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<p>Sheet Revisions When a sheet is revised, the revision is noted in the left margin as: R = Revision, D = Deletion, N = New</p>



Communities Served

COLUMBIA COUNTY

Cities

Lodi

Towns

Arlington
Dekorra
Leeds
Lodi
West Point

CRAWFORD COUNTY

Cities

Prairie du Chien

Villages

Bell Center
Eastman
Gays Mills
Mount Sterling
Soldiers Grove
Wauzeka

Towns

Bridgeport
Clayton
Eastman
Haney
Prairie du Chien
Seneca
Utica
Wauzeka

DANE COUNTY

Cities

Fitchburg
Madison
Middleton
Monona
Verona

Villages

Black Earth
Blue Mounds
Cross Plains
Dane
DeForest
Maple Bluff
Mazomanie
McFarland
Mount Horeb
Shorewood
Waunakee

Towns

Berry
Black Earth
Blooming Grove
Blue Mounds
Burke
Cottage Grove
Cross Plains
Dane
Dunn
Madison
Mazomanie
Middleton
Montrose
Roxbury
Springdale
Springfield
Sun Prairie
Verona
Vienna
Westport
Windsor

IOWA COUNTY

Villages

Arena
Barneveld
Ridgeway

Towns

Arena
Brigham
Ridgeway

JUNEAU COUNTY

Cities

Elroy

Towns

Plymouth
Wonewoc

MONROE COUNTY

Villages

Kendall
Norwalk
Wilton

Towns

Glendale
Ridgeville
Wellington
Wilton

VERNON COUNTY

Cities

Viroqua

Villages

Readstown

Towns

Kickapoo
Liberty
Viroqua



Effective Rates

	Distribution Service
Residential Distribution Service (RD-1)	
	Customer charge per day \$0.3370
R	All therms \$0.2919
Residential Lifeline Distribution Service (RD-2)	
	Customer charge per day \$0.3370
R	All therms, summer \$0.2919
R	All therms, winter..... \$0.2719
Small Commercial and Industrial Distribution Service (GSD-1)	
	Customer charge per day \$0.6600
R	All therms \$0.1327
Medium Commercial and Industrial Distribution Service (GSD-2)	
	Customer charge per day \$3.5020
R	All therms \$0.0957
Large Commercial and Industrial Distribution Service (GSD-3)	
	Customer charge per day \$20.061
R	All therms \$0.0645
Interruptible Generation Distribution Service (IGD-1)	
	Customer charge per day \$102.00
	All therms \$0.0343
Seasonal Off-Peak Distribution Service (SD-1)	
	Customer charge per day \$1.75
R	All therms \$0.0787
Contracted Distribution Service (CDS-1)	
	Customer charge per day NA
	All therms NA
Steam and Power Generation: Gas Distribution Service (SP-1)	
	Customer charge per day \$1,592.88
	All therms \$0.0375



Effective Rates

For service rendered on and after
February 1, 2012

	Nongas Charge	Natural Gas Service Cost	Effective Charge*
Compressed Natural Gas Service (CNG-1)			
	\$0.2202	NA	\$0.2202
	\$0.0295	NA	\$0.0295
R All therms	NA	\$0.4132	\$0.4132
Firm Gas Sales Service (FS-1)			
	\$0.0330	NA	\$0.0330
R All therms	NA	\$0.4986	\$0.4986
Interruptible Gas Sales Service (IS-1)			
	\$0.0295	NA	\$0.0295
	\$1.50	NA	\$1.50
R All therms	NA	\$0.4132	\$0.4132
Interruptible Large Boiler Gas Sales Service (IS-2)			
	\$31.00	NA	\$31.00
	\$1.50	NA	\$1.50
R All therms	NA	\$0.3979	\$0.3979
Large Annual Use Gas Sales Service (LS-1)			
	\$51.00	NA	\$51.00
	\$1.50	NA	\$1.50
R Natural gas service, firm	NA	\$0.3326	\$0.3326
R Natural gas service, interruptible	NA	\$0.3267	\$0.3267
Daily Balancing Service (DBS-1)			
	\$3.70	NA	\$3.70
	\$1.50	NA	\$1.50
R Balancing service charge, first tier	NA	NA	\$0.02247
	NA	NA	\$0.03232
Backup Sales Service (BU-1)			
	\$0.0295	NA	\$0.0295
R All therms	NA	\$0.4986	\$0.4986

*Refer to sheet G-38.



Effective Rates

DBS-1 CASHOUT RATES*

**For the monthly cashout of imbalances incurred in
January 2012**

OVERTAKE CASHOUT PRICE		Cashout price per therm of month-end imbalances
<i>Overtake imbalance ranges:</i>		
R	Over 0% through 3.5%	\$0.4458
R	Over 3.5% through 10%	\$0.5127
R	Over 10% through 15%	\$0.5796
R	Over 15% through 20%	\$0.6242
R	Over 20%.....	\$0.6688
UNDERTAKE CASHOUT CREDIT		
<i>Undertake imbalance ranges:</i>		
R	Over 0% through 3.5%	\$0.3227
R	Over 3.5% through 10%	\$0.2743
R	Over 10% through 15%	\$0.2259
R	Over 15% through 20%	\$0.1936
R	Over 20%.....	\$0.1614

*Refer to sheet G-34.

Definition of Terms

Except where the context expressly states another meaning, the following terms will have the following meanings whenever used in this tariff.

Alternate fuel means a fuel other than natural gas or compressed natural gas.

Alternate fuel capabilities means a situation where an alternate fuel could have been utilized, provided, however, where the natural gas is for feedstock or process uses and the only alternate fuel is propane or other gaseous fuel, then the consumer will be treated as if it had no alternate fuel capability.

Alternate fuel for essential agricultural Use means any fuel which is economically practicable and reasonably available as determined by the Federal Energy Regulatory Commission (FERC).

Annual charge adjustment or **ACA** means a surcharge as permitted by Section 154.38 (d) (6) of the FERC's Regulations to permit interstate pipeline companies to recover from its shippers all Total Annual Charges assessed it by the FERC under Part 382 of the FERC's Regulations.

Balancing services means the Company's managing of a customer's natural gas supply to enable the customer to match the customer's daily usage with the customer's confirmed scheduled and Company-accepted pipeline delivery of third-party natural gas supplies. Customers who wish to receive third-party natural gas supplies must obtain balancing service through the balancing provisions in the Daily Balancing Service (DBS-1).

Balancing service charge means the charge applicable to a customer's adjusted imbalance volume when Daily Balancing Service (DBS-1) is being utilized.

Billing cycle means the regular periodic interval used by a utility for reading the meters of customers for billing purposes.

Boiler fuel means natural gas used as a fuel for the generation of steam or hot water (including natural gas used as a fuel for externally fired pressure vessels using heat transfer fluids other than water) or electricity, including the utilization of gas turbines for the generation of electricity.

Btu means one British thermal unit, the amount of heat required to raise the temperature of one pound of water one degree Fahrenheit at 60 degrees Fahrenheit.

Business day means any weekday when the Company's business office is open in the normal course of business.

Calendar month means the period beginning on the first gas day of the calendar month and ending on the first gas day of the next succeeding month.

City gate means the points of delivery between the interstate pipelines providing service to Company facilities.

Commercial means service to customers who are primarily engaged in wholesale or retail trade, agriculture, forestry, fisheries, transportation, communications, sanitary services, finance, insurance, real estate, personal services, government, and service that does not fall directly within one of the other classifications.

Company means Madison Gas and Electric Company (MGE).

Company-administered balancing pool means in a pool of aggregated customer volumes administered by the Company under Daily Balancing Service for customers who are not members of a Third-Party Pool.

Constraint day means a day in which a High-Flow Constraint, Selective Constraint, or a Low-Flow Constraint, as set forth herein, is declared.

Curtailement means a reduction in gas deliveries or gas sales necessitated by a shortage of supply.

Definition of Terms

Customer means a consumer of natural gas distributed in any one billing period at one location through one meter. An entity using gas at separate locations is considered a separate customer at each location.

Default balancing service means that a Third-Party Pool has selected pipeline balancing services, other than the company's balancing services, and the pipeline balancing services do not cover the entire imbalance of the pool. The Company will provide Company Balancing Service for the remainder of the imbalance at Maximum Rates, as specified in the Daily Balancing Service rate schedule.

Dekatherm means the quantity of heat energy which is equivalent to one (1) million (1,000,000) Btu.

Distribution means the process of transporting natural gas through the Company's facilities to the customer's facilities.

Enhanced transportation service or ETS means ANR's Rate Schedule ETS, Enhanced Transportation Service as specified in ANR's FERC Gas Tariff.

Essential agricultural use means any use of natural gas which is certified by the Secretary of Agriculture as an essential agricultural use under Section 401(c) of the NGPA as identified in 7 C.F.R. Section 2900, et seq.

Essential company use means any use of natural gas which is necessary to maintain service to the balance of customers who are not curtailed.

Feedstock means natural gas used as a raw material for its chemical properties in creating an end product.

Firm customer is a customer receiving service under Rate Schedules or contracts designed to provide customer's gas supply and distribution needs on a continuous basis.

Firm service is service offered to customers under schedules or contracts which anticipate no interruptions.

Firm storage service or FSS means ANR's Rate Schedule FSS, Firm Storage Service as specified in ANR's FERC Gas Tariff.

Firm transportation service or FTS means transportation services for which facilities have been designed, installed and dedicated to a certified quantity.

Force majeure means acts of God, strikes, lockouts, or other industrial disturbances, acts of a public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lighting, earthquakes, fires, storms, storm warnings, floods, washouts, arrests, and restraints of governments and people, present or future, valid orders, decisions or rulings of any governmental authority having jurisdiction, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, freezing of wells or lines of pipe, and any other cause, whether of the kind herein enumerated or otherwise, not within the control of the Company which, by the exercise of due diligence, Company is unable to prevent or overcome. The settlement of strikes or lockouts will be entirely within the discretion of the Company and the above requirement that any inability to carry out obligations hereunder due to force majeure will be remedied with all reasonable dispatch will not require the settlement of strikes or lockouts by conceding to the demand of the opposing party when such course is inadvisable in the discretion of the Company.

Gas means natural gas, manufactured gas, propane-air gas or any mixture of hydrocarbons or of hydrocarbons and non-combustible gases, in a gaseous state, consisting predominately of methane determined on a Btu basis.

Gas day means a period of twenty-four (24) consecutive hours, beginning at 9 a.m. Central Time.

Definition of Terms

Gas Research Institute or **GRI** means an Illinois not-for-profit corporation organized for the purpose of assisting all the gas industry in providing adequate, reliable, safe, economic, and environmentally acceptable gas service for the benefit of gas consumers and general public. The GRI Surcharge is the funding mechanism for GRI approved expenditures.

High-flow constraint day is a day when the Company expects natural gas demand to exceed its available deliverable supply of gas for gas sales service needs. On such a day the Company will interrupt Interruptible customers and/or require customers using third-party natural gas supplies to use no more than their daily confirmed scheduled and Company-accepted pipeline deliveries to avoid incurring pipeline penalties and assure that adequate supplies are available for Firm Sales Service needs.

Imbalance is when a party receives or delivers a quantity of natural gas, then redelivers or uses a larger or smaller quantity of natural gas to another party.

Interruptible customer is a customer receiving service under Rate Schedules or contracts which permit interruption of service on short notice due to insufficient gas supply or capacity to deliver that supply.

Interruptible service is a low priority service offered to customers under schedules or contracts which anticipate and permit interruption on short notice, generally in peak-load seasons, by reason of the claim of firm service customers and higher priority users. Gas is available at any time of the year if the supply is sufficient and the supply system is adequate.

Industrial means service to customers who are primarily engaged in a process which creates or changes raw or unfinished materials into another form or product. This includes mining and manufacturing.

Low-flow constraint day means any day that Company anticipates that it may be subject to pipeline or supplier penalties if natural gas supplies delivered to the Company exceed demand. On such a day, the Company will require customers using third-party natural gas supplies to use no less than their daily confirmed scheduled and Company-accepted pipeline deliveries to avoid incurring pipeline penalties.

Maximum day requirements will be determined from actual telemetered maximum day usage or by dividing the maximum monthly deliveries (customers will have their maximum daily requirement calculated on the most recent maximum monthly consumption) by the number of billing days in that month. Volumes specified in the Curtailment Priority Categories of this tariff will apply in the aggregate rather than on a unit-of-equipment basis.

Nomination is a request for a physical quantity of gas under a specific purchase, sales or transportation agreement or for all contracts at a specific point. Types of nominations include, but are not limited to, initial pipeline nominations, scheduled pipeline nominations, and Company-accepted nominations.

No-notice service or NNS means ANR's Rate Schedule NNS, No-Notice Service as specified in ANR's FERC Gas Tariff.

Overnomination means a nomination that is more than the amount of gas that is used by the customer during the period of time covered by the nomination (e.g., a Gas Day or a Gas Month). For balancing purposes, the difference between an overnomination and the usage volumes will be divided by the nomination to determine the overnomination percentage. Under Daily Balancing Service, the absolute difference between the nomination and the usage volumes will be subject to the appropriate Balancing Service Charges or Penalties. Usage volumes will be adjusted as necessary to be on a comparable basis with nomination volumes before an overnomination or undernomination is calculated.

Peak day means the maximum daily quantity of gas distributed through the Company's system.

PSI means pounds per square inch.

Definition of Terms

Process means gas used in appliances which were designed to burn a gaseous fuel so as to utilize those combustion characteristics of gaseous fuels, such as complete combustion, safe combustion products, flame geometry, ease of temperature control to precise levels, and optimum safety of heat application. Specifically excluded are steam and hot water boilers, gas turbines, space-heating equipment, and indirect air heaters, where, for all such equipment, alternate fuel-burning equipment is available. A process gas load by this definition is a load for which there is no usable alternate to a gaseous fuel.

Purchased gas adjustment or PGA means the Company's monthly adjustment to adjust the average cost of gas sold through the Company's gas sales service rate schedules, as set forth on sheet G-38 of this tariff.

Residential means service to customers under the Residential Distribution Service Rate Schedule RD-1.

Residential lifeline means service to eligible customers under the Residential Lifeline Distribution Service Rate Schedule RD-2.

Scheduling is a process by which nominations are first consolidated by receipt point, by contract, and verified with upstream/downstream parties. If the verified capacity is greater than or equal to the total nominated quantities, all nominated quantities are scheduled. If verified capacity is less than nominated quantities, nominated quantities will be allocated according to scheduling priorities.

Supplier means a party that sells the commodity of natural gas.

System supply means purchases of natural gas for MGE's customers who purchase all of their natural gas supply from MGE.

Therm means the quantity of heat energy which is equivalent to one hundred thousand (100,000) Btu.

Third-party natural gas supplies means natural gas supplies that are purchased from an entity other than the Company.

Third-party natural gas supply nomination form means the Company designated nomination form which is required to be completed and submitted to the Company in accordance with terms and provisions of the Company's Daily Balancing Service (Rate Schedule DBS-1).

Third-party pool means customers that are aggregated, by a party other than the Company, for balancing purposes under Daily Balancing Service.

Undernomination means a nomination that is less than the amount of gas that is used by the customer during the period of time covered by the nomination (e.g., a Gas Day or a Gas Month). For balancing purposes, the difference between an undernomination and the usage volumes will be divided by the nomination to determine the undernomination percentage. Under Daily Balancing Service, the absolute difference between the nomination and the usage volumes will be subject to the appropriate Balancing Service Charges or Penalties. Usage volumes will be adjusted as necessary to be on a comparable basis with nomination volumes before an overnomination or undernomination is calculated.

Weighted average cost of gas or WACOG is average cost of gas purchased during a given time period, usually a month. This WACOG includes gas injected or withdrawn from storage.



2005 Wisconsin Act 141 Costs

(For Informational Purposes Only)

Pursuant to the Order in Docket 3270-UR-117, the following rates are authorized to recover 2005 Wis. Act 141 costs. These rates have been imputed into the base rates of all of the Company's natural gas rate classes except IGD-1 and SP-1.

Customers considered to be a large energy use customer (LEC) as defined under 2005 Wis. Act 141 that are served under all customer classes except IGD-1 and SP-1 will be credited the charges below based on their actual usage and will subsequently be billed a fixed monthly charge calculated in a manner consistent with the provisions contained in the 2005 Wis. Act 141; Wis. Admin. Code § PSC 134; and Wis. Statutes §196.374. All customers in the IGD-1 and SP-1 classes are considered LECs and are all subject to the Act 141 fixed monthly charge.

RATE

R Residential, per therm	\$0.0148
R Nonresidential, per therm.....	\$0.0214



Residential Distribution Service

AVAILABILITY

To residential customers for general use, including space heating.

This rate schedule applies to gas distributed to one customer at one location through one meter. For those customers where, at the Company's sole discretion, two or more meters are required for service, all such meters will be combined and the total service charge will be the same as though one meter was installed.

APPLICABILITY AND CHARACTER OF SERVICE

The Company will provide distribution service for the delivery of gas supply through the Company's facilities to residential customers. Residential customers will mean those who purchase natural gas for domestic use. Domestic use will be defined as all natural gas service which is ultimately consumed at a single or multiple-family dwelling for space heating, water heating, cooking, air conditioning, or other household use within the dwelling.

Where service to an apartment building is measured through one meter and when there are four or less residential units, service will be billed at the residential rate. When the building contains five or more residential units, service will be at the appropriate commercial and industrial distribution rate schedule. If the building has separately metered residential units, service to the public areas and for other common usage will be billed on the appropriate commercial and industrial distribution rate schedule.

Distribution service by the Company under this rate schedule will be on a firm basis.

RATE

R	Customer charge per day ⁽¹⁾	\$0.3370
	Distribution service per therm.....	\$0.2919

(1) The customer charge will be applied in any billing period the customer is classified as receiving service under this rate schedule.

PAYMENT

Payment is due not later than the due date shown on the bill. Any Company billing charges unpaid after the due date will be subject to a late payment charge as described in the Company's gas service rules under Late Payment Charge.

GAS SERVICE OPTIONS

Customers taking service under this rate schedule will receive their gas supply service under the Company's Firm Gas Sales Service (Rate Schedule FS-1).

SPECIAL TERMS AND PROVISIONS

1. Customers who have their meters turned off and back on within a 12-month period will pay the customer charge applicable to the customer for the period while service was not being used.
2. The rates and character of service under this rate schedule are subject to review and change by the Public Service Commission of Wisconsin.
3. This service is subject to the conditions of delivery set forth herein and to the Company's rules and regulations for gas service.



Residential Distribution Service

4. For any natural gas supply which is not furnished by Company, customer warrants for itself, its successors and assigns, that it has or will have at the time of the delivery of the gas to Company for distribution hereunder, good title to such gas and the right to cause the gas to be delivered to Company for distribution. Customer warrants for itself, its successors and assigns, that the gas it furnishes to Company for distribution hereunder will be free and clear of all liens, encumbrances, or claims, and that it will indemnify and save Company harmless from all suits, actions, damages, costs, losses, and expenses, including reasonable attorney's fees, arising out of or from any adverse claims of any and all persons to the gas, or to any claims of royalties, taxes, license fees, or charges thereon which are directly applicable to the delivery of the gas, and further that customer will indemnify and save Company harmless from all taxes or assessments, and any costs associated therewith, including reasonable attorney's fees, which may be directly levied and assessed upon such delivery and which are by law payable and the obligation of the party making such delivery.



Residential Lifeline Distribution Service

AVAILABILITY

This rate schedule is closed to new customers as of July 30, 1985, and existing customers will be placed on a priority list to receive weatherization services. As customers have conservation measures installed in their dwellings, they will be moved to the regular residential rate applicable to their class of service. Existing lifeline customers who have received weatherization services prior to July 30, 1985, will remain on the rate until they no longer meet the income or other qualification guidelines established for the program. When an existing lifeline customer moves from one residence to another, such action will be considered as the termination of service at the former residence and commencement of a new service, under Rate Schedule RD-1, at the subsequent location.

This rate schedule is optional for residential customers living in an individually metered residential unit who satisfy the eligibility requirements as follows: (1) the customer must have annual household income below 150 percent of the Department of Health and Human Services poverty levels or (2) the head of the household and/or spouse must be receiving Supplemental Security Income. The customer is required to prove eligibility and to fill out an application for service under this rate schedule.

The customer is responsible for providing evidence to the Company of eligibility for this rate schedule as specified below, prior to initiation of service hereunder. The customer may also be required to provide evidence of eligibility once every four years. A customer may prove eligibility by:

1. Presenting a properly encoded medical assistance identification card showing they are receiving Supplemental Security Income.
2. Providing proof of participation in the Energy Assistance Program, AFDC, food stamps, Medicaid, or other public programs requiring income levels at 150 percent of or below poverty guidelines.
3. Presenting a signed third-party release form from a minister, social agency representative, attorney, tax accountant, budget counselor, or other reliable source that has accurate knowledge of the customer's financial situation.
4. Providing certified copies of federal, state, or Homestead Credit Tax forms which indicate gross income within the guidelines for the previous tax year.

Household income is defined as total cash receipts before taxes from all sources and for all household members.

When unrelated persons are living in the same residence, income eligibility is determined using the 150 percent of poverty level figure for a family with the same number of members (i.e., 150 percent of poverty level for a residence with three unrelated persons equals 150 percent of poverty level for family with three members).

APPLICABILITY AND CHARACTER OF SERVICE

The Company will provide distribution service for the delivery of gas supply through the Company's facilities to eligible customers. A residential unit is defined as a separate house, apartment, or other living quarters.

Distribution service by the Company under this rate schedule will be on a firm basis.



Residential Lifeline Distribution Service

RATE

	Customer charge per day ⁽¹⁾	\$0.3370
	Distribution service per therm: ⁽²⁾	
R	Summer	\$0.2919
R	Winter.....	\$0.2719

(1) The customer charge will be applied in any billing period the customer is classified as receiving service under this rate schedule.

(2) For purposes of this rate schedule, the summer distribution service charge is in effect for the calendar months of April through October. The winter distribution service charge is in effect for the calendar months of November through the following March.

PAYMENT

Payment is due not later than the due date shown on the bill. Any Company billing charges unpaid after the due date will be subject to a late payment charge as described in the Company's gas service rules under Late Payment Charge.

GAS SERVICE OPTIONS

Customers taking service under this rate schedule will receive their gas supply service under the Company's Firm Gas Sales Service (Rate Schedule FS-1).

