rural	0.9864	Ionia	0.9742	Rippey	0.9810
Charles City Rural	0.9572	Jessup	0.9640	Rockford	0.9810
Colesburg	0.9776	Jewel	0.9810	Royal	0.9674
Coon Rapids	0.9742	Joice	0.9728	Saint Ansgar	0.9742
Council Bluffs	0.9810	Kellogg	0.9878	Saint Olaf	0.9905
Crescent	0.9810	Klemme	0.9742	Scranton	0.9742
Cresco	0.9674	Knapp Garden	0.9742	Sidney	0.9810
Cumberland	0.9742	La Motte	0.9851	Spencer	0.9742
Dayton	0.9742	Lake Mills	0.9742	Spirit Lake	0.9606
Decorah	0.9810	Lake View	0.9735	Spirit Lake	0.9640
Delhi	0.9810	Lamont	0.9810	Springville	0.9857
Denison	0.9742	Langworthy	0.9864	Stanhope	0.9783
Dike	0.9810	Laporte City	0.9878	Story City	0.9810
Dow City	0.9742	Lawler	0.9796	Strawberry Pt.	0.9742
Dubuque	0.9939	Lehigh	0.9810	Sumner	0.9810
Dyersville	0.9810	Leland	0.9742	Superior	0.9674
Eagle Center	0.9844	Lewis	0.9756	Tabor	0.9946
Earlville	0.9810	Luana	0.9742	Terril	0.9674
Edgewood	0.9742	Madrid	0.9810	Tipton	0.9878
Elkader	0.9878	Manchester	0.9810	Tripoli	0.9810
Elmerado Estates	0.9742	Maquoketa	0.9878	Vincent	0.9742
Emmons	0.9674	Marble Rock	0.9810	Wahpeton	0.9708
Epworth	0.9803	Martelle	0.9857	Wallingford	0.9674
Estherville	0.9674	Massena	0.9728	Waukon	0.9742
Everly	0.9695	Miles	0.9878	Webster City	0.9810
Farley	0.9742	Milford	0.9667	West Okoboji	0.9708
Farmersburg	0.9878	Mitchell	0.9742	West Union	0.9742
Farnhamville	0.9742	Monona	0.9742	Woodward	0.9810
Fayette	0.9810	Monticello	0.9878	Worthington	0.9844
Fertile	0.9742	New Hampton	0.9742	Zwingle	0.9857
Fonda	0.9749	New Vienna	0.9810		
Forest City	0.9742	Newton	0.9837		
Fostoria	0.9661	Ogden	0.9742		
Fredericksburg	0.9742	Ogden	0.9742		
Garden City	0.9810	Okoboji	0.9708		
Garnavillo	0.9823	Okoboji - Outside	0.9708		

In order to bring all sales base pressures to a standard of 14.73 psi, the above pressure factors are applied to all metered volumes in the corresponding towns.

RATES GAS

HELD FOR FUTURE USE

RATES GAS

RESERVED FOR FUTURE USE

RATES GAS

HELD FOR FUTURE USE

RATES GAS

HELD FOR FUTURE USE

PURCHASED GAS ADJUSTMENT – UNIFORM CLAUSE
GAS

I. Rates Subject to the Purchased Gas Adjustment (PGA) Clause

All gas utility rate schedules shall be subject to a gas cost adjustment; however, since Company purchases gas from different supply sources, gas cost adjustments will be calculated for each pipeline identified below:

Pipelines:

Northern Natural Gas Company
Natural Gas Pipeline Company of America

II. Determination of Purchased Gas Adjustment Amount

For purpose of computing the Purchased Gas Adjustment, the following formula will be used:

$$PGA = \frac{(C \times Rc) + (D \times Rd) + (Z \times Rz) + Rb + E}{S} \quad C$$

- PGA is the purchased gas adjustment per unit.
- S is the anticipated yearly gas commodity sales volume for each customer classification or grouping.
- C is the volume of applicable commodity purchased or transported for each customer classification or grouping required to meet sales, S, plus the expected lost and unaccounted for volumes.
- Rc is the weighted average of applicable commodity prices or rates, including appropriate hedging tool costs, to be in effect September 1 corresponding to purchases C. C
- D is the total volume of applicable entitlement reservation purchases required to meet sales, S, for each customer classification or grouping. C
- Rd is the weighted average of applicable entitlement reservation charges to be in effect September 1 corresponding to purchases D. C
-
-
- Z is the total quantity of applicable storage service purchases required to meet sales, S, for each customer classification or grouping.
- Rz is the weighted average of applicable storage service rates to be in effect September 1 corresponding to purchased Z.
- Rb is the adjusted amount necessary to obtain the anticipated balance for the remaining PGA year calculated by taking the anticipated PGA balance divided by the forecasted volumes, including storage, for one or more months of the remaining PGA year. C
- E is the per unit over- or under-collection adjustment as calculated under subrule 19.10(7). C

PURCHASED GAS ADJUSTMENT – UNIFORM CLAUSE (Continued) GAS
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III. Application of Calculation
 The formula

$$PGA = \frac{(C \times Rc) + (D \times Rd) + (Z \times Rz) + Rb + E}{S} \quad C$$

identified previously will be calculated separately for each wholesale pipeline supplier and for Directly- Assigned (Joint and Interruptible) and Non-Directly-Assigned (General Service) customers. The Company shall file on or before August 1 of each year a purchased gas adjustment for the 12 month period beginning Sept. 1 of that year. C C

V. Cost Included in the Purchased Gas Adjustment

The cost of gas included in the computation shall consist of all costs properly included in FERC Accounts 800 through 812.

Frequency of Change

The adjustments under this provision shall be computed and filed annually by August 1 of each year and will project the average cost of gas for the prospective twelve month period beginning September 1 of that year. During the twelve-month period beginning September 1, a change in rate will be reflected whenever a change in the formula identified previously results in an increase or decrease in the new projected effective rate for purchased gas. T D

VI. Annual Reconciliation

The Company shall file a Purchased Gas Adjustment reconciliation between September 1 and October 1 of each year. The Company shall maintain a continuing monthly comparison of the actual cost of gas as shown on the books and records of the Company, exclusive of refunds, and the cost recovery for the same month calculated by multiplying the volumes sold during said month by the currently effective rate for purchased gas and the prior year's reconciliation adjustment. D

For each twelve month period which began September 1 of the previous year, an Actual Cost Adjustment (ACA) shall be developed by dividing the cumulative balance of unrecovered or over-recovered costs by the sales volumes for the prospective twelve-month period beginning September 1. The ACA shall be applied to sales billed for the ten month period beginning November 1.

If the cumulative balance results in a net over-recovery exceeding the "maximum" limit of three percent of the annual cost of purchased gas subject to recovery, the Company shall refund the over-recovery by bill credit, with interest as stated in 19.10(7)b(1) for the time period beginning September 1 of the current year to the date of refund. The annual reconciliation shall include the information on hedging tools identified in IAC 19.10(7). C C C

VII. Treatment of Refunds

In the event a refund is received by the Company from any supplier of natural gas attributable to the cost of gas which has been sold by the Company under the foregoing purchased gas adjustment clause, Company shall file a refund report as stated in 19.10(8). C

PURCHASED GAS ADJUSTMENT – UNIFORM CLAUSE (Continued) GAS
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VII. Supplemental Gas Supply

In the event the Company finds it necessary to supplement its pipeline supply of natural gas by means of peak shaving with propane air, liquefied natural gas or other short term supplemental gas supplies, the associated gas purchase costs will be included in the formula for calculating the Purchased Gas Adjustment.

