

SOUTH DAKOTA GAS TARIFF SCHEDULE NO. 2 SD P.U.C. Sec. No. 3 Original Sheet No. 7

SECTION 3 – GAS RATE SCHEDULES RATE LV – LARGE VOLUME SERVICE

AVAILABLE

Service under this rate is available to any Non-Residential South Dakota Customer whose Average Daily Usage is equal to or greater than 2,000 Therms per day as qualified in the "Reassignment of Rate" section of this rate, provided that prior to commencement of service, the Customer shall enter into a written contract with the Company in accordance with this rate specifying an initial Maximum Daily Requirement (MDR) and Maximum Hourly Quantity (MHQ). This service is not available for resale, standby or supplemental service.

APPLICATION

Applicable for firm use of the Company's gas service furnished to a single Premises through one (1) meter.

Date Filed: August 4, 2014 Docket No. NG14-005 Effective Date: July 1, 2015



SECTION 3 – GAS RATE SCHEDULES RATE LV – LARGE VOLUME SERVICE (continued)

MONTHLY RATE PER METER

Basic Service Charge		\$ 80.00	R
Meter Class Charge per Meter 1 (Up to 675 cubic feet per hour) 2 (Over 675 up to 3,000 cubic feet per hour) 3 (Over 3,000 up to 11,000 cubic feet per hour) 4 (Over 11,000 cubic feet per hour)		\$ 3.00 15.00 40.00 70.00	R I R R
	Service Under Rider S <u>Rate LVS</u>	Service Under Rider T <u>Rate LVT</u>	
Transportation Administration Charge		\$ 40.00	I
Transportation Meter Charge*		\$ 35.00	R
Interval Meter Charge*	\$ 35.00		R
<u>Distribution Demand Charge</u> per Therm of contract MDR per Therm of contract MHQ Distribution Charge, per Therm	\$0.16000 \$0.16000 0.04139	\$0.16000 \$0.16000 0.04139	/ / R/R

*The Transportation Meter Charge and Interval Meter Charge will apply to new Customers taking service under this rate that have telemetry equipment installed on or after July 1, 2015. These charges will not apply to Customers taking service under this rate whose telemetry equipment was installed prior to July 1, 2015 until their telemetry equipment is upgraded or replaced.



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METERING REQUIREMENTS

Interval metering shall be installed, owned, operated, and maintained by the Company for service under this rate. In order to facilitate remote interrogation by the Company, the Company will install a remote monitoring device at each interval meter location where the Customer receives gas delivery service under this rate. For each monitoring device, the Customer, at Customer's expense, shall provide access to a commercial telephone line and 120 volt AC electric power at a location designated by the Company. The telephone line shall be dedicated for the Company's use. Metering equipment will not be installed by the Company until the required phone line and electrical connections are available.

The Company reserves the right to charge Customers for each service call to investigate, repair, and/or obtain daily meter readings if such service call is the sole result of telephone service outage. If frequent or prolonged telephone service outages occur, the Company, at its sole discretion, shall have the right to disconnect gas service to the Customer until such telephone service is restored.

MAXIMUM DAILY REQUIREMENT

The Customer's Maximum Daily Requirement (MDR) shall be established in the contract between the Customer and the Company. Unless otherwise agreed upon in the contract, MDR is defined as the maximum consumption measured at the Customer's meter, adjusted for Retention, during any twenty-four (24)-hour period beginning at 9:00 a.m. Central Clock Time (CCT) and ending at 9:00 a.m. CCT, the following day during the most recent peak months of December, January, and February.

The contracted MDR shall be the maximum daily volume of natural gas the Company is obligated to: (a) deliver to Customers contracting for Customer-supplied gas supply, or (b) supply and deliver to Customers contracting for Company-supplied gas supply, and the Customer is entitled to receive on any day under this Tariff.

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SECTION 3 – GAS RATE SCHEDULES RATE LV – LARGE VOLUME SERVICE (continued)

MAXIMUM HOURLY QUANTITY

The Customer's Maximum Hourly Quantity (MHQ) initially will be the equivalent to their historical or contractual hourly usage level, generally 1/16th of their MDR. MHQ is defined as the maximum consumption measured at the Customer's meter, adjusted for Retention, during any one (1) hour period during a Company-declared Critical Hourly Restriction. Critical Hourly Restrictions will only occur during Short Critical Day declarations, as defined in Rider T under Definitions, and will usually be limited to peak hours within such day, for example 5:00 a.m. through 9:00 a.m.

The MHQ is the Maximum Hourly Quantity that the Company is obligated to: (a) deliver to Customers contracting for Customer-supplied gas supply, or (b) supply and deliver to the Customers contracting for Company-supplied gas supply, and that the Customer is entitled to receive on any hour during Critical Hourly Restriction hours.

ADJUSTMENT CLAUSES AND RIDERS

The above rates are subject to:

- 1. Riders S, T System Gas Service, Transportation of Customer-Owned Gas, as applicable
- 2. Clause BTU BTU Adjustment Clause
- 3. Clause EECR Energy Efficiency Cost Recovery Adjustment, as applicable
- 4. Clause IE Incremental Expansion Surcharge Adjustment, as applicable
- 5. Clause GTA Gas Tax Adjustment Clause
- 6. Clause TERM Tax Expense Refund Mechanism
- 7. Rider PDR Pipeline Demand Rider, as applicable
- 8. Clause CIPA Capital Investment Phase-In Adjustment



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MINIMUM CHARGE

The minimum charge shall be the sum of the following:

1. Basic Service Charge

- 2. Meter Class Charge
- 3. Contracted MDR multiplied by Distribution Demand Charge
- 4. Contracted MHQ multiplied by Distribution Demand Charge
- 5. Transportation Administration Charge, if applicable
- 6. Interval Meter Charge or Transportation Meter Charge, as applicable

LATE PAYMENT CHARGE

A late payment charge of one and one-half percent (1.5%) per month shall be added to the past due amount if the bill is not paid by the due date.



