

General Conditions of Delivery

1. The following rules and practices of the company set forth the conditions under which gas service will be furnished to safeguard the quality of service to the company's customers.
2. The applicable rules of the Public Service Commission of Wisconsin (PSCW) prescribed in the Wisconsin Administrative Code, municipal codes, and such local regulations as may be in effect also apply to gas service.
3. The company may refuse to connect customers or may suspend service to customers who fail to comply with the aforesaid rules, codes, and regulations. Customers being disconnected shall be subject to disconnection charges as found on Schedule X-235, Other Charges.
4. The customer will immediately give notice to the company of any gas escaping in or about the premises.
5. The company will deliver natural gas of the quality received at its gate stations, as may be produced by the company, or as withdrawn from its storage facilities.
6. The number of therms billed in any billing period shall be based on the volume of gas used by the customer during that period and the average heat content, as determined by the company, of the gas delivered to the customer during a billing period.
7. All quantities (therms) of natural gas transported shall be of the same quality and meet the same specifications as natural gas delivered to the company by its pipeline suppliers/transporters (transportation service providers [TSP]).
8. Gas at pressures higher than normal standard service pressure of 7 inches water column will be made available to a customer upon request if high pressure gas is available at the customer's premises or may be made available in accordance with the rules governing gas service extensions, and when such high pressure is required for proper operation of the customer's present or proposed utilization equipment. When a service pressure greater than normal is made available as provided above, an alternate service pressure shall be agreed upon by the company and the customer.
9. For the purposes of determining standard volumes of gas (CCF), the following values will be used:
 - Temperature base: 60° Fahrenheit,
 - Assumed atmospheric pressure: 14.4 pounds per square inch absolute,
 - Pressure base: 14.65 pounds per square inch absolute.
10. All rates apply to service supplied to one customer at one metering location, unless noted otherwise. The company, at its sole discretion, may use more than one meter for operating and/or economic reasons at one metering location.

General Conditions of Delivery (continued)

11. Customers shall be allowed to combine separately metered loads provided the customer pays all costs of the combination of the loads including the avoided marginal revenues of the company until a new forecast is approved and rates are changed in the company's next rate case or two years from the date of the load/meter combination, whichever is less. The company shall bill the customer unless the combining of loads and meter removal is associated with the discontinuance of any service offering or when, in the company's sole discretion, the particular circumstances or economics of the combination are such that the company, in its sole judgment, waives the billing.
12. Gas supplied by the company may be resold with the permission of the company per the terms and conditions of a written agreement.
13. Authorized agents of the company shall at all times have the right to inspect the customer's premises to observe compliance with the company rules and orders with respect to the use of gas under rate schedules and/or services.
14. The company may supply gas for resale: (1) where the supply is to another public utility under contract and (2) where resale, at rates not exceeding the company's rates for similar service, is to the customer's lessees in a single building or buildings occupied as a unit, where the entrances, stairs, hallways and elevators remain under the control of the customer and are used in common by the customer's lessees. Two or more buildings, although adjacent, will not constitute a unit within the meaning of this rule unless they are so interconnected as to make the use of such buildings substantially similar to that of a single building or unless all structures of the unit are used in a substantially similar manner and for similar purposes; and (3) where resale is for opportunity sales of natural gas, capacity release, and the sale of gas to third parties.
15. Gas service is available in accordance with these rules and as provided in the Gas Service Rates, Rules and Regulations of the company. Customers are advised to consult the company before new installations are made.
16. Gas service is available only to those customers located within the company's operating systems served by the gas distribution system or from extensions of the gas distribution system made in accordance with Schedule X-300 to X-320, Rules Governing Distribution Mains and Service Lines Extensions.
17. The company will use reasonable diligence to provide an uninterrupted supply of gas, but it shall not, under any circumstances, bear any liability whatsoever, for interruptions, deficiencies, or imperfections or other deficiencies in service of any kind. The company, at its sole discretion, may temporarily suspend the delivery of service when necessary for the purpose of making repairs, changes, and improvements upon any part of its system without compensation to the customer.