VIII. Information to be Filed with the Commission

Each Purchased Gas Adjustment will be accomplished by filing an application and will be accompanied by such supporting data and information as the Commission may require.

RATES GAS

HELD FOR FUTURE USE

RATES GAS

HELD FOR FUTURE USE

RIDER NO. 1, PURCHASED GAS ADJUSTMENT – UNIFORM CLAUSE
GAS

Purchased Gas Adjustment – Uniform Clause
Information Sheet
Rider No. 1

		<u>Entitlement Chg/Month \$</u>	<u>\$ / Therm or Per Month</u>
PGA 1	GS		0.92496
PGA 2	SVI / LVI		0.92496
PGA 3	SVF / LVF-Commodity		0.91091
PGA 4	Firm Entitlement – SVF / LVF		0.56830

RATES GAS

HELD FOR FUTURE USE

RIDER NO. 1D, ISS-2
GAS

1. Applicability: Applicable to all customers served from Northern Natural Gas Company's pipeline including, but not limited to, end users having alternate fuel capability and economic expansion, etc. when such customers have executed an ISS-2 contract with Company.
2. Contract Requirements: In order for this rider to apply, the customer must contract with Company to purchase natural gas from Company to satisfy the customer's energy requirements as specified in the contract for the term of the contract. The term of each contract shall be subject to negotiations between Northern, Company and the individual customer. Where special gas packages are available from the pipeline or other sources that are designated only for certain end use customers these costs will be assigned directly to the specific end use customers. This includes, but is not limited to, Northern Natural Gas Company's Rate Schedule ISS-2. Company will submit a copy of each contract to the Iowa Utilities Board as soon as it is completed. These contracts will go into effect immediately unless and until objected to by the Iowa Utilities Board. Such contracts are specifically subject to requirements of Northern's FERC approved ISS-2 tariff.
3. Rate: The rate for applicable volumes agreed to shall be the rate specified in each contract for ISS-2 Service. Once an ISS-2 rate is agreed to and approved for a customer, the commodity price charged to the customer for gas shall be as indicated in the ISS-2 contract.
4. Term: This rider shall be available for the period July 1, 1988 through June 30, 1989, or until Northern's authority is revoked by the Federal Energy Regulatory Commission.

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RIDER NO. 1E, TEMPORARY RETENTION SERVICE (TRS)
GAS

1. Applicability: Applicable to all customers served by Company having an alternate fuel capability for requirements in excess of 199 Dekatherm per day when such customers have executed a TRS contract amendment with Company.
2. Contract Requirements: In order for this rider to apply, the customer must sign a contract amendment with Company to purchase natural gas from Company to satisfy the customer's energy requirements as specified in the contract amendment for the term of the contract amendment. The term of each contract amendment shall be subject to negotiations between Company and the individual customer, with the term of the contract amendment not to exceed a 60 day period. Company shall submit a copy of each contract amendment to the Iowa State Utilities Board as soon as possible after the amendment is signed by both parties.

Any customer seeking a TRS contract amendment shall be required to file an affidavit (1) to attest that the customer is able to obtain a burner tip alternate fuel price lower than Company's approved commodity rate, and (2) to attest that the customer would switch to the alternate fuel if the flexible rate is not offered. The affidavit will also identify the alternate fuel supply and set forth the burner tip price of the alternate fuel.
3. Rate: The commodity rate agreed to by Company and the customer for applicable volumes shall be the rate specified in each contract amendment for Temporary Retention Service. Once a TRS rate is established and agreed to by Company and the customer, the commodity price charged to the customer for gas shall be as specified in the TRS contract amendment. The commodity price established must be between floor and ceiling specifications as follows. The floor commodity price is equal to the cost of gas included in the applicable rate schedule, including applicable cost of gas adjustment. The ceiling commodity price is to be the commodity rate in effect per applicable rate schedule, including applicable cost of gas adjustments, approved and on file with the Iowa Utilities Board. TRS rates shall be applicable to commodity rates only. Customers receiving service pursuant to firm or joint firm and interruptible rate schedules shall

RIDER NO. 1E, TEMPORARY RETENTION SERVICE (TRS) (Continued)
GAS

continue to pay applicable demand charges. The customer shall be subject to the provisions of the tariff and the Cost of Gas Adjustment, except that the commodity charge shall be the price indicated in the TRS contract amendment. Company will adjust the margin component of the TRS rate to compensate for gas cost changes occurring during the term of the TRS contract amendment. The gas cost component of the total rate, as well as the margin component, will move upward or downward to reflect changes in Company's cost of gas. In the event increases or decreases in gas cost cause the margin to move downward or upward to the extent the margin would not comply with the floor or ceiling specifications, the TRS contract amendment shall automatically terminate. Customers having a TRS contract amendment will continue to be identified on their present tariff schedule.

4. Cost/Benefit Analysis: In deciding whether to offer a specific discount, Company shall evaluate the individual customer's situation and perform a cost-benefit analysis before offering the discount.
5. Reporting: Semi-annual reports shall be filed with the Board within thirty days of the end of each six months. Information included in the reports shall be as specified in Iowa Adm. Code § 199-19.12(4).
6. Term: As specified in Iowa Adm. Code 199-19.12(3)d, no discount shall be offered for a period longer than five years, unless the Board determines upon good cause shown that a longer period is warranted.

RIDER NO. 1F, SMALL VOLUME TEMPORARY RETENTION SERVICE (SV TRS) (Continued)
GAS

1. Applicability: Applicable to all customers served by Company having an alternate fuel capability for requirements in excess of 24 Dekatherm per day but less than 200 Dekatherm per day when such customers have executed a TRS contract amendment with Company.

2. Contract Requirements: In order for this rider to apply, the customer must sign a contract amendment with Company to purchase natural gas from Company to satisfy the customer's energy requirements as specified in the contract amendment for the term of the contract amendment. The term of each contract amendment shall be subject to negotiations between Company and the individual customer, with the term of the contract amendment not to exceed a 60 day period. Company shall submit a copy of each contract amendment to the Iowa Utilities Board as soon as possible after the amendment is signed by both parties.

Any customer seeking a TRS contract amendment shall be required to file an affidavit (1) to attest that the customer is able to obtain a burner tip alternate fuel price lower than Company's approved commodity rate, and (2) to attest that the customer would switch to the alternate fuel if the flexible rate is not offered. The affidavit will also identify the alternate fuel supply and set forth the burner tip price of the alternate fuel.

3. Rate: The commodity rate agreed to by Company and the customer for applicable volumes shall be the rate specified in each contract amendment for Temporary Retention Service. Once a TRS rate is established and agreed to by Company and the customer, the commodity price charged to the customer for gas shall be as specified in the TRS contract amendment. The commodity price established must be between floor and ceiling specifications as follows. The floor commodity price is equal to the cost of gas included in the applicable rate schedule, including applicable cost of gas adjustment. The ceiling commodity price is to be the commodity rate in effect per applicable rate schedule, including applicable cost of gas adjustments, approved and on file with the Iowa Utilities Board. TRS rates shall be applicable to commodity rates only. Customers receiving service pursuant to firm or joint firm and interruptible rate schedules shall continue to pay applicable demand charges. The customer shall be subject to the provisions of the tariff and the Cost of Gas Adjustment, except that the commodity charge shall be the price indicated in the TRS contract amendment. Company will adjust the margin component of the TRS rate to compensate for gas cost changes occurring during the term of the TRS contract amendment. The gas cost component of the total rate, as well as the margin component, will move upward or downward to reflect changes in Company's cost of gas. In the event increases or decreases in gas cost cause the margin to move downward or upward to the extent the margin would not comply with the floor or ceiling specifications, the TRS contract amendment shall automatically terminate. Customers having a TRS contract amendment will continue to be identified on their present tariff schedule.

