

**GAS RATE SCHEDULE
AMENDED EFFECTIVE JULY 1, 2019**

**SCHEDULE TS2
Transportation Service**

SCHEDULE TS2

A. Application.

1. Service is available throughout the service territory served by the City to all gas owned by a customer that is transported to and on the City's gas distribution system. This service is applicable only to customers that, at the Delivery Point set forth in the Service Agreement for Transportation (TS2) between the City and the customer (hereinafter referred to as the "Service Agreement"), take in excess of 5,000 Mcf per month and receive service from a 6-inch or larger diameter gas main. The customer must deliver its gas to the Receipt Point approved by the City and set forth in the Service Agreement. Once the City has received the customer's gas at the Receipt Point, the City shall transport the gas, minus the lost and unaccounted for adjustment determined under Section F. paragraph 3 of this rate schedule, to the Delivery Point. This service is available only to those customers that execute a Service Agreement for the service provided herein.

2. Daily balancing services is mandatory for all customers under this rate schedule.

3. This service requires the installation and use of telemetering equipment at the Delivery Point. The City shall install, own, and maintain the telemetering and other equipment at the Delivery Point necessary to transmit the telemetering information to the City. The customer shall provide the dedicated telephone line necessary for the reliable operation of the telemetering equipment and the transmission of the telemetering information. The City shall meter the customer's takes of gas at the Delivery Point. The customer shall pay for the installation of electronic measurement equipment if measurement equipment is not so equipped. Payment shall be required prior to initiation of transportation service.

B. Character of Service.

1. The City shall be obligated to deliver gas to the Delivery Point up to the lesser of (i) the customer's Transportation Maximum Daily Quantity ("TMDQ") and (ii) the daily volume of gas received by the City from the customer at the Receipt Point minus the lost and unaccounted for adjustment determined under Section F.3. of this rate schedule.

C. Service Agreement.

1. The customer shall execute a Service Agreement with the City which specifies the TMDQ, the Receipt Point, the Delivery Point, and the pressure at the Delivery Point. The Service Agreement shall be in the form as attached to this rate schedule.
2. The Service Agreement shall have an initial term of one year and then shall continue in effect for additional terms of one year until terminated by the customer or the City upon at least 30 days written notice given prior to the end of the initial term or of any additional term.
3. If a customer takes gas from the City under this rate schedule at more than one Delivery Point, and if all such Delivery Points are located at one plant or facility, or are located at physically contiguous plants or facilities, then these Delivery Points shall be included in one Service Agreement and shall be treated as a single Delivery Point for purposes of the Customer Charge, the Monthly Volumetric Delivery Charges, the daily imbalances and imbalance charges, the TMDQ and meeting the minimum take requirement to qualify for service under this rate schedule. In all other instances, each Delivery Point shall require a separate Service Agreement and shall be treated as a separate customer for all purposes.

D. Transportation Maximum Daily Quantity.

1. After consulting with a customer, the City shall assign the customer a TMDQ. This TMDQ shall remain in effect for the term of the Service Agreement unless modified by written agreement of the City and the customer.

E. Rates and Charges for Transportation Service.

1. Customer Charge (Readiness to Serve). \$757.58 per month
2. Transportation Charge (per month). \$0.67 per Mcf
3. Charge for Daily Imbalances in Excess of 10%. \$0.58 per Mcf

These amounts do not include the cost of gas received at the Receipt Point for the customer.

F. Receipt and Delivery.

1. The customer shall be responsible for securing delivery of customer-owned gas to the Receipt Point.
2. The Receipt Point shall be at a pipeline city gate station or gate stations as assigned by the City and as specified in the Service Agreement.
3. The City shall retain a percentage of volumes delivered to the Receipt Point for a lost and unaccounted for adjustment, and the City shall be obligated to deliver at the Delivery Point only the remainder of the volumes received. As of the effective

date of this rate schedule, the percentage of volumes retained shall be two and one-half (2.5) percent.

G. Load Balancing:

1. The City shall provide the customer with daily balancing services within the parameters set forth in this section.
2. The customer shall provide the City with good faith, non-binding nominations when requested by the City.
3. The customer's daily imbalance shall be equal to the difference between
 - (a) The volume of gas actually delivered on a day to the Receipt Point by or on behalf of the customer minus the lost and unaccounted for adjustment determined under Section F.3. of this rate schedule ("Net Daily Receipts"), and
 - (b) The customer's actual usage as determined from daily meter readings at the Delivery Point ("Daily Deliveries").

A Daily Under delivery shall be deemed to occur whenever Net Daily Receipts are less than Daily Deliveries. A Daily Over delivery shall be deemed to occur whenever Net Daily Receipts are greater than Daily Deliveries.

4. The City's charge for daily imbalances is set forth in Section E. paragraph 3 of this rate schedule and shall apply to Daily Deliveries. The imbalance charges are in addition to, and not in lieu of, other transportation charges established by this rate schedule.
5. Failure of the Customer's transportation gas to arrive at the city gate will result in one of two possibilities. If enough system supply is available, customer will purchase all gas in excess of their receipts at the sum of their delivery price, balancing charge as set forth in Section E. 3. of this rate schedule and the greater of either ~~the City~~ **WACCOG** or 105% of the highest Transco Zone 6 (non-New York) price for the current month. If enough system supply is not available, customer will purchase all gas in excess of their receipts at the sum of their delivery price, balancing charge as set forth in Section E. 3. for this rate schedule, the peak shaving price and the storage capacity price.
6. When Customer's daily deliveries exceed the actual usage at the delivery point, City will purchase these "over-tendered" quantities at the lower of the City **WACCOG** or 95% of the Transco Zone 6 (non-New York) price for the current month.
7. If on any day the daily imbalance, as set forth in Section G. paragraph 3 of this rate schedule, exceeds 10%, Customer pays a pro rata share of any interstate gas

pipeline penalties incurred based upon Customer's daily imbalance in the same direction as the imbalance for which the penalty was incurred.

H. *Utility Tax.*

Bills rendered under this schedule shall be subject to any applicable utility tax.

I. *Force Majeure.*

1. If either the City or the customer is rendered unable, either wholly or in part, to carry out its obligations under these provisions because of a force majeure, the obligations of the party affected by such force majeure, other than the obligation to make payments hereunder, shall be suspended during the continuance of any inability so caused, but for no longer period. Such force majeure shall, insofar as possible, be remedied with all reasonable dispatch.

2. The term "force majeure" as used herein shall include: acts of God; strikes; lockouts; wars; riots; insurrections; epidemics; landslides; lightning; earthquakes; fires; storms; floods; washouts; interruptions by government or court orders; civil disturbances; explosions; breakage, freezing, or accident to lines of pipe or facilities; failure of interstate or intrastate pipeline transportation, but only if caused by an event constituting force majeure curtailment or discontinuation by such pipeline of transportation or other services; and any other cause, whether of the kind herein defined or otherwise, not within the control of the party claiming suspension and which, by the exercise of reasonable foresight, such party is unable to avoid and by the exercise of due diligence, such party is unable to overcome