General Conditions of Delivery (continued)

18. No failure or delay in performance of an agreement for natural gas service by either the company or the customer shall be deemed to be a breach thereof when such failure or delay is occasioned by or due to any: *force majeure* (See *Force Majeure* as found on Schedule X-490, Glossary.); breakage or accident to machinery or lines of pipe; temporary or permanent failure of gas supply; inability to obtain pipe, materials or equipment; the binding order of any court or governmental authority; or any other cause, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension; provided that no cause or contingency shall relieve the customer of its obligation to make payment for all services used, as determined by the company.
19. Natural gas and/or transportation service provided to meet a customer's request for emergency natural gas shall be priced and provided by the Company via the terms and conditions of Best Efforts Service, Schedule X-175. If emergency natural gas commodity and/or transportation is provided by default, pricing and service shall be in accordance with Demand Aggregator Balancing Service (DABS), Schedule X-150. In the rare instance where the Company must extend facilities in order to make emergency natural gas available, facilities will be constructed in accordance with paragraph 10 or 12, Schedule X-305, Riles Governing Distribution Mains and Service Line Extensions, General.

Priority of Gas Distribution Service

1. From time to time, due to physical, mechanical, or other problems on its distribution system as defined by *force majeure*, the company may make the decision to declare *force majeure*, resulting in an interruption of service to various customers as deemed necessary to maintain the physical integrity of the company's distribution system.
2. In the event of a *force majeure* situation, where the company is rendered unable, wholly or in part, to provide service under any Customer Class, the company will make reasonable efforts to provide notice of interruption to the affected customers prior to interruption. Under a *force majeure* event, gas service to a specific geographic area of the company's franchise area and/or to all or part of a particular Customer Class shall be suspended during the time of the *force majeure* event. The cause of the *force majeure* event shall so far as possible be remedied by the company with all reasonable dispatch.
3. Interruption notifications are based on either contract terms or customer accounts. The customer accounts are grouped by customer classification as described on Schedules X-435 through X-460, Customer Classes of Service, and geographic location. The priority of service for customers shall be in accordance with the terms found on Schedule X-250, FERC-Mandated Gas Supply Curtailment Policy, and Schedule X-255, Interruptible Services Interruption Procedure.

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FERC-Mandated Gas Supply Curtailment Policy

When the company concludes that its supply of natural gas is insufficient to meet ordinary increases in market requirements, the public interest requires that the available supply must be controlled in an orderly manner. The sale of gas must be conserved for the most necessary and desirable new uses to provide the greatest good for the greatest number of people. Accordingly, pursuant to the following service policy, the company may deny or limit gas service to new sales service customers, to existing sales service customers requesting additional gas, to customers switching from transportation service to sales service, to customers requesting increases in LDC reserved gas supply service, and to customers requesting increases to Hourly and/or Daily Swing Privileges under all applicable rate Schedules. Such denial or limitation will be controlled in a uniform manner in accordance with eight categories of service priority. Definitions of end use as promulgated by the Federal Energy Regulatory Commission (FERC) have been followed in establishing these categories with Category One being the highest priority and Category Eight the lowest priority.

Category One

The use of natural gas by any residential customer for any purpose.

Category Two

The use of natural gas by any customer other than residential for any purpose where the new use does not exceed 50 Mcf per day.

Category Three

The use of natural gas by any customer for any purpose, other than boiler fuel, where the new use does not exceed 300 Mcf per day. This excludes the use of natural gas for boiler fuel in excess of 50 Mcf per day.

Category Four

The use of natural gas by any customer for processing operations and incidental space heating, where the new use does not exceed 1,500 Mcf per day. This excludes the use of natural gas for boiler fuel in excess of 50 Mcf per day.

Category Five

The use of natural gas by any customer for any purpose, except for boiler fuel in excess of 50 Mcf per day.

Category Six

The use of natural gas by any customer for boiler fuel where the new use is over 50 Mcf but less than 300 Mcf per day.

FERC-Mandated Gas Supply Curtailment Policy (continued)Category Seven

The use of natural gas by any customer for boiler fuel where the new use is over 300 Mcf but less than 1,500 Mcf per day.

Category Eight

The use of natural gas by any customer for boiler fuel where the new use exceeds 1,500 Mcf per day.