RIDER NO. 1F, SMALL VOLUME TEMPORARY RETENTION SERVICE (SV TRS) (Continued)
GAS

4. Cost/Benefit Analysis: In deciding whether to offer a specific discount, Company shall evaluate the individual customer's situation and perform a cost-benefit analysis before offering the discount.
5. Reporting: Semi-annual reports shall be filed with the Board within thirty days of the end of each six months. Information included in the reports shall be as specified in Iowa Adm. Code § 199-19.12(4).
6. Term: As specified in Iowa Adm. Code 199-19.12(3)d, no discount shall be offered for a period longer than five years, unless the Board determines upon good cause shown that a longer period is warranted.

RIDER NO. 1G, ECONOMIC DEVELOPMENT DISCOUNT/INCENTIVE RATE GAS

1. Applicability: An Economic Development Discount/Incentive Rate may be offered to any new or existing customer who will increase load in response to a discount or a prospective customer who will initiate operations in response to a discount.
2. Rate: The discount/incentive sales or transportation rate shall be as agreed to between Company and customer. The ceiling is the current approved margin or transportation rate included in the applicable rate schedule. For a retail sales customer, the ceiling rate is to be the commodity rate in effect per applicable rate schedule, including the applicable cost of gas adjustment, approved and on file with the Iowa Utilities Board. The floor transportation rate is zero. For a sales customer, the floor is equal to the cost of gas included in the applicable rate schedule, including the applicable cost of gas adjustment. Discount/incentive rates are applicable to transportation rates, and retail sales commodity and contract demand margins. If applicable, the gas cost component of the total rate will move upward or downward to reflect changes in Company's cost of gas. Discount/incentive rates shall be offered to all of customer's direct competitors.
3. Cost/Benefit Analysis: In deciding whether to offer a specific discount, Company shall evaluate the individual customer's situation and perform a cost-benefit analysis before offering the discount.
4. Reporting: Semi-annual reports shall be filed with the Board within thirty days of the end of each six months. Information included in the reports shall be as specified in Iowa Adm. Code § 199-19.12(4).
5. Term: As specified in Iowa Adm. Code 199-19.12(3)d, no discount shall be offered for a period longer than five years, unless the Board determines upon good cause shown that a longer period is warranted.

RATE SCHEDULE GAS

HELD FOR FUTURE USE

RATES GAS

To access the Company's transportation services agreements and related documents, please refer to:

<http://www.aquila.com/customers/energyrates/>

RIDER NO. 3, ENERGY EFFICIENCY COST RECOVERY GAS

Rider No. 3

		<u>\$/Therm</u>
ECR-1	General Service (GS-1, GS-2) GS – Tariff Sheet Nos. 3, 4	0.03212
ECR-2	Non-General Service SVI – Tariff Sheet No. 15 SVJ – Tariff Sheet No. 22 LVI – Tariff Sheet Nos. 17, 18, 19, 20 LVJ – Tariff Sheet Nos. 13, 14, 14a ML – Tariff Sheet Nos. 20a, 23, 24	-0.00054
ECR-3	Transportation	0

RATES GAS

HELD FOR FUTURE USE

SMALL VOLUME TRANSPORTATION RATE SCHEDULE

1. Availability: Service under this rate schedule is available to any Small Volume non-General Service end-use customer who purchases gas supplies that can be transported on a firm and/or interruptible basis by Company. Service hereunder shall be offered on a non-discriminatory firm and/or interruptible basis contingent upon adequate system capacity.
2. Applicability. This service shall apply to small volume gas transportation service, which includes a level of firm and/or interruptible gas service. The interruptible gas is subject to interruption at any time upon order of Company. Daily consumption cannot exceed 199 Dekatherm per meter on any day. Customers electing interruptible service must sign an affidavit confirming the customer has an alternate fuel capability or is willing to discontinue gas service during periods of curtailment. If Customer or Company suspect Customer's maximum daily consumption is 200 Dekatherm per day or more, usage will be monitored by the Company to determine whether the Customer qualifies for large volume service. Small volume customers who convert to transportation service will be required to take assignment to pay for, at the option of the Company, firm interstate natural gas pipeline capacity and supplies designated by Company for a period of up to one year.
3. Rate:
Fixed Rate: Customer Charge - \$50 per month per facility for transportation service, plus the applicable sales tariff basic monthly charge. "Facility" shall include all meters serving buildings under common ownership behind the same town border station ("TBS").

Daily Firm Capacity Charge

If applicable, is at the rate set forth in customer's regular sales tariff schedule.

Commodity Charge

All volumes received by customer hereunder shall be charged a rate equal to the commodity gross margin component of Company's rate then in effect under its sales rate schedule for such customer. Customer is also subject to the Annual Cost Adjustment (ACA), as set forth in TT-1, Rider No. 1, and all charges imposed by the pipeline supplier for transportation service. Additional costs will be assigned as they are authorized by the FERC or state commissions to be charged by Company's pipeline suppliers for transportation services, including, but not limited to, unauthorized overrun charges, take or pay costs, TCR costs, and GRI costs. In addition, all volumes delivered from system supply gas shall be charged the rate set forth in the appropriate Company sales tariff schedule, including the applicable customer charge.

SMALL VOLUME TRANSPORTATION RATE SCHEDULE

Reconnection Charge. An end-user receiving transportation service without system supply reserve service must pay a \$5 reconnection charge when such customer requests to return to Company's system supply.

Taxes - The total bill is subject to state and local taxes.

4. Special Conditions:

- A. Customer must have arranged for the purchase of gas other than Company's system supply for delivery to Company's system.
- B. Customer shall execute a written contract for transportation service pursuant to this rate schedule containing such terms and conditions as Company reasonably requires. Gas transportation agreements and applicable documents are available at the Company's electronic website, <http://www.aquila.com/customers/energyrates/>. The Company will provide a written copy of the agreements if requested by the customer.
- C. Customers must install telemetry equipment or purchase the Balancing Service provided in Section 14 below. Customers must reimburse the Company for the cost incurred by Company to install telemetry equipment and for the cost of any other improvements made by Company in order to provide this transportation service. Customer shall also provide telephonic access and service to this telemetry equipment. The Company will offer financing for periods up to 90 days interest free. The Company will offer financing with interest to a customer to pay for the installation of telemetry equipment for a period of more than 90 days but not more than 12 consecutive months on a non-regulated basis. The telemetry equipment and any other improvements made by the Company shall remain the property of the Company, and will be maintained by the Company.
- D. All third party non-regulated suppliers, which are deemed to be Competitive Natural Gas Providers (CNGPs), are subject to the Iowa Utilities Board's rules and regulations governing CNGP's, and must hold an IUB certificate before serving end-users.
- E. Company's sales refunds applicable to the period when gas is transported will not be made to transportation customers, except in those instances when such customers have received sales service and may be eligible to receive refunds related to such service.
- F. The order of gas delivery for purposes of billing will be as follows:
 - 1. Customer-owned firm volumes.
 - 2. Customer-owned interruptible volumes.
 - 3. Sales gas priced per Company's applicable sales tariffs.