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CRITICAL HOURLY RESTRICTION

The Company may declare a Critical Hourly Restriction during a Short Critical Day if the Company determines there is a sufficient constraint in the available capacity on its system or on a supplying pipeline's system. During this time the Customer will be required to restrict use to the contracted MHQ. The Company will notify the Customer of the start and end time of the Critical Hourly Restriction. The Company reserves the right to declare a Critical Hourly Restriction at any time of the day.

Customers must maintain and provide to the Company an e-mail contact list that is accurate and operational, where e-mail is checked regularly throughout the day, for the purpose of accepting notification of a Critical Hourly Restriction. The Company will use its best efforts to provide as much notice as possible, but notice shall not be less than one (1) hour.

A Customer's hourly use will not be limited unless the Company declares a Critical Hourly Restriction.

EXCESS USE

Maximum Daily Requirement (MDR)

Unless otherwise provided in the contract between the Company and the Customer, usage on any December through February day in excess of the contract MDR, or usage on any March or November day in excess of 125% of the contract MDR, or usage on any April through October day in excess of 200% of the contract MDR, shall be considered excess use.

Such excess use shall be subject to excess use charges. The Customer may elect to establish a new contract MDR in lieu of payment of excess use charges, if in the sole judgment of the Company, supply conditions and/or distribution system capacity permit. The new MDR would then become effective with the Billing Period in which such excess use occurred.

Effective Date: July 1, 2015



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EXCESS USE (continued)

Maximum Hourly Quantity (MHQ)

The Customer's hourly usage in excess of the Customer's MHQ during a Critical Hourly Restriction will be considered excess use and subject to excess use charges. The Customer may elect to establish a new contract MHQ in lieu of payment of excess use charges, if in the sole discretion of the Company, additional MHQ capacity is available. The new MHQ would then become effective with the billing period in which such excess use occurred.

Whenever, in its sole judgment reasonably exercised, the Company determines that excess use by the Customer jeopardizes the operational integrity of the natural gas system, the Company shall be entitled to curtail deliveries of Company- or Customer-owned gas to the Customer.

PENALTIES FOR EXCESS USE

Any volumes of excess use for MDR and MHQ as defined under "Excess Use" above shall be subject to a Company excess use charge of \$0.50 per Therm for the first two percent (2%) excess and \$1.00 per Therm for all additional excess, in addition to current distribution charges and any applicable gas supply charges.

In addition to the Company excess use charges described above, the Customer shall be responsible for any additional pipeline costs, penalties or other costs incurred by the Company as a result of the Customer's excess use.

The penalty provisions of Rider T may also apply to Customer-owned gas supply.

Effective Date: July 1, 2015



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TERM OF CONTRACT

The obligations hereunder of the Customer and the Company shall commence on the date gas service is first rendered to the Customer and shall continue for an initial term of one (1) year thereafter and for repeating periods of one (1) year thereafter unless terminated by written notice given by either party to the other not less than ninety (90) days prior to the expiration of the initial term or any subsequent one (1) year term.

The MDR shall remain in effect for a minimum of twelve (12) months from the date of the contract or amendment of MDR. Subsequent to the twelve (12) months the Customer may request a reduction in MDR by giving a minimum of thirty (30) days written notice to the Company. The Customer must demonstrate consistent ability to achieve the proposed MDR. Approval of any changes in MDR will be at the Company's sole discretion.

The MHQ shall remain in effect for a minimum of twelve (12) months from the date of the contract or amendment. Subsequent to the twelve (12)-month period, the Customer may request a reduction in MHQ by giving a minimum of thirty (30) days written notice to the Company. The Customer must demonstrate the ability to stay within the proposed MHQ. Approval of any changes in MHQ will be at the Company's sole discretion.



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REASSIGNMENT OF RATE

If available, actual usage by gas day will be used to determine the Customers' peak day. If not available, the Customer's average use per day will be calculated for each of the most recent December through February Billing Periods by dividing the customer's usage in Therms for the Billing Period by the number of days in that Billing Period. The customer's Average Daily Usage shall be the highest resulting average use per day calculated during the December through February Billing Periods.

The Peak Billing Period is December through February.

If a Customer receiving service under Rate LV does not have an Average Daily Usage equal to or greater than 2,000 Therms per day during any peak period billing month during the prior twelve (12) monthly Billing Periods ending June of each year, the Customer shall be reassigned to a different rate as follows:

- If the Customer has an Average Daily Usage equal to or greater than 500 Therms per day during any peak period billing month during the prior twelve (12) monthly Billing Periods ending June of that year, the Customer shall be reassigned to Rate MV.
- If the Customer does not have an Average Daily Usage equal to or greater than 500 Therms per day during any peak period billing month during the prior twelve (12) monthly Billing Periods ending June of that year, the Customer shall be reassigned to Rate SV.

Reassignment of rates will become effective the following November Billing Period.

Once the Customer has been reassigned to Rate SV or MV, the Customer will not be eligible to receive service under Rate LV for a minimum of twelve (12) monthly Billing Periods following such reassignment.

GENERAL

Service hereunder is subject to the "Gas Service Policies" of the Company and applicable adjustment clauses and riders.