SPECIAL TERMS AND PROVISIONS

1. Customers who have their meters turned off and back on within a 12-month period will pay the customer charge applicable to the customer for the period while service was not being used.
2. Any customer who misinforms the Company about total household income will be subject to back billing for the difference between what the customer would have paid under the Residential Distribution Service (Rate Schedule RD-1) and what the customer actually paid under this rate schedule.
3. The rates and character of service under this rate schedule are subject to review and change by the Public Service Commission of Wisconsin.
4. This service is subject to the conditions of delivery set forth herein and to the Company's rules and regulations for gas service.
5. For any natural gas supply which is not furnished by Company, customer warrants for itself, its successors and assigns, that it has or will have at the time of the delivery of the gas to Company for distribution hereunder, good title to such gas and the right to cause the gas to be delivered to Company for distribution. Customer warrants for itself, its successors and assigns, that the gas it furnishes to Company for distribution hereunder will be free and clear of all liens, encumbrances, or claims, and that it will indemnify and save Company harmless from all suits, actions, damages, costs, losses, and expenses, including reasonable attorney's fees, arising out of or from any adverse claims of any and all persons to the gas, or to any claims of royalties, taxes, license fees, or charges thereon which are directly applicable to the delivery of the gas, and further that customer will indemnify and save Company harmless from all taxes or assessments, and any costs associated therewith, including reasonable attorney's fees, which may be directly levied and assessed upon such delivery and which are by law payable and the obligation of the party making such delivery.



Small Commercial and Industrial Distribution Service

AVAILABILITY

To commercial and industrial customers for general use, including space heating, whose natural gas consumption is less than 25,000 therms in any 12 consecutive billing months. The customer will be removed from this rate schedule if the customer no longer qualifies for service under this rate schedule. A customer will be moved to Rate Schedule GSD-2 when their consumption is greater than 25,000 therms for any period during the most recent 12 consecutive months. Changes in rate classification will be effective for the billing period immediately following the determination of eligibility, and customers will be bound by the terms and conditions, including Gas Service Options, of the new rate schedule.

This rate schedule applies to gas distributed to one customer at one location through one meter. For those customers where, at the Company's sole discretion, two or more meters are required for service, all such meters will be combined and the total service charge will be the same as though one meter was installed.

APPLICABILITY AND CHARACTER OF SERVICE

The Company will provide distribution service for the delivery of gas supply through the Company's facilities to eligible customers.

Apartment buildings consisting of two or more residential units, where gas service is included with the rent and where the owner agrees not to resell the gas through meters at meter rates, may be served through one gas meter installed by the Company.

Where service to an apartment building is measured through one meter and when there are four or less residential units, service will be billed at the residential rate. When the apartment building contains five or more residential units, service will be at the appropriate commercial and industrial distribution service rate schedule. If the apartment building has separately metered residential units, service to the public areas and for other common usage will be billed on the appropriate commercial and industrial distribution service rate schedule.

Distribution service by the Company under this rate schedule will be on a firm basis.

RATE

R	Customer charge per day ⁽¹⁾	\$0.6600
	Distribution service per therm.....	\$0.1327

(1) The customer charge will be applied in any billing period the customer is classified as receiving service under this rate schedule.

PAYMENT

Payment is due not later than the due date shown on the bill. Any Company billing charges unpaid after the due date will be subject to a late payment charge as described in the Company's gas service rules under Late Payment Charge.

GAS SERVICE OPTIONS

Customers taking service under this rate schedule will receive their gas service under the Company's Firm Gas Sales Service (Rate Schedule FS-1) except for Elroy-area customers who were interruptible customers prior to August 20, 1997, and Viroqua-area customers who can receive their gas under the Company's Interruptible Gas Sales Service (Rate Schedule IS-1), unless customer contracts with the Company for service under the Company's Daily Balancing Service (Rate Schedule DBS-1).



Small Commercial and Industrial Distribution Service

SPECIAL TERMS AND PROVISIONS

1. Customers who have their meters turned off and back on within a 12-month period will pay the customer charge applicable to the customer for the period while service was not being used.
2. The rates and character of service under this rate schedule are subject to review and change by the Public Service Commission of Wisconsin.
3. This service is subject to the conditions of delivery set forth herein and to the Company's rules and regulations for gas service.
4. If special equipment, such as motor-operated valves, metering bypass, and remote control is required to monitor gas service, such special equipment will be installed by the Company at the customer's expense. This requirement will not apply to telemetering equipment necessary for services under the Company's Rate Schedules IS-1, IS-2 and DBS-1. The ownership, installation, operation, and maintenance of all such equipment will be under the exclusive control of the Company.
5. For any natural gas supply which is not furnished by Company, customer warrants for itself, its successors and assigns, that it has or will have at the time of the delivery of the gas to Company for distribution hereunder, good title to such gas and the right to cause the gas to be delivered to Company for distribution. Customer warrants for itself, its successors and assigns, that the gas it furnishes to Company for distribution hereunder will be free and clear of all liens, encumbrances, or claims, and that it will indemnify and save Company harmless from all suits, actions, damages, costs, losses, and expenses, including reasonable attorney's fees, arising out of or from any adverse claims of any and all persons to the gas, or to any claims of royalties, taxes, license fees, or charges thereon which are directly applicable to the delivery of the gas, and further that customer will indemnify and save Company harmless from all taxes or assessments, and any costs associated therewith, including reasonable attorney's fees, which may be directly levied and assessed upon such delivery and which are by law payable and the obligation of the party making such delivery.



Medium Commercial and Industrial Distribution Service

AVAILABILITY

To commercial and industrial customers for general use, including space heating, whose natural gas consumption is equal to or greater than 25,000 therms and less than 200,000 therms in any 12 billing months. The customer will be removed from this rate schedule if the customer no longer qualifies for service under this rate schedule. A customer will be moved to Rate Schedule GSD-1 when their annual consumption falls below 25,000 therms and remains below 25,000 therms for 12 consecutive months. A customer will be moved to Rate Schedule GSD-3 when their consumption is greater than 200,000 therms for any period during the most recent 12 consecutive months. Changes in rate classification will be effective for the billing period immediately following the determination of eligibility and customers will be bound by the terms and conditions, including Gas Service Options, of the new rate schedule. Unless otherwise agreed to by Company, new customers will initially be placed on Rate Schedule GSD-1 and remain there until their consumption causes them to be moved to Rate Schedule GSD-2 or GSD-3.

This rate schedule applies to gas distributed to one customer at one location through one meter. For those customers where, at the Company's sole discretion, two or more meters are required for service, all such meters will be combined and the total service charge will be the same as though one meter was installed.

APPLICABILITY AND CHARACTER OF SERVICE

The Company will provide distribution service for the delivery of gas supply through the Company's facilities to eligible customers.

Apartment buildings consisting of two or more residential units, where gas service is included with the rent and where the owner agrees not to resell the gas through meters at meter rates, may be served through one gas meter installed by the Company.

Distribution service by the Company under this rate schedule will be on a firm basis.

RATE

R	Customer charge per day ⁽¹⁾	\$3.5020
	Distribution service per therm.....	\$0.0957

(1) The customer charge will be applied in any billing period the customer is classified as receiving service under this rate schedule.

PAYMENT

Payment is due not later than the due date shown on the bill. Any Company billing charges unpaid after the due date will be subject to a late payment charge as described in the Company's gas service rules under Late Payment Charge.

GAS SERVICE OPTIONS

Customers taking service under this rate schedule will receive their full requirements gas supply service under the Company's Firm Gas Sales Service (Rate Schedule FS-1) unless the customer requests, in writing, less than 100 percent of their full requirements service under Rate Schedule FS-1 or contracts with the Company for service under the Company's Interruptible Gas Sales Service (Rate Schedule IS-1), or Daily Balancing Service (Rate Schedule DBS-1).

SPECIAL TERMS AND PROVISIONS

1. Customers who have their meters turned off and back on within a 12-month period will pay the customer charge applicable to the customer for the period while service was not being used.



Medium Commercial and Industrial Distribution Service

2. The rates and character of service under this rate schedule are subject to review and change by the Public Service Commission of Wisconsin.
3. This service is subject to the conditions of delivery set forth herein and to the Company's rules and regulations for gas service.
4. If special equipment, such as motor-operated valves, metering bypass, and remote control is required to monitor gas service, such special equipment will be installed by the Company at the customer's expense. This requirement will not apply to telemetering equipment necessary for service under the Company's Rate Schedules IS-1, IS-2, or DBS-1. The ownership, installation, operation, and maintenance of all such equipment will be under the exclusive control of the Company.
5. For any natural gas supply which is not furnished by Company, customer warrants for itself, its successors and assigns, that it has or will have at the time of the delivery of the gas to Company for distribution hereunder, good title to such gas and the right to cause the gas to be delivered to Company for distribution. Customer warrants for itself, its successors and assigns, that the gas it furnishes to Company for distribution hereunder will be free and clear of all liens, encumbrances, or claims, and that it will indemnify and save Company harmless from all suits, actions, damages, costs, losses, and expenses, including reasonable attorney's fees, arising out of or from any adverse claims of any and all persons to the gas, or to any claims of royalties, taxes, license fees, or charges thereon which are directly applicable to the delivery of the gas, and further that customer will indemnify and save Company harmless from all taxes or assessments, and any costs associated therewith, including reasonable attorney's fees, which may be directly levied and assessed upon such delivery and which are by law payable and the obligation of the party making such delivery.



Large Commercial and Industrial Distribution Service

AVAILABILITY

To commercial and industrial customers for general use, including space heating, whose natural gas consumption is equal to or greater than 200,000 therms in any 12 consecutive billing months. The customer will be removed from this rate schedule if the customer no longer qualifies for service under this rate schedule. A customer will be moved to Rate Schedule GSD-2 when their annual consumption falls below 200,000 therms and remains below 200,000 therms for 12 consecutive months. Changes in rate classification will be effective for the billing period immediately following the determination of eligibility and customers will be bound by the terms and conditions, including Gas Service Options, of the new rate schedule. Unless otherwise agreed to by Company, new customers will initially be placed on Rate Schedule GSD-1 and remain there until their consumption causes them to be moved to Rate Schedule GSD-2 or GSD-3.

This rate schedule applies to gas distributed to one customer at one location through one meter. For those customers where, at the Company's sole discretion, two or more meters are required for service, all such meters will be combined and the total service charge will be the same as though one meter was installed.

APPLICABILITY AND CHARACTER OF SERVICE

The Company will provide distribution service for the delivery of gas supply through the Company's facilities to eligible customers. Distribution service by the Company under this rate schedule will be on a firm basis.

Distribution service by the Company under this rate schedule will be on a firm basis.

RATE

R	Customer charge per day ⁽¹⁾	\$20.061
	Distribution service per therm.....	\$0.0645

(1) The customer charge will be applied in any billing period the customer is classified as receiving service under this rate schedule.

PAYMENT

Payment is due not later than the due date shown on the bill. Any Company billing charges unpaid after the due date will be subject to a late payment charge as described in the Company's gas service rules under Late Payment Charge.

GAS SERVICE OPTIONS

Customers taking service under this rate schedule will receive their full requirements gas supply service under the Company's Firm Gas Sales Service (Rate Schedule FS-1), unless the customer requests, in writing, less than 100 percent of their full requirements service under Rate Schedule FS-1 or contracts with the Company for service under Interruptible Gas Sales Service (Rate Schedule IS-1), or Daily Balancing Service (Rate Schedule DBS-1).

SPECIAL TERMS AND PROVISIONS

1. Customers who have their meters turned off and back on within a 12-month period will pay the customer charge applicable to the customer for the period while service was not being used.
2. The rates and character of service under this rate schedule are subject to review and change by the Public Service Commission of Wisconsin.
3. This service is subject to the conditions of delivery set forth herein and to the Company's rules and regulations for gas service.



Large Commercial and Industrial Distribution Service

4. If special equipment, such as motor-operated valves, metering bypass, and remote control is required to monitor gas service, such special equipment will be installed by the Company at the customer's expense. This requirement will not apply to telemetering equipment necessary for service under the Company's Rate Schedules IS-1, IS-2, or DBS-1. The ownership, installation, operation, and maintenance of all such equipment will be under the exclusive control of the Company.

5. For any natural gas supply which is not furnished by Company, customer warrants for itself, its successors and assigns, that it has or will have at the time of the delivery of the gas to Company for distribution hereunder, good title to such gas and the right to cause the gas to be delivered to Company for distribution. Customer warrants for itself, its successors and assigns, that the gas it furnishes to Company for distribution hereunder will be free and clear of all liens, encumbrances, or claims, and that it will indemnify and save Company harmless from all suits, actions, damages, costs, losses, and expenses, including reasonable attorney's fees, arising out of or from any adverse claims of any and all persons to the gas, or to any claims of royalties, taxes, license fees, or charges thereon which are directly applicable to the delivery of the gas, and further that customer will indemnify and save Company harmless from all taxes or assessments, and any costs associated therewith, including reasonable attorney's fees, which may be directly levied and assessed upon such delivery and which are by law payable and the obligation of the party making such delivery.



Interruptible Generation Distribution Service

AVAILABILITY

Available to any customer who was receiving service under the Company's Rate Schedules IGT-1 or IGS-1 as of October 15, 1996, and who:

1. Uses natural gas as a fuel for the generation of electricity or steam.
2. Will curtail or interrupt service upon request of the Company.
3. Will provide and maintain suitable and adequate alternate fuel standby facilities or will discontinue use, during an interruption, of any equipment for which alternate fuel facilities are not maintained. Alternate fuel is an energy source other than natural gas.

This rate schedule applies to gas distributed to one customer at one location through one meter. For those customers where, at the Company's sole discretion, two or more meters are required for service, all such meters will be combined and the total service charge will be the same as though one meter was installed.

APPLICABILITY AND CHARACTER OF SERVICE

The Company will provide distribution service for the delivery of gas supply through the Company's facilities to eligible customers.

Distribution service by the Company under this rate schedule will be on an interruptible basis only, and the Company will have the right to interrupt or curtail deliveries of gas hereunder, whenever and to the extent necessary such interruption or curtailment, in the sole judgment of the Company, may be required.

RATE

R	Customer charge per day ⁽¹⁾	\$102.00
	Distribution service per therm.....	\$0.0343

(1) The customer charge will be applied in any billing period the customer is classified as receiving service under this rate schedule.

PAYMENT

Payment is due no later than the due date shown on the bill. Any Company billing charges unpaid after the due date will be subject to a late payment charge as described in the Company's gas service rules under Late Payment Charge.

GAS SERVICE OPTIONS

Customers taking service under this rate schedule will receive their gas supply service under the Company's Interruptible Large Boiler Gas Sales Service (Rate Schedule IS-2) unless customer contracts with the Company for service under Daily Balancing Service (Rate Schedule DBS-1).

PENALTY CLAUSE

The customer will be required to pay a penalty of \$2.50 per therm for all unauthorized use of gas during any interruption or curtailment of service ordered by the Company. If customer continues to use unauthorized gas, the Company may physically disconnect service to the customer.

Interruptible Generation Distribution Service

SPECIAL TERMS AND PROVISIONS

1. When interruption of deliveries hereunder is required, the customer will interrupt the use of gas at the time and to the extent requested by the Company. The Company will notify the customer as far in advance as is feasible, and the customer will discontinue or interrupt the use of gas under this rate schedule as ordered by the Company.

In addition, the Company reserves the right to test the interruptibility of any customer on this rate schedule for any period of at least four hours that the Company requests. The Company has the option of requesting this test interruption of service at least one time each year. The Company reserves the right to move any customer who fails three interruptions, either actual or test, to the appropriate commercial and industrial gas distribution service for which they would otherwise qualify, provided that the Company has the capacity to serve the customer under the appropriate commercial and industrial gas distribution service.

2. Service under this rate schedule will commence following approval of the customer's application for service by the Company.
3. The rates and character of service under this rate schedule are subject to review and change by the Public Service Commission of Wisconsin.
4. This service is subject to the conditions of delivery set forth herein and to the Company's rules and regulations for gas service.
5. If special equipment, such as motor-operated valves, metering bypass, and remote control is required to monitor gas service, such special equipment will be installed by the Company at the customer's expense. This requirement will not apply to telemetering equipment necessary for service under the Company's Rate Schedules IS-1, IS-2, or DBS-1. The ownership, installation, operation, and maintenance of all such equipment will be under the exclusive control of the Company.
6. For any natural gas supply which is not furnished by Company, customer warrants for itself, its successors and assigns, that it has or will have at the time of the delivery of the gas to Company for distribution hereunder, good title to such gas and the right to cause the gas to be delivered to Company for distribution. Customer warrants for itself, its successors and assigns, that the gas it furnishes to Company for distribution hereunder will be free and clear of all liens, encumbrances, or claims, and that it will indemnify and save Company harmless from all suits, actions, damages, costs, losses, and expenses, including reasonable attorney's fees, arising out of or from any adverse claims of any and all persons to the gas, or to any claims of royalties, taxes, license fees, or charges thereon which are directly applicable to the delivery of the gas, and further that customer will indemnify and save Company harmless from all taxes or assessments, and any costs associated therewith, including reasonable attorney's fees, which may be directly levied and assessed upon such delivery and which are by law payable and the obligation of the party making such delivery.



Seasonal Off-Peak Distribution Service

AVAILABILITY

Service under this rate schedule is available from May 1 to December 1 of each calendar year to customers whose entire natural gas requirements can be taken between May 1 and December 1 of each calendar year. Dependent upon the prevailing load conditions, the Company may extend this period to include all or part of the months of April or December on an individual request basis.

This rate schedule applies to gas distributed to one customer at one location through one meter. For those customers where, at the Company's sole discretion, two or more meters are required for service, all such meters will be combined and the total service charge will be the same as though one meter was installed.

APPLICABILITY AND CHARACTER OF SERVICE

The Company will provide distribution service for the delivery of gas supply through the Company's facilities for eligible customers.

Distribution service by the Company under this rate schedule will be on a firm basis.

RATE

R	Customer charge per day ⁽¹⁾	\$1.7500
	Distribution service per therm.....	\$0.0787

(1) The customer charge will be applied in any billing period the customer is classified as receiving service under this rate schedule.

METERING

Service furnished hereunder will be separately metered. Meter reading, during the period service this rate schedule is available, will be done on a monthly basis according to the customer's billing cycle.

PAYMENT

Payment is due not later than the due date shown on the bill. Any Company billing charges unpaid after the due date will be subject to a late payment charge as described in the Company's gas service rules under Late Payment Charge.

PENALTY CLAUSE

Customers are responsible for an additional charge for unauthorized use of gas under this tariff. Availability of this charge does not preclude Company from physically controlling customer's gas supply upon customer's failure to curtail to confirmed, scheduled, and Company-accepted pipeline delivery volume. The additional charge for unauthorized use will be assessed as follows:

1. When gas is used in the months of December through April without permission from the Company, an unauthorized use charge of \$0.50 per therm will be applied to unauthorized use volumes.
2. If a customer is using gas during the months of December through April, and the Company notifies the customer to curtail or interrupt gas use and interstate pipeline capacity is not limited, the additional charge will be the greater of incremental cost to the Company that results from a failure to curtail or interrupt, or \$2.50 per therm for gas used in excess of the maximum quantity level allowed by the Company.

Seasonal Off-Peak Distribution Service

3. If a customer is using gas during the months of December through April, and the Company notifies the customer to curtail or interrupt gas use and interstate pipeline capacity is subject to limitations, the additional charge will be the greater of incremental cost to the Company that results from a failure to curtail or interrupt, or \$10.00 per therm for gas used in excess of the maximum quantity level allowed by the Company.

Incremental cost, as referenced above, will include any interstate pipeline penalties incurred as a result of customer's failure to curtail or interrupt, as well as the total cost of incremental interstate pipeline capacity and/or gas commodity purchased to serve customer's load on the day(s) of curtailment or interruption. Unauthorized use volumes may be identified by physical meter reads, prorated reads, or other load estimating methods. The Company will consider equipment and customer piping factors when identifying volumes subject to penalty.

GAS SERVICE OPTIONS

Customers taking service under this rate schedule will receive their gas supply service under the Company's Interruptible Gas Sales Service (Rate Schedule IS-1), unless the customer contracts with the Company for service under Daily Balancing Service (Rate Schedule DBS-1).

SPECIAL TERMS AND PROVISIONS

1. Customers who have their meters turned off and back on within a 12-month period will pay the customer charge applicable to the customer for the period while service was not being used.
2. Service under this rate schedule will commence following approval of the customer's application for service by the Company.
3. The rates and character of service under this rate schedule are subject to review and change by the Public Service Commission of Wisconsin.
4. This service is subject to the conditions of delivery set forth herein and to the Company's rules and regulations for gas service.
5. If special equipment, such as motor-operated valves, metering bypass, and remote control is required to monitor gas service, such special equipment will be installed by the Company at the customer's expense. This requirement will not apply to telemetering equipment necessary for service under the Company's Rate Schedules IS-1, IS-2, or DBS-1. The ownership, installation, operation, and maintenance of all such equipment will be under the exclusive control of the Company.
6. For any natural gas supply which is not furnished by Company, customer warrants for itself, its successors and assigns, that it has or will have at the time of the delivery of the gas to Company for distribution hereunder, good title to such gas and the right to cause the gas to be delivered to Company for distribution. Customer warrants for itself, its successors and assigns, that the gas it furnishes to Company for distribution hereunder will be free and clear of all liens, encumbrances, or claims, and that it will indemnify and save Company harmless from all suits, actions, damages, costs, losses, and expenses, including reasonable attorney's fees, arising out of or from any adverse claims of any and all persons to the gas, or to any claims of royalties, taxes, license fees, or charges thereon which are directly applicable to the delivery of the gas, and further that customer will indemnify and save Company harmless from all taxes or assessments, and any costs associated therewith, including reasonable attorney's fees, which may be directly levied and assessed upon such delivery and which are by law payable and the obligation of the party making such delivery.



Steam and Power Generation Gas Distribution Service

AVAILABILITY

Available to large distribution service customers on a firm basis who:

1. Use at least 25 million therms per year on this Rate Schedule.
2. Contract for service under this Rate Schedule with the Company for a term of five years with one-year automatic renewals thereafter unless terminated with a six-month written notice to the Company prior to the end of the initial term or the end of a given renewal term thereafter.

APPLICABILITY AND CHARACTER OF SERVICE

The Company will provide distribution service for the delivery of gas supply through the Company's facilities to eligible customers.

Distribution service by the Company under this rate schedule will be on a firm basis.

RATE

R	Customer charge per day ⁽¹⁾	\$1,592.88
	Distribution service per therm.....	\$0.0375

(1) The customer charge will be applied in any billing period the customer is classified as receiving service under this rate schedule.

PAYMENT

Payment is due no later than the due date shown on the bill. Any Company billing charges unpaid after the due date will be subject to a late payment charge as described in the Company's gas service rules under Late Payment Charge.