SMALL VOLUME TRANSPORTATION RATE SCHEDULE (continued)

- G. Customer is responsible for ensuring that the gas purchased from a third party is delivered. Customer agrees to curtail the use of gas when the gas purchased from a third party is not delivered to Company's system. Failure to curtail will result in penalties for unauthorized takes per Section 12.
- H. Customers may transfer to Transportation Service after giving the Company one month advance notice, and after telemetry equipment, if required, is installed. A firm (joint) transportation service Customer must provide two months notice before returning to sales service during the period November through March. A transportation customer may only transfer to firm or interruptible sales service if Company is able to arrange adequate additional daily firm capacity and commodity supplies to meet the needs imposed on its system by the Customer, without jeopardizing system reliability or increasing costs for its own Customers. Notwithstanding the provisions of this Section, Customers transporting gas for seasonal non-winter peaking purposes lasting less than six months shall be allowed to transfer to sales service at any time after providing one month's written notice, and do not have to be on transportation for any specific period of time.
- I. Customers choosing joint rate transportation service may either: (1) purchase both interstate pipeline capacity and Company's distribution system capacity from Company at the rate determined by Company's tariff, Schedule TT-1, or (2) purchase an unbundled demand service, with the interstate pipeline capacity portion being purchased from a third party, non-regulated supplier and the distribution capacity service for Company's system being purchased from Company at the rate determined by Company's tariff, Schedule TT-1. Transportation will not commence until the Customer files with the Company a completed Service Request Form and all other applicable documentation. Company shall be deemed to have title to transportation gas, as necessary, to arrange interstate pipeline transportation to Company's system.
- J. Except as provided under Iowa Adm. Code § 19.13(2) regarding curtailment and interruption, customer has the right to receive one hundred percent (100%) of the gas delivered by it or on its behalf to Company (adjusted for a reasonable volume of lost, unaccounted-for, and company-used gas).
- K. Aggregation Service. A Marketer may combine a group of transportation Customers that have the same balancing provisions and are located on the same interstate pipeline system and within the same interstate pipeline operational zone. Customers that purchase the Small Volume Balancing Service in Paragraph 14 cannot be aggregated in the same group as those customers that do not purchase the Small Volume Balancing Service. If the Marketer purchases this aggregation service, the aggregated group will be considered as one Customer for purposes of calculating the daily scheduling penalties and monthly imbalances, i.e., individual Customer nominations and consumption will be summed and treated as if they were one Customer. This does not include aggregation of fixed costs or customer charges. The cost of this aggregation service is \$0.04 per Dekatherm of gas delivered to the aggregated group. Revenues received from this service shall be credited to the Company's PGA mechanism.

SMALL VOLUME TRANSPORTATION RATE SCHEDULE (continued)

5. BTU Adjustment: Customer's volumetric billed usage will be adjusted when the BTU content of delivered gas varies from 1,000 BTUs per cubic foot.
6. Nominations:
- A. Requirements. Customers are required to nominate daily. Customers requesting volumes to flow on the first day of any month must contact Company's Gas Control Department via Company's Internet-enabled electronic bulletin board, known as Gas Track Online (<http://www.gastrackonline.com>), and inform them of the volumes to be transported by receipt point(s) and delivery point(s). First of the month nominations and daily nominations via the Internet are due by 11:30 a.m. Central Time one day before the gas flows. Intra-day nomination for the 2nd through the 31st days of a month will be accepted until 5:00 p.m. Central Time. A confirmed pipeline nomination will also be accepted on a best effort basis on the day of gas flow.
- B. Special Requirements. All Small Volume sales customers switching to transportation service will be assigned a Maximum Daily Quantity (MDQ) Level, as defined on Sheet GT-4. Under certain circumstances the Company may, at its option, require customers to deliver and confirm its MDQ to the LDC receipt point up to a cumulative 10 days (in addition to interstate pipeline OFO and critical days) during the months of November through March. If MDQ delivery does not occur, then customer must curtail to the level of their confirmed nomination. Confirmation occurs when Aqula Networks receives confirmed nomination from the interstate pipeline. MDQ may be required if:
1. The interstate pipeline calls a Critical Day Order.
 2. The interstate pipeline calls an Operational Flow Order,
 3. The Company calls a Critical Day Order.
 4. The Company calls an Operational Flow Order.

In (1) and (2) above, the Customer must, without notice from the Company, deliver its MDQ to LDC receipt point. In (3) and (4) above, the Company will give the Customer 25 hours notice prior to the start of the gas day. If the Customer fails to deliver its MDQ as required in (1), (2), or (3), the Company shall assess a penalty to Customer for each Dekatherm that Customer fails to deliver in an amount equal to the highest daily penalty applicable to the Operational Flow Order or Critical Day, as defined by the interstate pipeline in its tariff. If Company has not called a Critical Day but has issued an Operational Flow Order (4), and customer fails to deliver its MDQ, then Company will assess a penalty to customer in an amount equal to that identified in Paragraph 7 for each Dekatherm that customer failed to deliver.

SMALL VOLUME TRANSPORTATION RATE SCHEDULE (continued)

7. Balancing: To assure Company's system integrity, the customer is responsible for: 1) providing daily scheduling of deliveries which accurately reflect customer's expected consumption, and 2) balancing deliveries to Company's system with volumes consumed at the delivery points.
- A. Balancing and Scheduling Charges: Failure to fulfill these responsibilities will result in Customer incurring balancing and/or scheduling charges as described below.
1. Daily Scheduling Charges, Normal Days
 - a. A tolerance of +/- 5% of confirmed nomination will be applied
 - b. For consumption within tolerance, no scheduling charges will be applied.
 - c. For consumption outside tolerance, a scheduling charge shall be applied to the volume exceeding tolerance equal to the maximum effective Northern Natural Gas TI rate for the Customer's market area.
 2. Daily Scheduling Charges, System Overrun Limitation. On days that Northern Natural Gas calls a System Overrun Limitation the following charges will be in effect:
 - a. For consumption greater than the confirmed nomination, the following charges will be applied:
 1. For consumption up to 105% of confirmed nomination, \$1.00 per Dekatherm in excess of confirmed nomination up to 105%.
 2. For consumption greater than 105% of confirmed nomination, \$8.75 per Dekatherm in excess of 105% of confirmed nomination.
 - b. For consumption less than the confirmed nomination, there is no charge.
 3. Daily Scheduling Charges, System Underrun Limitation. On days that Northern Natural Gas calls a System Underrun Limitation the following charges will be in effect:
 - a. For consumption greater than the confirmed nomination, there is no charge.
 - b. For consumption less than the confirmed nomination, \$1.00 per Dekatherm.
 4. Daily Scheduling Charges, Critical Days. On days that Northern Natural Gas calls a Critical Day the following charges will be in effect:
 - a. For consumption greater than the confirmed nomination, the following charges will be applied:
 1. For consumption up to 102% of confirmed nomination, \$15.00 per Dekatherm in excess of confirmed nomination up to 102%.
 2. For consumption greater than 102% up to 105% of confirmed nomination, \$22.00 per Dekatherm in excess of 102% up to 105% of confirmed nomination.
 3. For consumption greater than 105% up to 110% of confirmed nomination, \$56.50 per Dekatherm in excess of 105% up to 110% of confirmed nomination.
 4. For consumption greater than 110% of confirmed nomination, \$113.00 per Dekatherm in excess of 110% of confirmed nomination.
 - b. For consumption less than the confirmed nomination, there is no charge.
 5. The charges in this section are subject to change as the pipeline changes its rates. These charges are in addition to any charges by Company, as provided for in Company's tariff, for unauthorized takes of gas when service is interrupted.

SMALL VOLUME TRANSPORTATION RATE SCHEDULE (continued)

B. Monthly Imbalances: The difference between confirmed nominated volumes and actual consumption will be charged or credited to the Customer based on the appropriate Market Index Price (MIP). The basis for the MIP shall be the average weekly prices as quoted for the Ventura and Demarc points in Gas Daily for a 5 week period starting on the first Tuesday of the calendar month for which the MIP is being established and ending on the first or second Monday of the following month, whichever is applicable, to arrive at a five-week period.

