



SECTION NO. 13
CURTAILMENT PLAN

- A. The Company shall use reasonable diligence in its operations to render continuous service to all its Customers other than those Customers served under Rates expressly permitting interruptions of service for peak shaving purposes. If for any reason, however, the Company is unable to supply the demand for gas in any one or more of its systems, interruptions or curtailments of service shall be made in accordance with the provisions of this section. The Company shall not be liable for damages because of the operation of this section.
- B. Applicability
1. The order of curtailment shall be in inverse order of the curtailment priorities set forth in Subsection C below.
 2. Curtailment priorities shall apply to both sales and transportation Customers.
 3. Customers being served under a discounted transportation or sales rate schedule shall be curtailed first. Customers paying the least will be curtailed first within an affected priority.
 4. Each priority shall be curtailed in full before the next priority in order is curtailed.
 5. When Priority 1 Customers would be curtailed due to system supply failure (either upstream capacity or supply failure), the Company is authorized to "preempt" deliveries of lower priority transportation Customers' gas and divert such supplies to the otherwise affected Priority 1 Customers. Affected transportation Customers will be curtailed to the same extent as sales Customers of the same priority. Such transportation Customers will be compensated for the preemption of their gas supply by either crediting the Customer's account with a like quantity of gas for use on a subsequent gas day, or by providing a cash payment or credit to the Customer's bill at the cost of gas per unit paid by the Customer. If the gas supply of an alternate fuel-capable transportation Customer is preempted according to this provision, the Company shall provide additional compensation to such Customer for the incremental cost of using the alternate fuel, (the difference between the actual cost of using the alternate fuel and the actual cost of gas paid by the Customer for the preempted gas). Such credit shall be applied to the Company's next scheduled billing after the Customer has furnished adequate proof to the Company concerning alternate fuel costs, replacement volumes, and gas costs.
 6. The installation of a cogeneration facility shall not affect the underlying end-use priority of the establishment.
 7. Natural gas utilized as compressed natural gas for vehicle fuel shall be classified as a commercial end-use.



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8. Application of curtailment priorities will normally be done on a scheduled basis as part of the daily gas requirement nomination and confirmation routine. Operational emergency curtailment will conform to these priorities to the extent possible and practical.
9. A transportation Customer may be curtailed to the level of actual supply scheduled for that Customer, regardless of end-use priority.

C. Priorities

- Priority 1: Residential, small commercial (less than five hundred (500) therms on a peak day), schools, hospitals, police protection, fire protection, sanitation facility, correctional facility, and emergency situation uses.
- Priority 2A: Essential agricultural uses as certified by the Secretary of Agriculture.
- Priority 2B: Essential industrial process and feedstock uses.
- Priority 2C: Large Commercial (five hundred (500) therms or more on a peak day) and storage injection requirements, industrial requirements for plant protection, feedstock, process, ignition and flame stabilization needs not specified in Priority 2B.
- Priority 3A: Industrial requirements not specified in Priorities 2, 4, and 5, of less than one thousand (1,000) therms on a peak day.
- Priority 3B: All industrial requirements not specified in Priorities 2, 3A, 4, and 5.
- Priority 4: Industrial requirements for boiler fuel use at less than thirty thousand (30,000) therms per peak day, but more than fifteen thousand (15,000) therms per peak day, where alternate fuel capabilities can meet such requirements.
- Priority 5: Industrial requirements for large volume (thirty thousand (30,000) therms per peak day or more) boiler fuel use where alternate fuel capabilities can meet such requirements.

- D. In the event of isolated incidents in order to avoid hazards and protect the public, the Company may temporarily interrupt service to certain Customers without regard to priority or any other Customer classification.



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E. Definitions

1. "Alternate Fuel Capability" – A situation where an alternate fuel can be utilized whether or not the facilities for such use have actually been installed.
2. "Correctional Facility Uses" – A facility, the primary function of which is to house, confine, or otherwise limit the activities of a person who has been assigned to such facilities as punishment by a court of law.
3. "Essential Agricultural Use" – Any use of natural gas which is certified by the Secretary of Agriculture as an "essential agricultural use."
4. "Essential Industrial Process and Feedstock Uses" – Any use of natural gas by an industrial Customer as process gas, or as a feedstock, or gas used for human comfort to protect health and hygiene in an industrial installation.
5. "Feedstock Gas" – Natural gas use for which alternate fuels are not technically feasible, such as in applications requiring precise temperature controls and precise flame characteristics. For the purposes of this definition, propane and other gaseous fuels shall not be considered alternate fuels.
6. "Fire Protection Uses" – Natural gas used by and for the benefit of firefighting agencies in the performance of their duties.
7. "Flame Stabilization Gas" – Natural gas which is burned by igniters, main gas burners, or warm-up burners for the purpose of maintaining stable combustion of an alternate fuel.
8. "Hospital" – A facility, the primary function of which is delivering medical care to patients who remain at the facility (facility includes nursing and convalescent homes). Outpatient clinics or doctors' offices are not included in this definition.
9. "Ignition Gas" – Natural gas supplied to gas igniters in boilers to light main burners, whether the main burners are operated by gas, oil, or coal.
10. "Industrial Boiler Fuel" – Natural gas used in a boiler as a fuel for the generation of steam or electricity.
11. "Industrial Use" – Natural gas used primarily in a process which creates or changes raw or unfinished materials into another form or product, including electric power generation.
12. "Peak Day" – Maximum daily Customer use as determined by the best practical method available.



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13. "Plant Protection Gas" – Minimum natural gas volumes required to prevent physical harm to the plant facilities or danger to plant personnel when such protection cannot be afforded through the use of an alternate fuel. This includes the protection of such material in process as would otherwise be destroyed, but shall not include deliveries required to maintain plant production. For the purposes of this definition, propane and other gaseous fuels shall not be considered alternate fuels.
14. "Police Protection Uses" – Natural gas used by law enforcement agencies in the performance of their duties.
15. "Process Gas" – Natural gas use for which alternate fuels are not technically feasible, such as in applications requiring precise temperature controls and precise flame characteristics. For the purposes of this definition, propane and other gaseous fuels shall not be considered alternate fuels.
16. "Sanitation Facility Uses" – Natural gas use in a facility where natural gas is used to a) dispose of refuse, or b) protect and maintain the general sanitation requirements of the community at large.
17. "School" – A facility, the primary function of which is to provide instruction to regularly enrolled students in attendance at such facility. Facilities used for both educational and non-educational activities are not included under this definition unless the latter activities are merely incidental to the provision of instruction.
18. "Small Commercial Establishment" – Any establishment (including institutions and local, state, and federal government agencies) engaged primarily in the sale of goods or services where natural gas is used:
 - a. in amounts of less than fifty (50) MCF on a peak day; and
 - b. for purposes other than those involving manufacturing or electric power generation.
19. "Storage Injection Gas" – Natural gas injected by a distributor into storage for later use.