GAS SERVICE OPTIONS

Customers taking service under this rate schedule will receive their gas supply service under the Company's Large Annual Use Gas Sales Service (Rate Schedule LS-1) unless the customer contracts with the Company for service under Daily Balancing Service (Rate Schedule DBS-1).

SPECIAL TERMS AND PROVISIONS

1. Service under this rate schedule will commence following approval of the customer's application for service by the Company.
2. The rates and character of service under this rate schedule are subject to review and change by the Public Service Commission of Wisconsin.
3. This service is subject to the conditions of delivery set forth herein and to the Company's rules and regulations for gas service.
4. If special equipment, such as motor-operated valves, metering bypass, flow restrictors, and remote control is required to monitor gas service, such special equipment will be installed by the Company at the customer's expense. This requirement will not apply to telemetering equipment necessary for service under the Company's Rate Schedules LS-1 or DBS-1. The ownership, installation, operation, and maintenance of all such equipment will be under the exclusive control of the Company.



Steam and Power Generation Gas Distribution Service

5. For any natural gas supply which is not furnished by Company, customer warrants for itself, its successors and assigns, that it has or will have at the time of the delivery of gas to Company for distribution hereunder, good title to such gas and the right to cause the gas to be delivered to Company for distribution. Customer warrants for itself, its successors and assigns, that the gas it furnishes to Company for distribution hereunder will be free and clear of liens, encumbrances, or claims, and that it will indemnify and save Company harmless from all suits, actions, damages, costs, losses, and expenses, including reasonable attorney's fees, arising out of or from any adverse claims of any and all persons to the gas, or to any claims of royalties, taxes, license fees, or charges thereon which are directly applicable to the delivery of the gas, and further that customer will indemnify and save Company harmless from all taxes or assessments, and any costs associated therewith, including reasonable attorney's fees, which may be directly levied and assessed upon such delivery and which are by law payable and the obligation of the party making such delivery.



Contracted Distribution Service

AVAILABILITY

To commercial and industrial customers for general use, including space heating, whose meet the following requirements.

1. Who are currently served or would otherwise qualify for service under the Company's distribution Rate Schedules GSD-3, IGD-1, SP-1, or SD-1; and
2. Have economic alternate fuel capabilities; and
3. Who have negotiated unique distribution service customer charges and/or distribution charges. The negotiated rate will be a compensatory and have a minimum level that will recover the appropriate contract term incremental costs. The negotiated rate will have a ceiling no higher than the imbedded costs. The contract term incremental costs will be defined as the extra, or additional, costs of serving the additional volume of gas reflecting the duration of the proposed term of the contract. (A copy of the contract will be confidentially filed with the Public Service Commission of Wisconsin.)

The customer will be removed from this rate schedule at the termination of the contract or if the customer no longer qualifies for service under this rate schedule.

This rate schedule applies to gas distributed to one customer at one location through one meter. For those customers where, at the Company's sole discretion, two or more meters are required for service, all such meters will be combined and the total service charge will be the same as though one meter was installed.

APPLICABILITY AND CHARACTER OF SERVICE

The Company will provide distribution service for the delivery of gas supply through the Company's facilities to eligible customers.

Customer will contract with the Company for service under this rate schedule, and will be bound by the terms and conditions as specified therein.

RATE

The rate under this rate schedule will be specified in the contract between the Company and the customer.

PAYMENT

Payment is due not later than the due date shown on the bill. Any Company billing charges unpaid after the due date will be subject to a late payment charge as described in the Company's gas service rules under Late Payment Charge.

GAS SERVICE OPTIONS

The gas service options available to the customer will be as specified in the contract between the Company and the customer.

SPECIAL TERMS AND PROVISIONS

As specified in the contract between the Company and the customer.



Compressed Natural Gas Distribution Service

AVAILABILITY

This rate schedule is available to customers for purchase of compressed natural gas for use as a motor fuel at Company-owned fueling station facilities. The customer must agree to curtail or interrupt service upon request by the Company.

APPLICABILITY AND CHARACTER OF SERVICE

This rate schedule applies to compressed natural gas distributed as available to customers for use as a motor fuel.

RATE

R	Distribution service per therm.....	\$0.2202
	Administrative charge per therm.....	\$0.0295
	Natural gas service ⁽¹⁾	\$0.5594

(1) Subject to adjustment for cost of purchased gas. See sheet G-38 for purchased gas adjustment clause and refund provision and sheet G-3.1 for current effective rates. The purchased gas adjustment will include an interruptible market reservation component determined on a monthly basis.

PAYMENT

The customer will be required to pay the distribution service, administrative charge, and natural gas service on all therms. Payment is due not later than the due date shown on the bill. Any Company billing charges unpaid after the due date will be subject to a late payment charge as described in the Company's gas service rules under Late Payment Charge.

SPECIAL TERMS AND PROVISIONS

1. The rates and character of service under this rate schedule are subject to review and change by the Public Service Commission of Wisconsin.
2. Service under this rate schedule is subject to adjustment for applicable road-use taxes.
3. This service is subject to the conditions of delivery set forth herein and to the Company's rules and regulations for gas service.



Firm Gas Sales Service

AVAILABILITY

To all customers taking service under the Company's Rate Schedules RD-1, RD-2, GSD-1, GSD-2, or GSD-3.

This rate schedule is to be taken in conjunction with the distribution rate schedule for which the customer qualifies.

APPLICABILITY AND CHARACTER OF SERVICE

This service provides Company-owned natural gas supply to the customer. Customers receiving distribution service under Rate Schedules RD-1 or RD-2 must take all gas service under this rate schedule. Other customers may take gas sales service under this rate schedule for less than full requirements.

The customer taking less than full requirements will be required to nominate, by July 15 of each year, the daily amount of gas, in therms, for the 12-month period beginning the following November 1. The daily amount must be the same for each day of the entire 12-month period. For customers who do not change their nomination by July 15, the nomination will be the prior year nomination. When a service account is established for a new customer, the customer may make an initial FS-1 nomination that will remain in effect for the remainder of the contract year in which the customer begins service. If the new customer begins service between July 15 and October 31, the customer's initial FS-1 nomination will be in effect for the contract year beginning on November 1. The Company may allow adjustments to FS-1 nominations of ten therms or less with a one-month notice once per year for a given customer.

Customers who take less than their full requirements under this rate schedule will be required to take the rest of their Peak Day requirements under Rate Schedules IS-1 or DBS-1. Gas supply provided under this rate schedule will be deemed the first gas through the meter.

Customers who take less than their full requirements under this rate schedule in order to determine the amount of gas subject to interruption under an interruptible gas service schedule will have their daily firm nomination treated as follows. On gas days when the Company calls for an interruption after the start of the gas day, the customer's firm entitlement will be their actual FS-1 firm nomination or 750 therms, whichever is lower. The firm entitlement will be considered first through the meter from the point in time the Company requires the interruption. Any FS-1 firm nomination above 750 therms will not be considered first through the meter during periods of interruption. The firm entitlement will be prorated over the gas day on a 24-hour basis to determine the available firm gas supply for the remainder of a gas day from the time an interruption is required. On gas days when the Company calls for an interruption at the start of the gas day, proration of the firm entitlement is not necessary.

RATE

	Administrative charge per therm.....	\$0.0330
	Natural gas service per therm: ⁽¹⁾	
R	Summer.....	\$0.6026
R	Winter.....	\$0.6426

(1) Subject to adjustment for cost of purchased gas. See sheet G-38 for purchased gas adjustment clause and refund provision and sheet G-3.1 for current effective rates.

PAYMENT

Payment is due not later than the due date shown on the bill. Any Company billing charges unpaid after the due date will be subject to a late payment charge as described in the Company's gas service rules under Late Payment Charge.



Firm Gas Sales Service

TRANSFER PROVISION

Any qualifying FS-1 customer may transfer to the Company's Interruptible Gas Sales Service (Rate Schedule IS-1) or Daily Balancing Service (Rate Schedule DBS-1) after providing the Company with at least one-year written notice of their intent to transfer.

The Company will assess an exit fee to any customer who elects to transfer to either the DBS-1 or IS-1 rate schedules prior to the end of the required 12-month notice period. When transferring to DBS-1, the exit fee will be calculated by taking the difference in the Company's fully bundled FS-1 cost of gas (less the balancing reservation charge) and the Company's actual commodity cost of gas for the months corresponding with those remaining under the 12-month obligation period. This difference will then be multiplied by the customer's historical usage during the same period.

SPECIAL TERMS AND PROVISIONS

1. Gas obtained under this rate schedule may not be resold by the customer.
2. This service is subject to the conditions of delivery set forth herein and to the Company's rules and regulations for gas service.
3. The rates and character of service under this rate schedule are subject to review and change by the Public Service Commission of Wisconsin.



Interruptible Gas Sales Service

AVAILABILITY

Available to commercial and industrial customers who receive distribution service under the Company's Rate Schedules GSD-2, GSD-3, or SD-1; to Elroy-area customers who were interruptible customers prior to August 20, 1997, and are served under the Company's Rate Schedule GSD-1; and to Viroqua-area customers who are served under the Company's Rate Schedule GSD-1. This gas service is for annual gas service supplied at a single point of delivery and may be taken in conjunction with the Company's Firm Gas Sales Service rate schedule. Furthermore, the customer will:

1. Contract for service under this rate schedule with the Company for a term of one year with one-year automatic renewals thereafter unless terminated with a six-month written notice to the Company prior to November 1 of the year of termination.
2. Interrupt service upon request of the Company.
3. Provide and maintain suitable and adequate alternate fuel standby facilities or will discontinue use, during an interruption, of any equipment for which alternate fuel facilities are not maintained. Alternate fuel is an energy source other than natural gas.

APPLICABILITY AND CHARACTER OF SERVICE

Gas supply provided by the Company to any customer under this rate schedule will be on an interruptible basis only and the Company will have the right to interrupt deliveries of gas supply hereunder, whenever and to the extent necessary such interruption, in the sole judgment of the Company, may be required.

Telemetry equipment must be installed by the Company before service will be provided on this rate schedule. The customer must provide a business-grade telephone line to allow the Company continuous access at anytime for meter reading purposes and connection to existing electrical facilities as necessary for operation of the telemetry equipment. Once telemetry is installed, the Company, at its option, may bill the customer based on telemetered consumption, provided that actual meter readings are taken no less often than once every six months to verify the telemetered consumption.

When the Company, in its sole discretion, determines an interruption of gas service is necessary in an area or areas of its service territory, customers receiving service under this rate schedule in any affected area will be interrupted in the following order:

1. The first customers to be interrupted will be customers receiving distribution service on Rate Schedule SD-1 in the interruption area.
2. The next group to be interrupted will be customers in Rate Schedule GSD-3 in the interruption area.
3. If further interruption is necessary after all GSD-3 customers in the interruption area are interrupted, then GSD-2 customers will be interrupted.
4. If further interruption is necessary after all GSD-2 customers in the interruption area are interrupted, then GSD-1 customers will be interrupted.

RATE

	Administrative charge per therm.....	\$0.0295
	Telemetry charge per day ⁽¹⁾	\$1.50
R	Natural gas service per therm ⁽²⁾	\$0.5594

(1) This charge only applies to customers receiving distribution service under the Company's Rate Schedules GSD-1, GSD-2, and GSD-3 and only to Viroqua-area customers if installed.

Interruptible Gas Sales Service

(2) Subject to adjustment for cost of purchased gas. See sheet G-38 for purchased gas adjustment clause and refund provision and sheet G-3.1 for current purchased gas adjustment amounts and effective rates. The purchased gas adjustment will include an interruptible market reservation component determined on a monthly basis.

PENALTY CLAUSE

Customers are responsible for an additional charge for unauthorized use upon failure to curtail or interrupt natural gas requirements when notified by Company. Availability of this charge does not preclude Company from physically controlling customer's gas supply upon customer's failure to curtail or interrupt. The additional charge for unauthorized use will be assessed as follows:

1. During a curtailment or interruption when interstate pipeline capacity is not limited, the additional charge will be the greater of incremental cost to the Company that results from a failure to curtail or interrupt, or \$2.50 per therm for gas used in excess of the maximum quantity level requested by the Company.
2. During a curtailment or interruption due to capacity limitations on interstate pipelines, the additional charge will be the greater of incremental cost to the Company that results from a failure to curtail or interrupt, or \$10.00 per therm for gas used in excess of the maximum quantity level requested by the Company.

Incremental cost, as referenced above, will include any interstate pipeline penalties incurred as a result of customers' failure to curtail or interrupt, as well as the total cost of incremental interstate pipeline capacity and/or gas commodity purchased to serve customers' load on the day(s) of curtailment or interruption.

SPECIAL TERMS AND PROVISIONS

1. When interruption of deliveries hereunder is required, the customer will interrupt the use of gas at the time and to the extent requested by the Company. The Company will notify the customer as far in advance as is feasible, and the customer will discontinue or interrupt the use of gas under this rate schedule as ordered by the Company. In addition, the Company reserves the right to test the interruptibility of any customer on this rate schedule for any period of at least four hours that the Company requests. The Company has the option of requesting this test interruption of service at least one time each year. The Company reserves the right to move any customer who fails three interruptions, either actual or test, to the firm rate schedule for which they would otherwise qualify, provided that the Company has the capacity to serve the customer under the firm rate schedule.
2. If, during an interruption, a customer finds it necessary to use some natural gas on an emergency basis, such gas may be requested from the Company under the Backup Sales Service (Rate Schedule BU-1) subject to the terms and conditions of that rate schedule. The customer will nominate the volume of gas to be purchased under the Backup Sales Service rate schedule and the Company must approve it prior to purchase. The approved Backup Sales Service nomination will be considered first gas through the meter, after any FS-1 gas supply, for billing purposes. Should the customer use gas in excess of the Backup Sales Service nomination approved by the Company during an interruption period, the customer will be subject to the penalty clause of this rate schedule.
3. Gas that may be required for the operation of standby fuel equipment only (pilot lights) will be available during periods of interruption under this rate schedule.
4. Gas obtained hereunder will not be resold.
5. If special equipment, such as motor-operated valves, metering bypass, and remote control is required to monitor gas service, such special equipment will be installed by the Company at the customer's expense. The ownership, installation, operation, and maintenance of all such equipment will be under the exclusive control of the Company.



Interruptible Gas Sales Service

6. Any customer receiving service under this rate schedule that wishes to discontinue the service and have the same load served under one of the Company's other system supply sales services will apply for that service in writing. Availability of the requested service will be determined by the Company and the customer will be treated as a new customer in determining the availability of gas.
7. This service is subject to the conditions of delivery set forth herein and to the Company's rules and regulations for gas service.
8. The rates and character of service under this rate schedule are subject to review and change by the Public Service Commission of Wisconsin.

RESERVED RIGHT TO LIMITATION OF ADDITIONAL CONTRACTS

Service under this rate schedule is predicated on the availability to the Company of a sufficient natural gas supply to enable service thereunder to be made available during a major portion of each year without impairment of service to other customers. The Company, therefore, reserves the right to decline acceptance of any additional contracts for service hereunder at such time as, in the Company's sole judgment, the volumes of service already contracted for equal the gas supply available for this class of service.



Interruptible Large Boiler Gas Sales Service

AVAILABILITY

Available to commercial and industrial customers who receive distribution service under the Company's Rate Schedule IGD-1. This gas service is for annual gas service supplied at a single point of delivery. Furthermore, the customer will:

1. Contract for service under this rate schedule with the Company for a term of one year with one-year automatic renewals thereafter unless terminated with a six-month written notice to the Company prior to November 1 of the year of termination.
2. Interrupt service upon request of the Company.
3. Provide and maintain suitable and adequate alternate fuel standby facilities or will discontinue use, during an interruption, of any equipment for which alternate fuel facilities are not maintained. Alternate fuel is an energy source other than natural gas.

APPLICABILITY AND CHARACTER OF SERVICE

Gas supply provided by the Company to any customer under this rate schedule will be on an interruptible basis only, and the Company will have the right to interrupt deliveries of gas supply hereunder, whenever and to the extent necessary such interruption, in the sole judgment of the Company, may be required.

Telemetry equipment must be installed by the Company before service will be provided on this rate schedule. The customer must provide a business-grade telephone line and connection to existing electrical facilities as necessary for operation of the telemetry equipment. Once telemetry is installed, the Company, at its option, may bill the customer based on telemetered consumption, provided that actual meter readings are taken no less often than once every six months to verify the telemetered consumption.

When the Company, in its sole discretion, determines an interruption of gas service is necessary, all customers receiving distribution service under Rate Schedule IGD-1 in conjunction with this rate schedule will be interrupted before any customers receiving service under GSD-3 are interrupted.

RATE

	Administrative charge per day	\$31.00
	Telemetry charge per day.....	\$1.50
R	Natural gas service per therm ⁽¹⁾	\$0.5522

(1) Subject to adjustment for purchased gas. See sheet G-38 for purchased gas adjustment clause and refund provision and sheet G-3.1 for current cost of gas. The cost of gas includes the interruptible market reservation component (75 percent of the IS-1 Market Reservation Component). Customers will be charged any and all penalties assessed to the Company by the interstate pipelines that are related to the customer's service.

PENALTY CLAUSE

Customers are responsible for an additional charge for unauthorized use upon failure to curtail or interrupt natural gas requirements when notified by Company. Availability of this charge does not preclude Company from physically controlling customer's gas supply upon customer's failure to curtail or interrupt. The additional charge for unauthorized use will be assessed as follows:

1. During a curtailment or interruption due to capacity limitations on interstate pipelines, the additional charge will be the greater of incremental cost to the Company that results from a failure to curtail or interrupt, or \$10.00 per therm for gas used in excess of the maximum quantity level requested by the Company.



Interruptible Large Boiler Gas Sales Service

2. During a curtailment or interruption when interstate pipeline capacity is not limited, the additional charge will be the greater of incremental cost to the Company that results from a failure to curtail or interrupt, or \$2.50 per therm for gas used in excess of the maximum quantity level requested by the Company.

Incremental cost, as referenced above, will include any interstate pipeline penalties incurred as a result of customers' failure to curtail or interrupt, as well as the total cost of incremental interstate pipeline capacity and/or gas commodity purchased to serve customers' load on the day(s) of curtailment or interruption.

SPECIAL TERMS AND PROVISIONS

1. When interruption of deliveries hereunder is required, the customer will interrupt the use of gas at the time and to the extent requested by the Company. The Company will notify the customer as far in advance as is feasible, and the customer will discontinue or interrupt the use of gas under this rate schedule as ordered by the Company. In addition, the Company reserves the right to test the interruptibility of any customer on this rate schedule for any period of at least four hours that the Company requests. The Company has the option of requesting this test interruption of service at least one time each year. The Company reserves the right to move any customer who fails three interruptions, either actual or test, to the firm rate schedule for which they would otherwise qualify, provided that the Company has the capacity to serve the customer under the firm rate schedule.
2. If, during an interruption, a customer finds it necessary to use some natural gas on an emergency basis, such gas may be requested from the Company under the Backup Sales Service (Rate Schedule BU-1) subject to the terms and conditions of that rate schedule. The customer will nominate the volume of gas to be purchased under the Backup Sales Service rate schedule and the Company must approve it prior to purchase. The approved Backup Sales Service nomination will be considered first gas through the meter for billing purposes. Should the customer use gas in excess of the Backup Sales Service nomination approved by the Company during an interruption period, the customer will be subject to the penalty clause of this rate schedule.
3. Gas that may be required for the operation of standby fuel equipment only (pilot lights) will be available during periods of interruption under this rate schedule.
4. Gas obtained hereunder will not be resold
5. If special equipment, such as motor-operated valves, metering bypass, and remote control is required to monitor gas service, such special equipment will be installed by the Company at the customer's expense. The ownership, installation, operation, and maintenance of all such equipment will be under the exclusive control of the Company.
6. Any customer receiving service under this rate schedule that wishes to discontinue the service and have the same load served under one of the Company's other system supply sales services will apply for that service in writing. Availability of the requested service will be determined by the Company, and the customer will be treated as a new customer in determining the availability of gas.
7. This service is subject to the conditions of delivery set forth herein and to the Company's rules and regulations for gas service.
8. The rates and character of service under this rate schedule are subject to review and change by the Public Service Commission of Wisconsin.

RESERVED RIGHT TO LIMITATION OF ADDITIONAL CONTRACTS

This gas rate schedule is predicated on the availability to the Company of a sufficient natural gas supply to enable service thereunder to be made available during a major portion of each year without impairment of service to other customers. The Company, therefore, reserves the right to decline acceptance of any additional contracts for service hereunder at such time as, in the Company's judgment, the volumes of service already contracted for equal the gas supply available for this class of service.



Large Annual Use Gas Sales Service

AVAILABILITY

Available to large annual use customers who receive distribution service under the Company's Rate Schedule SP-1. This gas service is for annual gas service supplied at a single point of delivery with a minimum annual usage of 25 million therms. Customers served on the Company's IGD-1 Interruptible Generation Distribution Service are also eligible for this rate schedule, without the minimum annual usage requirement. Furthermore, the customer will:

1. Contract for service under this rate schedule with the Company for an initial term of five years with one-year automatic renewals thereafter unless terminated. Service can begin at any time the Company is able to provide the service; however, the initial contract year will begin the following November 1 and continue through October 31 of the following year. Notice of termination must be provided to the Company in writing by May 1 of a given year with a one-year termination notice period to begin no earlier than November 1 of that same year.
2. Interrupt the interruptible portion of this service upon request of the Company.
3. Provide and maintain suitable and adequate alternate fuel standby facilities or will discontinue use, during an interruption, of any equipment for which alternate fuel facilities are not maintained down to the level of nominated firm sales service provided hereunder. Alternate fuel is an energy source other than natural gas.

APPLICABILITY AND CHARACTER OF SERVICE

A contracted daily level of gas, subject to availability as determined by the Company, will be provided on a firm basis as first through the meter for customers on this rate schedule. The customer may choose zero therms per day of firm service, but if the customer wishes to contract for firm service, a minimum of 50,000 therms per day will be required. The contracted firm service will remain in effect on a rolling three-year period. Reductions in the contracted firm service will take effect three years after notification from the customer. Increases are subject to availability of firm service from the Company and will take effect when approved by the Company.

Gas used above the contracted firm gas supply will be provided by the Company on an interruptible basis, and the Company will have the right to interrupt deliveries of gas supply hereunder, whenever and to the extent necessary such interruption, in the sole judgment of the Company, may be required.

Telemetry equipment or other electronic devices to remotely read the meter must be installed by the Company before service will be provided on this rate schedule. The customer may be required to provide a business-grade telephone line and connection to existing electrical facilities as necessary for operation of these devices. Once the remote metering equipment is installed, the Company, at its option, may bill the customer based on the electronically read consumption, provided that actual meter readings are periodically taken to verify the electronically read consumption.