For purposes of clarifying this policy, the following special terms and conditions shall apply:

1. A customer is a consumer of natural gas at one location on one rate Schedule. An entity using gas at separate locations is considered a separate customer at each location.
2. An existing sales service customer who applies for additional natural gas after the effective date of this rule shall be considered a new sales service customer for the required increase in use.
3. An existing transportation service customer (end user transportation customer [EUT]) who applies for a transfer to sales service shall be considered a new customer for purposes of determining availability of gas supply. The transferring customer shall be required to execute in advance a contract stating the terms of the transfer, including, but not limited to, date of transfer to system supply gas, gas supply reservation fee, which includes estimated incremental gas costs, and penalty charge for failure to effectuate the transfer to system supply gas.
4. Normally, when a category is restricted, only the new use of gas defined in the higher priority unrestricted categories will be served. In the event that natural gas is available in excess of the requirements of the next higher priority unrestricted category, consideration will be given to requests for natural gas service within restricted categories for air or water pollution abatement or process loads which will conserve natural resources or enhance a process for recycling of natural resources. Each such request will be considered on its merits.
5. The company will inform the Public Service Commission of Wisconsin when changes in the gas supply of the company make it necessary to restrict service in certain categories or to remove certain categories from restricted service. The company will furnish the Commission with data relating to its supplies of natural gas from its pipeline supplier underlying its restriction.

FERC-Mandated Gas Supply Curtailment Policy (continued)

6. In the event that the company cannot secure sufficient gas to serve all new requirements within an unrestricted category, such new loads will be served as gas becomes available in the order of receipt of the request and in accord with a waiting list maintained during restricted periods. In the event sufficient supplies become available to the company to serve additional loads on a temporary basis, existing contract customers shall be entitled to receive a pro rata share of such temporary gas.
 - A. The company will authorize customer installations within each category on a "first-come, first-served" basis. Nothing contained herein shall prevent the company from granting authorizations to an entire category as applications are received, where gas supply conditions permit.
 - B. Authorizations granted hereunder shall be void after 30 days unless the applicant notifies the company in writing of his intention to install equipment for which gas service has been requested.
 - C. Unless otherwise extended by permission in writing for good and sufficient reasons, applicants receiving authorizations under this plan of priorities shall install the gas equipment for which service has been requested within:
 1. Twelve months from the effective date thereof in the case of authorizations for new construction and for existing buildings owned by any governmental body, or
 2. Six months from the effective date thereof in the case of all other authorizations.
 - D. If future gas supply conditions permit, the company may grant service authorizations for new construction and for public buildings to become effective at a specified future date not to exceed two years from the date of authorization.
 - E. Authorizations granted to any applicant who does not install said equipment within the specific time period will become void at the end of such period, and a new application will be required if authorization for gas service is still desired.
7. Customers who use natural gas in violation of this policy will be required to discontinue such use.
8. To maintain maximum flexibility for service and to conserve an adequate supply of natural gas for firm customers, when a category is restricted, the company may decline to supply gas under a firm rate to existing interruptible customers whose natural gas uses are covered in the restricted category.
9. In the event that the company receives an application for gas service for which it is unable to secure sufficient supplies, the company, upon approval from the Public Service Commission of Wisconsin, shall restrict service to that category including service to the applicant, and to all lower priority categories.

FERC-Mandated Gas Supply Curtailment Policy (continued)

Natural gas will be available to serve new customers by categories within operating system as shown in the following tabulation.* These categories are defined in this Schedule.

Category One	Open
Category Two	Open
Category Three	Open
Category Four	Open
Category Five	Open
Category Six	Open
Category Seven	Open
Category Eight	Open

Commitment by the company to furnish natural gas in an open category shall be honored, if such commitment is made prior to the effective date of closing that category.

* Note: Natural gas service will be rendered for new commercial and industrial uses within any open category listed, subject to terms and conditions specified in PSC 136, Electric And Gas Conservation, of the Administrative Code of the Public Service Commission of Wisconsin.

Interruptible Services Interruption Procedure

Customers that elect interruptible services shall be subject to the following interruption sequence during periods of normal gas distribution service operation:

As a condition of receiving interruptible service, when the company finds it necessary to call an interruption, the customer is required under tariff to comply with the company's request. Should the customer refuse to comply with the company's request after it has called an interruption, the company will have, at its sole discretion, the authority to valve-off noncompliant customers during periods of interruption (e.g., when there may be loss of life involved). The company may consider extenuating circumstances and factors including, but not limited to, the protection of human health and safety in its decision whether or not to valve off a particular customer.

Due to the daily and hourly limitations of both the company's distribution system and the pipeline delivery systems connected to the company's distribution system, customers may be subject to an out of sequence interruption or curtailment of service.

The Company shall first interrupt, constrain or curtail special contract customers with whom it has a special contract per schedule X-140, X-180 or X-185 in a manner consistent with the terms and conditions of those special contracts for customers in the operating system or operating systems where the company determines it is necessary to act.