1. The MIPs shall be determined as follows:
 - a. High MIP: The highest weekly average during the 5-week period for the applicable month, plus pipeline fuel at the effective pipeline fuel rate, plus pipeline commodity at the effective pipeline commodity rate, plus a capacity release value, which will be deemed to be \$0.07/Dekatherm.
 - b. Low MIP: The lowest weekly average during the 5-week period for the applicable month, plus pipeline fuel at the effective pipeline fuel rate, plus pipeline commodity at the effective pipeline commodity rate.
 - c. Average MIP: The average of the weekly averages during the 5-week period for the applicable month, plus pipeline fuel at the effective pipeline fuel rate, plus pipeline commodity at the effective pipeline commodity rate.

2. The cashout mechanism, including tiering, will be applied based on the following Table:

<u>Imbalance Level</u>	<u>Due Company</u>	<u>Due Customer</u>
0% - 3%	High MIP x100%	Low MIP x 100%
For the increment that is greater than 3% up to 5%	High MIP x102%	Low MIP x 98%
For the increment that is greater than 5% up to 10%	High MIP x110%	Low MIP x 90%
For the increment that is greater than 10% up to 15%	High MIP x120%	Low MIP x 80%
For the increment that is greater than 15% up to 20%	High MIP x130%	Low MIP x 70%
For the increment that is greater than 20%	High MIP x140%	Low MIP x 60%

3. Imbalances caused by meter error and prior period adjustments will be cashed out at the 0%-3% tier using the average MIP.

SMALL VOLUME TRANSPORTATION RATE SCHEDULE (continued)

B. Monthly Imbalances (continued):

4. Example: If the nominated volume was 100 Dekatherm and the actual consumption was 115 Dekatherm, there is an imbalance of 15 dekatherm due Company. The transportation customer would owe Company the following amount using the above hypothetical high MIP (*):

3 Dekatherm at MIP x 100%	\$13.50
2 Dekatherm at MIP x 102%	9.18
5 Dekatherm at MIP x 110%	24.75
5 Dekatherm at MIP x 120%	<u>27.00</u>
	\$74.43

(*) A hypothetical price of \$4.50 per Dth is used for illustration purposes only.

5. If the pipeline provides an imbalance to storage option, and the transporter has a storage account on the pipeline, Company and the transporter may transfer imbalances to or from pipeline storage accounts, provided certain conditions are met. If the transaction would cause Company's storage account to breach any contractual limitations, or would otherwise cause undue harm to Company's management of its storage accounts, the storage transfer may not be allowed. If there are any charges from the pipeline to effectuate the storage transfer, the customer will be responsible for payment of such actual costs.
8. Pipeline Charges: Any specific charges that Company incurs from the pipeline on behalf of customer will be passed through to that customer. Such charges include but are not limited to those that may be imposed by an applicable pipeline as set forth in paragraphs 7 and 12.
9. System Supply Reserve Service. In order to obtain a firm backup sales service, customer must purchase a sufficient number of daily firm capacity units to cover the desired level of firm sales service. The rate for System Supply Reserve Service will be the daily midpoint of the Gas Daily NNG Ventura Index, plus pipeline fuel, pipeline capacity and commodity charges, plus the monthly customer charge and daily firm capacity charge for the applicable class of sales service. The minimum term for this service is six months. A customer who takes gas in excess of the contracted amount will be subject to balancing and scheduling penalties. If a customer's transportation gas does not arrive on schedule, the customer will be shut off until the transportation gas does arrive, unless the customer has not taken more than its contracted amount of gas, pursuant to System Supply Reserve Service. Revenues collected from the provision of this service will be credited to the overall general system gas cost through Company's PGA mechanism.

SMALL VOLUME TRANSPORTATION RATE SCHEDULE (continued)

10. Right of Refusal: Company shall not be required to transport gas and may discontinue transporting gas when the gas tendered for transportation is of a quality which will adversely impact the commingled gas stream of Company to the extent that the mixed stream is not merchantable natural gas.
11. Payment: The bill is due twenty days after issuance. There shall be a late payment charge of one and one-half percent per month on the unpaid balance.
12. Penalty for Unauthorized Takes When Service is Interrupted or Curtailed: If customer fails to curtail its use of gas hereunder when requested to do so by Company, customer shall be billed at the transportation charge plus the cost of gas Company secures for the customer, plus the greater of either the pipeline daily delivery variance charges or \$20 per Dekatherm, for gas used in excess of the volumes of gas to which customer is limited. Revenues related to unauthorized takes will be credited to the Company's PGA. Company may in addition disconnect customer's supply of gas if customer fails to curtail its use thereof when requested by Company to do so.

Curtailed volumes of transportation will take place according to the priority class, which the end-user would have been assigned if it were purchasing gas from Company. During curtailment, the end-user is entitled to a credit equal to the difference between the volumes delivered to Company and those received by the end-user, adjusted for lost, unaccounted-for and company used gas.

13. Transportation without System Supply Reserve: A customer contracting for service without system supply reserve must acknowledge in writing that it has been made aware by Company of the risks of transporting gas without system supply reserves and accepts the risks.
14. Small Volume Customer Balancing Service: Small volume customers who elect transportation service may purchase Company's Small Volume Balancing Service in lieu of meeting Company's Transportation Tariff requirements for the installation of telemetry and daily scheduling requirements. Customers choosing this daily balancing service must submit a daily nomination to Company for those days the service is used. The special requirements for nominations, found in Paragraph 6B, apply to this service.

The cost of the service is 7.5¢ per Dekatherm transported on Company's system. Revenues collected from the provision of this service will be credited to the overall general system gas cost through Company's PGA mechanism.

15. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

LARGE VOLUME TRANSPORTATION RATE SCHEDULE

1. Availability: Service under this rate schedule is available to any Large Volume non-General Service end-use customer who purchases gas supplies that can be transported on a firm and/or interruptible basis by Company. Service hereunder shall be offered on a nondiscriminatory firm and/or interruptible basis contingent upon adequate system capacity.
2. Applicability: This service shall apply to large volume gas transportation service, which includes a level of firm and/or interruptible gas. The interruptible gas is subject to interruption at any time upon order of Company. Daily consumption must equal or exceed 200 Dekatherm per meter per day at least once during the year. Company will have measuring equipment in place to measure daily consumption. Customers electing interruptible service must sign an affidavit confirming the Customer has an alternate fuel capability or is willing to discontinue gas service during periods of curtailment. Large volume customers who convert to transportation service will be required to take assignment to pay for, at the option of the Company, firm interstate natural gas pipeline capacity and supplies designated by Company for a period of up to one year.

3. Rate:

Fixed Rate:

Customer Charge - \$150 per month per facility for transportation service, plus the applicable sales tariff basic monthly charge. "Facility" shall include all meters serving buildings under common ownership behind the same town border station ("TBS").

Daily Firm Capacity Charge: If applicable, is at the rate set forth in customer's regular sales tariff schedule.

Commodity Charge: All volumes received by customer hereunder shall be charged a rate equal to the commodity gross margin component of Company's rate then in effect under its sales rate schedule for such customer. Customer is also subject to the Annual Cost Adjustment (ACA) as set forth in TT-1, Rider No. 1 and all charges imposed by the pipeline supplier for transportation service. Additional costs will be assigned as they are authorized by the FERC or state commissions to be charged by Company's pipeline suppliers for transportation services, including but not limited to authorized overrun charges, take-or-pay costs, TCR costs, and GRI costs. In addition, all volumes delivered from system supply gas shall be charged the rate set forth in the appropriate Company's sales tariff schedule, including the applicable customer charge.