When the Company, in its sole discretion, determines an interruption of gas service is necessary, the interruptible portion of service provided hereunder will be interrupted before any customers receiving service under Rate Schedule IS-1 are interrupted.

RATE

Administrative charge per day	\$51.00
Electronic metering charge per day.....	\$1.50
Natural gas service: ⁽¹⁾	
Firm reservation rate per therm of contracted firm demand (therms per day).....	\$0.0159
Volumetric rate	See Pricing Formula below.

Large Annual Use Gas Sales Service

(1) Subject to adjustment for purchased gas. See sheet G-38 for purchased gas adjustment clause and refund provision and sheet G-3.1 for the current cost of gas. The cost of gas includes interruptible market reservation component (75 percent of the IS-1 Market Reservation Component) for the interruptible portion of gas delivered. The interruptible portion of gas delivered will be total billing period therms less the product of the number of therms of contracted firm sales volume times the number of days in the billing period. The interruptible portion will not be less than zero. Customers will be charged any and all penalties assessed to the Company by the interstate pipelines that are related to the customer's service.

USAGE ESTIMATES

Customers will, by February 28 of each year, provide the Company with estimates of annual natural gas needs by month for the twelve-month period beginning November 1 of the current year through October 31 of the following year. This will include estimated daily swing volume ranges for each month.

By the 15th of each month, customers receiving service under this rate schedule will provide an estimate of expected gas usage for the next month, including preliminary estimates of daily usage. The usage will be broken down into three pricing categories: System Priced Supply, Fixed Priced Supply, and Daily Priced Supply. Daily volumes will be estimates and can be changed, but only in accordance with the Nominations process described below. Fluctuations of actual volumes when compared to estimate may result in pricing differences as described in Pricing Formula below. On a best-efforts basis, and avoiding harm to other system supply customers, the Company may allow a customer to modify their monthly estimate within the month to acquire additional or dispose of excess monthly supply. The Company reserves the right to reject the estimate or limit the amount of daily swing supply available to the customer if the Company's contracted interstate pipeline capacity is not expected to be available for the service.

PRICING FORMULA

Gas used by the customer will be priced based on the three separate pricing methods as follows. The price will include applicable pipeline transportation charges but exclude the cost of storage gas and storage-related cost and benefit.

1. **System priced supply.** Unless otherwise elected by the customer or directed by the Company, as described in Nos. 2 and 3 below, gas used by the customer will be priced at the Company's weighted average cost of all gas purchased for the Company's system supply for each month.
2. **Fixed price supply.** If a customer desires to fix all or a portion of its gas needs at a certain gas commodity price, the customer will notify the Company. The volume to be fixed will be in 100,000-therm increments. The Company will determine the approximate fixed price in the market and provide the information to the customer. The Company, upon receiving written approval from the customer, will fix the prices based on the prevailing market price, subject to meeting the requirements of the Company's approved Risk Management Plan. The Company will charge the customer any costs incurred to fix the price of the supply. During the month for which the gas price was fixed, the customer will be charged for the physical supply as though it was System Priced Supply. The customer will receive a credit for any net positive benefit of the financial or physical instrument or be charged any additional cost of the net financial or physical instrument as appropriate.
3. **Daily priced supply.** Daily priced volumes will be purchased as needed to meet the customer's requirements under two situations: (a) When the customer informs the Company that they wish to have volumes priced on a daily basis or (b) When the Company determines and notifies the customer that it cannot meet the customer's estimated daily demand with supply purchased for the customer using estimates provided by the customer prior to the beginning of the month. If the customer chooses to nominate an amount of gas greater than what the Company has available, the Company will, on a best-effort basis, secure additional Daily Priced Supplies. If the customer has nominated less than what the Company has purchased for the customer through the System Priced Supply or Fixed Price Supply on a day, the Company may sell off such supplies. Any cost incurred as a result of either circumstance will be charged to the customer.

Large Annual Use Gas Sales Service

NOMINATIONS

Daily nominations will be required by 8 a.m. on the business day prior to the gas day for which the nomination will be in effect. The daily nomination will be for the 24 consecutive hours starting at 9 a.m. For this provision, business day will mean any day except Saturday, Sunday, or holidays as determined in the gas supply market. The nomination deadlines are based on current industry definitions, if those definitions change, the Company will change the definitions in this section as appropriate.

The Company will acknowledge a nomination, but reserves the right to reject any nomination or limit the amount of daily swing supply available to the customer if pipeline capacity or gas supply are not available.

Intraday nominations may be allowed; however, such nominations are subject to pipeline tariff requirements and market availability. Nomination changes or usage variation from nomination can result in price changes, the cost of which will be passed on to the customer.

MONTHLY CASHOUT

If the customer's actual usage differs from the accepted nomination, the difference will be cashed out monthly in the sequence described below.

1. **Daily priced supply** will be considered first through the meter. If, at the end of the month, daily priced gas scheduled by the customer exceeds the actual usage of the customer, the customer will reimburse the Company for the cost impact of the excess supply.
2. **Fixed price supply** monthly gas will be considered next through the meter. Undertakes will be cashed out at the lower of the current month's First of the Month (FOM) Index or the subsequent month's FOM Index. The index price used for the current month and the subsequent month will be the highest FOM price including applicable pipeline transportation charges paid by the Company in determining the System Priced Supply cost for each month.
3. **System priced supply** will be considered last through the meter. System Priced Supply will be billed based on the gas use in excess of use designated under paragraphs 1 and 2 above.

A monthly tolerance band will be established that will be the greater of 300,000 therms or 7 percent of the System Priced Supply monthly nomination. Any overtakes or undertakes within the tolerance band will not be subject to a cashout charge.

Any overtakes or undertakes outside the tolerance band will be subject to an incremental cost cashout charge:

- a. Overtakes will be assessed a premium based on the difference between the current month's System Priced Supply cost and the higher of the current month's System Priced Supply cost, or the subsequent month's System Priced Supply cost. The premium will be zero if the current month's System Priced Supply cost is equal to or higher than the subsequent month's.
- b. Undertakes will be assessed a premium based on the difference between the current month's System Priced Supply cost and the lower of the current month's System Priced Supply cost, or the subsequent month's System Priced Supply cost. The premium will be zero if the current month's System Priced Supply cost is equal to or lower than the subsequent month's.

PAYMENT

Payment is due no later than the due date shown on the bill. Any Company billing charges unpaid after the due date will be subject to a late payment charge as described in the Company's gas service rules under Late Payment Charge.

Large Annual Use Gas Sales Service

PENALTY CLAUSE

Customers are responsible for an additional charge for unauthorized use upon failure to curtail or interrupt natural gas requirements down to the nominated firm sales volume when notified by Company. Availability of this charge does not preclude Company from physically controlling customer's gas supply upon customer's failure to curtail or interrupt. The additional charge for unauthorized use will be assessed as follows:

1. During a curtailment or interruption when interstate pipeline capacity is not limited, the additional charge will be the greater of incremental cost to the Company that results from a failure to curtail or interrupt or \$2.50 per therm for gas used in excess of the maximum quantity level requested by the Company.
2. During a curtailment or interruption due to capacity limitations on interstate pipelines, the additional charge will be the greater of the incremental cost to the Company that results from a failure to curtail or interrupt or \$10.00 per therm for the gas used in excess of the maximum quantity level requested by the Company.

Incremental cost, as referenced above, will include any interstate pipeline penalties incurred as a result of customers' failure to curtail or interrupt, as well as the total cost of incremental interstate pipeline capacity and/or gas commodity purchased to serve customers' load on the day(s) of curtailment or interruption.

SPECIAL TERMS AND PROVISIONS

1. When interruption of deliveries hereunder is required, the customer will interrupt the use of gas at the time and to the extent requested by the Company down to the contracted firm daily quantity. Interruptions or curtailments can be called at any time during the day and can be called for daily and hourly flow reasons. When an interruption is called for part of a gas day, the contracted firm daily quantity will be prorated over the gas day on a 24-hour basis to determine the available firm gas supply for the portion of the gas day that the interruption is required. The Company will notify the customer as far in advance as is feasible, and the customer will discontinue or interrupt the use of gas under this rate schedule as ordered by the Company.

In addition, the Company reserves the right to test the interruptibility of any customer on this rate schedule for any period of at least four hours that the Company requests. The Company has the option of requesting this test interruption of service at least one time each year. The Company reserves the right to move any customer who fails three interruptions, either actual or test, to the appropriate firm gas sales rate schedule for which they would otherwise qualify, provided the Company has the capacity to serve the customer under the firm gas sales service rate schedule.

2. Gas obtained hereunder will not be resold.
3. The rates and character of service under this rate schedule are subject to review and change by the Public Service Commission of Wisconsin.
4. This service is subject to the conditions of delivery set forth herein and to the Company's rules and regulations for gas service.
5. If special equipment, such as motor-operated valves, metering bypass, and remote control is required to monitor gas service, such special equipment will be installed by the Company at the customer's expense. This requirement will not apply to telemetering equipment necessary for service under this rate schedule or the Company's DBS-1 rate schedule. The ownership, installation, operation, and maintenance of all such equipment will be under the exclusive control of the Company.



Large Annual Use Gas Sales Service

6. Any customer receiving service under this rate schedule that wishes to discontinue the service and have the same load serviced under one of the Company's other system supply sales services or through a third party under Daily Balancing Service, will apply for that service in writing. Availability of the requested service will be determined by the Company. If the customer is requesting one of the Company's gas sales services, the customer will be treated as a new customer in determining the availability of gas.

RESERVED RIGHT TO LIMITATION OF ADDITIONAL CONTRACTS

This gas rate schedule is predicated on the availability to the Company of a sufficient natural gas supply to enable service thereunder to be made available during a major portion of each year without impairment of service to other customers. The Company, therefore, reserves the right to decline acceptance of any additional contracts for service hereunder at such time as, in the Company's judgment, the volumes of service already contracted for equal the gas supply available for this class of service.



Daily Balancing Service

AVAILABILITY

The Daily Balancing Service (DBS) is available to customers served under Rate Schedules GSD-1, GSD-2, GSD-3, IGD-1, or SD-1 and is required for customers delivering Third-Party Natural Gas Supplies to the Company for distribution on the above schedules. This rate schedule applies to balancing service provided to one customer at one location through one meter. For those customers where, at the Company's sole discretion, two or more meters are required for service, all such meters will be combined and the total administrative charge and telemetering charge will be the same as though one meter was installed.

The customer must have an effective Daily Balancing Service Contract prior to the commencement of service under this rate schedule. Service under this rate schedule will start on the first gas day of the month and terminate on the last gas day of the month.

APPLICABILITY AND CHARACTER OF SERVICE

Customers under this rate schedule will be responsible for arranging for the purchase and delivery of Third-Party Natural Gas Supplies to the Company's facilities for the term of service under this rate schedule. Deliveries of Third-Party Natural Gas Supplies to the Company must be nominated on a daily basis in accordance with the terms and provisions of this rate schedule. Daily imbalances between nominated Third-Party Natural Gas Supplies and customer usage must also be dealt with in accordance with the terms and provisions of this rate schedule. In calculating daily imbalances, customers will receive the benefit of pooling positive and negative imbalances with other customers by being a member of a Third-Party Balancing Pool or a Company-Administered Balancing Pool. Balancing Service is available to customers to resolve daily imbalances and cash out accumulated monthly commodity imbalances. Customers in the Viroqua service territory may form Third-Party Balancing Pools. Deliveries in the Viroqua service territory must be nominated and balanced separately from deliveries to other areas of the Company.

Telemetering equipment must be installed by the Company before service will be provided on this rate schedule. The customer must provide a business-grade telephone line and connection to existing electrical facilities as necessary for operation of the telemetering equipment. Customers must maintain continuous phone and electric service to the telemetering equipment to continue on this service. Once telemetering is installed, the Company, at its option, may bill the customer based on telemetered consumption, provided that actual meter readings are taken no less often than once every six months to verify the telemetered consumption.

BALANCING ADMINISTRATIVE RATES

The following charges will apply to each individual customer any month the customer is classified as receiving service under this rate schedule. The administrative charge recovers the incremental cost of administering Third-Party Natural Gas Supply deliveries. The telemetering charge recovers costs associated with equipment necessary to telemeter the customer's consumption to the Company's offices.

Administrative charge per day	\$3.70
Telemetering charge per day.....	\$1.50

In addition to the Balancing Administration Rates above, Balancing Service Charges and Commodity Cashout Charges/Credits, as described below, will apply to the Pooling Agents of Third-Party Balancing Pools and to individual customers in the Company-Administered Balancing Pool.

PAYMENT

Payment is due not later than the due date shown on the bill. Any Company billing charges unpaid after the due date will be subject to a late payment charge as described in the Company's gas service rules under Late Payment Charge.

Daily Balancing Service

BALANCING SERVICE IN A COMPANY-ADMINISTERED POOL

Customers who do not form or join Third-Party Pools to aggregate imbalances will be included in a separate and combined pool administered by Company (Company-Administered Pool). Customers in such a pool will be subject to a Company-Administered Pool Agreement which must be signed by each customer in the pool. A Company-Administered Pool imbalance will be calculated separately from all Third-Party Pool imbalances.

Customers in a Company-Administered Pool will receive the Company's Balancing Service under this rate schedule. For each customer in such a pool, an Imbalance Volume will be determined daily. The Imbalance Volume is the absolute difference between the customer's confirmed natural gas nomination, including any Backup Service (BU-1) nomination, and actual usage (imbalance volume). For purposes of this rate schedule, the Customer's Confirmed Natural Gas Nomination is defined as the pipeline nomination that is confirmed and scheduled for delivery to the Company's facilities with a properly executed and Company-accepted Third Party Natural Gas Supply Nomination Form. In the event the allocated delivery to the Company's facility does not match the volume on the accepted Third Party Natural Gas Supply Nomination Form, the difference is subject to the unauthorized nomination charge and/or cashout in accordance with this rate schedule.

For the purpose of calculating a customer's Imbalance Volume, an individual customer will be allowed to pool the usage and nominations of multiple meters at a single location. Each customer's Imbalance Volume will be adjusted by a Pooling Factor, which will include the imbalance volume diversity of the Company-Administered Pool that the customer is part of. The Pooling Factor is the ratio of the customers' aggregated imbalance volumes to the total pool Imbalance Volume. Based on the adjusted Imbalance Volume, each customer in a Company-Administered Pool will incur a Balancing Service Charge and, for monthly imbalance volumes, an Overtake Charge or Undertake Credit, as described in the Cashout Mechanism of this rate schedule.

Each customer's daily consumption will be as reported on the Company's telemetering equipment. On days when the telemetering equipment fails to operate properly, the Company will estimate the customer's daily consumption during the period the telemetered use data is not available. The estimated and actual hourly usage will then be added to obtain daily consumption.

The Company will make available, at a customer's request, a report showing the customer's daily nomination and actual daily usage based on telemetered data and Company adjustment factors.

BALANCING SERVICE IN THIRD-PARTY POOLS

Customers can form Third-Party Pools to aggregate pool member imbalances. Pooled customers' daily imbalances will be aggregated for the purpose of minimizing total customers' imbalances. All customers that do not participate in a third-party pool will instead be included in a Company-Administered Pool described above. Each Third-Party Pool's imbalances will be calculated separately from other Third-Party Pool imbalances and Company-Administered Pool imbalances. Customers that have formed a Pool will be subject to a Third-Party Pooling Agreement which must be signed by the party responsible for both financial payments and the balancing of the pool (the designated Pooling Agent), and the DBS-1 customers in the pool. The Agreement must then be approved by the Company. Customers may join a given Third-Party Pool effective at the beginning of the first gas day of the month or leave a Third-Party Pool at the end of the last gas day of the month, provided that proper notice has been given.

Pooling Agents must nominate with the Company, on a properly executed Third-Party Natural Gas Supply Nomination Form as specified in the Special Terms and Provisions herein, the gas that will be delivered on a daily basis for the pool. For a Third-Party Pool, the daily nomination must be at the pipeline contract level. Separate nominations may be required for deliveries to pool member customers in individual delivery areas, and these areas may be balanced separately and individually as is deemed necessary by the Company. For purposes of this rate schedule, the Customer's Confirmed Natural Gas Nomination is defined as the pipeline nomination that is confirmed and scheduled for delivery to the Company's facilities with a properly executed and Company-accepted Third Party Natural Gas Supply Nomination Form. In the event the allocated delivery to the Company's facility does not match the volume on the accepted Company Nomination Form,

Daily Balancing Service

the difference is subject to the unauthorized nomination charge and/or cashout in accordance with this rate schedule.

Each day, the Company will calculate the pool's Daily Imbalance Volume. The Imbalance Volume for the pool is the absolute difference between the pool's confirmed natural gas nomination not covered by an alternative balancing service, including the combination of the total Backup Sales Service nominations made by individual customers in a pool or by the Pooling Agent, and actual aggregated usage less any usage covered by an alternate balancing service. Usage volumes and Backup Sales Service nominations will be adjusted as necessary to be on a comparable basis with nomination volumes before an overnomination or undernomination is calculated.

Pooling Agents have the option of selecting alternative balancing services to the extent such services are authorized by the transporting pipeline or the Company's Balancing Service for the pool. To the extent that alternative balancing services do not cover the entire imbalance of the pool, the Company will provide Default Balancing Service at the Maximum rates specified in the Balancing Service Charge section of this rate schedule. Based on the daily pool Imbalance Volume, the Third-Party Pool will incur a Balancing Service Charge and, for monthly imbalance volumes, an Overtake Charge or Undertake Credit under the Cashout Mechanism, as described below.

The party responsible for administration of a pool under this rate schedule (the Pooling Agent) will be billed the Balancing Service Charge for the pool and will be subject to the Commodity Cashout. The Pooling Agent will be billed by the Company monthly. If a Pooling Agent becomes in arrears with the Company, the Company will notify individual pool members. Should the Pooling Agent remain in arrears for a period exceeding thirty days, the Company may bill the individual customers in the pool for any outstanding Balancing Service costs and/or Commodity Cashout that was billed to the Pooling Agent. When this occurs, the customers in that pool will be moved to a Company-Administered Pool and remain there until they form or join another Third-Party Pool.

The Third-Party Pool's consumption will be reported in pipeline units as calculated from the aggregated volumes recorded by Company's telemetering equipment installed at each pool customer's location. On days when the telemetering equipment fails to operate properly, the Company will estimate the affected customer's daily consumption during the period the telemetering equipment was not operating properly. The estimated usage will then be added to the actual hourly usage to obtain the daily consumption of the individual customer. This will be added to the usage data of the other customers in the Third-Party Pool to obtain the pool's daily consumption. The Company will make available, at the Pooling Agent's request, a report showing the pool's daily nomination and daily usage based on telemetered data and Company adjustment factors.

BALANCING SERVICE CHARGES

The Company will apply the following Balancing Service Charges to adjusted daily Imbalance Volume of customers in a Company-Administered Pool and to the Imbalance Volumes of the respective Third-Party Pools that are not covered by an alternative balancing service. The rates are set out in two tiers to minimize the cost impact of Third-Party Natural Gas Supply imbalances on the rates to system sales service customers. Imbalances within the first tier of service receive the benefit of the Company's contracted swing and no-notice services. Imbalances in the second tier receive the benefit of pipeline overrun services that are available to the Company. These tier rates do not recover the commodity cost of gas associated with the imbalances. The commodity cost of gas is cashed out according to the Cashout Mechanism.

The First Tier Maximum Rate is set based on the fully distributed cost of providing balancing service. This rate recovers a full cost allocation of ANR's No-Notice Service (NNS), Enhanced Transportation Service (ETS), and Firm Storage Service (FSS) contracted by the Company for balancing purposes and is effective for Third-Party Pools that default to the Company for balancing because their pipeline balancing service has been interrupted or does not cover the entire pool imbalance. The Second Tier Maximum Rate is equal to the First Tier Maximum Rate plus ANR Pipeline's effective NNS Overrun Charge. These rates will be adjusted accordingly whenever ANR changes its rates.



Daily Balancing Service

The First Tier and Second Tier Effective Rates are set monthly based on market information and are not greater than the respective tier Maximum Rates, nor lower than the respective tier Minimum Rates. The Effective Rates are assessed for service provided to customers in a Company-Administered Pool and for Company Balancing Service that is properly elected by Third-Party Balancing Pools.

The First Tier Minimum Rate is based on the variable cost of providing Balancing Service. The Second Tier Minimum Rate is the higher of First Tier Effective Rate or a rate based on ANR Pipeline's effective NNS Overrun Charge.

Nonconstraint day

First Tier Rates for Imbalance Volumes that are either overnominations or undernominations between 0% and 25%:

	Maximum Rate per Therm	Effective Rate per Therm	Minimum Rate per Therm
DBS charge	\$0.14497	⁽¹⁾	\$0.00352

(1) The Effective Rate is discountable between the Maximum and Minimum Rates. See sheet G-3.1 for the current Effective First Tier Rate.

Second Tier Rates for Imbalance Volumes that are either overnominations or undernominations greater than 25%:

	Maximum Rate per Therm	Effective Rate per Therm	Minimum Rate per Therm
DBS charge	\$0.17729	⁽¹⁾	\$0.03232 ⁽²⁾

(1) The Effective Rate is discountable between the Maximum and Minimum Rates. See sheet G-3.1 for the current Effective First Tier Rate.

(2) The higher of this rate or the Effective First Tier Rate.

Any over-run or under-run charges or penalties assessed by pipelines will be prorated among those customers in a Company-Administered Pool and/or Third-Party Pools that contributed to the cause of the penalties. The daily balancing revenues received from balancing charges at rates higher than the Effective First-Tier Rate will be netted against these pipeline charges or penalties assessed on the same day on each month's Balancing Service bill for affected customers or Third-Party Pools.

High-flow constraint condition

A High-Flow Constraint Condition is one in which the Company expects natural gas demand in an area or areas of its service territory to exceed the available delivered supply of gas. The condition can result from, but will not be limited to, economic factors, extremely cold weather, pipeline regulator or compressor failure, main breaks, and other emergency situations.

When the Company determines that a High-Flow Constraint Condition exists, the Company will declare a High-Flow Constraint Period in the affected area(s). During this period, the Company will: (1) require customers using Third-Party natural gas supplies to use no more than their daily confirmed, scheduled, and Company-accepted pipeline deliveries and (2) to the extent necessary, interrupt interruptible customers. One or both of these actions may be necessary to (a) avoid incurring pipeline penalties, (b) assure adequate supplies are available for firm sales service needs, and (c) to preserve system integrity. Separate nominations will be required for deliveries to pool member customers in individual constrained areas, and these areas may be balanced separately and individually as is deemed necessary by the Company. Company personnel will give Pooling Agents and/or customers as much advance notice of a High-Flow Constraint Condition as possible, normally not less than two hours. Notice of a High-Flow Constraint Condition may also be given after the start of a gas day.