The company may issue a "constraint day" notification on its system. Efforts will be made by the company to limit the magnitude and scope of the constraint day by confining it to specific operating systems, or specific end users, whenever, in its sole judgment, it is able to do so. Demand aggregators and all firm end user transportation customers (EUTs) and all interruptible EUTs shall be held to their total transportation service provider (TSP) supply nominations plus LDC reserved gas supply contracted quantity plus any Best Efforts Service purchased quantities. All company-owned gas consumed by the customer or pool in excess of the customer's or pool's total transportation service provider (TSP) supply nominations (adjusted for an incidental use amount of gas contractually agreed to by the company and each customer for those interruptible customers the company has interrupted) plus LDC reserved gas supply contracted quantity plus Best Efforts Service purchased quantities shall be subject to unauthorized gas penalties as found on Schedule X-215, Penalties.

Regardless if a constraint day has been issued, interruptible customers may be interrupted. For any interruptible service customer interrupted, all company-owned gas consumed by the customer after the interruption notification period (adjusted for any incidental use amount contracted for between the company and the EUT) shall be subject to unauthorized gas penalties as found on Schedule X-215, Penalties.

Interruptible Services Interruption Procedure (Continued)

The sequence of interruption, excluding as specified per individual contracts, shall occur as follows:

1. If natural gas supply is insufficient in an operating system or operating systems, all Ig-7, Ig-6, Ig-5, and Ig-4 Interruptible Sales Service with Firm Distribution Capacity—shall be interrupted. If the interruption is, in the company's judgment, due to insufficient distribution capacity, the customers in step 2 shall be interrupted before those customers in step 1.
2. Any special contract customers per schedules X-140, X-180 and/or X-185 who have a lower interruption priority shall be interrupted in the operating system or operating systems where the company finds it necessary to interrupt.

Pool Interruption Priority of Service Plan and Occurrence on Pool Interruption Rotation Lists

Procedure for Changes to Pool Interruption Priority of Service Plan

Demand aggregators will be allowed to update their Pool Interruption Priority of Service Plan on a weekly basis. Any such update to a Pool Interruption Priority of Service Plan will go into effect with the start of Monday's contract gas day, at 9:00 a.m. central clock time, if and only if the revised Pool Interruption Priority of Service Plan is received by WISCONSIN ELECTRIC - GAS OPERATIONS Gas Control no later than 4:00 p.m. central clock time on the preceding Wednesday. In the event that the Monday is a company holiday (See Holidays as found on Schedule X-490, Glossary), the Pool Interruption Priority of Service Plan will be implemented on the next regular work day, which in most instances, will be Tuesday. If a revised Priority of Service Plan is not received by WISCONSIN ELECTRIC - GAS OPERATIONS System Control in advance of the Wednesday, 4:00 p.m. central clock deadline, the demand aggregator's previous Pool Interruption Priority of Service Plan will remain in effect for the following week. A valid, revised Pool Interruption Priority of Service Plan must satisfy the following conditions:

- Be in writing in the company-prescribed format;
- Be signed and dated;
- Identify clearly end user transportation customer (EUT) names and account numbers corresponding to the interruption priority;
- Should be consistent with the company's Priority of Gas Distribution Service as found on Schedule X-245 and the FERC-Mandated Gas Supply Curtailment Policy as found on Schedule X-250; and
- Verify that Wisconsin Electric – Gas Operations System Control has received the demand aggregator's revised Pool Interruption Priority of Service Plan.

Pool Interruption Priority of Service Plan must be transmitted to: System Control, WISCONSIN ELECTRIC - GAS OPERATIONS, 333 W. Everett St. Milwaukee, Wisconsin 53290-0001; fax #: 414-221-5354.

Procedure for Occurrence on Pool Interruption Rotation Lists

Pool interruptions will be implemented on an occurrence basis as follows:

- Whenever Wisconsin Electric – Gas Operations System Control initiates an interruption, the affected EUTs will be interrupted for the duration of the interruption.
- WISCONSIN ELECTRIC - GAS OPERATIONS System Control will not rotate EUTs on a daily basis.
- In the event an interruption occurrence lasts for several consecutive days or longer, WISCONSIN ELECTRIC - GAS OPERATIONS System Control will work with demand aggregators to rotate interrupted EUTs on a best efforts basis only if it is not necessary to interrupt all the EUTs within a specific demand aggregator pool.