Reconnection Charge - An end-user receiving transportation service without system supply reserve service must pay a \$5 reconnection charge when such customer requests to return to Company's system supply.

Taxes - The total bill is subject to state and local taxes

LARGE VOLUME TRANSPORTATION RATE SCHEDULE (Continued)

- A. Customer must have arranged for the purchase of gas other than Company's system supply for delivery to Company's system.
- B. Customer shall execute a written contract for transportation service pursuant to this rate schedule containing such terms and conditions as Company reasonably requires. Gas transportation agreements and applicable documents are available at the Company's electronic website, <http://www.aquila.com/customers/energyrates/>. The Company will provide a written copy of the agreements if requested by the customer.
- C. All Large Volume transportation customers must have the Company install telemetry equipment at the customer's expense. Customers must reimburse the Company for the cost incurred by Company to install telemetry equipment and for the cost of any other improvements made by Company in order to provide this transportation service. Customer will also provide telephonic access and service to this telemetry equipment. The Company will offer financing for periods up to 90 days interest free. The Company will offer financing with interest to a customer to pay for the installation of telemetry equipment for a period of more than 90 days but not more than 12 consecutive months on a non-regulated basis. The telemetry equipment and any other improvements made by the Company shall remain the property of the Company, and will be maintained by the Company.
- D. All third party non-regulated suppliers, which are deemed to be Competitive Natural Gas Providers (CNGPs), are subject to the Iowa Utilities Board's rules and regulations governing CNGP's, and must hold an IUB certificate before serving end-users.
- E. Company's sales refunds applicable to the period when gas is transported will not be made to transportation customers, except in those instances when such customers have received sales service and may be eligible to receive refunds related to such service.
- F. The order of gas delivery for purposes of billing will be as follows:
 - 1. Customer-owned firm volumes.
 - 2. Customer-owned interruptible volumes.
 - 3. Sales gas priced per Company's applicable sales tariffs
- G. Customer is responsible for ensuring that the gas purchased from a third party is delivered. Customer agrees to curtail the use of gas when the gas purchased from a third party is not delivered to Company's system. Failure to curtail will result in penalties for unauthorized takes per Section 12.

LARGE VOLUME TRANSPORTATION RATE SCHEDULE (Continued)

- G. Customer is responsible for ensuring that the gas purchased from a third party is delivered. Customer agrees to curtail the use of gas when the gas purchased from a third party is not delivered to Company's system. Failure to curtail will result in penalties for unauthorized takes per Section 12.
- H. Customers may transfer to Transportation Service after giving the Company one month advance notice, and after telemetry equipment is installed. A firm (joint) transportation service Customer must stay on Transportation Service for twelve months. A transportation customer may only transfer to firm or interruptible sales service if Company is able to arrange adequate additional daily firm capacity and commodity supplies to meet the needs imposed on its system by the Customer, without jeopardizing system reliability or increasing costs for its own Customers. Notwithstanding the provisions of this Section, Customers transporting gas for seasonal non-winter peaking purposes lasting less than six months shall be allowed to transfer to sales service at any time after providing one month written notice, and do not have to be on transportation service for any specific period of time.
- I. Customers choosing joint rate transportation service may either: (1) purchase both interstate pipeline capacity and Company's distribution system capacity from Company at the rate determined by Company's tariff, Schedule TT-1, or (2) purchase an unbundled demand service, with the interstate pipeline capacity portion being purchased from a third party, non-regulated supplier and the distribution capacity service for Company's system being purchased from Company at the rate determined by Company's Tariff, Schedule TT-1. Transportation will not commence until the Customer files with the Company a completed Service Request Form and all other applicable documentation. Company shall be deemed to have title to transportation gas, as necessary, to arrange interstate pipeline transportation to Company's system.
- J. Except as provided under Iowa Adm. Code § 19.13(2) regarding curtailment and interruption, customer has the right to receive one hundred percent (100%) of the gas delivered by it or on its behalf to Company (adjusted for a reasonable volume of lost, unaccounted-for, and company-used gas).
- K. **Aggregation Service.** A Marketer may combine a group of transportation Customers that have the same balancing provisions and are located on the same interstate pipeline system and within the same interstate pipeline operational zone. If the Marketer purchases the aggregation service, the aggregated group will be considered as one Customer for purposes of calculating the daily scheduling penalties and monthly imbalances, i.e., individual Customer nominations and consumption will be summed and treated as if they were one Customer. This does not include aggregation of fixed costs or customer charges. The cost of this aggregation service is \$0.04 per Dekatherm of gas delivered to the aggregated group. Revenues received from this service shall be credited to the Company's PGA mechanism.
- a. BTU Adjustment: Customer's volumetric billed usage will be adjusted when the BTU content of delivered gas varies from 1,000 BTUs per cubic foot.
6. Nominations:

LARGE VOLUME TRANSPORTATION RATE SCHEDULE (Continued)

5. BTU Adjustment: Customer's volumetric billed use will be adjusted when the BTU content of delivered gas varies from 1,000 BTUs per cubic foot.

6. Nominations:

A. Customers are required to nominate daily. Customers requesting volumes to flow on the first day of any month must contact Company's Gas Control Department via Company's Internet-enabled electronic bulletin board, known as Gas Track Online (<http://www.gastrackonline.com>), and inform them of the volumes to be transported by receipt point(s) and delivery point(s). First of the month nominations and daily nominations via the Internet are due by 11:30 a.m. Central Time one day before the gas flows. Intra-day nomination for the 2nd through the 31st days of a month will be accepted until 5:00 p.m. Central Time. A confirmed pipeline nomination will also be accepted on a best effort basis on the day of gas flow.

7. Balancing: To assure Company's system integrity, the customer is responsible for: (1) providing daily scheduling of deliveries which accurately reflect customer's expected consumption, and (2) balancing deliveries to Company's system with volumes consumed at the delivery points. These charges are applicable only to Company's town plant customers whose supply requirements could impact other customers and do not apply to Company's large volume mainline customers who are the only customer taking gas at those points. However, each large volume mainline customer must pay for any balancing and scheduling penalties from pipelines that the customer causes Company to incur.

Balancing and Scheduling Charges: Failure to fulfill these responsibilities will result in customer incurring balancing and/or scheduling charges as described below.

A. Balancing and Scheduling Charges: Failure to fulfill these responsibilities will result in Customer incurring balancing and/or scheduling charges as described below.

1. Daily Scheduling Charges, Normal Days
 - a. A tolerance of +/- 5% of confirmed nomination will be applied.
 - b. For consumption within tolerance, no scheduling charges will be applied.
 - c. For consumption outside tolerance, a scheduling charge shall be applied to the volume exceeding tolerance equal to the maximum effective Northern Natural Gas TI rate for the Customer's market area.
2. Daily Scheduling Charges, System Overrun Limitation. On days that Northern Natural Gas calls a System Overrun Limitation, the following charges will be in effect:
 - a. For consumption greater than the confirmed nomination, the following charges will be applied:
 - i. For consumption up to 105% of confirmed nomination, \$1.00 per Dekatherm in excess of confirmed nomination up to 105%.
 - ii. For consumption greater than 105% of confirmed nomination, \$8.75 per Dekatherm in excess of 105% of confirmed nomination.
 - b. For consumption less than the confirmed nomination, there is no charge.
3. Daily Scheduling Charges, System Underrun Limitation. On days that Northern Natural Gas calls a System Underrun Limitation, the following charges will be in effect:
 - a. For consumption greater than the confirmed nomination, there is no charge.
 - b. For consumption less than the confirmed nomination, \$1.00 per Dekatherm.