Daily Balancing Service

Imbalance Volumes for over-nominations (undertakes) will be subject to the Nonconstraint Day First Tier and Second Tier Balancing Service Charges. To the extent that the Company requests customers or Pooling Agents to curtail usage, or requires customers on interruptible distribution service schedules to interrupt usage, during a High-Flow Constraint Day, the Company may waive the over-nomination imbalance charges above.

Imbalance volumes for undernominations (overtakes) will be subject to an unauthorized-use charge. Availability of this charge does not preclude Company from physically controlling customer's gas supply upon customer's failure to curtail to confirmed, scheduled, and Company-accepted pipeline delivery volume. The additional charge for unauthorized use will be assessed as follows:

1. During a curtailment or interruption when interstate pipeline capacity is not limited, the additional charge will be the greater of incremental cost to the Company that results from a failure to curtail or interrupt, or \$2.50 per therm for gas used in excess of the maximum quantity level allowed by the Company.
2. During a curtailment or interruption due to capacity limitations on interstate pipelines, the additional charge will be the greater of incremental cost to the Company that results from a failure to curtail or interrupt, or \$10.00 per therm for gas used in excess of the maximum quantity level allowed by the Company.

Incremental cost, as referenced above, will include any interstate pipeline penalties incurred as a result of customers' failure to curtail or interrupt, as well as the total cost of incremental interstate pipeline capacity and/or gas commodity purchased to serve customers' load on the day(s) of curtailment or interruption. To the extent that gas commodity charges are assessed through this provision, the volume assessed charges in this mechanism will not be subject to cash out in the cashout mechanism.

Low-flow constraint condition

A Low-Flow Constraint Condition is in effect when the Company anticipates that it may be subject to pipeline or supplier penalties if natural gas supplies delivered to the Company exceed demand. During the time of the Constraint Condition, the Company will require customers using Third-Party Natural Gas Supplies to use no less than their daily confirmed nominations to avoid incurring pipeline penalties. Company personnel will give Pooling Agents and/or customers as much advance notice of a Low-Flow Constraint Condition as possible. Notice of a Low-Flow Constraint Condition may also be given after the start of a gas day.

Imbalance Volumes for under-nominations will be subject to the Nonconstraint Day First Tier and Second Tier Balancing Service Charges.

During a Low-Flow Constraint Condition when the pipeline does not assess a penalty the Imbalance Volumes for over-nominations will be subject to the Nonconstraint Day First Tier and Second Tier Balancing Service Charges.

During a Low-Flow Constraint Condition when the pipeline does assess under-run charges or penalties, the Imbalance Volumes for over-nominations will be assessed the applicable pipeline penalty charges caused by customers receiving Third-Party Natural Gas Supply in addition to the Nonconstraint Day First Tier and Second Tier Balancing Service Charges. The over-run or under-run charges or penalties assessed by pipelines will be prorated among those customers in a Company-Administered Pool and/or Third-Party Pools that contributed to the cause of the penalties. The daily balancing revenues received from balancing charges at rates higher than the Effective First-Tier Rate will be netted against these pipeline charges or penalties assessed on the same day on each month's Balancing Service bill for affected customers or Third-Party Pools.

Selective constraint - underdelivery

An Underdelivery Selective Constraint may be called for an individual customer or pool before or during a gas day if:

Daily Balancing Service

1. The delivered Chicago City Gate index price is at least 110 percent of the current month's weighted average delivered cost of gas, including gas in storage, and the Company believes a customer or Third-Party Pool is either:
 - a. Underdelivering by more than 4,000 therms, or
 - b. Underdelivering by at least 1,000 therms and the percentage underdelivery is expected to be greater than 10 percent of the expected usage; or
2. The underdelivery percentage is expected to be greater than 20 percent; or
3. The underdelivery is expected to be greater than 7,500 therms.

When the Company notifies a customer or Pooling Agent that they are subject to a Selective Constraint, the daily usage of the affected customer or balancing pool will be monitored. If it is determined that the preceding underdelivery limits are exceeded, then the customer or Pooling Agent will be assessed High-Flow Constraint Day charges on the undernominations. If it is determined that a customer or Third-Party Pool subject to a Selective Constraint did not exceed the preceding limits, then any imbalance volumes will be subject to the normal balancing charges in effect on the Company's system. When an Underdelivery Selective Constraint is called, and the customer or pool for whom the constraint is called delivers adequate supply during the constraint period, overnomination balancing charges during that period may be waived.

Selective constraint - overdelivery

An Overdelivery Selective Constraint may be called for an individual customer or pool before or during a gas day if:

1. The delivered Chicago City Gate index price is less than 90 percent of the current month's weighted average delivered cost of gas, including gas in storage, and the Company believes a customer or Third-Party Pool is either:
 - a. Overdelivering by more than 4,000 therms, or
 - b. Overdelivering by at least 1,000 therms and the percentage overdelivery is expected to be greater than 10 percent of the expected usage; or
2. The overdelivery percentage is expected to be greater than 20 percent; or
3. The overdelivery is expected to be greater than 7,500 therms.

When the Company notifies a customer or Pooling Agent that they are subject to a Selective Constraint, the daily usage of the affected customer or balancing pool will be monitored. If it is determined that the preceding overdelivery limits are exceeded, then the customer or Pooling Agent will be assessed a balancing fee on the overdeliveries equal to the higher of the First Tier Maximum Rate or the incremental cost to the Company of selling gas supply within 20 days of the constraint period to avoid violating pipeline storage contract restrictions. If it is determined that a customer or Third-Party Pool subject to a Selective Constraint did not exceed the preceding limits, then any imbalance volumes will be subject to the normal balancing charges in effect on the Company's system. When an Overdelivery Selective Constraint is called, and the customer or pool for whom the constraint is called does not overdeliver gas supply during the constraint period, undernomination balancing charges during that period may be waived.

CASHOUT MECHANISM

When the actual usage of customers in a Company-Administered Pool and/or the usage of a Third-Party Pool is more than the customer's or pool's confirmed natural gas nomination respectively, the Company's purchased natural gas supply is being utilized, and the customers in a Company-Administered Pool and/or the Third-Party Pool(s) will be assessed the Overtake Charges listed below. When the opposite occurs and excess natural gas is left on the Company's system, the customers in a Company-Administered Pool and/or



Daily Balancing Service

the Third-Party Pool(s) will receive the appropriate Undertake Credit on their Balancing Service bills as described below. Commodity Cashout charges and/or credits will be included on the Balancing Service bill that is sent to the respective Pooling Agent as long as the Pooling Agent continues to pay its bills in a timely manner. If the Pooling Agent of a given Third-Party Pool does not pay the Company for a period exceeding 30 days, the Company may bill the customer(s) that are members of the respective Third-Party Pool based on their individual usage.

CASHOUT PRICE SUPPLY AREA DEFINITIONS

Several supply area prices are compared for the calculation of the Overtake Cashout Price and the Undertake Cashout Price as further described in their sections below. The descriptions for the components to be used in each supply area's pricing structure is defined as follows:

Supply Area	Index Designation ⁽¹⁾	Pipeline	Receipt Segment	Delivery Segment
SE	Louisiana - Onshore South - ANR, La.	ANR	Southeast Area (SE)	Northern (ML-7)
SW	Oklahoma - ANR, Okla.	ANR	Southwest Area (SW)	Northern (ML-7)
Joliet Hub	City Gates - Chicago - City Gates	ANR	Northern (ML-7)	Northern (ML-7)
NNG - Vent	Others - Northern (Ventura)	NNG	Market MID17	Market MID17
NNG - Demarc	Others - Northern (Demarc)	NNG	Market MID16B	Market MID17

(1) *Gas Daily's* "Weekly Weighted Average Prices" index identifier. In the event index changes or becomes unavailable, an industry accepted equivalent will be substituted.

OVERTAKE CHARGES

The Overtake Charge will be equal to the aggregated monthly Imbalance Volume within each Overtake Variance percentage bracket multiplied by the applicable percentage of the Cashout Price. The Overtake Variance percentage is calculated by dividing the monthly imbalance volumes by a Company-Administered Pool Customer's or Third-Party Pool's monthly confirmed natural gas nominations. Each respective Company-Administered Pool Customer or Third-Party Pooling Agent will pay the indicated percentage(s) of the Cashout Price for the quantities of Imbalance Volume that fall within each respective bracket. Cashout Charges will be billed monthly.

Overtake Variance Percentage	Percentage of Overtake Cashout Price ⁽¹⁾ Paid by Customer to Company
> 0% and up to 3.5%	100%
> 3.5% and up to 10%	115%
> 10% and up to 15%	130%
> 15% and up to 20%	140%
> 20%	150%

(1) See sheet G-3.3 for the Overtake Cashout prices effective in the most recently completed cashout month.

For purposes of this provision, the Overtake Cashout Price is the higher of:

1. The average calculated price of all the defined supply areas for the month. Each price is calculated as follows: The price in the *Gas Daily* "Weekly Weighted Average Prices" table (of each week that ends during the billing month) reported for the Index Designation plus the appropriate Pipeline's Interruptible rate schedule transportation costs and surcharges and equivalent fuel costs from the Pipeline's Receipt Segment to the Pipeline's Delivery Segment plus the Company's interruptible gas supply administrative charge; or
2. The weighted average delivered cost of gas filed in the Company's PGA plus the Company's interruptible gas supply administrative charge.



Daily Balancing Service

UNDERTAKE CREDIT

The Undertake Credit will be equal to the monthly aggregated imbalance volume within each Undertake Variance percentage bracket multiplied by the applicable percentage of the Undertake Cashout Price. The Undertake Variance percentage is calculated by dividing the monthly imbalance volume by a Company-Administered Pool Customer's or Third-Party Pool's monthly confirmed natural gas nominations. The Company will credit each respective Company-Administered Pool Customer or Third-Party Pooling Agent the indicated percentage(s) of the Cashout Price for the quantities of Imbalance Volume that fall within each respective bracket. The Company will then own this natural gas.

Overtake Variance Percentage	Percentage of Overtake Cashout Price ⁽¹⁾ Paid by Customer to Company
> 0% and up to 3.5%	100%
> 3.5% and up to 10%	85%
> 10% and up to 15%	70%
> 15% and up to 20%	60%
> 20%	50%

(1) See sheet G-3.3 for the Undertake Cashout Credits effective in the most recently completed cashout month.

For purposes of this rate schedule, the Undertake Cashout Credit is the lower of:

1. The average calculated price of all the defined supply areas for the month. Each price is calculated as follows: The price in the *Gas Daily* "Weekly Weighted Average Prices" table (of each week that ends during the billing month) reported for the Index Designation plus the appropriate Pipeline's Interruptible rate schedule transportation costs and surcharges and equivalent fuel costs from the Pipeline's Receipt Segment to the Pipeline's Delivery Segment; or
2. The weighted average delivered cost of gas in the Company's monthly PGA.

TERM

The customer must take service for a minimum 12-month period under this rate schedule. This service will automatically be extended for additional 12-month periods unless otherwise terminated.

Service under this rate schedule will be terminated as follows:

1. The Company has received written notice of termination of service under this rate schedule to be effective at the end of the 12-month period at least 30 days prior to the end of a 12-month period;
2. The Company has determined that the customer fails to qualify for service under this rate schedule. In this event, the termination will be effective the first day of the month immediately following such determination.

SPECIAL TERMS AND PROVISIONS

1. The Company reserves the right, subject to regulatory requirements, to change the terms and conditions of this rate schedule resulting from changes made by any of the transporting interstate pipelines in their terms and conditions for transportation service.
2. The Company will provide balancing on a Company-Administered Pool Customer's or Third-Party Pool's behalf only upon receipt from the respective Company-Administered Pool Customer or Third-Party Pooling Agent of a properly completed and executed Third-Party Natural Gas Supply Nomination Form; the form of which will be specified by the Company.

Daily Balancing Service

Each Third-Party Natural Gas Supply Nomination Form is subject to acceptance by the Company prior to becoming effective. Any nomination for the delivery of natural gas supply by a customer or pooling agent must be received by the Company one hour prior to pipeline nomination cycles.

All information requirements described herein must be satisfied in order for any nomination to be processed by the Company. All nominations, including intraday nominations, will be a daily quantity. Nominations will be subject to the delivering pipeline flow rules including, but not limited to, hourly flow rights as defined by pipeline tariffs.

The Company will allow nominations for the following cycles as defined by NAESB Standards: Timely, Evening, Intraday 1, and Intraday 2. Nominations made and accepted by the Pipeline at any time other than the above-defined cycles will be accepted at the sole discretion of the Company.

Nominations confirmed on the pipeline for any cycle not defined above does not deem acceptance by the Company.

If a nomination is not received by the appropriate deadline, a \$10.00 charge per account will be assessed for each instance the nomination is late provided the customer or Pooling Agent has not made other arrangements with the Company. In addition, the Company may, at the Company's sole discretion, not confirm and/or accept any nomination on the pipeline if the nomination is not received by the Company by the appropriate deadline.

The customer or Pooling Agent must submit a revised nomination to the Company any time the amount of gas to be delivered by the pipeline(s) or any other information contained on the most recently submitted Third-Party Natural Gas Supply Nomination Form changes, regardless of whether the changes were initiated by the customer (or Pooling Agent) or the pipeline. If notification is not received in a timely manner, the Company may, in the Company's sole discretion, not confirm and/or accept the nomination.

The nominations given to and accepted by the Company must match the nominations given to the pipeline transporter and confirmed, scheduled, and delivered by the pipeline, or the difference between the Company-accepted nomination and the nomination confirmed, scheduled and delivered by the pipeline will be subject to unauthorized nomination charge of \$0.05 per therm. The Company will then adjust either the Company nomination or pipeline nomination as it determines is appropriate for the situation.

3. Gas supplies must be delivered by each customer in a Company-Administered Pool and the Pooling Agent of each Third-Party Pool under separate and distinct pipeline transportation agreements, unless the parties that arrange for joint use of a pipeline transportation agreement file an agreement with the Company indicating how the nomination is split between Third-Party Pools (or between customers in a Company-Administered Pool) and how the parties would like nomination curtailments or other adjustments to be allocated. The Company reserves the right to make the final determination of how changes in nominations of joint-use contracts will be allocated.
4. If an upstream transporter notifies a Company-Administered Pool Customer or Third-Party Pool that deliveries to the Company's distribution system on behalf of the respective Company-Administered Pool Customer or Third-Party Pool are interrupted, the respective customer or Pooling Agent will promptly advise the Company of such notification.
5. Customers or Pooling Agents may purchase gas from the Company under the Backup Sales Service rate schedule subject to the terms and conditions of that rate schedule. The customer or Pooling Agent will nominate the volume of gas to be purchased under the Backup Sales Service rate schedule and the Company must approve it prior to purchase. Any Backup Sales Service will be considered to be through the meter prior to Third-Party Natural Gas Supply in the application of the balancing provisions of this rate schedule.

Daily Balancing Service

6. The purchase of gas under any of the Company's Interruptible Gas Sales Service rate schedules is not permitted during the period balancing is being provided under this rate schedule. Gas may be purchased under the Company's Firm Sales Service Schedule in conjunction with service provided under this rate schedule. If Firm Sales Service is used in conjunction with this rate schedule, the Firm Sales Service must be nominated according to the Terms and Provisions of the Firm Sales Service rate schedule and will be considered the first gas through the meter.
7. If special equipment, such as motor-operated valves, metering bypass, and remote control is required to monitor gas service, such special equipment will be installed by the Company at the customer's expense. The ownership, installation, operation, and maintenance of all such equipment will be under the exclusive control of the Company.
8. Any customer receiving service under this rate schedule who, after the term of service, wishes to discontinue this service and have the same load served under one of the Company's other rate schedules will apply for that service in writing. Availability of the requested service will be determined by the Company. Customers may not move or be removed from a Third-Party Pool by a pooling agent without written notice at least three business days prior to the move. The customer will be treated as a new customer in determining the availability of gas.
9. Measurement of gas delivered to the customer will be through the Company's meter at the customer's facilities and billing will be based on measurements adjusted to Company standard conditions.
10. Gas delivered by the Company under this rate schedule will be commingled with other natural gas, vaporized liquefied natural gas, and propane-air vapor which is delivered by the Company. Accordingly, the gas of the customer will be subject to such changes in heat content as may result from such commingling, and the Company will be under no obligation to redeliver for the customer's account gas of a heat content identical to that caused to be delivered by the customer to the Company.
11. The rates and character of service under this rate schedule are subject to review and change by the Public Service Commission of Wisconsin.
12. If firm and interruptible distribution customers are part of the Third-Party Pool, separate nominations for firm volumes and interruptible volumes are required. This requirement is for interruption administration and does not normally affect daily balancing service.
13. When interruption of interruptible distribution service is necessary, the Company will notify the Pooling Agent in addition to notifying the customer.
14. This service is subject to the conditions of delivery set forth herein and to the Company's rules and regulations for gas service.



ANR Hourly Operational Flow Order Rider (Experimental)

This rate schedule is effective in all areas served with natural gas by the Company and ANR Pipeline. This rider will remain in effect on an experimental basis until otherwise determined by the Public Service Commission of Wisconsin (PSCW).

APPLICABILITY

This rider applies to all customers and Third-Party Balancing Pools served under the Company's Daily Balancing Service (DBS) tariff that transport natural gas supplies on ANR Pipeline. The total quantity of gas available to a customer or their pooling agent may be limited on an hourly basis by the Company to the quantity allowable under provisions of contracts or tariffs of ANR Pipeline Company. Hourly take restrictions will apply when ANR Pipeline enacts its hourly Operation Flow Order (OFO). Third-Party Balancing Pool Agents are responsible for ensuring its pool customers comply. The Pooling Agent is also responsible for any costs and penalties that may be charged as a result of its end-use customers' actions during an OFO. If a Pooling Agent becomes in arrears with the Company, the Company will notify individual pool members. Should the Pooling Agent remain in arrears for a period exceeding 30 days, the Company may bill the individual customers in the pool for any outstanding charges resulting under this rate schedule.

Consumption will be reported in pipeline units as calculated from volumes recorded by the Company's telemetering equipment installed at each customer's location. For periods when telemetering equipment fails to operate properly, the Company will estimate the affected customer's consumption during the period the telemetering equipment was not operating properly. If the customer is in a Third-Party Pool, the estimated usage will be added to the measured hourly usage of the other customers in the pool to determine total pool hourly consumption.

HOURLY BALANCING REQUIREMENTS

The DBS is designed and priced to address daily imbalances when the underlying pipeline contract requirements are implemented on a daily basis. Hourly balancing requirements through this rider are additional conditions that result from the implementation of pipeline tariff and/or contract hourly flow restrictions specified in the pipeline's Federal Energy Regulatory Commission (FERC) tariff and/or contract(s) each shipper has with each upstream pipeline. As specified in the order in Docket 05-GI-112, the hourly requirements of ANR Pipeline may be applied. The Company will attempt to notify Third-Party Pool Agents and Company-Administered Pool Customers as soon as possible when it becomes aware of hourly flow restrictions being implemented by ANR Pipeline.

When ANR Pipeline implements its tariff and/or contractual hourly flow requirements, Company-Administered Pool Customers and Third-Party Pooling Agents must comply with the hourly flow restrictions of the pipeline contracts used to make deliveries. Any charges or penalties assessed by ANR Pipeline relative to these requirements will be prorated among customers or pools based on their imbalances compared to their hourly contractual pipeline delivery rights.

In addition to the above, hourly flow imbalances that contribute to the loss of ANR Pipeline's minimum-pressure agreement may be assessed a penalty charge under the general or selective constraint provisions of this tariff.

GENERAL HOURLY CONSTRAINT CONDITION

A General Hourly Constraint Condition is one in which the Company expects actual hourly gate station flows may exceed the pipeline hourly flow requirements such that it may result in the loss of the Company minimum-pressure guarantee from ANR Pipeline to an area or multiple areas of the Company's service territory.

When the Company determines a General Hourly Constraint Condition exists, the Company may declare a General Hourly Constraint Period in the affected area(s). During this period, Company-Administered Pool Customers and each Third-Party Pool will be required to utilize gas in accordance with the hourly flow restrictions of the pipeline delivery contracts being utilized. Failure to comply with this General Hourly Constraint Condition may result in an unauthorized use charge of \$1.00 per therm being assessed under this provision. This charge will be assessed if the following conditions are met: a Company-Administered



ANR Hourly Operational Flow Order Rider (Experimental)

Pool Customer or a Third-Party Pool as a group is in violation of the hourly flow restrictions, and the Company exceeded the maximum allowable flow at any gate stations under its minimum-pressure guarantee. The Company will give as much notice of a General Hourly Constraint Period as possible, normally not less than two hours. Notice of a General Hourly Constraint Period may also be given after the start of a gas day. In accordance with the order in Docket 05-GI-112, a report will be filed with the PSCW prior to the assessment of penalties under this provision.

HOURLY SELECTIVE CONSTRAINTS

An Hourly Selective Constraint may be called for an individual customer or pool before or during a gas day if:

1. A critical notice is issued by ANR Pipeline and/or the Company believes the usage of a customer or pool is likely to be in violation of the hourly flow restrictions of the pipeline services used by the customer or pool by:
 - a. More than 750 therms in any hour; or
 - b. More than 250 therms in any hour and the percentage underdelivery or overdelivery for an hour is expected to be greater than 10 percent of expected use; or
 - c. The percentage underdelivery or overdelivery for an hour is expected to be greater than 25 percent of the expected use.
2. When the Company notifies a customer or Pooling Agent that they are subject to an Hourly Selective Constraint, the daily usage of the affected customer or balancing pool will be monitored. If it is determined the preceding underdelivery or overdelivery limits are exceeded, then the customer or Pooling Agent will be assessed a charge of \$1.00 per therm on the underdeliveries or overdeliveries. In accordance with the order in Docket 05-GI-112, a report will be filed with the PSCW prior to the assessment of penalties under this provision.



Backup Sales Service

AVAILABILITY

Available to customers or Pooling Agents, upon request, already receiving service under the Company's Daily Balancing Service, Interruptible Gas Sales Service, or Interruptible Large Boiler Gas Sales Service rate schedules.

APPLICABILITY AND CHARACTER OF SERVICE

The Company contracts for annual gas supplies to meet the requirements of customers requesting gas service. If the Company determines that such gas supplies are in excess of customer requirements at a given time, the Company may make such excess gas supply available for sale under this rate schedule. The Company may sell gas supplies under this rate schedule only when the Company determines that excess supply is available or if the Company can purchase additional supply for the customer.

