

CITY OF LAGRANGE
INTERRUPTIBLE NATURAL GAS SERVICE
Revised July 1st, 2007

AVAILABILITY:

Throughout the City's service area from existing lines of adequate capacity.

APPLICABILITY:

Applicable to any commercial user for any purpose exclusive of resale and for service at any one location through one metering point from lines of adequate capacity. Service under this schedule is dependent upon the City having natural gas supply and capacity in excess of the requirements of higher priority customers.

MONTHLY RATE:

The monthly rate shall be the sum of the Base, Transportation, and Gas charges or the Minimum Bill, whichever is greater.

- Base Charge.....\$400.00
- Distribution Charge.....\$0.10 per therm
- Gas Charge.....Described below

Minimum Monthly Charge : \$400.00

GAS CHARGE CALCULATION

The **monthly gas charge** per therm shall be the sum of the following amounts at the time of billing:

1. The index price per MMBTU in "Inside FERC's Gas Marketing Report" for Southern Natural Gas Company in Louisiana for the first day of the current billing month divided by 10. For customers that have contracted with the City for a specific price for the current month based on futures contracts, options, or other financial instruments, said price shall be used in lieu of the index price.
2. Southern Natural Gas Company's compressor fuel percentage for Zone 2 multiplied by the gas index price calculated above divided by 10.
3. A Distribution Loss Charge equal to the sum of 1 and 2 above multiplied by 2%.

UNAUTHORIZED USE OF GAS:

The City shall have the right at any time following one hour notice to interrupt or limit the quantity of gas it delivers to a customer under this rate schedule. If a customer refuses to honor said limitation notice, the customer shall pay a penalty charge equal to \$1.50 multiplied by each therm delivered or taken in violation of said limitation notice in addition to the Delivery and Gas charges for such gas. The payment of a penalty charge shall not, under any circumstances, be considered as giving the Customer the right to take unauthorized gas.

EMERGENCY GAS:

If a customer finds it impossible to continue operations on standby fuel because of some bona fide emergency during a limitation period, the City may at its sole discretion furnish emergency gas service upon request out of its storage or peak shaving facilities. The customer shall pay \$0.65 multiplied by each therm delivered under emergency service, and the City may discontinue this service at any time.

BTU ADJUSTMENT:

Gas volumes metered in hundreds of cubic feet shall be multiplied by the factor in the City's BTU Adjustment Schedule in order to determine the number of therms consumed for billing purposes. The measurement of gas volumes shall be adjusted to standard temperature and pressure.

ALTERNATE FUEL DISCOUNT:

In the event a customer desires to burn an alternate fuel in lieu of natural gas, the City may at its sole discretion discount the Transportation Charge stated above. The customer must contact the City and provide adequate proof that the delivered price of the alternate fuel is less than the total monthly charge stated above and that natural gas consumption will definitely be reduced if a discount is not offered.