LARGE VOLUME TRANSPORTATION RATE SCHEDULE (Continued)

A. Balancing and Scheduling Charges (continued):

4. Daily Scheduling Charges, Critical Days. On days that Northern Natural Gas calls a Critical Day, the following charges will be in effect:
 - a. For consumption greater than the confirmed nomination, the following charges will be applied:
 - i. For consumption up to 102% of confirmed nomination, \$15.00 per Dekatherm in excess of confirmed nomination up to 102%.
 - ii. For consumption in excess of 102% up to 105% of confirmed nomination, \$22.00 per Dekatherm in excess of 102% up to 105% of confirmed nomination.
 - iii. For consumption greater than 105% up to 110% of confirmed nomination, \$56.50 per Dekatherm in excess of 105% up to 110% of confirmed nomination.
 - iv. For consumption greater than 110% of confirmed nomination, \$113.00 per Dekatherm in excess of 110% of confirmed nomination.
 - b. For consumption less than the confirmed nomination, there is no charge.
5. The charges in this section are subject to change as the pipeline changes its rates. These charges are in addition to any charges by Company, as provided for in Company's tariff, for unauthorized takes of gas when service is interrupted.

B. Monthly Imbalances. The difference between confirmed nominated volumes and actual consumption will be charged or credited to the Customer based on the appropriate Market Index Price (MIP). The basis for the MIP shall be the average weekly prices as quoted for the Ventura and Demarc points in Gas Daily for a 5 week period starting on the first Tuesday of the calendar month for which the MIP is being established and ending on the first or second Monday of the following month, whichever is applicable, to arrive at a five-week period.

1. The MIPs shall be determined as follows:
 - a. High MIP: The highest weekly average during the 5-week period for the applicable month, plus pipeline fuel at the effective pipeline fuel rate, plus pipeline commodity at the effective pipeline commodity rate, plus a capacity release value, which will be deemed to be \$0.07 / Dekatherm.
 - b. Low MIP: The lowest weekly average during the 5-week period for the applicable month, plus pipeline fuel at the effective pipeline fuel rate, plus pipeline commodity at the effective pipeline commodity rate.
 - c. Average MIP: The average of the weekly averages during the 5-week period for the applicable month, plus pipeline fuel at the effective pipeline fuel rate, plus pipeline commodity at the effective pipeline commodity rate.

2. The cashout mechanism, including tiering, will be applied based on the following Table:

<u>Imbalance Level</u>	Due	
	<u>Company</u>	<u>Customer</u>
0% - 3%	High MIP x 100%	Low MIP x 100%
For the increment that is greater than 3% up to 5%	High MIP x 102%	Low MIP x 98%
For the increment that is greater than 5% up to 10%	High MIP x 110%	Low MIP x 90%
For the increment that is greater than 10% up to 15%	High MIP x 120%	Low MIP x 80%
For the increment that is greater than 15% up to 20%	High MIP x 130%	Low MIP x 70%
For the increment that is greater than 20%	High MIP x 140%	Low MIP x 60%

3. Imbalances caused by meter error and prior period adjustments will be cashed out at the 0% - 3% tier using the average MIP.

RATE SCHEDULE GAS

B. Monthly Imbalances (continued):

4. Example: If the nominated volume was 100 Dekatherm and the actual consumption was 115 Dekatherms, there is an imbalance of 15 Dekatherm due Company. The transportation customer would owe Company the following amount using the above hypothetical High MIP (*):

3 Dekatherm at MIP x 100%	\$13.50
2 Dekatherm at MIP x 102%	\$ 9.18
5 Dekatherm at MIP x 110%	\$24.75
5 Dekatherm at MIP x 120%	<u>\$27.00</u>
	\$74.43

(*) A hypothetical price of \$4.50 per Dth is used for illustration purposes only.

5. If the pipeline provides an imbalance to storage option, and the transporter has a storage account on the pipeline, Company and the transporter may transfer imbalances to or from pipeline storage accounts, provided certain conditions are met. If the transaction would cause Company's storage account to breach any contractual limitations, or would otherwise cause undue harm to Company's management of its storage accounts, the storage transfer may not be allowed. If there are any charges from the pipeline to effectuate the storage transfer, the customer will be responsible for payment of such actual costs.

RATE SCHEDULE
GAS

8. Pipeline Charges: Any specific charges that Company incurs from the pipeline on behalf of customer will be passed through to that customer. Such charges include but are not limited to those that may be imposed by an applicable pipeline as set forth in paragraphs 7 and 12.
9. System Supply Reserve Service: In order to obtain a firm backup sales service, customer must purchase a sufficient number of daily firm capacity units to cover the desired level of firm sales service. The rate for System Supply Reserve Service will be the daily midpoint of the Gas Daily NNG Ventura Index, plus pipeline fuel, pipeline capacity and commodity charges, plus the monthly customer charge and daily firm capacity charge for the applicable class of sales service. The minimum term for this service is six months. A customer who takes gas in excess of the contracted amount will be subject to balancing and scheduling penalties. If a customer's transportation gas does not arrive on schedule, the customer will be shut off until the transportation gas does arrive, unless the customer has not taken more than its contacted amount of gas, pursuant to System Supply Reserve Service. Revenues collected from the provision of this service will be credited to the overall general system gas cost through Company's PGA mechanism.
10. Right of Refusal: Company shall not be required to transport gas and may discontinue transporting gas when the gas tendered for transportation is of a quality which will adversely impact the commingled gas stream of Company to the extent that the mixed stream is not merchantable natural gas.
11. Payment: The bill is due twenty days after issuance. There shall be a late payment charge of one and one-half percent per month on the unpaid balance.
12. Penalty for Unauthorized Takes When Service is Interrupted or Curtailed: If customer fails to curtail its use of gas hereunder when requested to do so by Company, customer shall be billed at the transportation charge plus the cost of gas Company secures for the customer, plus the greater of either the pipeline daily delivery variance charges or \$20 per Dekatherm, for gas used in excess of the volumes of gas to which customer is limited. Revenues related to unauthorized takes will be credited to the Company's PGA. Company may in addition disconnect customer's supply of gas if customer fails to curtail its use thereof when requested by Company to do so. Curtailment of transportation volumes will take place according to the priority class, which the end-user would have been assigned if it were purchasing gas from Company. During curtailment, the end-user is entitled to a credit equal to the difference between the volumes delivered to Company and those received by the end-user, adjusted for lost, unaccounted-for and company used gas.
13. Transportation without System Supply Reserve: A customer contracting for service without system supply reserve must acknowledge in writing that it has been made aware by Company of the risks of transporting gas without system supply reserves and accepts the risks.
14. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

RATE SCHEDULE
GAS

Schedule TT-1
Rider No. 1, Town Plant - General Service and Rural

Tariff Rate Sheet No.	Commodity Gross Margin [1] \$/Therm	ECR 1 \$/Therm	Customer Charge/Month \$	Entitlement \$/Therm
3, 50 & 67 (GS-TP and Rural)	0.11868	0.03212	50.00 + 15.60	0.12011
4, 50 & 67 (GS-TP and Rural)	0.11868	0.03212	50.00 + 15.60	0.12011
3, 50 & 67 (Comm/Industrial)	0.11868	0.03212	50.00 + 23.60	0.12011
4, 50 & 67 (Comm/Industrial)	0.11868	0.03212	50.00 + 23.60	0.12011

[1] The ceiling transportation rate for all General Service and Rural rates is as indicated above. The floor transportation rate for each of these rate schedules is \$0/Therm. The flex provision is offered pursuant to Iowa Adm. Code Sec. 199—19.12(476).