Deliveries by the Company to any customer under this rate schedule will be on a reasonable efforts basis. The Company will have the right to curtail or interrupt deliveries of gas supply whenever the Company determines continuation of service would be to the detriment or disadvantage of any of its customers for which it purchases annual supply or to the detriment or disadvantage of the Company's gas distribution system.

The customer must nominate the amount of gas they desire to use at least 27 hours in advance of the gas day. The Company has the right to waive this notice requirement if, in its sole opinion, the Company determines that it can deliver the requested amount of gas to the customer without disadvantage to other customers, or to the Company's gas distribution system.

RATE

If the customer is purchasing gas supplies which the Company has determined are excess of the supplies needed to serve all other customers, the natural gas charge will be as follows:

	Administrative charge per therm.....	\$0.0295
	Natural gas service: ⁽¹⁾	
R	Summer per therm ⁽²⁾	\$0.6026
R	Winter per therm ⁽²⁾	\$0.6426

(1) Subject to adjustment for cost of purchased gas. See sheet G-38 for purchased gas adjustment clause and refund provision and sheet G-3.1 for current effective rates.

(2) If the Company has to purchase additional supplies for the customer, the natural gas service will be the higher of the effective rate under the Firm Gas Sales Service rate schedule or the actual delivered cost of the gas nominated hereunder, including all interstate pipeline transportation costs surcharges and all other applicable Natural Gas Cost Components. See sheet G-38 for purchased gas adjustment clauses and refund provisions.

PENALTY CLAUSE

Customers are responsible for an additional charge for unauthorized use upon failure to curtail or interrupt natural gas requirements when notified by Company. Availability of this charge does not preclude Company from physically controlling customer's gas supply upon customer's failure to curtail or interrupt. The additional charge for unauthorized use will be assessed as follows:

1. During a curtailment or interruption when interstate pipeline capacity is not limited, the additional charge will be the greater of incremental cost to the Company that results from a failure to curtail or interrupt, or \$2.50 per therm for gas used in excess of the maximum quantity level requested by the Company.



Backup Sales Service

2. During a curtailment or interruption due to capacity limitations on interstate pipelines, the additional charge will be the greater of incremental cost to the Company that results from a failure to curtail or interrupt, or \$10.00 per therm for gas used in excess of the maximum quantity level requested by the Company.

Incremental cost, as referenced above, will include any interstate pipeline penalties incurred as a result of customers' failure to curtail or interrupt, as well as the total cost of incremental interstate pipeline capacity and/or gas commodity purchased to serve customers' load on the day(s) of curtailment or interruption.

PAYMENT

Payment is due no later than the due date shown on the bill issued by the Company to the customer. Any Company billing charges unpaid after the due date will be subject to a late payment charge as described in the Company's gas service rules under Late Payment Charge.

SPECIAL TERMS AND PROVISIONS

1. When interruption of deliveries hereunder is required, the customer will interrupt the use of gas at the time and to the extent requested by the Company. The Company will notify the customer as far in advance as is feasible, and the customer will discontinue or interrupt the use of gas under this rate schedule as ordered by the Company. In addition, the Company reserves the right to test the interruptibility of any customer on this rate schedule for any period of at least four hours that the Company requests. The Company has the option of requesting this test interruption of service at least one time each year. The Company reserves the right to move any customer who fails three interruptions, either actual or test, to the firm rate schedule for which they would otherwise qualify, provided that the Company has the capacity to serve the customer under the firm rate schedule.
2. Interruptible Sales customers will not resell gas supplied hereunder. Pooling Agents who purchase gas supplied hereunder may resell the gas to customers in their designated MGE Third-Party Balancing Pools. The Company may require that such BU-1 purchases be nominated and authorized by individual areas of its service territory and may interrupt or curtail BU-1 deliveries by these designated areas.
3. The rates and character of service under this rate schedule are subject to review and change by the Public Service Commission of Wisconsin.
4. To the extent the Company provides service under this rate schedule, the BU-1 volumes will be considered to flow through the Company meter before gas associated with Daily Balancing Service or Interruptible Gas Sales Service.
5. The Company will provide Backup Sales Service for the customer only upon receipt from the customer of a properly completed and effective Natural Gas Nomination Form; the form of which will be specified by the Company.



Gas Cost Determination Mechanism

Canceled



Gas Cost Determination Mechanism

Canceled



Gas Cost Determination Mechanism

Canceled



Purchased Gas Adjustment and Refund Provision

GAS SUPPLY PLAN

A Gas Supply Plan (Plan) will be filed with the Public Service Commission of Wisconsin (PSCW) by July 1 for the upcoming November through October contract year. The Plan will include a second filing, by August 1, summarizing expected usage by month by supply source. The Company can request the Plan be updated as the contract year progresses if significant changes occur in the forecast for the remainder of the contract year.

FILING AND APPROVAL

The Company will calculate a purchased gas adjustment (PGA) each month to reflect changes to the base gas costs. The PGA will also include the reconciliation between actual gas costs and the amount recovered from customers during the PGA year. In addition, the PGA filing may include refunds received by the Company from its wholesale suppliers.

The Company will file the proposed changes to the effective rates under the operation of the PGA schedule with the Commission prior to the first day of each month. These rates will be effective as of the first day of the month following the filing, will be subject to change and, if necessary, refund upon Commission review within a 21-day period from receipt of the filing by Commission staff. The PGA filings will include the rate sheets, the Commission's standardized PGA report, and any supporting information that may be necessary.

The Company will file with the Commission significant deviations from the Company's approved Gas Supply Plan. Upon approval, any significant change in sales data may be reflected in future PGA filings. Any significant changes in firm capacity, storage, firm supply, and any other reliability-related change must be filed for Commission approval at least 21 days prior to the effective date of the change.

For purposes of the operation of this schedule, the PGA year will be the period from November 1 through October 31, which is consistent with the planning periods from the Company's Gas Supply Plan.

BASE AVERAGE GAS COST RATE COMPONENTS

R The Company's base average cost of gas rate components, as calculated in Docket 3270-UR-117, are as follows:

R	Annual Demand per therm	\$0.0432
R	Seasonal Demand per therm.....	\$0.0400
R	Commodity per therm	\$0.5522
R	Balancing Reservation per therm	\$0.0072
	LS-1 Firm Reservation per therm of contracted demand per day.....	\$0.0159

When the Company's cost of gas changes from these base average gas costs, new average gas cost rate components will be calculated as noted below.

There are three basic categories of costs that flow to the various cost of gas rate components: (1) Pipeline Capacity Costs, FERC-Approved/Mandated Rates and Charges, and Gas Supply Costs, (2) Capacity Release/Opportunity Sales, and (3) Commodity Benchmark. Pipeline Capacity Costs, and FERC-Approved/Mandated Rates and Charges.

Pipeline Capacity Costs, FERC-Approved/Mandated Rates and Charges, and Gas Supply Costs

These costs will be included as part of the approved Plan and will be estimated prior to the beginning of the month to determine the total dollars to be collected. When actual costs are known, the beginning of the month estimate will be reconciled with the actual costs. The difference will then be collected or refunded in a future PGA filing. The estimated gas supply costs associated with certain financial instruments, premiums/discounts associated with special LS-1 purchases, Carlton premiums/discounts and variable balancing charges will be treated in the same manner as the Pipeline Capacity Costs, FERC-Approved/Mandated Rates and Charges, and Gas Supply Costs and included directly in the PGA. When actual costs are known, the beginning of the month estimate will be reconciled with the actual costs. The

Purchased Gas Adjustment and Refund Provision

difference will then be collected or refunded in a future PGA filing.

Capacity Release/Opportunity Sales

The capacity release/opportunity sales will be treated in the same manner as the Pipeline Capacity Costs, FERC-Approved/Mandated Rates and Charges and Gas Supply Costs. To the extent bundled opportunity sales are made, any value above the cost of gas attributable to those opportunity sales will be considered capacity release/opportunity sales.

At the beginning of each PGA year, a target for capacity release/opportunity sales will be established with a weighted average of the prior four years of actual results. The weighting would be 40 percent for the prior year and 20 percent for each of the 2nd, 3rd, and 4th prior years. This target will be allocated to the Annual Demand and Seasonal Demand rate components at the beginning of the month to determine the total dollars to be collected. When actual results are known, the beginning of the month estimate will be reconciled with the actual results. The difference will then be collected or refunded in a future PGA filing.

Commodity Benchmark

A commodity benchmark will be calculated for the beginning of each month and will be used to calculate the commodity cost of gas that is included in the current month's PGA. This benchmark will include the adder defined in the Gas Supply Adder section of this schedule. The benchmark will also be compared with actual costs as noted in the Comparison of Benchmark to Actual section of this schedule below.

The commodity benchmark costs will be calculated for each supply area, including storage, based on Plan volumes and prices by supply area. For the current month's PGA, the sum of the area benchmark costs will provide the total commodity benchmark dollar amount for the PGA. For the Comparison of Benchmark to Actual, the sum of the area benchmark costs will be divided by the Plan volume total to provide the benchmark unit cost for comparison to actual.

The supply area benchmark costs will be calculated by multiplying the expected volumes as listed in the Plan by the index plus fuel, variable pipeline transportation costs, FERC-Approved/Mandated variable rates and charges, second pipeline costs, and the adder for the supply area. The index by supply area is the first-of-the-month published area index price except for the purchases described below. The supply area benchmark cost for storage withdrawals will be determined by multiplying the expected volumes as identified in the Plan by the Weighted Average Cost of Gas (WACOG) in storage at the beginning of the month plus fuel, variable pipeline transportation costs, storage withdrawal costs, FERC-Approved/Mandated variable rates and charges, and the adder. The fuel, variable pipeline transportation costs, storage withdrawal costs, FERC-Approved/Mandated variable rates and charges, second pipeline costs, and adder will be allowed to change any time the change has been filed with the FERC or the PSCW.

The supply area benchmark index price for gas supply purchased under a contract for the Carlton sourcing obligation, containing a demand charge, reservation fee, and/or premium/discounts will be the actual price of gas as listed on the contract. The benchmark index price will be the index price of gas as listed on the contract. The demand charge, reservation fee and premium/discounts will be treated in the same manner as the Pipeline Capacity Costs, FERC-Approved/Mandated Rates and Charges and Gas Supply Costs. The fuel, FERC-Approved/Mandated variable rates and charges, and variable pipeline transportation costs will be allowed to change any time the change has been filed with the FERC or the PSCW.

The commodity cost of gas for LS-1 service excludes the cost of storage gas and storage-related cost and benefit included in the PGA. The LS-1 Daily Priced Supply or physical Fixed Price Supply difference between the actual price of gas plus fuel, FERC-Approved/Mandated variable rates and charges, and variable transportation costs and the appropriate index price, fuel, FERC-Approved/Mandated variable rates and charges, and variable transportation costs and any financial instruments will be treated in the same manner as the Pipeline Capacity Costs, FERC-Approved/Mandated Rates and Charges, and Gas Supply Costs and will be collected or refunded in a future PGA filing.

Purchased Gas Adjustment and Refund Provision

The individual supply area benchmark costs will be added together to determine the total beginning-of-the-month commodity benchmark costs. This commodity benchmark cost will be added to the gas supply costs for the PGA commodity rate calculation.

Storage

Injection period: gas will be injected into storage at the WACOG for the entire MGE system at the time of injection. In addition to the WACOG, the cost of gas injected into storage will be increased to reflect any additional fuel, variable pipeline transportation costs, FERC-Approved/Mandated variable rates and charges, injection costs, inventory costs or any other cost applicable to the storage injection.

If there is a net withdrawal during an injection month, the gas withdrawn from storage will be valued at the beginning of the month WACOG in storage. The adder will apply to storage as well as the withdrawal costs, fuel, FERC-Approved/Mandated variable rates and charges, and variable pipeline transportation costs to MGE gate stations.

Withdrawal period: The gas will be withdrawn from storage at the WACOG in storage at the beginning of the withdrawal month. The adder will apply to storage as well as the withdrawal costs, fuel, FERC-Approved/Mandated variable rates and charges, and the variable pipeline transportation costs to MGE gate stations.

If there is a net injection during a withdrawal month, the net amount of gas injected into storage during a withdrawal month will be valued at the first-of-the-month benchmark unit cost for all gas during the month of injection. In addition, the cost of gas injection into storage will be increased to reflect any additional fuel, variable pipeline transportation costs, injection costs, inventory costs, FERC-Approved/Mandated variable rates and charges, or any other cost applicable to the storage injection. This will be included in the cost of gas in storage and a new cost of gas in storage will be calculated for the following month. Any difference in the actual cost compared to the benchmark cost will be reflected in the current month. No adjustment will be made to the cost of gas in storage for the difference between benchmark costs and actual costs when gas is injected into storage during the withdrawal season.

The actual cost of gas in storage may increase or decrease during the withdrawal season due to No-Notice Service activity, any overrun activity, net injections made into storage accounts, inventory costs, or any other costs applicable to storage injection or carrying activities.

Gas Supply Adder

A single adder of 2 percent will be added to all costs and volumes.

Estimate of Benchmark

Since the first-of-the-month index prices are not known prior to the beginning of the month, an estimate of the commodity benchmark costs will be calculated using estimated index prices. The estimate of the commodity benchmark costs will be included in the PGA for collection from customers. When commodity benchmark costs and actual volumes are known, the estimate of the commodity benchmark costs will be reconciled with the commodity benchmark costs at actual volumes. This difference, as well as any difference in the gas supply costs, will be collected or refunded in a future PGA filing.

Comparison of Benchmark to Actual

After the month has ended and actual volumes and dollars are known, the commodity benchmark costs will be updated and compared to the actual commodity costs on a unit cost basis. To do this, the commodity benchmark unit cost as calculated for the beginning of the month will be compared to the actual commodity unit cost, excluding the gas supply costs. To arrive at the actual commodity unit cost, the appropriate actual commodity costs will be divided by actual volumes. When the actual commodity unit cost is less than the commodity benchmark unit cost, the difference in actual costs and benchmark costs will be collected or refunded in a future PGA filing. If actual unit cost is greater than the benchmark unit cost, the product of the actual volume and commodity benchmark unit cost will be collected in a future PGA filing. The excess

Purchased Gas Adjustment and Refund Provision

difference will be filed with the PSCW with an explanation of the key drivers for exceeding the commodity benchmark unit cost of gas. Upon review, and written approval, the excess difference will be collected in a future PGA filing.

Exclusions

Any costs and volumes associated with any opportunity sales or sales to customers served under the BU-1 rate schedule that are made at the actual cost of gas incurred to serve those customers, as well as any costs and volumes associated with transportation and LS-1 customer imbalances and cashouts will be removed from the actual costs and volumes.

RATE COMPONENT CALCULATION

The **Annual Demand** gas cost rate component will include pipeline reservation costs, enhanced storage reservation costs, and reservation-based FERC-Approved/Mandated rates and charges for the contracted capacity not specifically assigned to Seasonal Demand and/or Balancing Reservation components below. The Annual Demand cost of gas will be adjusted by any Capacity Release/Opportunity Sales values related to annual demand, any Interruptible Market Reservation collected from IS-1, IS-2 or LS-1 rate schedules and any LS-1 Firm Reservation collected. The Annual Demand gas cost rate will be calculated by dividing the Annual Demand costs by the total estimated therms of firm sales volume, excluding the firm portion of LS-1 sales, for the PGA year.

The **Seasonal Demand** gas cost rate component will include pipeline reservation costs, seasonal storage reservation costs, and reservation-based FERC-Approved/Mandated rates and charges for the contracted capacity associated with Northern Natural Gas TF5 service and ANR Pipeline's Firm Seasonal storage service with the associated transportation contracts for injection and withdrawal storage activities. The Seasonal Demand cost of gas will be adjusted by any Capacity Release/Opportunity Sales values related to seasonal demand, The Seasonal Demand gas cost rate will be calculated by dividing the Seasonal Demand costs by the total estimated therms of firm sales volume, excluding the firm portion of LS-1 sales, for the seasonal period, November through March, for the PGA year's winter season.

The **Commodity** gas cost rate component will include the benchmark-related commodity cost of gas including purchase price, fuel, variable pipeline transportation costs, variable storage costs, variable FERC-Approved/Mandated rates and charges, second pipeline costs and any and all other commodity and/or variable costs not associated with specific gas supply cost categories, plus the gas supply costs including certain financial instruments and the cost and benefits of hedging activity under the Company's approved Natural Gas Risk Management Plan, premiums/discounts associated with LS-1 special purchases/sales, Carlton premiums/discounts, and variable balancing charges. The Commodity gas cost rate component will be adjusted for the Cashout Mechanism of the DBS-1 and LS-1 rate schedules and any Opportunity Sales values related to commodity. The Commodity gas cost rate will be calculated by dividing the Commodity costs by the total estimated therms of commodity sales volume for the PGA year.

The **Balancing Reservation** gas cost rate component will include storage reservation costs, pipeline reservation costs, No-Notice Service reservation costs, and reservation-based FERC-Approved/Mandated rates and charges for the contracted capacity associated with ANR's No-Notice service entitlement, the associated Firm Enhanced Storage service with the associated transportation contracts for injection and withdrawal storage activity entitlement levels. The Balancing Reservation cost of gas will be adjusted by any values associated with Balancing Service Charges, except for penalties, collected under the DBS-1 rate schedule. The Balancing Reservation gas cost rate will be calculated by dividing the Balancing Reservation costs by the total estimated therms of commodity sales volume, excluding IS-2 and LS-1 sales, for the PGA year.

Purchased Gas Adjustment and Refund Provision

The **LS-1 Firm Reservation** gas cost rate component will include pipeline reservation costs and reservation-based FERC-Approved/Mandated rates and charges for all contracted capacity not associated with Firm Storage services, No-Notice service or the associated transportation contracts for the injection and withdrawal storage activity. The LS-1 Firm Reservation gas cost rate will be calculated by dividing the LS-1 Firm Reservation costs by the total of the contracted pipeline capacity included in the cost. This rate will be assessed on a customer contracted firm volume basis through the LS-1 rate schedule.

INTERRUPTIBLE MARKET RESERVATION RATE COMPONENT

In addition to the cost of gas rate components above, an effective Interruptible Market Reservation rate component will be calculated each month as described below. There is no base cost associated with this rate component. It is calculated on the basis of comparable market prices. This rate component will be the rate per therm of the current month's estimated market cost of capacity reservation fees. The reservation charge will be determined on a monthly basis using estimated market prices. It will be capped at the maximum pipeline capacity rate and will have a minimum of 20 percent of the maximum pipeline capacity rate.

GAS COST RATE COMPONENTS INCLUDED IN GAS RATES

FS-1 - Natural gas service rate. During the *summer* season, April through October, this rate will be the sum of the Annual Demand, Commodity, and Balancing Reservation gas cost rate components. During the *winter* season, November through March, this rate will be the sum of the Annual Demand, Seasonal Demand, Commodity, and Balancing Reservation gas cost rate components.

IS-1 - Natural gas service rate. This rate will be the sum of the Commodity, and Balancing Reservation gas cost rate components plus the Interruptible Market Reservation rate component.

CNG-1 - Natural gas service rate. This rate will be the sum of the Commodity, and Balancing Reservation gas rate components plus the Interruptible Market Reservation rate component.

IS-2 - Natural gas service rate. This rate will be the sum of the Commodity gas cost rate component and 75 percent of the Interruptible Market Reservation rate component.

LS-1 - Natural gas service rate - firm supply. This rate will be the commodity cost of gas priced through the formula in the LS-1 rate schedule. This rate will apply to the firm supply used by an LS-1 customer in each billing period. This rate will apply to the lower of the actual use during the billing period or the contracted daily firm reservation volume times the number of days in the billing cycle.

A separate LS-1 Firm Reservation rate will apply to the contracted daily firm reservation volume times the number of days in the billing cycle, regardless of the customer's actual use. This reservation charge is what distinguishes this supply from the LS-1 interruptible supply.

LS-1 - Natural gas service rate - interruptible supply. This rate will be the commodity cost of gas priced through the formula in the LS-1 rate schedule plus 75 percent of the Interruptible Market Reservation rate component. This rate will apply to the volume the customer uses in excess of the LS-1 Firm Supply volume.

MONTHLY GAS COST RECONCILIATION

At the conclusion of each month, the actual cost of gas determined in accordance with this schedule will be compared to the cost of gas actually recovered from customers. The amount of the difference will be recovered from or returned to customers through an adjustment that is added to or subtracted from each gas cost component's estimated gas costs for the remainder of the PGA year or heating season.

For the annual demand gas cost rate component, the monthly reconciliation adjustment will be calculated based on the total month-end over or under collection divided by the estimated firm sales volume, excluding the firm portion of LS-1 sales, for the remainder of the PGA year. For the seasonal demand gas cost rate component, the monthly reconciliation adjustment will be calculated based on the total month-end over or under collection divided by the estimated firm sales volume for the remainder of the seasonal period,

Purchased Gas Adjustment and Refund Provision

November through March, excluding the firm portion of LS-1 sales. For the Balancing Reservation demand gas cost rate components, the monthly reconciliation adjustment will be calculated based on the month-end total over or under collection divided by the estimated commodity sales volumes, excluding IS-2 and LS-1 sales, for the remainder of the PGA year. For the commodity gas cost rate component, the monthly reconciliation adjustment will be calculated based on total month-end over or under collection divided by the estimated commodity sales volumes for the remainder of the PGA year.

The monthly commodity reconciliation adjustment will include the difference between actual commodity gas costs and the benchmark unit costs as determined in the Comparison of Benchmark to Actual section above plus gas supply actual costs.

Any over or under collection of gas costs remaining at the end of each PGA year or heating season will become a beginning balance brought forward for the new PGA year.

REFUND PROVISION

Natural gas cost-related refunds received by the Company from its wholesale suppliers resulting from actions taken by the FERC (wholesale refunds) will be refunded to customers by means of the ongoing PGA and true-up mechanism. All refunds received by the Company will be placed in a refund account, and the Company will manage the refund account balance to return outstanding balances to customers as soon as practicable, while allowing for considerations such as those listed below.

The Company will devise a crediting plan for prospectively returning the account balance to the customers. An outstanding refund account balance sufficient to decrease the gas rate paid by the average residential customer by \$0.0010 per therm will be considered material for these purposes. This does not prohibit the Company from making refunds that would have an effect of less than \$0.0010. The Company will inform the Commission of the crediting plan no later than the date the Company makes its first PGA filing after receiving the refund. The crediting plan will state the amount of the refund, the current refund account balance, and the distribution of the refund balance to services. In accordance with the crediting plan, each PGA filing will include a summary of the refund account balance by service category, the amount refunded through the PGA by service category for that month, and the remaining balance to be refunded to customers in future PGAs.

The following factors will be considered in determining the crediting plan as to how refund credits will be distributed to the various services.

1. Wholesale refunds will be distributed to services eligible to receive refunds on the same basis by which related costs were collected.
2. To the extent practicable, refund distributions for services provided will recognize the payment patterns authorized for those services provided over a recent full, one-year period.
3. The Company will develop an amortization schedule which appropriately distributes the refund credits for the service provided when executing multiple-month refund plans.

The following factors will be considered in determining how refund credits will be distributed to individual customers:

1. Prospective multi-month refund credits will be based on an amortization schedule and a resulting pattern of monthly refund credits which appropriately distribute the credit by the type of service and not by individual customer. Therefore, if the customer changes to another type of service during the refund credit period, the customer will then prospectively receive the refund credit level applicable to the new type of service. New active customers will receive the refund credit level applicable to the customer's type of service.
2. The Company will provide notice of the refund to customers by means of a billing message, identified credit, or insert.



Purchased Gas Adjustment and Refund Provision

The Company will credit interest to the refund account at the prevailing Federal Reserve Bank discount rate as most recently published in the weekly U.S. Financial Data prepared by the Federal Reserve Bank of St. Louis, on the outstanding average daily balance per month of the refund account, payable at the beginning of the following billing cycle.

The Company may file for approval from the Commission to offset refund proceeds with escrowed or other expenses related to Federal-level regulatory matters.

Notwithstanding the tariff provisions requiring prospective crediting of wholesale refunds, the Company may file for approval from the Commission to execute refunds by means of lump-sum payments or other means if the circumstances of the wholesale refund warrant doing so.

Natural Gas Sales Priority Use Program

The purpose of this program is to provide a mechanism to allocate gas supplies contracted for by the Company to serve new requests for system sales service.

The Company purchases system natural gas supplies to serve those customers who have requested Company system sales service. For those customers, the Company maintains an obligation to provide natural gas service consistent with the availability, terms, and provisions contained in the Firm Gas Sales Service.

For interruptible sales customers, the Company purchases open-market gas supplies on a reasonable efforts basis. Interruptible sales customers wishing to transfer to firm system natural gas supplies will be provided firm sales service as the Company is able to secure the firm system natural gas supply for these customers.

Daily Balancing Service (DBS-1) customers wishing to transfer to system natural gas supplies will be provided interruptible open-market purchases on a reasonable efforts basis until such time as the Company is able to secure system natural gas supply for these customers. DBS-1 customers will apply for service under the Company's BU-1 Rate Schedule until such time system sales service is made available. The customer will be treated as a new customer in determining the availability of gas and for the purpose of deposit considerations.

DEFINITIONS

The following definitions will apply to this program:

1. **Existing System Sales Customer.** An existing system sales service customer is defined as any customer currently served on one of the following rate schedules for which the Company has contracted for natural gas supplies: Firm Gas Sales Service (FS-1), Interruptible Gas Sales Service (IS-1), Interruptible Large Boiler Gas Sales Service (IS-2), or Compressed Natural Gas Distribution Service (CNG-1).
2. **New System Sales Customers.** Except as defined above, a new system sales customer is defined as any future customer not currently receiving service under any of the Company's available rate schedules who would qualify for one of the following rate schedules: FS-1, IS-1, IS-2, LS-1, and CNG-1.
3. **System Supply.** The natural gas planned for and purchased by the Company to meet the needs of those customers having previously requested system sales service. Normal system sales growth as forecast by the Company is included in purchase decisions for future system supply. Those customers classified as either nonsystem sales or transportation service customers are not included in the Company's system supply and will be provided service consistent with the purpose of the gas sales priority use program and the terms and conditions of the rate schedules under which they are currently served.
4. **Customer.** A consumer of natural gas at one location. An entity using gas at separate locations is considered a separate customer at each location.
5. **Residential Service.** A service to customers for all residential purposes in a single-family dwelling, an individually metered apartment, or an apartment building where four or less residential units are served on a single meter.
6. **Commercial Service.** A service to customers who are primarily engaged in wholesale or retail trade, agriculture, forestry, fisheries, transportation, communications, sanitary services, finance, insurance, real estate, personal services, government, five or more residential units on a single meter, and service that does not fall directly within one of the other classifications.

Natural Gas Sales Priority Use Program

7. **Industrial Service.** A service to customers who are primarily engaged in a process which creates or changes raw or unfinished materials into another form or product. This includes mining and manufacturing.
8. **Reasonable Efforts.** A reasonable effort on the part of the Company to secure gas when it is available on an economical basis as determined by the customer and the Company. The Company need not use any extraordinary effort to secure gas supplies under this tariff.

Service will be provided to existing and new customers based on the level or type of service requested and the available natural gas supplies and the following priorities. Highest priority customers are served first. It is possible that customer classes requiring only annual gas supplies could be served before customer classes in a higher priority requiring peak-day supplies if the peak-day supplies are not available.

PRIORITIES

- Priority 1: Use of natural gas for a residential service. Contained in this priority category are existing customers receiving service or new customers requesting service under rate schedules RD-1.
- Priority 2: Use of natural gas by a firm commercial or industrial customer for any purpose when the total use does not exceed 25,000 therms per year. Contained in this priority category are existing customers receiving service or new customers requesting service under rate schedules GSD-1 who elect service under Rate Schedule FS-1.
- Priority 3: Use of natural gas for any purpose by any firm commercial or industrial customer over 25,000 therms per year. Contained in this priority category are existing customers receiving system sales service or new customers requesting system sales service under Rate Schedules GSD-2 and GSD-3 who elect service under Rate Schedule FS-1.
- Priority 4: Use of natural gas for any purpose by any existing or new customer requesting interruptible commercial or industrial system sales service on Rate Schedules IS-1 or CNG-1.
- Priority 5: Use of natural gas for any purpose by any existing or new customer requesting interruptible commercial or industrial system sales service on the IS-2 and LS-1 rate schedules.
- Priority 6: Use of natural gas for any purpose by existing customers receiving or new customers requesting Company transportation service in the following transportation rate schedules: DBS-1.

SPECIAL PROVISIONS

To maintain maximum flexibility for system sales service, and to conserve an adequate supply of natural gas for firm customers, the following special provisions will be in effect:

1. The Company may prohibit a customer presently purchasing gas on an interruptible rate from purchasing gas on a firm rate for the same uses.
2. The Company will inform the Public Service Commission of Wisconsin of changes in the natural gas supply which would make it necessary to restrict sales in priorities, or in case of additional supplies, remove priorities from restriction. The Commission will review and approve these changes within 60 days or, in the alternative, notice the matter for hearing and further order.
3. In the event that the Company cannot secure natural gas supplies to serve all customers in an unrestricted priority, the Company will serve new customers or increases to existing customers in the order of receipt of their requests within each priority class and will maintain a listing of receipt of such requests in chronological order. In the event supplies can be obtained to supply the new customers, the Company will attempt to do so on a reasonable-efforts basis.

Natural Gas Curtailment Plan

GENERAL

1. Whenever the Company determines that the natural gas supply is insufficient to meet the total demands, the public interest requires that the curtailment of gas to existing customers be controlled in a manner which will be equitable to all customers and will be consistent with guidelines established by the Federal Energy Regulatory Commission (FERC) and with the historical availability of gas service to customers. The Company will determine the quantity of gas which each customer will be entitled to receive and promptly notify each affected customer regarding the curtailment and period covered. Such notice will be given as far in advance as possible. The Company may change the curtailment period and quantity of gas the customer may be entitled to if conditions require.
2. Curtailment will be in the order of the curtailment priority categories listed below, with full or 100 percent assigned curtailment to be directed and achieved in each category before proceeding to the next category. Priority 7 customers will be the last to be curtailed. If priority categories are curtailed and additional supplies of gas become available, customers will be reinstated in a descending order of priorities.
3. Nothing in this plan will allow a customer to obtain gas in excess of the Company's Natural Gas Sales Priority Use Program.
4. Relief From Liability - The Company will be relieved of all liabilities, penalties, charges, payments and claims of whatever kind, contractual or otherwise resulting from or arising out of the Company's failure to provide supply or deliver all or any portion of the volumes of gas desired by any particular customer or group of customers to the extent that such failure results from the implementation of the curtailment procedures prescribed herein or from any other orders or directives of the duly constituted authorities, including, but not limited to, all regulatory agencies having jurisdiction.
5. Company will have the right to reasonably limit distribution and/or sales service on part or all of Company's facilities according to the rate schedule to permit maintenance, repair, overhaul, replacement, or construction of facilities and equipment. Company will provide notice as far in advance as possible prior to any routine maintenance, repair, overhaul, replacement or construction of facilities or equipment.

EMERGENCY ADJUSTMENT

If any customer notifies the Company in a sworn statement that verifies a curtailment will result in emergency conditions or a shutdown of essential operations, the Company may depart from the curtailment priority categories listed and allow that customer to use gas when it would normally be curtailed if, in the sole judgment of the Company, gas can be made available. The Company will be under no obligation to grant such emergency adjustments. Company will not be liable for granting an emergency exemption under this section. The party who is granted the exemption will indemnify and hold the Company harmless for such exemption.

CURTAILMENT PRIORITY CATEGORIES

1. Requirements for boiler fuel use having a maximum day requirement of 30,000 therms or more.
2. Requirements for boiler fuel use having a maximum day requirement of 15,000 to 30,000 therms.
3. Requirements for boiler fuel use having a maximum day requirement of 3,000 to 15,000 therms.
4. All requirements not specified in 1, 2, 3, 5, 6, or 7.
5. Commercial and industrial requirements having a maximum day requirement of less than 3,000 therms and all industrial requirements for feedstock and process needs.

Natural Gas Curtailment Plan

6. Essential agricultural requirements of essential agricultural users as designated by the Secretary of Agriculture and calculated in accordance with 7 C.F.R. 2900, et seq., less any volumes of natural gas which the FERC determines, in accordance with Section 401(b) of the Natural Gas Policy Act of 1978, that essential agricultural users have alternate fuel capability. All such requirements to be calculated in accordance with the provisions of Part 281 of the FERC's regulations.
7. Residential, small commercial requirements having a maximum day requirement of less than 500 therms, firm service for schools, hospitals, sanitation facilities, correctional facilities, police and fire protection facilities, and company use except for power generation.

Curtailment of gas service within each priority category will be done as follows:

1. Interruptible sales service pro rata, for customers receiving their distribution service under Rate Schedule IGD-1 and the interruptible portion of SP-1.
2. Interruptible sales service pro rata, for customers receiving their distribution service under Rate Schedule GSD-3.
3. Interruptible sales service pro rata, for customers receiving their distribution service under Rate Schedule GSD-2.
4. Interruptible sales service pro rata, for customers receiving their distribution service under Rate Schedule GSD-1.
5. Interruptible sales service pro rata, for customers receiving their distribution service under Rate Schedules CNG-1 and SD-1.
6. Firm service, except for essential Company use, under Rate Schedules RD-1, RD-2, GSD-1, GSD-2, and GSD-3 by size, with service to customers having the largest maximum-day requirement for use in such priority category being curtailed first.

Gas Rules and Regulations: General Information

INFORMATION AVAILABLE TO CUSTOMERS

See Wis. Admin. Code § PSC 134.05.

APPLICATION FOR SERVICE

Application for gas service will be accepted at the Company's General Office or at such other locations as may from time to time be authorized by the Company. Application may be made in person, by telephone, by e-mail, through the Company's Web site (www.mge.com), or by signed application at the discretion of the Company. Service connections and extensions will be made in accordance with filed rules and regulations.

RESPONSIBILITY FOR USE OF SERVICE

Receipt of service will make the receiver a customer of the Company, subject to its rates, rules, and regulations, whether service is based upon contract, signed application, or otherwise.

Subject to its rates, rules, and regulations, the Company will continue to supply service until ordered to discontinue, and the customer will be responsible for payment for all service furnished until discontinued.

New occupants of premises previously receiving service must make official application to the Company before commencing the use of service.

Customers who have been receiving service must notify the Company when discontinuing service; otherwise, they will be liable for the use of the service by their successors should said successors refuse to pay.

Customers assume all responsibility on the customer's side of the point of delivery for the service supplied or taken, as well as for the service installation, appliances, and apparatus used in connection therewith, and shall save the Company harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from such service or the use thereof on the customer's side of the point of delivery unless such injury or damage is caused by the negligence of the Company.

DIVERSION OF SERVICE

When the Company has sufficient evidence that a customer is obtaining a gas service in whole or in part by means of devices or methods which stop or interfere with the proper metering of the gas service being delivered to the premises or otherwise results in unmetered gas service being delivered to the premises, the customer shall be subject to disconnection under the Company's rules and regulations on disconnection.

Except as limited by law, when such diversion has been discovered by the Company, the customer shall be subject to the following:

1. The customer will be required to pay the Company for the estimated losses of revenue occasioned by the diversion for the period that customer has been responsible for paying for utility service. The Company may, however, waive billing the customer when the projected costs of billing and recovery exceed the amount likely to be recovered.
2. The customer may be required to pay the Company for any and all damages to the Company's equipment due to such diversion.
3. The customer may be required to pay the Company for any and all costs incurred by the Company in investigating and correcting the diversion.
4. The customer may be required to pay for any reconnection charges arising out of the diversion.
5. The customer may be required to pay for the cost of making the installation tamper proof.

Gas Rules and Regulations: General Information

6. The Company may bill the customer for the unmetered service, the cost of correcting the problem or damage, the reconnection charges, the cost of making the installation tamper proof, and the cost of investigation. Payment may be due within 24 hours of billing or the customer may be subject to an eight-day notice of disconnection.
7. In the event any tamper-proof installation so installed shall be the subject of further damage or interference by the customer or customer's permittees, the Company shall have the right to terminate service without further notice.

DISCONTINUANCE OF SERVICE

Notice by customers of discontinuance of service will be accepted at the Company's General Office or at other such locations as may from time to time be authorized by the Company. Such notice may be made in person, by telephone, by e-mail, through the Company's Web site (www.mge.com), or in writing.

PREFERRED SERVICE CHARGES

When application is made for gas service with the request that meters be set or read after regular working hours or within the same half working day, a charge of \$30 per meter will be made.

DEPOSIT RULE

Considerations for deposit

- For new residential service, see Wis. Admin. Code § PSC 134.061(1)(a)(b)(c).
- For existing residential service, see Wis. Admin. Code § PSC 134.061(4)(a)(b)(c).
- For new commercial service, see Wis. Admin. Code § PSC 134.0615(1)(2)(a)(b)(c)(d)(e).
- For existing commercial service, see Wis. Admin. Code § PSC 134.0615(5)(a)(b).

Amount of deposit

- For new and existing residential service, see Wis. Admin. Code § PSC 134.061(7)(a)(b).
- For new and existing commercial service, see Wis. Admin. Code § PSC 134.0615(8)(a)(b).

Deposit interest

- For new and existing residential service, see Wis. Admin. Code § PSC 134.061(9)(a)(b)(c).
- For new and existing commercial service, see Wis. Admin. Code § PSC 134.0615(9)(a)(b)(c).

Refund of deposit

Time of refund

- For residential service, see Wis. Admin. Code § PSC 134.061(10)(11). Payment is considered prompt if made prior to notice of disconnection for nonpayment not in dispute.
- For commercial service, see Wis. Admin. Code § PSC 134.0615(10). Payment is considered prompt if made prior to notice of disconnection for nonpayment not in dispute.

Refund at termination of service

- For residential service, see Wis. Admin. Code § PSC 134.061(13).
- For commercial service, see Wis. Admin. Code § PSC 134.0615(12).

Apply deposit to arrearage

- For residential service, see Wis. Admin. Code § PSC 134.061(14)(a)(b)(c).
- For commercial service, see Wis. Admin. Code § PSC 134.0615(13)(a)(b)(c).

Method of refund

- For residential service, see Wis. Admin. Code § PSC 134.061(12).
- For commercial service, see Wis. Admin. Code § PSC 134.0615(11).

Gas Rules and Regulations: General Information

Written explanation

- For residential service, see Wis. Admin. Code § PSC 134.061(5).
- For commercial service, see Wis. Admin. Code § PSC 134.0615(6)(a)(b).

Refusal or disconnection of service

- For residential service, see Wis. Admin. Code § PSC 134.061(8).
- For commercial service, see Wis. Admin. Code § PSC 134.0615(7).

GUARANTEE

Terms and conditions

- For residential service, see Wis. Admin. Code § PSC 134.061(3)(a)(b)(c).
- For commercial service, see Wis. Admin. Code § PSC 134.0615(4)(a)(b)(c).

Payment terms

- For residential service, see Wis. Admin. Code § PSC 134.061(2).
- For commercial service, see Wis. Admin. Code § PSC 134.0615(3).

Applicability

The rules as described in Deposit Rule, Guarantee Rule, and Deferred Payment Agreement are not applicable to deposits or guarantees made in connection with the financing of extensions or other equipment.

DISCONNECTION OF SERVICE

- For residential service, see Wis. Admin. Code § PSC 134.062, PSC 134.0624, and PSC 134.0625.
- For commercial service, see Wis. Admin. Code § PSC 134.0622.

RECONNECTION OF SERVICE

See Wis. Admin. Code § PSC 134.0623.

RECONNECTION CHARGES

From 8 a.m. to 4:30 p.m., Monday through Friday, except holidays: \$42. All other times: \$63.

Application

- For reconnection of gas service following disconnection for nonpayment of a required deposit or bills for gas utility service.
- For reconnection of gas service for the same customer upon the same premises within one year when disconnection was for reasons other than nonpayment.
- A reconnection charge may be applied to utility accounts of disconnected customers who reconnect their own service and the Company must disconnect the customer again.

DEFERRED PAYMENT AGREEMENT

See Wis. Admin. Code § PSC 134.063.

DISPUTE PROCEDURES

See Wis. Admin. Code § PSC 134.064.

Gas Rules and Regulations: General Information

CUSTOMER COMPLAINTS

See Wis. Admin. Code § PSC 134.17.

APPLICATION OF RATES

The schedules of rates apply to gas furnished to one customer at one location for one class of service through one meter. The schedules of rates is based on delivering and billing service to the ultimate user for retail service only and does not permit resale or redistribution.

Where a single large commercial, industrial, or institutional customer occupies more than one unit of space in the conduct of the same business, each separate unit will be metered separately and considered a distinct customer, unless the customer makes the necessary provisions to permit metering of all gas used for each class of service in the various units at a single metering location. This rule shall apply only where the units are located on contiguous property with no intervening public property or private property controlled by others. Only one service connection will be provided for each class of service furnished, and the metering location shall be as close as possible to the point of service entrance.

In those cases where, at the Company's election, two or more meters are installed at a single metering location on the same premises for the same customer for the same class of service, the amount of gas supplied through all such meters will be combined in arriving at the total charge, and the minimum bill will be the same as though one meter was installed.

A "month" does not refer to a calendar month, but shall mean the period between any two scheduled consecutive readings of the meters by the Company.

When the Company is unable to obtain the reading of the meter or meters after reasonable effort, the fact will be plainly indicated on the monthly bill and an estimate may be made and so indicated on the bill.

Claims of errors should be made immediately upon receipt of bill.

METER READINGS AND BILLING PERIODS

See Wis. Admin. Code § PSC 134.12.

BILLING

See Wis. Admin. Code § PSC 134.13.

In addition, where rental residential dwelling gas service is in the tenant's name, and the tenant vacates the residential dwelling unit, continued gas service for such dwelling unit will be placed in the name of the owner or property manager when the Company has no information concerning a new tenant to start service.

The Company will provide the owner or property manager with written notice of its intent to transfer billing responsibility. Such notice will provide the owner or property manager with 15 days to notify the Company of:

1. The name of the customer who should be placed in service, such service date not to be later than 15 days from the notice mailing date; or
2. That gas service to the premises should be terminated. The owner or property manager must affirm to the Company that such termination will not endanger human health or life or cause damage to property during the period of disconnection.

PAYMENTS

Failure to receive a bill does not relieve the customer of the obligation to make payment by the due date.



Gas Rules and Regulations: General Information

Customers who fail to make payment by the due date are also subject to the application of the rules covering disconnection of gas service. Payment to a third party, other than to an authorized pay station, does not constitute payment to the Company. MGE will not be responsible for disputes regarding payments to third parties which are not authorized pay stations.

When a payment made to the Company and credited to a customer's account is reversed for insufficient funds, a charge of \$20 plus applicable late payment charges will be applied to the customer's account.

LATE PAYMENT CHARGE

See Wis. Admin. Code § PSC 134.13(1)(j).

BUDGET PAYMENT PLAN

See Wis. Admin. Code § PSC 134.13(5)(a)-(g).

Gas Rules and Regulations: Meter Installations

METER INSTALLATIONS AND SEALING OF METERS

Gas meters are furnished by the Company and set without charge; however, gas space-heating installations require an authorized gas permit in the cities of Fitchburg, Madison, and Monona; the villages of Maple Bluff, Shorewood Hills, and Waunakee; and the towns of Blooming Grove, Madison, and Westport. All other areas require no gas space-heating permits.

Meters are sealed by the Company, and such seals will not be broken or tampered with without the consent of the Company except in cases of emergency. The Company should be notified within 48 hours after the seal has been broken.

METER TESTS

Routine tests of gas meters are made in accordance with the rules prescribed by the Public Service Commission of Wisconsin.

BILLING DEAD METERS AND METERS SHOWING UNDER-REGISTRATION

See Wis. Admin. Code § PSC 134.14.

REFUNDS FOR FAST METERS

See Wis. Admin. Code § PSC 134.14.

ACCESS TO CUSTOMERS' PREMISES

Authorized agents of the Company will have access to customers' premises at all reasonable times for the purpose of reading meters, making repairs, making inspections, making investigations, removing Company property, or for any other purpose incident to providing service.

CONTINUITY OF SERVICE

The Company will use reasonable diligence to provide an uninterrupted and regular supply of service, but it will not be liable for any interruptions, deficiencies, or imperfections of service not due to its own negligence. The Company may temporarily suspend the delivery of service when necessary for the purpose of making repairs, changes, and improvements upon any part of its system.

The Company will not be liable for any losses, injuries, or damages to persons or property due to disconnection of service in accordance with the disconnection rules.

LOCATION OF METERS, PRESSURE REGULATORS, AND SHUTOFFS

1. The meters, pressure regulators, and master shutoff valve will be installed above ground outside of buildings where applicable as set forth below under "Installation of Service Laterals"; otherwise, at the point of service entrance inside the building at a location prescribed by the Company. This equipment will be furnished and installed by the Company.
2. Meters installed inside of buildings will be located as close as possible to the point of service entrance.
3. The customer will provide ready access for utility employees to meter, pressure regulator, and master shutoff valve locations.