Schedule TT-1
Rider No. 1, Town Plant – Small and Large Volume Joint

Tariff Rate Sheet No.	Commodity Gross Margin [1]	ECR 3	Customer Charge/Month	Demand Charge		Total Entitlement
				Margin [2]	Entitlement	
	\$/Therm	\$/Therm	\$	\$/Therm	\$/Therm	\$Chg/Month
22 (SVJ)	0.04852	0.00000	50.00 + 50.00	0.05010	0.56830	0.61840
14 (LVJ)	0.02418	0.00000	150.00 + 150.00	0.05010	0.56830	0.61840

[1] The ceiling transportation rate for all Small and Large Volume Joint rates is as indicated above. The floor transportation rate for each of these rate schedules is \$0/Therm. The flex provision is offered pursuant to Iowa Adm. Code Sec. 199—19.12(476).

[2] The ceiling contract demand margin for all Small and Large Volume Joint rates is as indicated above. The floor contract demand margin is \$0/Therm. The flex provision is offered pursuant to Iowa Adm. Code Sec. 199—19.12(476).

RATE SCHEDULE
GAS

TT-1
Rider No. 1
Mainline - Joint

Tariff Rate Sheet No.	Comm. Gross Margin [1] \$/Therm	ECR 3 \$/Therm	Customer Chg/Mo. \$	Demand Charge		
				Margin [2] \$/Therm	Entitlement \$/Therm	Total Entitlement \$/Therm
23 (SVJ)	0.00500	0.00000	50.00 + 50.00	0.05010	0.56830	0.61840
14a (LVJ)	0.00500		150.00 + 150.00	0.05010	0.56830	0.61840

[1] The ceiling transportation rate for all Mainline Joint rates is as indicated above. The floor transportation rate for each of these rate schedules is \$0/Therm. The flex provision is offered pursuant to Iowa Adm. Code 199-19.12(476).

[2] The ceiling contract demand margin for all Mainline Joint rates is as indicated above. The floor contract demand margin is \$0/Therm. The flex provision is offered pursuant to Iowa Adm. Code 199-19.12(476).

Schedule TT-1
Rider No. 1, Town Plant – Small and Large Volume Interruptible

Tariff Sheet No.	Commodity Gross Margin [1] \$/Therm	ECR 1 \$/Therm	Customer Charge/Month \$
15 (SVI)	0.04852	0.00000	50.00 + 50.00
17 (LVI)	0.02418	0.00000	150.00 + 150.00
18 (LVI) [2]	0.02418	0.00000	450.00 + 150.00
19 (LVI)	0.00900	0.00000	150.00 + 150.00
20 (LVI)	0.02418	0.00000	150.00 + 150.00

[1] The ceiling transportation rate for all Small and Large Volume Interruptible rates is as indicated above. The floor transportation rate for each of these rate schedules is \$0/Therm. The flex provision is offered pursuant to Iowa Adm. Code Sec. 199—19.12(476).

[2] Charged for four months only, September through December.

RATE SCHEDULE
GAS

TT-1
Rider No. 1
Mainline – Interruptible

<u>Tariff Rate Sheet No.</u>	<u>Comm. Gross Margin [1] \$/Therm</u>	<u>ECR 3 \$/Therm</u>	<u>Customer Chg/Mo. \$</u>
24 (SVI)	0.00500	0.00000	50 + 50
20a (LVI)	0.00500		150 + 150

[1] The ceiling transportation rate for all Mainline Interruptible rates is as indicated above. The floor transportation rate for each of these rate schedules is \$0/Therm. The flex provision is offered pursuant to Iowa Adm. Code 199-19.12(476).

RATE SCHEDULE GAS

TT-1
Rider No. 1

Firm Transportation is available to any customer served under a Company tariff designation shown on Rider No. 1.
The charges for TF-12, TF5, and TFX are set forth below:

	<u>Reservation Fee</u> \$/Therm	<u>Margin</u> \$/Therm	<u>Total Charge</u> \$/Therm
TF-12	1.02300 [1]	0.05010	1.07310
TF-5	1.51530 [1]	0.05010	1.56540
Field TF	0.98530 [1]	0.05010	1.03540

[1] Per Northern Natural Gas Company's FERC Gas Tariff Sheets No. 50 and 51.

GAS

Reserved for Future Use

ENVIRONMENTAL PROTECTION RATE (EPR), RIDER NO. 1H
GAS

1. Applicability: An Environmental Protection rate may be offered to a dual fuel customer requesting to satisfy 100% of its energy requirements with a firm gas supply. The EPR is designed to serve those customers who desire to discontinue operating an alternative fuel system which relies on a petroleum-based fuel contained in an underground or above ground tank. The offering of this rate is intended to assist tank owners/operators in eliminating potential pollution hazards posed by petroleum storage tanks.
2. Contract Requirements: In order for this rider to apply, the customer must execute an agreement with Company to purchase natural gas from Company on a firm basis to satisfy the customer's total energy requirements. Company shall submit a copy of each agreement to the Iowa State Utilities Board as soon as the agreement is signed by both parties. In order for this rider to apply, customer shall sign an affidavit to attest that customer's alternative fuel inventory is contained in an aboveground or underground tank and, as a condition of receiving service under this rider, customer shall discontinue operating its alternative fuel burning system. EPR agreements shall be for a three-year period.
3. Rate: The firm commodity rate agreed to by Company and customer for applicable volumes shall be the rate specified in each EPR agreement. Under the terms of the EPR agreement, customer shall pay in three equal increments over a three-year period the differential between the cost of interruptible service on customer's pre-existing rate and the cost of firm service on Company's applicable tariff rate schedule. Customers on EPR agreements shall, in accordance with the provisions of Iowa Administrative Code 199-19.12(476), be required to pay a rate which recovers the total cost of gas. The non-gas portion of the EPR rate shall be increased in three equal increments over a three-year period. At the conclusion of the three-year period specified in the customer's EPR contract, customer's rate shall be exactly equal to the firm service rate specified in Company's applicable tariff rate schedule. The first of three non-gas rate component increases shall be effective thirty days after the customer executes an EPR agreement. Customer's rate shall increase in the manner described above on the anniversary date of the EPR agreement in years two and three. If a non-gas component rate change occurs, as a result of a general rate case or for any other reason, subsequent to customer's execution of an EPR agreement, the rate change shall be applied in equal increments to the years remaining in the EPR agreement.
4. Cost/Benefit Analysis: In deciding whether to offer an EPR, Company shall evaluate the individual customer's situation and perform a cost/benefit analysis before offering the discount.
5. Reporting: Semiannual reports shall be filed with the Board within thirty days of the end of each six months. Information included in the reports shall be as specified in Iowa Administrative Code 199-19.12(4).

ENVIRONMENTAL PROTECTION RATE (EPR), RIDER NO. 1H (Continued) GAS
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Information Sheet - Non-Gas Cost Adjustments

All EPR customers, whose normal requirement does not exceed 199 Dekatherm on peak day, under the terms of the EPR agreement shall be charged the applicable firm General Service rate with the Non-gas cost subject to the following corresponding adjustment.

<u>General Rate Schedule</u>	<u>Sheet No.</u>	<u>Beginning Year 1 \$/Therm</u>	<u>Beginning Year 2 \$/Therm</u>	<u>Beginning Year 3 \$/Therm</u>
GS1	3	(.03882)	(.01941)	0