Gas Rules and Regulations: Meter Installations

4. Gas meters, pressure regulators, and main shutoff valves will not be installed in bedrooms, closets, bathrooms, coal bins, over doors, in very damp places, under combustible stairways, in unventilated or inaccessible places; closer than three feet to sources of ignition including furnaces and water heaters; near unprotected electric wiring or devices; in the proximity of belts, shafting, engines, or machinery; in locations where material or equipment-handling operations are carried on; in rooms which are locked; or in places dangerous to meter readers.
5. In all instances, the customer will furnish, own, and maintain the house piping from the outlet of the meter or pressure control installation, whichever is further down stream, to the utilization equipment. In cases of multiple meter installations, a permanent tag designating the area of utilization (such as an apartment or office number) will be attached to the house piping at the meter location. Where a concrete slab or footing is necessary for the support of the meter, pressure regulator, and associated devices, it will be the responsibility of the customer to provide such slab or footing satisfactory to the Company.

RELOCATING METERS, PRESSURE REGULATORS, AND SHUTOFFS AT CUSTOMER REQUEST

When requested by the customer for reasons other than set forth below in "Installation of Service Laterals," gas meters, pressure regulators, and master shutoff valve will be relocated from inside to outside of buildings to a location approved by the Company at no cost to the customer provided that the riser for the pressure regulators and meters is located within ten feet either side of the existing service lateral.

When the location of the riser is more than ten feet either side of the existing service lateral, the Company will require payment equal to the actual total cost of moving the pipe.

In all instances, the customer will be responsible for reconnecting the house piping.

PRESSURE**Standard pressure**

The standard pressure at the outlet of service meters is 8" of water column. The deviations from standard pressure will not exceed the amounts set forth in Wis. Admin. Code § PSC 134.23.

High-pressure service

Pressures in excess of the standard pressure set forth above will be provided only upon written request of the customer and subject to any or all of the following conditions:

1. Higher than standard pressure is available at the customer's premises or may be made available in accordance with the filed extension rules.
2. Higher than standard pressure is required for proper operation or economical operation of the customer's utilization equipment.
3. The customer will provide the Company with information as to the quantity of use, the purpose for which used, and the type of gas utilization equipment.
4. The Company may require that such pressure will conform to the pressures made available to other customers presently served from distribution facilities with similar pressure characteristics.
5. The higher than standard pressure will be agreed upon between the customer and the Company, and the maximum pressure variation will not exceed 15 percent of the agreed-upon pressure.
6. The customer has satisfied municipal requirements regarding house piping at other than standard pressure and has any permits, etc., required.



Gas Rules and Regulations: Meter Installations

Measurement

For the purpose of correcting high-pressure gas measurements, the following values will be used:

Temperature base 60 degrees Fahrenheit
Assumed atmospheric pressure 14.23 PSI
Pressure base..... 14.52 PSI

Supercompressibility will be used when gas is metered at pressures of 35 PSIG or greater.

Gas Rules and Regulations: Service Laterals and Extensions

INSTALLATION OF SERVICE LATERALS**Definition**

Service lateral is defined as the Company's natural gas piping and related facilities extending from the Company's gas mains to the point of connection with the customer's service facilities. The service lateral is intended to provide service to a single and/or multiple customers in a common building. A branch service lateral is intended to provide service to two adjacent or adjoining residents or small commercial customers.

Location of Service Lateral and Meter Installation

The Company will install, own, and maintain a service lateral leading from the gas main in the most direct approach, as selected by the Company, to the inlet of the meter. The meter location will be selected by the Company-prescribed to be within 15 feet beyond the nearest conditioned building wall. A conditioned building wall is a wall that is being heated and/or cooled on one side or, in the case of fuel conversions for existing buildings, the current fuel line entrance.

The customer grants an easement to the utility for the service lateral and the right to enter upon the premises and excavate trenches as necessary to install and maintain the service lateral. The service lateral will normally be laid, if possible, without crossing other pipes, cables, or conduit. When a service lateral must cross customer-owned underground facilities, the facilities will be located prior to installation of service lateral.

Meter Installations

Where the setback or side yard clearances from the building to the property line are sufficient, the master shutoff valve, pressure regulators, and meters will be installed aboveground outside of the building. The Company will apply the charges set forth below to the footage between either the supply main or the property line parallel to the supply main and the service riser pipe, whichever is less, at the outside building wall. Any offset in the service, which is required by the Company's construction standards, will be included in the charge.

The Company will only install the meter indoors when the setback or side yard clearances are insufficient. The charges set forth below will apply to the footage between the property line parallel to the supply main and one foot inside the building wall.

Replacement of Gas Service Laterals

Gas service lateral replacements to serve premises previously served with gas, which are required because of deterioration or obsolescence, will be made by the Company at no charge to the customer, including reconnection of the house piping. Replacements required because of increased customer requirements will be made at no charge to the customer, but the customer will be responsible for any required meter slab and for reconnecting the house piping. Where the setback or side yard clearances from the building to the property line are sufficient, the master shutoff valve, pressure regulators, and meters will be installed aboveground outside of the building.

Relocation of Gas Service Laterals

Where the customer requests a change or relocation of the installed gas facilities of the Company (mains, service lines, meters, regulators, etc.), or where such change, in the sole judgment of the Company, is required due to construction, reconstruction, alteration, or demolition on the customer's premises, the full cost of the change in gas facilities will be paid by the customer in advance of the work being performed. The advance payment will be based on a price quote provided by the Company. The price quote will be valid for up to 90 calendar days and will only be subject to change based on modifications in scope or the work to be performed. However, the Company, at its sole discretion, reserves the right to waive such advance payment in favor of billing the customer after the job is completed.



Gas Rules and Regulations: Service Laterals and Extensions

Reactivation of Gas Service Laterals

Service laterals deactivated (physically disconnected from the main) under Public Service Commission of Wisconsin (PSCW) rules because of lack of use will be reactivated at a charge of \$300. This rule applies only where the applicant for the service reactivation was the owner of the property at the time of the disconnection. New owners would be treated as a new applicant.

Charges for Gas Service Laterals

The Company will extend, at no charge to the customer, up to 25 feet of service lateral for a residential, nongas space-heating customer; up to 65 feet of service lateral for all other customer classes; and up to 130 feet for branch service laterals from the property line to the Company-prescribed meter location. An extension of a lateral beyond the free limit will be at the customer's expense at the incremental charge per foot as set forth below. However, the Company will charge three times the excess footage charge for any extension of a lateral beyond the Company-prescribed meter location.

If, as a result of a signed service connection application, a residential customer initially requests space-heating service and subsequently only uses natural gas for general service use, the customer will be rebilled to collect the appropriate footage charges as set forth below.

A winter rate of \$225.00 designed to recover the additional costs associated with winter installations of service laterals will apply for any service installed between December 1 and March 31 unless the application for service is received prior to November 1 and the premise and/or site is ready for installation prior to December 1. The premise is deemed ready for service installation when the dwelling foundation wall is in, backfilled, and the trench route cleared and graded to within 6" of final grade. Applications received from November 1 through March 31 for services to be installed immediately after March 31 and the premises are ready for installation by March 31 will be charged the previous year's summer rates.

The Company will file any revisions to its footage charges with the Commission by March 1 of each year to be effective on or before April 1 of the same year. Current footage charges are:

	Size of pipe	Charges for footage in excess of Company allowance to Company-prescribed meter location
R	Less than or equal to 2 inches	\$6.50 per foot

Service laterals using pipe size greater than two inches will be charged the two-inch footage charge plus any applicable material and labor cost differential.

EXTENSION OF NATURAL GAS MAINS

Availability

Subject to the availability of the required natural gas supplies, the Company may extend its natural gas mains to serve new customers.

Definition of Gas Main

Gas main is defined as that portion of the Company's natural gas piping and related facilities which are intended to provide service to more than a single customer.

Gas Rules and Regulations: Service Laterals and Extensions

N Extensions to Developments

- N Upon request of a developer for gas service to a residential development for which a main extension is required, the Company will make such installation subject to the availability of gas supply at that location and in accordance with the general provisions of Customer Contribution to Gas Main Installation and the following provisions:
- N 1. The developer will furnish a recorded plat, map, or print showing the location and nature of the area for which gas service is requested. The characteristics, nature, and amount of initial gas load to be served will be indicated.
 - N 2. The developer will pay in advance to the Company, or make payment arrangements that are satisfactory to the Company, the total cost of the required main installation. For a period of five years from the date of installation, as customers take service within the development, refunds or credits against the payment arrangement will be made to the developer annually, or sooner at the Company's sole discretion, equal to the allowance for mains determined by the formula contained in Customer Contribution to Gas Main Installation. The total of refunds or credits will not exceed the original contribution requirement.
 - N 3. The development to be served includes five or more residential building lots.
 - N If a development is other than residential standalone single family, full payment in advance is required to the Company.

N Refunds - Excluding Extensions to Developments

- N The following refund policy applies to all main extensions except for those made within developments:
- N 1. If within five years after installation of a main extension for which a contribution is required, one or more additional customers are connected to the extension by a service lateral, the Company will make a refund annually, or sooner at the Company's sole discretion or credit the monthly bill to the current record owner of the premises for which the extension was installed. The amount of the refund will equal the allowance for additional customers as determined in accordance with Customer Contribution to Gas Main Installation. If the extension was made as a result of a joint request under Extensions to More Than One Customer, the Company will allocate the refund in the same manner used to allocate the contribution.
 - N 2. Unless otherwise provided by written agreement at the time a contribution is made, the right to receive refund of any contribution held hereunder will attach to the ownership of the premises at each service location, and any refund will be made to the person who owns such premises at the time the refund becomes due.
 - N 3. The refund of any payment made in advance of construction will not include interest and will not exceed the original payment.

ECONOMIC CONSIDERATIONS

When the total cost of a main extension is \$10,000 or more, the Company may reject such extensions due to: the need for substantial reinforcement of its existing distribution system to provide adequate service, the possibility of inadequate revenues to cover the fixed costs associated with the investment, the risk inherent in making a substantial capital investment which might have a very limited future, etc.

In the event of such rejection, the Company will advise the applicant, in writing, of the reasons for rejection and will advise the applicant that their application may be pursued through the PSCW.

Gas Rules and Regulations: Service Laterals and Extensions

Relocation and Replacement of Existing Facilities

Where the customer requests a change or relocation of the installed gas facilities of the Company (mains, service lines, meters, regulators, etc.), or where such change, in the sole judgment of the Company, is required due to construction, reconstruction, alteration, or demolition on the customer's premises, the full cost of the change in gas facilities will be paid by the customer in advance of the work being performed. The advance payment will be based on a price quote provided by the Company. The price quote will be valid for up to 90 calendar days and will only be subject to change based on modifications in scope or the work to be performed. However, the Company, at its sole discretion, reserves the right to waive such advance payment in favor of billing the customer after the job is completed.

PAYMENT OF CUSTOMER CONTRIBUTION

New Developments

For extension of gas mains to new developments, the Company may, in its sole discretion, allow the applicant to execute a promissory note in favor of the Company binding the Applicant, and Applicant's successors, for a principal amount equal to the lesser of: (1) the estimated installation cost of the necessary main extension required to provide the needed level of service for the customers plus the estimated carrying costs, or (2) the maximum customer allowance estimated for the development. The carrying charge will be calculated as 50 percent of the economic cost of capital as determined in the most recent rate order for the term of the promissory note. The note will have a term of 65 months. Any unpaid principal balance remaining at the end of the 65-month term will accrue interest charges until the date such payment is made, including interest.

The Company will be assured to its own satisfaction of the customer's ability to meet the obligations of the promissory note. If, in the Company's sole judgment, the obligation of the promissory note may not be met, the Company will have the right to require full payment of the customer contribution equal to the estimated gas main extension cost prior to construction.

The principal of the promissory note will be reduced to reflect any reductions in footage of main and extraordinary expenses required as compared to the original estimate. The principal of the promissory note will not be increased if the actual construction costs exceed the original estimate.

As customer additions are made in a development, the principal of the note will be reduced based on the customer main allowance for each type of service lateral placed in service. For commercial and industrial customers, estimated consumption will be used as the basis for the customer main allowance.

In the event that the total estimated cost of the main extension plus the applicable carrying costs exceeds the total customer allowance, the customer will be required to pay the difference prior to the start of construction, and this amount will not be refundable.

Residential Developments

1. Determine the estimated cost of the natural gas extension required to serve the requested level of service. This involves estimating the footage and pipe charge required plus any extraordinary costs.
2. Calculate customer allowances using the formula provided herein. The sum of individual customer allowances in the development is the maximum customer allowance.
3. Calculate the carrying charge expense by multiplying the main extension cost (No. 1) times the economic cost of capital for new investment in distribution mains, as shown in this tariff, for one-half of the life of the promissory note (12.42% x 2.5 years = 30.05%).
4. Add the estimated cost of the main extension (No. 1) to the carrying charge (No. 3) to determine the total estimated cost of the main extension.

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Gas Rules and Regulations: Service Laterals and Extensions

5. Determine if the natural gas extension is economical by comparing the total estimated cost of the extension to the maximum customer allowance. If the cost is greater than the allowance, the difference will be paid prior to the start of construction, and the remainder is the principal of the promissory note. If the cost is less, it is the principal of the promissory note.

Commercial and Industrial Developments

For commercial and industrial developments, the principal of the promissory note will be equal to the estimated cost of the natural gas extension. Any carrying charges due on the extension will be paid at the maturity date of the promissory note based on the remaining principal if the development is not fully saturated. The carrying charge will be based on one-half of the currently authorized economic cost of capital.

Consistent with the Company's Transportation Service rate schedule, if a transportation customer applies for service as part of a new development, the principal of the promissory note will be reduced only after the Company's satisfaction regarding the permanence of the applicant's load or appropriate arrangements are made between the Company and applicant regarding purchase volume commitment or other financial arrangements.

AREA DEVELOPMENT PROGRAM

When the total cost of an extension of service to a new or additional service area is in excess of \$5,000, the Company may determine the economic feasibility of the project on a standalone basis using the following criteria:

1. After-tax cash flow must be positive following the sixth year of the project.
2. Net present value must be positive for the depreciated life of the project.
3. Internal rate of return must equal or exceed the Company's after-tax weighted cost of capital.

The project economic review by the Company will use the Cash Flow Analysis Model developed by the PSCW staff. The model utilizes a number of standardized assumptions and the financial information and margin rates from the Company's most recent rate case. The Company will survey the new service area and make a projection of customer estimates by rate class for five years, using a maximum 80 percent saturation of existing potential customers to be served from the project. Customers with estimated usage under 25,000 therms per year will be projected based on the Company's average usage by rate class, and those with usage over 25,000 therms per year will be projected on an individual basis.

The first year construction costs will include the Company's estimate of capital costs for both materials and construction. Additions to plant for the second through fifth years of service will include the installed cost of additional main, meters, and services required for customers added each year. Projected overheads including engineering, construction supervision and inspection, easement, and special construction costs will be included in the estimated construction costs to the extent that the costs would be included as part of the work order for the project.

If the results of the economic analysis determines the internal rate of return is less than the desired after-tax weighted cost of capital, then the Company may either refuse to make the extension or require the customers to be served to make contributions of sufficient amount to provide an internal rate of return equal to the after-tax weighted cost of capital. The contribution can either be paid before construction is started or collected through bill surcharges from all customers served by the project during the five-year period immediately following the completion of the initial phase of construction.

Applicability

The above refund provisions are effective for natural gas main extension applications received on or after March 1. Applications received prior to March 1 will be completed under the old rules.



Gas Rules and Regulations: Service Laterals and Extensions

MAINS AND SERVICES - CONTROL AND TITLE

All mains and services will be installed by the Company.

Control of and title to all gas main installations and gas service connections from the point at which the mains are tapped, to and including the meter connection facilities and meters installed on customers' premises, will be and remain in the Company.

EXCEPTION TO RULES AND REGULATIONS

It is understood that the Commission may, from time to time, order a waiver of the Company's gas service priorities (sheet G-39) and, as a condition of ordering gas service to be rendered, may order the Company to extend gas distribution facilities under terms which are not in conformity with filed rules and regulations.

CONSERVATION STANDARDS FOR CONVERTING EXISTING STRUCTURES TO NATURAL GAS SPACE HEATING

Residential Service

Customers converting an existing residential structure from one form of space heating to natural gas space heating will have an inspection by the utility that the structure conforms to the construction standards listed in Wis. Admin. Code § PSC 136.

Commercial and Industrial

Commercial or industrial customers converting a structure constructed prior to July 1, 1978, from one form of space heating to natural gas space heating will have an inspection by the utility that the structure conforms to the construction standards listed in Wis. Admin. Code § PSC 136.

MISCELLANEOUS JOBBING WORK

Charges for miscellaneous jobbing work change from time to time. Current information concerning these charges may be obtained from the Company.

(PSCW authorization is not required for Miscellaneous Work Charges. See PSCW Opinion and Order pertaining to Miscellaneous Jobbing Work: "Proposal of Madison Gas and Electric Company to Revise Its Rules Pertaining to Miscellaneous Work 2-U-1802," dated June 3, 1942.)



Gas Service Rules and Regulations: Forms

FRONT OF NOTICE

DISCONNECT NOTICE

Madison Gas and Electric Company PO Box 1231, Madison, Wisconsin 53701-1231 608-252-7144 TDD 608-252-4777 1-800-245-1125	Viroqua Gas Company PO Box 109, Viroqua, Wisconsin 54665 608-637-3139 1-877-388-3139	Prairie du Chien Gas Company PO Box 266, Prairie du Chien, Wisconsin 53821 608-326-2417 1-888-326-2417
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Your account is past due. Unless full payment is made within **10 days** after date of this notice, service will be discontinued. To avoid interruption of service and payment of a reconnection charge, please give this matter your immediate attention.

Important - See Reverse Side

Account Number	
Notice Date	Amount Past Due
Reconnection Charge	
Gas Service	\$XX.XX 8 a.m. - 4:30 p.m. Monday through Friday, except Holidays
Electric Service	\$XX.XX 8 a.m. - 4:30 p.m. Monday through Friday, except Holidays

AVISO DE DESCONEXIÓN - para prevenir la interrupcion de su servicio, contacte a MGE inmediatamente.

Pay your bill by credit card or electronic check. Call 1-800-526-5995. Processor fees apply.

Madison Gas and Electric Company 133 South Blair Street, PO Box 1231, Madison, Wisconsin 53701-1231 Phone 608-252-7144 TDD 608-252-4777 Toll Free 1-800-245-1125	<div style="color: red; font-weight: bold; margin-bottom: 10px;">DISCONNECT NOTICE</div> <div style="background-color: red; color: white; text-align: center; padding: 2px; font-weight: bold; margin-bottom: 5px;">Please return this portion with payment within 10 days.</div> <div style="font-size: 48px; font-weight: bold; color: black; opacity: 0.5; position: absolute; top: 50px; left: 50%; transform: translate(-50%, -50%); pointer-events: none;">Sample</div> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">Account Number</td> </tr> <tr> <td style="width: 60%;">Notice Date</td> <td style="background-color: red; color: white; text-align: center; font-weight: bold;">Amount Past Due</td> </tr> </table>	Account Number		Notice Date	Amount Past Due
Account Number					
Notice Date	Amount Past Due				

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BACK OF NOTICE

In accordance with Wisconsin Administrative Code, please contact our office immediately upon receipt of this notice for any of the following reasons:

- A. If you dispute the amount shown as past due on this notice.
- B. If you wish to negotiate a deferred payment agreement as an alternative to disconnection.
- C. If disconnection of service poses a threat to the health, safety or well-being of a resident of your premises due to any of the following reasons:
 - infirmities of aging
 - developmental, mental or physical disabilities
 - use of life-sustaining equipment connected to the meter
 - frailties associated with infants or young children

Residential utility service will be continued for up to 21 days to enable you to arrange for payment, if you provide our office with a statement from a licensed Wisconsin physician or a notice from a public health, social services, or law enforcement official which identifies the medical or protective services emergency and specifies the period of time during which disconnection will aggravate the circumstance.

An appeal may be made to the staff of the Public Service Commission of Wisconsin, telephone 1-800-225-7729, if the grounds for the proposed disconnect or the amount of any bill remains in dispute after contacting this company for available remedies.



Gas Service Rules and Regulations: Forms

MADISON GAS AND ELECTRIC COMPANY Post Office Box 1231 Madison, Wisconsin 53701 (608) 252-7141		DEPOSIT REQUEST	
Name		DEPOSIT INFORMATION	
		Date	
		Due Date	
		Bill Type	
		Account No.	
		Deposit Amount Due \$	
		For Service At:	

PLEASE RETURN TOP PORTION WITH PAYMENT

DESCRIPTION	AMOUNT
A security deposit is requested for service at _____.	
<h1>Sample</h1>	
	
DEPOSIT AMOUNT DUE	\$
Due Date:	
Please Retain Lower Portion for Your Records	

84-1210-6



Gas Service Rules and Regulations: Forms

		GUARANTEE AGREEMENT				
Bill No. 50	Account No.	Amount	Date Received	Service Start Date	Date Taken	Taken by
Billing Address			Service Address			
			PLEASE RETURN WITHIN 20 DAYS.			
Home Phone	<input type="checkbox"/> Residential <input type="checkbox"/> Commercial		<input type="checkbox"/> Electric <input type="checkbox"/> Gas		Meter Number	
Work Phone						
<input type="checkbox"/> If this box is checked, we may require additional security following the accumulation of usage data - see attached letter for explanation.						
<p>I guarantee payment, up to the amount listed above, for any services furnished by Madison Gas and Electric Company (MGE) to the customer at the address shown. This agreement will begin on the Service Start Date and will last through the earliest of the following dates:</p> <ol style="list-style-type: none"> 1. The date I request my guarantee to end. Numbers and the request must be submitted to MGE in writing at least 30 days in advance OR 2. The date the account is closed OR 3. _____ <p>I waive the privilege of receiving copies of disconnect notices sent to the customer whose account I guarantee. The undersigned hereby authorizes Madison Gas and Electric Company to investigate my personal credit, including obtaining consumer credit reports, solely for the purpose of establishing my viability and credit worthiness as guarantor.</p>						
Guarantor's Signature						
Guarantor's Home Address						
Business Phone			Home Phone			
Approved by			Madison Gas and Electric Company 252-7141			
<p>Both spouses will be responsible for payment of utility services unless a copy of the marital property agreement, unilateral statement, or court decree is provided to MGE before service is started. The guarantor agrees to be responsible for all legal fees MGE incurs in enforcing this agreement.</p>						

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